

DUKETON MINING LIMITED
ABN 76 159 084 107

NOTICE OF ANNUAL GENERAL MEETING

AND

EXPLANATORY STATEMENT

AND

PROXY FORM

Date of Meeting

19 November 2021

Time of Meeting

10:00 am

Place of Meeting

Level 2
25 Richardson Street
WEST PERTH WA 6005

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

*The **2021 Annual Report** may be viewed on the Company's website at www.duketonmining.com.au*

DUKETON MINING LIMITED
ABN 76 159 084 107
NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of Shareholders of Duketon Mining Limited (**Company**) will be held at Level 2, 25 Richardson Street, West Perth on 19 November 2021 at 10:00 am (**Meeting**) for the purpose of transacting the following business.

2021 Financial Statements

To receive and consider the financial statements of the Company for the year ended 30 June 2021, consisting of the annual Financial Report, the Directors' Report and the Auditor's Report.

Resolution 1 – Adoption of Remuneration Report

To consider and, if thought fit, to pass, with or without amendment, the following **advisory only resolution**:

"That, for the purpose of section 250R(2) of the Corporations Act, and for all other purposes, the Remuneration Report forming part of the Company's 2021 Annual Report be adopted."

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

Voting Prohibition: In accordance with the Corporations Act, the Company will disregard any votes cast on Resolution 1:

- (a) by or on behalf of a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report, or their Closely Related Parties, regardless of the capacity in which the votes are cast; or
- (b) by a person who is a member of the Key Management Personnel at the date of the Meeting, or their Closely Related Parties, as a proxy.

However, the Company will not disregard a vote if the vote is cast as a proxy for a person entitled to vote on Resolution 1:

- (a) in accordance with a direction as to how to vote on the proxy; or
- (b) by the Chair pursuant to an express authorisation to exercise the proxy even if Resolution 1 is connected directly or indirectly with the remuneration of a member of Key Management Personnel.

Resolution 2 – Re-election of Mr Seamus Cornelius as a Director

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

"That Mr Seamus Cornelius, having retired as a Director of the Company in accordance with the Company's Constitution and, being eligible, having offered himself for re-election, be re-elected a Director of the Company."

Short Explanation: Pursuant to the Company's Constitution, one-third of the Directors of the Company (other than the Managing Director) must retire at each AGM and, being eligible, may offer themselves for re-election at that AGM.

Resolution 3 – Amendment to terms of existing options expiring 24 November 2021 – cashless exercise

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

"That for the purpose of Listing Rule 6.23.4 and for all other purposes, Shareholders approve the proposed amendment to the terms of the existing Options exercisable at \$0.30 expiring 24 November 2021 held by Directors and the Company Secretary of the Company to allow the cashless exercise of such Options on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by or on behalf of any person who holds an Option that is the subject of the approval being sought under the Resolution or an associate of those persons.

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

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

Resolution 4 – Amendment to terms of existing options expiring 31 January 2022 – cashless exercise

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

“That for the purpose of Listing Rule 6.23.4 and for all other purposes, Shareholders approve the proposed amendment to the terms of the existing Options exercisable at \$0.25 expiring 31 January 2022 held by Ms Kirsty Culver to allow the cashless exercise of such Options on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by or on behalf of any person who holds an Option that is the subject of the approval being sought under the Resolution or an associate of those persons.

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

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

Resolution 5 – Amendment to terms of existing options expiring 28 November 2023 – cashless exercise

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

“That for the purpose of Listing Rule 6.23.4 and for all other purposes, Shareholders approve the proposed amendment to the terms of the existing Options exercisable at \$0.20 expiring 28 November 2023 held by Pato Negro Pty Ltd < Negro Toro Investment Fund A/C>, an entity associated with Managing Director Mr Stuart Fogarty, to allow the cashless exercise of such Options on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by or on behalf of any person who holds an Option that is the subject of the approval being sought under the Resolution or an associate of those persons.

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

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

Resolution 6 – Amendment to terms of existing options expiring 28 November 2024 – cashless exercise

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

“That for the purpose of Listing Rule 6.23.4 and for all other purposes, Shareholders approve the proposed amendment to the terms of the existing Options exercisable at \$0.214 expiring 28 November 2024 held by Directors and the Company Secretary to allow the cashless exercise of such Options on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by or on behalf of any person who holds an Option that is the subject of the approval being sought under the Resolution or an associate of those persons.

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

- A person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the direction given to the proxy or attorney to vote on the Resolution in that way; or
- The Chair of the meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or

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

Resolution 7 – Amendment to terms of existing options expiring 26 November 2025 – cashless exercise

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

“That for the purpose of Listing Rule 6.23.4 and for all other purposes, Shareholders approve the proposed amendment to the terms of the existing Options exercisable at \$0.288 expiring 26 November 2025 held by Directors and the Company Secretary to allow the cashless exercise of such Options on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by or on behalf of any person who holds an Option that is the subject of the approval being sought under the Resolution or an associate of those persons.

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

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

Resolution 8 – Approval of Grant of Options to Mr Stuart Fogarty

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

“That, for the purpose of Listing Rule 10.11, section 208 of the Corporations Act and for all other purposes, the issue to Mr Stuart Fogarty, or his nominees, for nil consideration of 1,000,000 Options to acquire fully paid shares in the capital of the Company, at an exercise price of 20 cents or 120% of the VWAP of the fully paid ordinary Shares of the Company on the five trading days prior to the date of the meeting to approve the issue (whichever is the higher), expiring on 19 November 2026 and on the terms and conditions outlined in the Explanatory Statement and in Annexure F is hereby approved.”

Voting Exclusion Statement:

The Company will disregard any votes cast in favour of the Resolution by or on behalf of Mr Fogarty (or his nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons.

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 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:

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:
 - (i) the proxy is the Chair; and
 - (ii) 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.

Resolution 9 – Approval of Grant of Options to Mr Seamus Cornelius

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

“That, for the purpose of Listing Rule 10.11, section 208 of the Corporations Act and for all other purposes, the issue to Mr Seamus Cornelius, or his nominees, for nil consideration of 500,000 Options to acquire fully paid shares in the capital of the Company, at an exercise price of 20 cents or 120% of the VWAP of the fully paid ordinary Shares of the Company on the five trading days prior to the date of the meeting to approve the issue (whichever is the higher), expiring on 19 November 2026 and on the terms and conditions outlined in the Explanatory Statement and in Annexure F is hereby approved.”

Voting Exclusion Statement:

The Company will disregard any votes cast in favour of the Resolution by or on behalf of Mr Cornelius (or his nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons.

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 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:

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:
 - (i) the proxy is the Chair; and
 - (ii) 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.

Resolution 10 – Approval of Grant of Options to Mr Heath Hellewell

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

“That, for the purpose of Listing Rule 10.11, section 208 of the Corporations Act and for all other purposes, the issue to Mr Heath Hellewell, or his nominees, for nil consideration of 500,000 Options to acquire fully paid shares in the capital of the Company, at an exercise price of 20 cents or 120% of the VWAP of the fully paid ordinary Shares of the Company on the five trading days prior to the date of the meeting to approve the issue (whichever is the higher), expiring on 19 November 2026 and on the terms and conditions outlined in the Explanatory Statement and in Annexure F is hereby approved.”

Voting Exclusion Statement:

The Company will disregard any votes cast in favour of the Resolution by or on behalf of Mr Hellewell (or his nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons.

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 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:

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:
 - (i) the proxy is the Chair; and
 - (ii) 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.

Resolution 11 – Approval of Grant of Options to Company Secretary

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

“That, for the purpose of Listing Rule 7.1 and all other purposes, the issue to Mr Dennis Wilkins, or his nominees, for nil consideration of 250,000 Options to acquire fully paid shares in the capital of the Company, at an exercise price of 20 cents or 120% of the VWAP of the fully paid ordinary Shares of the Company on the five trading days prior to the date of the meeting to approve the issue (whichever is the higher), expiring on 19 November 2026 and on the terms and conditions outlined in the Explanatory Statement and in Annexure F is hereby approved.”

Short Explanation: Approval is sought under Listing Rule 7.1 to authorise the Company to issue these securities. Please refer to the Explanatory Statement for details.

Voting Exclusion Statement: The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who will participate in the issue or an associate of that person or those persons. However, this does not apply to a vote cast in favour of the Resolution by:

- (a) a person as a 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.

Resolution 12 – Section 195 Approval

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 subsection 195(4) of the Corporations Act and for all other purposes, Shareholders approve the transactions contemplated in Resolutions 3, 5, 6, 7, 8, 9 and 10.

Other Business

To deal with any other business that may be brought forward in accordance with the Constitution and the Corporations Act.

The enclosed Proxy Form provides further details on appointing proxies and lodging proxy forms. To be valid, properly completed Proxy Forms must be received by the Company's share registry no later than 10:00 am (WST) on 17 November 2021 by:

1. post to GPO Box 5193, Sydney NSW 2001;
2. email at meetings@automicgroup.com.au; or
3. online at <https://investor.automic.com.au/#/loginsah>.

If you are a beneficial Shareholder and receive these materials through your broker or through another intermediary, please complete and return the Proxy Form or voting instruction form in accordance with the instructions provided to you by your broker or by the other intermediary.

PROXIES

A Shareholder entitled to attend and vote at the above meeting may appoint not more than two proxies. Where more than one proxy is appointed, each proxy must be appointed to represent a specified proportion of the Shareholder's voting rights.

A proxy may, but need not be, a Shareholder of the Company.

The instrument appointing the proxy must be in writing, executed by the appointor or his attorney duly authorised in writing or, if such appointor is a corporation, either under seal or under hand of an officer duly authorised.

The instrument of proxy (and the power of attorney or other authority, if any, under which it is signed) must be lodged by person, post, courier or facsimile and reach the registered office of the Company at least 48 hours prior to the meeting. For the convenience of Shareholders a Proxy Form is enclosed.

ENTITLEMENT TO VOTE

For the purposes of regulation 7.11.37 of the Corporations Regulations 2001, the Company determines that members holding Shares at 5:00 pm WST on 17 November 2021 will be entitled to attend and vote at the AGM.

CORPORATIONS

A corporation may elect to appoint a representative in accordance with the Corporations Act, in which case the Company will require written proof of the representative's appointment, which must be lodged with, or presented to the Company before the meeting.

ELECTRONIC COMMUNICATION

All Shareholders may, and are encouraged to, elect to receive communications from the Company's share registry electronically. To provide or update your email address, please contact the Company's share registry.

REVOCATION OF PROXIES

A Shareholder executing and delivering a proxy has the power to revoke it in accordance with the provisions of the Corporations Act, which provides that every proxy may be revoked by an instrument in writing executed by the Shareholder or by his or her attorney authorised in writing and delivered either to the registered office of the Company at any time up to and including the last business day preceding the day of the Meeting, or any adjournment thereof at which the proxy is to be used, or to the Chair on the day of the Meeting or any adjournment thereof, or in any other manner permitted by law.

By Order of the Board of Directors



Dennis Wilkins
Company Secretary
Date: 22 September 2021

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared for the Shareholders of the Company in connection with the business to be conducted at the AGM of the Company to be held at Level 2, 25 Richardson Street, West Perth, WA 6005, on 19 November 2021 commencing at 10:00 am WST and any adjournment thereof.

This Explanatory Statement is intended to provide Shareholders with sufficient information to assess the merits of the matters set forth in the Notice for approval at the Meeting. The Directors recommend that Shareholders read this Explanatory Statement in full before making any decision in relation to the Resolutions.

Terms used in this Explanatory Statement will, unless the context otherwise requires, have the same meaning given to them in the glossary as contained in this Explanatory Statement.

At the AGM, Shareholders will be asked to consider the following Resolutions:

- adoption of Remuneration Report;
- re-election of Mr Seamus Cornelius as a Director;
- amendment to terms of existing options expiring 24 November 2021 – cashless exercise;
- amendment to terms of existing options expiring 31 January 2022 – cashless exercise;
- amendment to terms of existing options expiring 28 November 2023 – cashless exercise;
- amendment to terms of existing options expiring 28 November 2024 – cashless exercise;
- amendment to terms of existing options expiring 26 November 2025 – cashless exercise
- approval of grant of options to Mr Stuart Fogarty;
- approval of grant of options to Mr Seamus Cornelius;
- approval of grant of options to Mr Heath Hellewell;
- approval of grant of options to Company Secretary; and
- section 195 approval.

2021 Financial Statements

In accordance with section 317 of the Corporations Act, Shareholders will be offered the opportunity to discuss the Annual Report, including the Financial Report, the Directors' Report and the Auditor's Report for the financial year ended 30 June 2021.

There is no requirement for Shareholders to approve the Annual Report.

At the Meeting, Shareholders will be offered a reasonable opportunity to:

- (a) ask questions about, or comment on, the management of the Company;
- (b) discuss the Annual Report which is available online from the Company's website www.duketonmining.com.au; and
- (c) ask the auditor questions about:
 - (i) the preparation and content of the Auditor's Report;
 - (ii) the conduct of the audit;
 - (iii) accounting policies adopted by the Company in relation to the preparation of the financial statements; and
 - (iv) the independence of the auditor in relation to the conduct of the audit.

In addition to taking questions at the Meeting, written questions to the Company's auditor if the question is relevant to:

- (a) the content of the Auditor's Report; or
- (b) the conduct of the audit of the Annual Report to be considered at the AGM,

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

Resolution 1 – Adoption of Remuneration Report

1.1 General

In accordance with subsection 250R(2) of the Corporations Act, the Company must put the Remuneration Report to the vote of Shareholders. The Directors' Report contains the Remuneration Report which sets out the remuneration policy for the Company and the remuneration arrangements in place for the Key Management Personnel.

The Remuneration Report has been sent to Shareholders who have made an election to receive the Annual Report. Copies of the Annual Report are available by contacting the Company's share registry or visiting the Company's web site www.duketonmining.com.au.

In accordance with subsection 250R(3) of the Corporations Act, Resolution 1 is advisory only and does not bind the Directors. If Resolution 1 is not passed, the Directors will not be required to alter any of the arrangements in the Remuneration Report. However, Shareholders will have the opportunity to remove the whole Board (except the managing director) if the Remuneration Report receives a 'no' vote of 25% or more (**Strike**) at two consecutive AGM's.

Where a resolution on the Remuneration Report receives a Strike at two consecutive AGM's, the Company will be required to put to Shareholders at the second AGM a resolution (**Spill Resolution**) on whether another meeting should be held (within 90 days) at which all Directors (other than the managing director) who were in office at the date of approval of the applicable Directors' report must stand for re-election.

The Company's Remuneration Report did not receive a Strike at the 2020 AGM. Accordingly, a Spill Resolution is not relevant for this AGM. If the Remuneration Report receives a Strike at this Meeting, Shareholders should be aware that if a second Strike is received at the 2022 AGM, this may result in the re-election of the Board.

The Chair will allow a reasonable opportunity for Shareholders as a whole to ask about, or make comments on, the Remuneration Report.

Resolution 1 is an ordinary resolution, requiring it to be passed by a simple majority of votes cast by the Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

1.2 Voting on the Remuneration Report

Refer to the voting prohibition set out in the Notice for the persons who are not entitled to vote on Resolution 1.

The Chair intends to exercise all available proxies in favour of Resolution 1.

If the Chair is appointed as your proxy and you have not specified the way the Chair is to vote on Resolution 1, 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.

Resolution 2 – Re-election of Mr Seamus Cornelius as a Director

2.1 General

Mr Cornelius was appointed as a Director on 8 February 2013. The Board considers Mr Cornelius to be an independent director.

In accordance with Listing Rule 14.4, no Director may hold office (without re-election) past the third AGM following the Director's appointment or three years, whichever period is longer. The Company's Constitution also requires that no Director (other than the managing director) may retain office (without re-election) for more than three years or past the third annual general meeting following the director's appointment, whichever is the longer.

Accordingly, Mr Cornelius will retire by rotation and, being eligible, offers himself for re-election.

Resolution 2 is an ordinary resolution, requiring it to be passed by a simple majority of votes cast by the Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

2.2 Director's biography and experience

Mr Cornelius brings over 25 years of corporate experience in both legal and commercial negotiations. From 2000 to 2011, Mr Cornelius was an international partner with one of Australia's leading law firms and specialised in dealing with cross border investments, particularly in the energy and resource sectors. Mr Cornelius has for many years advised large international companies on their investments in China and in recent years advised Chinese state owned entities on their

investments in natural resource projects outside China, including Australia. Mr Cornelius is also chairman of Element 25 Limited, Buxton Resources Limited and Danakali Limited. Mr Cornelius has not held any former directorships in the last 3 years.

Given Mr Cornelius' extensive legal, commercial and more recently, resource industry experience, the Board considers Mr Cornelius holds relevant experience and skills necessary to assist the Company at its current stage of development.

Further details in relation to Mr Cornelius' background and experience are set out in the Annual Report.

2.3 Directors' Recommendation

Based on the information available, including the information contained in this Explanatory Statement, all the Directors consider that Resolution 2 is in the best interests of the Company. All the Directors, except Mr Cornelius, recommend that Shareholders vote in favour of Resolution 2.

Resolutions 3 to 7 – Amendment to the terms of existing options – cashless exercise

General

As at the date of this Notice, the Company has a total of 9,250,000 Existing Options on issue to Directors, the Company Secretary and Ms Culver as detailed in Table 1 below:

Table 1

Option Holder	Resolution	Name	Position Held	Exercise Price	Expiry Date	Number of Options	Existing Option Terms
Seamus Cornelius	Resolution 3	Seamus Cornelius	Director	30 Cents	24 November 2021	750,000	Annexure A
Pato Negro Pty Ltd <Negro Toro Investment A/C>	Resolution 3	Stuart Fogarty	Director	30 Cents	24 November 2021	1,000,000	Annexure A
Nedlands Nominees Pty Ltd	Resolution 3	Heath Hellewell	Director	30 Cents	24 November 2021	500,000	Annexure A
DWCorporate Pty Ltd	Resolution 3	Dennis Wilkins	Company Secretary	30 Cents	24 November 2021	250,000	Annexure A
Kirsty Culver	Resolution 4	Kirsty Culver	Exploration Manager	25 Cents	31 January 2022	250,000	Annexure B
Pato Negro Pty Ltd <Negro Toro Investment A/C>	Resolution 5	Stuart Fogarty	Director	20 Cents	28 November 2023	2,000,000	Annexure C
Seamus Cornelius	Resolution 6	Seamus Cornelius	Director	21.4 Cents	28 November 2024	500,000	Annexure D
Pato Negro Pty Ltd <Negro Toro Investment A/C>	Resolution 6	Stuart Fogarty	Director	21.4 Cents	28 November 2024	1,000,000	Annexure D
Nedlands Nominees Pty Ltd	Resolution 6	Heath Hellewell	Director	21.4 Cents	28 November 2024	500,000	Annexure D
DWCorporate Pty Ltd	Resolution 6	Dennis Wilkins	Company Secretary	21.4 Cents	28 November 2024	250,000	Annexure D
Seamus Cornelius	Resolution 7	Seamus Cornelius	Director	28.8 Cents	26 November 2025	500,000	Annexure E
Pato Negro Pty Ltd <Negro Toro Investment A/C>	Resolution 7	Stuart Fogarty	Director	28.8 Cents	26 November 2025	1,000,000	Annexure E
Nedlands Nominees Pty Ltd	Resolution 7	Heath Hellewell	Director	28.8 Cents	26 November 2025	500,000	Annexure E
Natalie Michelle Garbutt-Wilkins	Resolution 7	Dennis Wilkins	Spouse of Company Secretary	28.8 Cents	26 November 2025	250,000	Annexure E

It is noted that the terms of the Existing Options contemplate the exercise of Options in a traditional manner, being the payment of the exercise price in cash with receipt of one new Share per Option exercised. As such, the terms of the Existing Options issued presently do not allow for cashless exercise.

As contemplated in Resolutions 3, 4, 5, 6 and 7 above, the Company is seeking Shareholder approval to vary the terms of the Existing Options (being those issued and existing at the time of this Notice).

The Company is proposing to vary the terms of the Existing Options to include a cashless exercise mechanism (**Cashless Exercise Mechanism**)

It is noted that the proposed amendments to the terms of the Existing Options issued have been conditionally approved by the Board (**Proposed Options Amendment**), with such approval being subject to Shareholder approval under ASX Listing Rule 6.23.4 at the Meeting.

However, the Proposed Options Amendment does not need to be separately approved by each individual holder of the Existing Options under the terms of the Existing Options.

Proposed Options Amendments – Cashless Exercise Mechanism

The Cashless Exercise Mechanism will enable holders of the Existing Options to set-off the exercise price for the Options exercised, against the number of Shares which they are entitled to receive upon the exercise of their Options.

Whether the Cashless Exercise Mechanism will be utilised by an Optionholder (assuming Resolutions, 3, 4, 5, 6 and 7 are approved) will be at the absolute discretion of the Optionholder. That is, the Optionholder may decide to not use the Cashless Exercise Mechanism but exercise their Options in the traditional manner. However, any decision by an Optionholder to use the Cashless Exercise Mechanism will be subject to Board approval at the relevant time.

If an Optionholder elects to exercise any of the Existing Options and use the Cashless Exercise Mechanism, the Optionholder will only be entitled to that number of Shares (rounded down to the nearest whole number) as are equal in value to the difference between the exercise price otherwise payable for the Existing Options and the market value of the Shares at the time of exercise. The market value will be based on the volume weighted average price (**VWAP**) of the Company's Shares on the ASX over the 5 trading days prior to the notice of exercise being given by the Optionholder, unless otherwise determined by the Board at its sole discretion.

A worked example of how the Cashless Exercise Mechanism will operate in respect of the Existing Options (if Resolutions 3, 4, 5, 6 and 7 are approved) is set out below.

Expressed as a formula, the number of Shares that an Optionholder is entitled to when using the Cashless Exercise Mechanism to exercise the Existing Options will be determined in the following manner:

$$A = \frac{O \times (MV - EP)}{MV}$$

Where:

A = the number of Shares to be issued to the Optionholder under the Cashless Exercise Mechanism.

EP = the exercise price of the Existing Options being exercised.

O = the number of the Shares which would be issued to the Optionholder if the exercise price is paid per Existing Options under the traditional exercise mechanism.

MV = the Market Value of one Share, being the VWAP of Shares on the ASX over 5 trading days prior to the notice of exercise being delivered to the Company by the Optionholder, unless otherwise determined by the Board.

Worked example

The example below has been provided to demonstrate the difference between the traditional exercise and the Cashless Exercise Mechanism based on options outlined in Resolution 3 only, being a total of 2,500,000 options. For the purpose of this example it is assumed 500,000 options from the total of 2,500,000 options are exercised.

- (a) Each option entitles its holder to subscribe for one Share.
- (b) 500,000 options are to be exercised, each with an exercise price of A\$0.30 per Option.
- (c) all 500,000 options are vested and the Optionholder is entitled to exercise them.
- (d) at the time the Optionholder exercises the vested options, the Market Value of the Company's Shares is A\$0.40 (where the Market Value is determined based on the 5-trading day VWAP calculated immediately prior to the date the Optionholder delivered the notice of exercise to the Company).

Calculation using the Cashless Exercise Mechanism

Using the details from the above example, the Cashless Exercise Mechanism will work as follows:

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Number of Existing Options exercised x Exercise Price = TEP	A\$150,000
Number of Existing Options x Market Value = MEP	A\$200,000
MEP – TEP = EB (being the economic benefit to the relevant Optionholder)	A\$50,000
EB / Market Value = Shares issued to the Optionholder without the Optionholder paying any money	A\$50,000 / A\$0.40 = 125,000 Shares

Thus, the difference in how the Cashless Exercise Mechanism will operate in comparison to how the Existing Options terms currently work is shown in the table below:

How 500,000 Options as detailed in Resolution 3 would be exercised under traditional exercise mechanism	How the Cashless Exercise Mechanism will operate
Under the current terms of the options outlined in Annexure A an Optionholder is required to pay A\$150,000 to the Company to exercise the options. In return, the Optionholder will be issued 500,000 Shares.	If Resolutions 3, 4, 5, 6 and 7 are passed, then the Optionholders may elect to not pay an amount to the Company but will receive Shares only (see calculation above for how this is determined). This example is based on 500,000 options being exercised as detailed in Resolution 3.
Immediately following such exercise, the net economic benefit to the optionholder is A\$50,000 (being the total value of the Shares (A\$200,000) less the money the Optionholder paid to exercise the vested Option at A\$0.40 (A\$150,000)).	Upon making such an election, the net economic benefit to the Optionholder is A\$50,000 as they will have received A\$50,000 worth of Shares (based on a Market Value of A\$0.40).
Thus: (a) the Optionholder will pay A\$150,000 to the Company; and (b) 500,000 new Shares will be issued to the Optionholder; and (c) the Company will receive A\$150,000.	Thus: (a) the Optionholder will pay \$0; (b) 125,000 new Shares will be issued to the Optionholder; and (c) the Company will receive \$0 cash.

Whilst the Company would receive less cash where the Cashless Exercise Mechanism is used, this is not seen as a material consideration as the Existing Options (as applicable) were not issued for the purpose of raising funds, but principally to provide reasonable remuneration for the recipients, and also to assist in attracting, incentivising and rewarding the employees, Directors and Company Secretary of the Company.

For completeness, the Company notes that if all the Existing Options were exercised in traditional manner, the Company would raise approximately \$2,342,000.

Whilst there is no certainty that any or all of the Existing Options issued would be exercised, if Shareholders approve Resolutions 3, 4, 5, 6 and 7 via Cashless Exercise Mechanism (as applicable), the Company may not raise any funds up to the maximum potential amount noted above.

The Company notes that the trading price for the Shares as at the date of this Notice is above the exercise price of all Existing Options issued.

Effect of the inclusion of the Cashless Exercise Mechanism to the Existing Options issued

The proposed Cashless Exercise Mechanism will only affect the manner in which the Existing Options are exercised. It will not change the entitlements of the holders of those Options.

In addition, as demonstrated by the worked example above, the net position of an Optionholder is the same irrespective of whether the Existing Options are exercised in a traditional manner or by using the Cashless Exercise Mechanism.

There are a number of benefits in offering the Cashless Exercise Mechanism. These include:

- (a) it limits dilution to existing Shareholders as fewer Shares are issued under the Cashless Exercise Mechanism;
- (b) it makes exercising the Existing Options a more attractive prospect for the Optionholders who may otherwise not have the necessary funds available to fund the exercise in a traditional manner; and
- (c) it makes retention of the Shares issued on exercise more attractive as the Optionholder would not need to sell all or part of the Shares to recoup the monies paid to exercise the Existing Options.

ASX Listing Rule 6.23.4

Shareholder approval is being sought for Resolutions 3, 4, 5, 6 and 7 to approve the amendment of the terms of the Existing Options already on issue as at the date of the Notice, by incorporating the Proposed Options Amendment, in accordance with the requirements of ASX Listing Rule 6.23.4.

The Proposed Options Amendment to the terms of the Existing Options would not have the effect of reducing the exercise price of the relevant Option (as the next economic benefit to the participant is the same whether the cashless exercise mechanism is used or is not used), increasing the period for exercise (as the period for exercise remains unchanged) or increasing the number of securities received on exercise (as the number of securities received on exercise will be reduced), which are prohibited by ASX Listing Rule 6.23.3.

If Resolutions 3, 4, 5, 6 and 7 are approved, it will allow cashless exercise for the Existing Options.

If Resolutions 3, 4, 5, 6 and 7 are not approved, the Proposed Options Amendment to the Existing Options issued will not take effect, the Cashless Exercise Mechanism will not be available for the Existing Options and the terms of the Existing Options will remain as currently set, which allows the exercise of the Existing Options in traditional manner only.

Directors' interests and recommendation

It is noted that all directors have a material personal interest in the outcome of Resolutions 3, 5, 6 and 7 as they presently hold Existing Options.

Based on the information available, including that contained in this Explanatory Statement, the Directors abstain on voting on Resolutions 3, 5, 6 and 7 and recommend Shareholders vote in favour of Resolution 4.

Resolution 8 – Approval of Grant of Options to Mr Stuart Fogarty

The Company proposes to grant 1,000,000 options to Mr Stuart Fogarty, or his nominees, for nil consideration at a cashless exercise price of 20 cents or 120% of the VWAP of the fully paid ordinary Shares of the Company on the five trading days prior to the date of the meeting to approve the issue (whichever is the higher), expiring on 19 November 2026 (**Options**).

The full terms of the Options are set out in Annexure F to this Explanatory Statement.

The Directors consider that the grant of the Options is a cost effective and efficient means for the Company to provide a reward and incentive.

The exercise price will only be known on the date of issue. Based on the five trading days prior to 22 September 2021, the assumed exercise price would be \$0.504. On that basis, in the event all the Options are exercised, Mr Fogarty (or his nominees) will need to pay a total of \$504,400 to the Company in the event that the Cashless Exercise Mechanism is not utilised.

Related Party Transactions Generally

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

- (a) the giving of the financial benefit falls within one of the nominated exceptions to the provision; or
- (b) prior Shareholder approval is obtained to the giving of the financial benefit and the benefit is given within 15 months after obtaining such approval.

For the purposes of Chapter 2E, Directors and persons who were a related party in the previous six months are considered to be related parties of the Company.

Resolution 8 provides for the grant of Options to a related party which is a financial benefit requiring Shareholder approval. For the purpose of Chapter 2E of the Corporations Act the following information is provided.

The related party to whom the proposed Resolution would permit the financial benefit to be given

Subject to Shareholder approval, the Options the subject of Resolution 8 will be granted to Mr Fogarty, or his nominees, within one month of the passing of this Resolution. Mr Fogarty is a Director of the Company and is therefore classified as a related party.

The nature of reasons for and basis for the financial benefit

The proposed financial benefit is the grant of 1,000,000 options to Mr Fogarty, or his nominees, for no issue price. Each Option will allow Mr Fogarty to subscribe for one ordinary fully paid Share in the Company. The Options have an exercise price of 20 cents or 120% of the VWAP of the fully paid ordinary Shares of the Company on the five trading days prior to the date of the meeting to approve the issue (whichever is the higher) and expire on 19 November 2026.

The Options form part of Mr Fogarty's incentive for continuing and future efforts. The issue of Options to Mr Fogarty is subject to Resolution 8 being passed. Options are considered to be the appropriate incentive given the Company's current size and stage of development, being an exploration company endeavouring to preserve cash reserves. If Mr Fogarty is to derive any value from the Options, the market Share price must be in excess of the exercise price at the time of exercise. As the exercise price of the Options is at a premium to the most recent closing Share price prior to the date of this Notice, and the average Share price as traded over the previous three months, the Options represent an incentive to Mr Fogarty to achieve this increase in the Share price, which would result in an increase in Shareholder value.

Directors' recommendation

All directors except Mr Fogarty recommend Shareholders vote in favour of Resolution 8. Mr Fogarty does not wish to make a recommendation about the proposed Resolution 8 as he may potentially receive a financial benefit from the passing of the Resolution in relation to the grant of Options and does not consider himself sufficiently independent to make a recommendation.

Interests of Directors

Mr Fogarty has noted his interest in the approval of Resolution 8 in relation to the Options.

Any other information that is reasonably required by members to make a decision and that is known to the Company or any of its officers

- (a) The proposed Resolution would have the effect of giving power to the Directors to grant 1,000,000 Options to Mr Fogarty, or his nominees.
- (b) The exercise of the Options is subject to the terms and conditions as set out in Annexure F to this Explanatory Statement and as otherwise mentioned above.
- (c) The Directors, in conjunction with the Company's advisers, have provided an indicative value to the Options by reference to the Black-Scholes valuation method.
- (d) The total value of the Options to be issued is outlined in Table 1 below. If Options granted to Mr Fogarty, or his nominees, are exercised, the effect would be to dilute the Shareholdings of the existing Shareholders.

Table 1 - Details of Director Options

Name	Relationship	Number of options	Exercise price	Expiry date	Vesting	Value as determined by Black-Scholes valuation
Stuart Fogarty	Director	1,000,000	20 cents or 120% of the VWAP of the fully paid ordinary Shares of the Company on the five trading days prior to the date of the meeting to approve the issue (whichever is the higher)	19 November 2026	At date of allotment	\$349,400 (i)

Option Valuation details

Details	Input
Share price	\$0.42
Exercise Price	\$0.504
Risk Free Rate	38%
Volatility (Annualised)	50%
Start Date	19 November 2021
Expiry Date	19 November 2026
Value per Option	\$0.3494 (i)

- (e) The Black-Scholes Option Pricing Model is an industry accepted method of valuing equity instruments, at the date of grant. However, the Directors do not consider the resultant value as determined by the Black-Scholes Option Pricing Model is in anyway representative of the market value of the share options issued. The theoretical fair value of the options will be influenced by the terms and conditions upon which the options were granted, the effects of non-transferability, exercise restrictions and behavioural considerations of buyers and sellers of such instruments, the impact of which are ignored in the Black-Scholes Option Pricing Model.
- (f) As at the date of this Notice, the issued capital of the Company comprised 121,114,304 Shares. If all Options granted as proposed above are exercised, and assuming all existing Options on issue have been exercised, and assuming no other share issues proceed, the effect would be to dilute the Shareholding of existing Shareholders as per the table below:

	Existing Shares and Options
Shares and Options	130,774,304
Options to be granted	1,000,000
New Total	131,774,304
Dilutionary effect	0.76%

- (g) Mr Fogarty's current interests in securities of the Company are set out in the table below:

Director	Shareholding	Option holding
Stuart Fogarty	1,550,000	5,000,000

- (h) The market price of the Company's Shares during the term of the Options will normally determine whether or not the Option holder exercises the Options. At the time any Options are exercised and Shares are issued pursuant to the exercise of the Options, the Company's Shares may be trading at a price which is higher than the exercise price of the Options.

- (i) The Options will not be quoted on ASX and as such have no actual market value. The fully paid ordinary Shares of the Company have been traded on ASX since August 2014. During the twelve months prior to the date of this notice the Shares have traded in the range of 22 cents to 49 cents, the most recent closing price prior to the date of this Notice was 42 cents. The Options are capable of being converted to Shares by payment of the exercise price or utilising the Cashless Exercise Mechanism.
- (j) Under the Australian equivalent of IFRS, the Company is required to expense the value of the Options in its profit or loss for the current financial year. Other than as disclosed in this Explanatory Statement, the Directors do not consider that from an economic and commercial point of view there are any costs or detriments, including opportunity costs or taxation consequences for the Company or benefits foregone by the Company, in granting the Options to Mr Fogarty or his nominees pursuant to Resolution 8.
- (k) Neither the Directors nor the Company are aware of any other information that would be reasonably required by Shareholders to make a decision in relation to the financial benefits contemplated by this Resolution.

Listing Rule 10.11

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

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

unless it obtains the approval of its shareholders.

The issue of the Options falls within Listing Rule 10.11.1 and does not fall within any of the exceptions in Listing Rule 10.12. It therefore requires the approval of Shareholders under Listing Rule 10.11.

Resolution 8 seeks the required Shareholder approval for the issue of the Options to related parties under and for the purposes of Chapter 2E of the Corporations Act and Listing Rule 10.11.

Technical information required by Listing Rule 14.1A

If Resolution 8 is passed, the Company will be able to proceed with the issue of the Options to the related party within one month after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules). As approval pursuant to Listing Rule 7.1 is not required for the issue of the Options (because approval is being obtained under Listing Rule 10.11), the issue of the Options will not use up any of the Company's 15% annual placement capacity. If Resolution 8 is not passed, the Company will not be able to proceed with the issue of the Options and the Company will consider alternative incentive strategies, including potentially increasing current cash remuneration to directors.

Specific information required by Listing Rule 10.13

Listing Rule 10.13 requires that information be provided to Shareholders for the purposes of obtaining Shareholder approval pursuant to Listing Rule 10.11 as follows:

- (a) The Options will be issued to Mr Fogarty (or his nominees) as he falls within the category set out in Listing Rule 10.11.1 by virtue of being a Director of the Company.
- (b) The maximum number of Options to be issued to Mr Fogarty (or his nominees) is 1,000,000 (being the nature of the financial benefit proposed to be given).
- (c) The Options will be issued no later than one month after the date of the Meeting (or such longer period of time as ASX may in its discretion allow).
- (d) The Options will be issued at an exercise price of the greater of 20 cents or 120% of the VWAP of the fully paid ordinary Shares of the Company on the five trading days prior to the date of the meeting to approve the issue and expire on 19 November 2026.
- (e) The purpose of the issue of the Options is to provide an incentive for continuing and future efforts and align the interests of Mr Fogarty with those of Shareholders and to provide a cost effective way for the Company to

remunerate Mr Fogarty which will allow the Company to spend a greater proportion of its cash reserves on its operations than it would if alternative cash forms of remuneration were given. Mr Fogarty's current total remuneration package is a salary of \$268,545, inclusive of superannuation;

- (f) The Options will be issued on the terms and conditions outlined in Annexure F and are not being issued under an agreement.
- (g) A voting exclusion statement is included in the Notice of Meeting.
- (h) No funds will be raised from the issue of the Options.

Resolution 9 – Approval of Grant of Options to Mr Seamus Cornelius

The Company proposes to grant 500,000 Options to Mr Seamus Cornelius, or his nominees, for nil consideration at an exercise price of 20 cents or 120% of the VWAP of the fully paid ordinary Shares of the Company on the five trading days prior to the date of the meeting to approve the issue (whichever is the higher), expiring on 19 November 2026.

The full terms of the Options are set out in Annexure F to this Explanatory Statement.

The Directors consider that the grant of the Options is a cost effective and efficient means for the Company to provide a reward and incentive.

The exercise price will only be known on the date of issue. Based on the five trading days prior to 22 September 2021, the assumed exercise price would be \$0.504. On that basis, in the event all the Options are exercised, Mr Cornelius (or his nominees) will need to pay a total of \$252,200 to the Company in the event that the Cashless Exercise Mechanism is not utilised.

Related Party Transactions Generally

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

- (a) the giving of the financial benefit falls within one of the nominated exceptions to the provision; or
- (b) prior Shareholder approval is obtained to the giving of the financial benefit and the benefit is given within 15 months after obtaining such approval.

For the purposes of Chapter 2E, Directors and persons who were a related party in the previous six months are considered to be related parties of the Company.

Resolution 9 provides for the grant of Options to a related party which is a financial benefit requiring Shareholder approval. For the purpose of Chapter 2E of the Corporations Act the following information is provided.

The related party to whom the proposed Resolution would permit the financial benefit to be given

Subject to Shareholder approval, the Options the subject of Resolution 9 will be granted to Mr Cornelius, or his nominees, within one month of the passing of this Resolution. Mr Cornelius is a Director of the Company and is therefore classified as a related party.

The nature of reasons for and basis for the financial benefit

The proposed financial benefit is the grant of 500,000 options to Mr Cornelius, or his nominees, for no issue price. Each Option will allow Mr Cornelius to subscribe for one ordinary fully paid Share in the Company. The Options have an exercise price of 20 cents or 120% of the VWAP of the fully paid ordinary Shares of the Company on the five trading days prior to the date of the meeting to approve the issue (whichever is the higher) and expire on 19 November 2026.

The Options form part of Mr Cornelius' incentive for continuing and future efforts. The issue of Options to Mr Cornelius is subject to Resolution 9 being passed. Options are considered to be the appropriate incentive given the Company's current size and stage of development, being an exploration company endeavouring to preserve cash reserves. If Mr Cornelius is to derive any value from the Options, the market Share price must be in excess of the exercise price at the time of exercise. As the exercise price of the Options is at a premium to the most recent closing Share price prior to the date of this Notice, and the average Share price as traded over the previous three months, the Options represent an incentive to Mr Cornelius to achieve this increase in the Share price, which would result in an increase in Shareholder value.

Directors' recommendation

All directors except Mr Cornelius recommend Shareholders vote in favour of Resolution 9. Mr Cornelius does not wish to make a recommendation about the proposed Resolution 9 as he may potentially receive a financial benefit from the passing of the Resolution in relation to the grant of Options and does not consider himself sufficiently independent to make a recommendation.

Interests of Directors

Mr Cornelius has noted his interest in the approval of Resolution 9 in relation to the Options.

Any other information that is reasonably required by members to make a decision and that is known to the Company or any of its officers

- (a) The proposed Resolution would have the effect of giving power to the Directors to grant 500,000 Options to Mr Cornelius, or his nominees.
- (b) The exercise of the Options is subject to the terms and conditions as set out in Annexure F to this Explanatory Statement and as otherwise mentioned above.
- (c) The Directors, in conjunction with the Company's advisers, have provided an indicative value to the Options by reference to the Black-Scholes valuation method.
- (d) The total value of the Options to be issued is outlined in Table 1 below. If Options granted to Mr Cornelius, or his nominees, are exercised, the effect would be to dilute the Shareholdings of the existing Shareholders.

Table 1 - Details of Director Options

Name	Relationship	Number of options	Exercise price	Expiry date	Vesting	Value as determined by Black-Scholes valuation
Seamus Cornelius	Director	500,000	20 cents or 120% of the VWAP of the fully paid ordinary Shares of the Company on the five trading days prior to the date of the meeting to approve the issue (whichever is the higher)	19 November 2026	At date of allotment	\$174,700 (i)

Option Valuation details

Details	Input
Share price	\$0.42
Exercise Price	\$0.504
Risk Free Rate	38%
Volatility (Annualised)	50%
Start Date	19 November 2021
Expiry Date	19 November 2026
Value per Option	\$0.3494 (i)

- (e) The Black-Scholes Option Pricing Model is an industry accepted method of valuing equity instruments, at the date of grant. However, the Directors do not consider the resultant value as determined by the Black-Scholes Option Pricing Model is in anyway representative of the market value of the share options issued. The theoretical fair value of the options will be influenced by the terms and conditions upon which the options were granted, the effects of non-transferability, exercise restrictions and behavioural considerations of buyers and sellers of such instruments, the impact of which are ignored in the Black-Scholes Option Pricing Model.

- (f) As at the date of this Notice, the issued capital of the Company comprised 121,114,304 Shares. If all Options granted as proposed above are exercised, and assuming all existing Options on issue have been exercised, and assuming no other share issues proceed, the effect would be to dilute the Shareholding of existing Shareholders as per the table below:

	Existing Shares and Options
Shares and Options	130,774,304
Options to be granted	500,000
New Total	131,274,304
Dilutionary effect	0.38%

- (g) Mr Cornelius' current interests in securities of the Company are set out in the table below:

Director	Shareholding	Option holding
Seamus Cornelius	7,649,723	1,750,000

- (h) The market price of the Company's Shares during the term of the Options will normally determine whether or not the Option holder exercises the Options. At the time any Options are exercised and Shares are issued pursuant to the exercise of the Options, the Company's Shares may be trading at a price which is higher than the exercise price of the Options.
- (i) The Options will not be quoted on ASX and as such have no actual market value. The fully paid ordinary Shares of the Company have been traded on ASX since August 2014. During the twelve months prior to the date of this notice the Shares have traded in the range of 22 cents to 49 cents, the most recent closing price prior to the date of this Notice was 42 cents. The Options are capable of being converted to Shares by payment of the exercise price or utilising the Cashless Exercise Mechanism.
- (j) Under the Australian equivalent of IFRS, the Company is required to expense the value of the Options in its profit or loss for the current financial year. Other than as disclosed in this Explanatory Statement, the Directors do not consider that from an economic and commercial point of view there are any costs or detriments, including opportunity costs or taxation consequences for the Company or benefits foregone by the Company, in granting the Options to Mr Cornelius or his nominees pursuant to Resolution 9.
- (k) Neither the Directors nor the Company are aware of any other information that would be reasonably required by Shareholders to make a decision in relation to the financial benefits contemplated by this Resolution.

Listing Rule 10.11

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

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

unless it obtains the approval of its shareholders.

The issue of the Options falls within Listing Rule 10.11.1 and does not fall within any of the exceptions in Listing Rule 10.12. It therefore requires the approval of Shareholders under Listing Rule 10.11.

Resolution 9 seeks the required Shareholder approval for the issue of the Options to related parties under and for the purposes of Chapter 2E of the Corporations Act and Listing Rule 10.11.

Technical information required by Listing Rule 14.1A

If Resolution 9 is passed, the Company will be able to proceed with the issue of the Options to the related party within one month after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules). As approval pursuant to Listing Rule 7.1 is not required for the issue of the Options (because approval is being obtained under Listing Rule 10.11), the issue of the Options will not use up any of the Company's 15% annual placement capacity.

If Resolution 9 is not passed, the Company will not be able to proceed with the issue of the Options and the Company will consider alternative incentive strategies, including potentially increasing current cash remuneration to directors.

Specific information required by Listing Rule 10.13

Listing Rule 10.13 requires that information be provided to Shareholders for the purposes of obtaining Shareholder approval pursuant to Listing Rule 10.11 as follows:

- (a) The Options will be issued to Mr Cornelius (or his nominees) as he falls within the category set out in Listing Rule 10.11.1 by virtue of being a Director of the Company.
- (b) The maximum number of Options to be issued to Mr Cornelius (or his nominees) is 500,000 (being the nature of the financial benefit proposed to be given).
- (c) The Options will be issued no later than one month after the date of the Meeting (or such longer period of time as ASX may in its discretion allow).
- (d) The Options will be issued at an exercise price of the greater of 20 cents or 120% of the VWAP of the fully paid ordinary Shares of the Company on the five trading days prior to the date of the meeting to approve the issue and expire on 19 November 2026.
- (e) The purpose of the issue of the Options is to provide an incentive for continuing and future efforts and align the interests of Mr Cornelius with those of Shareholders and to provide a cost effective way for the Company to remunerate Mr Cornelius which will allow the Company to spend a greater proportion of its cash reserves on its operations than it would if alternative cash forms of remuneration were given. Mr Cornelius' current total remuneration package is an annual director fee of \$50,000, inclusive of superannuation;
- (f) The Options will be issued on the terms and conditions outlined in Annexure F and are not being issued under an agreement.
- (g) A voting exclusion statement is included in the Notice of Meeting.
- (h) No funds will be raised from the issue of the Options.

Resolution 10 – Approval of Grant of Options to Mr Heath Hellewell

The Company proposes to grant 500,000 Options to Mr Heath Hellewell, or his nominees, for nil consideration at an exercise price of 20 cents or 120% of the VWAP of the fully paid ordinary Shares of the Company on the five trading days prior to the date of the meeting to approve the issue (whichever is the higher), expiring on 19 November 2026.

The full terms of the Options are set out in Annexure F to this Explanatory Statement.

The Directors consider that the grant of the Options is a cost effective and efficient means for the Company to provide a reward and incentive.

The exercise price will only be known on the date of issue. Based on the five trading days prior to 22 September 2021, the assumed exercise price would be \$0.504. On that basis, in the event all the Options are exercised, Mr Hellewell (or his nominees) will need to pay a total of \$252,200 to the Company in the event that the Cashless Exercise Mechanism is not utilised.

Related Party Transactions Generally

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

- (a) the giving of the financial benefit falls within one of the nominated exceptions to the provision; or
- (b) prior Shareholder approval is obtained to the giving of the financial benefit and the benefit is given within 15 months after obtaining such approval.

For the purposes of Chapter 2E, Directors and persons who were a related party in the previous six months are considered to be related parties of the Company.

Resolution 10 provides for the grant of Options to a related party which is a financial benefit requiring Shareholder approval. For the purpose of Chapter 2E of the Corporations Act the following information is provided.

The related party to whom the proposed Resolution would permit the financial benefit to be given

Subject to Shareholder approval, the Options the subject of Resolution 10 will be granted to Mr Hellewell, or his nominees, within one month of the passing of this Resolution. Mr Hellewell is a Director of the Company and is therefore classified as a related party.

The nature of, reasons for and basis for the financial benefit

The proposed financial benefit is the grant of 500,000 options to Mr Hellewell, or his nominees, for no issue price. Each Option will allow Mr Hellewell to subscribe for one ordinary fully paid Share in the Company. The Options have a cashless exercise price of 20 cents or 120% of the VWAP of the fully paid ordinary Shares of the Company on the five trading days prior to the date of the meeting to approve the issue (whichever is the higher) and expire on 19 November 2026.

The Options form part of Mr Hellewell's incentive for continuing and future efforts. The issue of Options to Mr Hellewell is subject to Resolution 10 being passed. Options are considered to be the appropriate incentive given the Company's current size and stage of development, being an exploration company endeavouring to preserve cash reserves. If Mr Hellewell is to derive any value from the Options, the market Share price must be in excess of the exercise price at the time of exercise. As the exercise price of the Options is at a premium to the most recent closing Share price prior to the date of this Notice, and the average Share price as traded over the previous three months, the Options represent an incentive to Mr Hellewell to achieve this increase in the Share price, which would result in an increase in Shareholder value.

Directors' recommendation

All directors except Mr Hellewell recommend Shareholders vote in favour of Resolution 10. Mr Hellewell does not wish to make a recommendation about the proposed Resolution 10 as he may potentially receive a financial benefit from the passing of the Resolution in relation to the grant of Options and does not consider himself sufficiently independent to make a recommendation.

Interests of Directors

Mr Hellewell has noted his interest in the approval of Resolution 10 in relation to the Options.

Any other information that is reasonably required by members to make a decision and that is known to the Company or any of its officers

- (a) The proposed Resolution would have the effect of giving power to the Directors to grant 500,000 Options to Mr Hellewell, or his nominees.
- (b) The exercise of the Options is subject to the terms and conditions as set out in Annexure F to this Explanatory Statement and as otherwise mentioned above.
- (c) The Directors, in conjunction with the Company's advisers, have provided an indicative value to the Options by reference to the Black-Scholes valuation method.
- (d) The total value of the Options to be issued is outlined in Table 1 below. If Options granted to Mr Hellewell, or his nominees, are exercised, the effect would be to dilute the Shareholdings of the existing Shareholders.

Table 1 - Details of Director Options

Name	Relationship	Number of options	Exercise price	Expiry date	Vesting	Value as determined by Black-Scholes valuation
Heath Hellewell	Director	500,000	20 cents or 120% of the VWAP of the fully paid ordinary Shares of the Company on the five trading days prior to the date of the meeting to approve the issue (whichever is the higher)	19 November 2026	At date of allotment	\$174,700 (i)

Option Valuation details

Details	Input
Share price	\$0.42
Exercise Price	\$0.504
Risk Free Rate	38%
Volatility (Annualised)	50%
Start Date	19 November 2021
Expiry Date	19 November 2026
Value per Option	\$0.3494 (i)

- (e) The Black-Scholes Option Pricing Model is an industry accepted method of valuing equity instruments, at the date of grant. However, the Directors do not consider the resultant value as determined by the Black-Scholes Option Pricing Model is in anyway representative of the market value of the share options issued. The theoretical fair value of the options will be influenced by the terms and conditions upon which the options were granted, the effects of non-transferability, exercise restrictions and behavioural considerations of buyers and sellers of such instruments, the impact of which are ignored in the Black-Scholes Option Pricing Model.
- (f) As at the date of this Notice, the issued capital of the Company comprised 121,114,304 Shares. If all Options granted as proposed above are exercised, and assuming all existing Options on issue have been exercised, and assuming no other share issues proceed, the effect would be to dilute the Shareholding of existing Shareholders as per the table below:

	Existing Shares and Options
Shares and Options	130,774,304
Options to be granted	500,000
New Total	131,274,304
Dilutionary effect	0.38%

- (g) Mr Hellewell's current interests in securities of the Company are set out in the table below:

Director	Shareholding	Option holding
Heath Hellewell	600,000	1,500,000

- (h) The market price of the Company's Shares during the term of the Options will normally determine whether or not the Option holder exercises the Options. At the time any Options are exercised and Shares are issued pursuant to the exercise of the Options, the Company's Shares may be trading at a price which is higher than the exercise price of the Options.
- (i) The Options will not be quoted on ASX and as such have no actual market value. The fully paid ordinary Shares of the Company have been traded on ASX since August 2014. During the twelve months prior to the date of this notice the Shares have traded in the range of 22 cents to 49 cents, the most recent closing price prior to the date of this Notice was 42 cents. The Options are capable of being converted to Shares by payment of the exercise price or utilising the Cashless Exercise Mechanism.
- (j) Under the Australian equivalent of IFRS, the Company is required to expense the value of the Options in its profit or loss for the current financial year. Other than as disclosed in this Explanatory Statement, the Directors do not consider that from an economic and commercial point of view there are any costs or detriments, including opportunity costs or taxation consequences for the Company or benefits foregone by the Company, in granting the Options to Mr Hellewell or his nominees pursuant to Resolution 10.
- (k) Neither the Directors nor the Company are aware of any other information that would be reasonably required by Shareholders to make a decision in relation to the financial benefits contemplated by this Resolution.

Listing Rule 10.11

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

- 10.11.1 a related party;

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

unless it obtains the approval of its shareholders.

The issue of the Options falls within Listing Rule 10.11.1 and does not fall within any of the exceptions in Listing Rule 10.12. It therefore requires the approval of Shareholders under Listing Rule 10.11.

Resolution 10 seeks the required Shareholder approval for the issue of the options to related parties under and for the purposes of Chapter 2E of the Corporations Act and Listing Rule 10.11.

Technical information required by Listing Rule 14.1A

If Resolution 10 is passed, the Company will be able to proceed with the issue of the Options to the related party within one month after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules). As approval pursuant to Listing Rule 7.1 is not required for the issue of the Options (because approval is being obtained under Listing Rule 10.11), the issue of the Options will not use up any of the Company's 15% annual placement capacity

If Resolution 10 is not passed, the Company will not be able to proceed with the issue of the Options and the Company will consider alternative incentive strategies, including potentially increasing current cash remuneration to directors

.Specific information required by Listing Rule 10.13

Listing Rule 10.13 requires that information be provided to Shareholders for the purposes of obtaining Shareholder approval pursuant to Listing Rule 10.11 as follows:

- (a) The Options will be issued to Mr Hellewell (or his nominees) as he falls within the category set out in Listing Rule 10.11.1 by virtue of being a Director of the Company.
- (b) The maximum number of Options to be issued to Mr Hellewell (or his nominees) is 500,000 (being the nature of the financial benefit proposed to be given).
- (c) The Options will be issued no later than one month after the date of the Meeting (or such longer period of time as ASX may in its discretion allow).
- (d) The Options will be issued at an exercise price of the greater of 20 cents or 120% of the VWAP of the fully paid ordinary Shares of the Company on the five trading days prior to the date of the meeting to approve the issue and expire on 19 November 2026.
- (e) The purpose of the issue of the Options is to provide an incentive for continuing and future efforts and align the interests of Mr Hellewell with those of Shareholders and to provide a cost effective way for the Company to remunerate Mr Hellewell which will allow the Company to spend a greater proportion of its cash reserves on its operations than it would if alternative cash forms of remuneration were given. Mr Hellewell's current total remuneration package is an annual director fee of \$30,000, plus GST;
- (f) The Options will be issued on the terms and conditions outlined in Annexure F and are not being issued under an agreement.
- (g) A voting exclusion statement is included in the Notice of Meeting.
- (h) No funds will be raised from the issue of the Options.

Resolution 11 – Approval of Grant of Options to Company Secretary

General

Listing Rule 7.1 prohibits a company from issuing securities representing more than 15% of its issued capital in any 12 month period, without the prior approval of its shareholders (subject to certain exceptions). Accordingly, Shareholder approval is being sought under Listing Rule 7.1 for the issue of 250,000 Options in the Company (**CoSec Options**).

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

The issue of the CoSec Options does not fit within any of these exceptions and, as it has not yet been approved by Shareholders, it effectively uses 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 date of issue of the CoSec Options.

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.

To this end, Resolution 11 seeks Shareholder approval to the issue of the CoSec Options under and for the purposes of Listing Rule 7.1.

Information required by Listing Rule 7.3

The following information is provided in accordance with Listing Rule 7.3.

- (a) The maximum number of securities that will be issued is 250,000 CoSec Options with an exercise price of the greater of 20 cents per share or 120% of the VWAP of the fully paid ordinary shares of the Company 5 days prior to the date of the meeting to approve the issue and expiring on 19 November 2026.
- (b) Any CoSec Options issued in accordance with Resolution 11 will be issued and allotted within 3 months from the date of the AGM (or such later date as approved by ASX).
- (c) The CoSec Options will be issued for nil cost.
- (d) The CoSec Options will be issued to the Company Secretary, Mr Dennis Wilkins, or his nominees.
- (e) No funds raised will be raised by the issue of CoSec Options.
- (f) The allotment will occur as a single allotment and on the terms and conditions as set out in Annexure F of this Notice and are not being issued under an agreement.
- (g) A voting exclusion statement is included in the Notice.

Technical information required by Listing Rule 14.1A

If Resolution 11 is passed, the Company will be able to proceed with the issue of the Options within three months after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules). As approval pursuant to Listing Rule 7.1 is being requested for the issue of the Options, the issue of the Options will not use up any of the Company's 15% annual placement capacity.

If Resolution 11 is not passed, the Company may consider issuing the Options under the Company's 15% annual placement capacity or potentially increasing current cash remuneration.

Directors' Recommendation

The Directors of the Company unanimously recommend that Shareholders vote in favour of this Resolution.

Resolution 12 - Section 195 Approval

General

In accordance with section 195 of the Corporations Act, a director of a public company may not vote or be present during meetings of directors when matters in which that director holds a "material personal interest" are being considered.

As contemplated in Resolutions 3, 5, 6 and 7, the Company is seeking Shareholder approval to vary the terms of the Existing Options (being those issued and existing at the time of this Notice). The Directors may have a material personal interest in the outcome of Resolutions 3, 5, 6 and 7.

As the terms of the Options proposed to be issued to Mr Fogarty, Mr Cornelius and Mr Hellewell under Resolutions 8, 9 and 10 respectively are identical, the Directors may have a material personal interest in the outcome of Resolutions 8, 9 and 10.

In the absence of this Resolution 12, the Directors may not be able to form a quorum at Board meetings necessary to carry out the terms of Resolutions 3, 5, 6, 7, 8, 9 and 10.

The Directors accordingly exercise their right under section 195(4) of the Corporations Act to put the issue to Shareholders to resolve.

Resolution 12 is an ordinary resolution, requiring it to be passed by a simple majority of votes cast by the Shareholders entitled to vote on it.

Directors' Recommendation

The Directors of the Company believe that Resolution 12 is in the best interests of the Company and unanimously recommend that Shareholders vote in favour of this Resolution. The Directors have formed this view as the passing of this

Resolution will ensure that the Board is able to carry out the terms of Resolutions 3, 5, 6, 7, 8, 9 and 10, if those Resolutions are approved by Shareholders.

OTHER BUSINESS

Management is not aware of any other business to come before the Meeting other than as set forth in the accompanying Notice. If any other business properly comes before the Meeting, it is the intention of the persons named in the form of proxy to vote the Shares represented thereby in accordance with their best judgement on such matter.

GLOSSARY

In this Explanatory Statement and the Notice, the following terms have the following meanings unless the context otherwise requires:

"AGM" means an annual general meeting;

"Annual Report" means the Directors' Report, the Financial Report and Auditor's Report, in respect of the financial year ended 30 June 2021;

"Associate" has the same meaning as defined in section 11 and sections 13 to 17 of the Corporations Act;

"ASX" means ASX Limited ABN 98 008 624 691 and, where the context permits, the Australian Securities Exchange operated by ASX Limited;

"Auditor's Report" means the auditor's report on the Financial Report;

"Board" means the board of Directors;

"Cashless Exercise Mechanism" means the proposed cashless exercise mechanism for the Existing Options as described in the Explanatory Statement under the section "Resolutions 3 to 7 – Amendment to the terms of existing options – cashless exercise";

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

- a spouse or child of the member;
- a child of the member's spouse;
- a dependent of the member or the member's spouse;
- anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- a company the member controls; or
- a person prescribed by the Corporations Regulations 2001 (Cth);

"Company" means Duketon Mining Limited ABN 76 159 084 107;

"Company Secretary" means the company secretary of the Company;

"Convertible Security" means a security of the Company which is convertible into Shares;

"Constitution" means the Company's constitution, as amended from time to time;

"Corporations Act" means Corporations Act 2001 (Cth);

"CoSec Options" means the options proposed to be issued to the Company Secretary as described in the Explanatory Statement under the section "Resolution 11 – Approval of Grant of Options to Company Secretary";

"Director" means a director of the Company;

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

"Equity Securities" has the same meaning as in the Listing Rules;

"Explanatory Statement" means the explanatory statement accompanying this Notice;

"Existing Options" means the following securities of the Company which are convertible into Shares: 2,500,000 unlisted options (exercise price 30 cents and expiring 24 November 2021); 250,000 unlisted options (exercise price 25 cents and expiring 31 January 2022); 2,000,000 unlisted options (exercise price 20 cents and expiring 28 November 2023); 2,250,000 unlisted options (exercise price 21.4 cents and expiring 28 November 2024); and, 2,250,000 unlisted options (exercise price 28.8 cents and expiring 26 November 2025).

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

"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, directly or indirectly, including any director (whether executive or otherwise) of the Company;

"Listing Rules" means the Listing Rules of the ASX;

"Meeting" has the meaning in the introductory paragraph of the Notice;

"Notice" means this Notice of annual general meeting;

"Options" means the options proposed to be issued to each of the Directors as described in the Explanatory Statement under the section "Resolution 8 – Approval of Grant of Options to Mr Stuart Fogarty";

"Proposed Options Amendment" means the proposed changes to the terms of the Existing Options as described in the Explanatory Statement under the section "Resolutions 3 to 7 – Amendment to the terms of existing options – cashless exercise";

"Proxy Form" means the proxy form attached to this Notice;

"Remuneration Report" means the remuneration report of the Company contained in the Directors' Report;

"Resolution" means a resolution contained in this Notice;

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

"Shareholder" means the holder of a Share;

"Trading Day" means a day determined by ASX to be a trading day in accordance with the Listing Rules; and

"WST" means Australian Western Standard Time.

Capitalised terms referred to in this Notice are defined in the Explanatory Statement.

Shareholders are referred to the Explanatory Statement for more information with respect to these matters to be considered at the Meeting.

ANNEXURE A
TERMS AND CONDITIONS
OPTIONS EXPIRING 24 NOVEMBER 2021

The Options are issued on the following terms:

1. Each Option shall be issued for no consideration.
2. The exercise price of each Option will be 30 cents per share. ("**Exercise Price**").
3. Each Option entitles the holder to subscribe for one Share in Duketon Mining Limited ABN 76 159 084 107 ("**Company**") upon the payment of the Exercise Price per Share subscribed for.
4. The Options will lapse at 5:00 pm, Western Standard Time on 24 November 2021 ("**Expiry Date**").
5. The Options are not transferable.
6. There are no participating rights or entitlements inherent in these Options and holders of the Options will not be entitled to participate in new issues of capital that may be offered to shareholders during the currency of the Option.
7. Option holders have the right to exercise their Options prior to the date of determining entitlements to any capital issues to the then existing shareholders of the Company made during the currency of the Options, and will be granted a period of at least 10 business days before closing date to exercise the Options.
8. In the event the Company proceeds with a pro rata issue (except a bonus issue) of securities to the holders of Shares after the date of issue of the Options, the exercise price of the Options will be adjusted in accordance with the formula set out in ASX Listing Rule 6.22.2.
9. In the event of any re-organisation (including reconstruction, consolidation, subdivision, reduction or return of capital) of the issued capital of the Company, the Options will be re-organised as required by the Listing Rules, but in all other respects the terms of exercise will remain unchanged.
10. The Options shall be exercisable at any time until the Expiry Date ("**Exercise Period**") by the delivery to the registered office of the Company of a notice in writing ("**Notice**") stating the intention of the Option holder to exercise all or a specified number of Options held by them accompanied by an Option certificate and a cheque made payable to the Company for the subscription monies for the Shares. The Notice and cheque must be received by the Company during the Exercise Period. An exercise of only some Options shall not affect the rights of the Option holder to the balance of the Options held by it.
11. The Company shall allot the resultant Shares and deliver a statement of shareholdings with a holders' identification number within 5 business days of exercise of the Options.
12. The Shares allotted shall rank, from the date of allotment, equally with the existing ordinary shares of the Company in all respects.
13. The Options are issued in accordance with a deferred taxation scheme as defined by the Australian Taxation Office.
14. The Options are granted under an arrangement to which Subdivision 83A-C of the Income Tax Assessment Act 1997 applies.

ANNEXURE B
TERMS AND CONDITIONS
OPTIONS EXPIRING 31 JANUARY 2022

The Options are issued on the following terms:

1. Each Option shall be issued for no consideration.
2. The exercise price of each Option will be 25 cents per share. ("**Exercise Price**").
3. Each Option entitles the holder to subscribe for one Share in Duketon Mining Limited ABN 76 159 084 107 ("**Company**") upon the payment of the Exercise Price per Share subscribed for.
4. The Options will lapse at 5:00 pm, Western Standard Time on 31 January 2021 ("**Expiry Date**").
5. The Options are not transferable.
6. There are no participating rights or entitlements inherent in these Options and holders of the Options will not be entitled to participate in new issues of capital that may be offered to shareholders during the currency of the Option.
7. Option holders have the right to exercise their Options prior to the date of determining entitlements to any capital issues to the then existing shareholders of the Company made during the currency of the Options, and will be granted a period of at least 10 business days before closing date to exercise the Options.
8. In the event the Company proceeds with a pro rata issue (except a bonus issue) of securities to the holders of Shares after the date of issue of the Options, the exercise price of the Options will be adjusted in accordance with the formula set out in ASX Listing Rule 6.22.2.
9. In the event of any re-organisation (including reconstruction, consolidation, subdivision, reduction or return of capital) of the issued capital of the Company, the Options will be re-organised as required by the Listing Rules, but in all other respects the terms of exercise will remain unchanged.
10. The Options shall be exercisable at any time until the Expiry Date ("**Exercise Period**") by the delivery to the registered office of the Company of a notice in writing ("**Notice**") stating the intention of the Option holder to exercise all or a specified number of Options held by them accompanied by an Option certificate and a cheque made payable to the Company for the subscription monies for the Shares. The Notice and cheque must be received by the Company during the Exercise Period. An exercise of only some Options shall not affect the rights of the Option holder to the balance of the Options held by it.
11. The Company shall allot the resultant Shares and deliver a statement of shareholdings with a holders' identification number within 5 business days of exercise of the Options.
12. The Shares allotted shall rank, from the date of allotment, equally with the existing ordinary shares of the Company in all respects.
13. The Options are issued in accordance with a deferred taxation scheme as defined by the Australian Taxation Office.
14. The Options are granted under an arrangement to which Subdivision 83A-C of the Income Tax Assessment Act 1997 applies.

ANNEXURE C
TERMS AND CONDITIONS
OPTIONS EXPIRING 28 NOVEMBER 2023

The Options are issued on the following terms:

1. Each Option shall be issued for no consideration.
2. The exercise price of each Option will be 20 cents per share. ("**Exercise Price**").
3. Each Option entitles the holder to subscribe for one Share in Duketon Mining Limited ABN 76 159 084 107 ("**Company**") upon the payment of the Exercise Price per Share subscribed for.
4. The Options will lapse at 5:00 pm, Western Standard Time on 28 November 2023 ("**Expiry Date**").
5. The Options are not transferable.
6. There are no participating rights or entitlements inherent in these Options and holders of the Options will not be entitled to participate in new issues of capital that may be offered to shareholders during the currency of the Option.
7. Option holders have the right to exercise their Options prior to the date of determining entitlements to any capital issues to the then existing shareholders of the Company made during the currency of the Options, and will be granted a period of at least 10 business days before closing date to exercise the Options.
8. In the event the Company proceeds with a pro rata issue (except a bonus issue) of securities to the holders of Shares after the date of issue of the Options, the exercise price of the Options will be adjusted in accordance with the formula set out in ASX Listing Rule 6.22.2.
9. In the event of any re-organisation (including reconstruction, consolidation, subdivision, reduction or return of capital) of the issued capital of the Company, the Options will be re-organised as required by the Listing Rules, but in all other respects the terms of exercise will remain unchanged.
10. The Options shall be exercisable at any time until the Expiry Date ("**Exercise Period**") by the delivery to the registered office of the Company of a notice in writing ("**Notice**") stating the intention of the Option holder to exercise all or a specified number of Options held by them accompanied by an Option certificate and a cheque made payable to the Company for the subscription monies for the Shares. The Notice and cheque must be received by the Company during the Exercise Period. An exercise of only some Options shall not affect the rights of the Option holder to the balance of the Options held by it.
11. The Company shall allot the resultant Shares and deliver a statement of shareholdings with a holders' identification number within 5 business days of exercise of the Options.
12. The Shares allotted shall rank, from the date of allotment, equally with the existing ordinary shares of the Company in all respects.
13. The Options are issued in accordance with a deferred taxation scheme as defined by the Australian Taxation Office.
14. The options are granted under an arrangement to which Subdivision 83A-C of the Income Tax Assessment Act 1997 applies.

ANNEXURE D
TERMS AND CONDITIONS
OPTIONS EXPIRING 28 NOVEMBER 2024

The Options are issued on the following terms:

1. Each Option shall be issued for no consideration.
2. The exercise price of each Option will be 21.4 cents per share. ("**Exercise Price**").
3. Each Option entitles the holder to subscribe for one Share in Duketon Mining Limited ABN 76 159 084 107 ("**Company**") upon the payment of the Exercise Price per Share subscribed for.
4. The Options will lapse at 5:00 pm, Western Standard Time on 28 November 2024 ("**Expiry Date**").
5. The Options are not transferable.
6. There are no participating rights or entitlements inherent in these Options and holders of the Options will not be entitled to participate in new issues of capital that may be offered to shareholders during the currency of the Option.
7. Option holders have the right to exercise their Options prior to the date of determining entitlements to any capital issues to the then existing shareholders of the Company made during the currency of the Options, and will be granted a period of at least 10 business days before closing date to exercise the Options.
8. In the event the Company proceeds with a pro rata issue (except a bonus issue) of securities to the holders of Shares after the date of issue of the Options, the exercise price of the Options will be adjusted in accordance with the formula set out in ASX Listing Rule 6.22.2.
9. In the event of any re-organisation (including reconstruction, consolidation, subdivision, reduction or return of capital) of the issued capital of the Company, the Options will be re-organised as required by the Listing Rules, but in all other respects the terms of exercise will remain unchanged.
10. The Options shall be exercisable at any time until the Expiry Date ("**Exercise Period**") by the delivery to the registered office of the Company of a notice in writing ("**Notice**") stating the intention of the Option holder to exercise all or a specified number of Options held by them accompanied by an Option certificate and a cheque made payable to the Company for the subscription monies for the Shares. The Notice and cheque must be received by the Company during the Exercise Period. An exercise of only some Options shall not affect the rights of the Option holder to the balance of the Options held by it.
11. The Company shall allot the resultant Shares and deliver a statement of shareholdings with a holders' identification number within 5 business days of exercise of the Options.
12. The Shares allotted shall rank, from the date of allotment, equally with the existing ordinary shares of the Company in all respects.
13. The Options are issued in accordance with a deferred taxation scheme as defined by the Australian Taxation Office.
14. The Options are granted under an arrangement to which Subdivision 83A-C of the Income Tax Assessment Act 1997 applies.

ANNEXURE E
TERMS AND CONDITIONS
OPTIONS EXPIRING 26 NOVEMBER 2025

The Options are issued on the following terms:

1. Each Option shall be issued for no consideration.
2. The exercise price of each Option is \$0.288 ("**Exercise Price**").
3. Each Option entitles the holder to subscribe for one Share in Duketon Mining Limited ABN 76 159 084 107 ("**Company**") upon the payment of the Exercise Price per Share subscribed for.
4. The Options will lapse at 5:00 pm, Western Standard Time on 26 November 2025 ("**Expiry Date**").
5. The Options are not transferable.
6. There are no participating rights or entitlements inherent in these Options and holders of the Options will not be entitled to participate in new issues of capital that may be offered to shareholders during the currency of the Option.
7. Option holders have the right to exercise their Options prior to the date of determining entitlements to any capital issues to the then existing shareholders of the Company made during the currency of the Options, and will be granted a period of at least 10 business days before closing date to exercise the Options.
8. In the event the Company proceeds with a pro rata issue (except a bonus issue) of securities to the holders of Shares after the date of issue of the Options, the exercise price of the Options will be adjusted in accordance with the formula set out in ASX Listing Rule 6.22.2.
9. In the event of any re-organisation (including reconstruction, consolidation, subdivision, reduction or return of capital) of the issued capital of the Company, the Options will be re-organised as required by the Listing Rules, but in all other respects the terms of exercise will remain unchanged.
10. The Options shall be exercisable at any time until the Expiry Date ("**Exercise Period**") by the delivery to the registered office of the Company of a notice in writing ("**Notice**") stating the intention of the Option holder to exercise all or a specified number of Options held by them accompanied by an Option certificate and a cheque made payable to the Company for the subscription monies for the Shares. The Notice and cheque must be received by the Company during the Exercise Period. An exercise of only some Options shall not affect the rights of the Option holder to the balance of the Options held by it.
11. The Company shall allot the resultant Shares and deliver a statement of shareholdings with a holders' identification number within 5 business days of exercise of the Options.
12. The Shares allotted shall rank, from the date of allotment, equally with the existing ordinary shares of the Company in all respects.
13. The Options are issued in accordance with a deferred taxation scheme as defined by the Australian Taxation Office.
14. The Options are granted under an arrangement to which Subdivision 83A-C of the Income Tax Assessment Act 1997 applies.

ANNEXURE F
TERMS AND CONDITIONS
OPTIONS EXPIRING 19 NOVEMBER 2026

The Options are to be issued on the following terms:

1. Each Option shall be issued for no consideration.
2. The exercise price of each Option will be 20 cents or 120% of the VWAP of the fully paid ordinary Shares of the Company on the five trading days prior to the date of the meeting to approve the issue (whichever is the higher) ("**Exercise Price**").
3. Each Option entitles the holder to subscribe for one Share in Duketon Mining Limited ABN 76 159 084 107 ("**Company**") upon the payment of the Exercise Price per Share subscribed for.

Cashless Exercise Mechanism

4. The Optionholder can elect to exercise the Options and use the Cashless Exercise Mechanism, the Optionholder will only be entitled to that number of Shares (rounded down to the nearest whole number) as are equal in value to the difference between the exercise price otherwise payable for the Options and the market value of the Shares at the time of exercise. The market value will be based on the volume weighted average price (**VWAP**) of the Company's Shares on the ASX over the 5 trading days prior to the notice of exercise being given by the Optionholder, unless otherwise determined by the Board at its sole discretion.

Expressed as formula, the number of Shares that an Optionholder is entitled to when using the Cashless Exercise Mechanism to exercise the Options will be determined in the following manner:

$$A = \frac{O \times (MV - EP)}{MV}$$

Where:

A = the number of Shares to be issued to the Optionholder under the Cashless Exercise Mechanism.

EP = the exercise price of the Existing Options being exercised.

O = the number of the Shares which would be issued to the Optionholder if the exercise price is paid per Options under the traditional exercise mechanism.

MV = the Market Value of one Share, being the VWAP of Shares on the ASX over 5 trading days prior to the notice of exercise being delivered to the Company by the Optionholder, unless otherwise determined by the Board.

5. The Options will lapse at 5:00 pm, Western Standard Time on 19 November 2026 ("**Expiry Date**").
6. The Options are not transferable.
7. There are no participating rights or entitlements inherent in these Options and holders of the Options will not be entitled to participate in new issues of capital that may be offered to shareholders during the currency of the Option.
8. Option holders have the right to exercise their Options prior to the date of determining entitlements to any capital issues to the then existing shareholders of the Company made during the currency of the Options, and will be granted a period of at least 10 business days before closing date to exercise the Options.
9. In the event the Company proceeds with a pro rata issue (except a bonus issue) of securities to the holders of Shares after the date of issue of the Options, the exercise price of the Options will be adjusted in accordance with the formula set out in ASX Listing Rule 6.22.2.
10. In the event of any re-organisation (including reconstruction, consolidation, subdivision, reduction or return of capital) of the issued capital of the Company, the Options will be re-organised as required by the Listing Rules, but in all other respects the terms of exercise will remain unchanged.
11. The Options shall be exercisable at any time until the Expiry Date ("**Exercise Period**") by the delivery to the registered office of the Company of a notice in writing ("**Notice**") stating the intention of the Option holder to exercise all or a specified number of Options held by them accompanied by an Option certificate and a cheque made payable to the Company for the subscription monies for the Shares. The Notice and cheque must be received by the Company during the Exercise Period. An exercise of only some Options shall not affect the rights of the Option holder to the balance of the Options held by it.
12. The Company shall allot the resultant Shares and deliver a statement of shareholdings with a holders' identification number within 5 business days of exercise of the Options.
13. The Shares allotted shall rank, from the date of allotment, equally with the existing ordinary shares of the Company in all respects.
14. The Options are issued in accordance with a deferred taxation scheme as defined by the Australian Taxation Office.
15. The Options are granted under an arrangement to which Subdivision 83A-C of the Income Tax Assessment Act 1997 applies.



Duketon Mining Limited | 76 159 084 107

Proxy Voting Form

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

Holder Number:

Your proxy voting instruction must be received by **10.00am (WST) on Wednesday, 17 November 2021**, being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

SUBMIT YOUR PROXY VOTE ONLINE

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

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

- ✓ **Save Money:** help minimise unnecessary print and mail costs for the Company.
- ✓ **It's Quick and Secure:** provides you with greater privacy, eliminates any postal delays and the risk of potentially getting lost 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.

STEP 1 – APPOINT A PROXY

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

DEFAULT TO THE CHAIR OF THE MEETING

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

STEP 2 - VOTES ON ITEMS OF BUSINESS

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

APPOINTMENT OF SECOND PROXY

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

SIGNING INSTRUCTIONS

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

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

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

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

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

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

CORPORATE REPRESENTATIVES

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

[illegible]

2021 ANNUAL GENERAL MEETING NOTICE AND PROXY FORM

20 October 2021

Dear Shareholder

Notice is hereby given that the Annual General Meeting (**AGM**) of Duketon Mining Limited (Duketon) (ASX:DKM) will be held as a physical meeting at:

**Level 2
25 Richardson Street
WEST PERTH WA 6005
on Friday 19 November 2021 at 10:00am (AWST)**

The Australian Securities and Investments Commission (**ASIC**) has recently released the *ASIC Corporations (Extension of Time to Hold AGM) Instrument 2021/770 (Instrument)* which extends the time for certain public companies to hold their annual general meetings to allow companies to plan and prepare for holding their AGMs in the context of the ongoing COVID-19 pandemic restrictions on gathering and movement.

The Instrument complements the modifications to the Corporations Act 2001 made by Parliament in *Treasury Laws Amendment (2021 Measures No. 1) Act 2021*. These amendments came into effect on 14 August 2021 and allow meetings to be convened electronically and held using virtual meeting technology, and for notices of meeting to be sent to recipients by means of an electronic communication or access the document electronically.

As a result, Duketon is not sending hard copies of the AGM materials to shareholders. Instead, a copy of the notice of meeting is available on the Company's website at www.duketonmining.com.au.

If you have elected to receive notices by email, you will be notified by email. If you have not elected to receive notices by email, a copy of your proxy form will be posted to you, together with this letter.

Duketon will hold a physical meeting with the appropriate social gathering and physical distancing measures in place to comply with the Federal Government's and State Government's current restrictions on physical gatherings. However, in order to minimise the risk to shareholders and to Duketon and its ongoing operations, we strongly encourage Shareholders to vote by proxy instead of attending the meeting.

The situation regarding COVID-19 is evolving rapidly and Duketon is following the guidance of the Australian Government. Shareholders are encouraged to monitor Duketon's ASX announcements for any further updates in relation to the Meeting.

The notice of meeting and other documents are important and should be read in their entirety. If you do not understand them, you should consult your professional advisers without delay.

Yours sincerely

**Dennis Wilkins
Company Secretary**