

ELEMENTOS

22 October 2021

Dear Shareholder

ANNUAL GENERAL MEETING

Elementos Limited ACN 138 468 756 (**Company or Elementos**) invites you to attend its 2021 Annual General Meeting of shareholders (**Shareholders**) (**AGM**) to be held at the offices of Piper Alderman, Level 26, Riparian Plaza, 71 Eagle Street, Brisbane, Queensland on Tuesday 23 November 2021 commencing at 10.30am (AEST).

Please be advised that in accordance with section 253RA of the Corporations Act, the Company will not be sending hard copies of the notice of meeting in respect of the AGM (**Notice of Meeting**). Instead, the Notice of Meeting can be viewed and downloaded from the Company's website on its ASX announcements page: <https://www.elementos.com.au/asx-announcements/>

Elementos encourages those Shareholders who cannot attend the AGM to lodge their proxy forms prior to the AGM. A copy of your personalised proxy form is enclosed for your convenience. Please complete and return the attached proxy form to the Company's share registry:

Internet: <https://www.votingonline.com.au/eltagm2021>
Post: Elementos Limited, C/- Boardroom Pty Limited, GPO Box 3993, Sydney NSW 2001 Australia
In Person: Boardroom Pty Limited, Level 12, 225 George Street, Sydney NSW 2000
Fax: +61 2 9290 9655

Your proxy voting instructions must be received by 10:30am (AEST) on 21 November 2021 being not less than 48 hours before the commencement of the AGM. Any proxy voting instructions received after that time will not be valid for the AGM.

The Notice of Meeting is important and should be read in its entirety. If you are in doubt as to the course of action you should follow, you should consult your financial adviser, lawyer, accountant or other professional adviser. If you have any difficulties obtaining a copy of the Notice of Meeting please contact the Company's share registry Boardroom Pty Limited on 1300 737 760 (+61 2 9290 9600 from outside Australia) or via enquiries@boardroomlimited.com.au.

The Company will continue to closely monitor guidance from the Federal and State Government for any impact on the proposed arrangements for the AGM. If any changes are required, the details will be made available through an announcement to the ASX.

Elementos' Board has authorised the release of this announcement to the market.

For further information, please contact:

Mr Duncan Cornish
Company Secretary
Phone: +61 7 3221 7770
admin@elementos.com.au

Level 7, 167 Eagle Street
Brisbane Queensland 4000
Phone +61 (0)7 2111 1110
admin@elementos.com.au
[elementos.com.au](https://www.elementos.com.au)

ELEMENTOS

ELEMENTOS LIMITED

ACN 138 468 756

Notice of 2021 Annual General Meeting and Explanatory Memorandum

Date of Meeting: 23 November 2021

Time of Meeting: 10:30am

Place of Meeting: Piper Alderman
Level 26
Riparian Plaza
71 Eagle Street
Brisbane Qld 4000

Notice of Annual General Meeting

Notice is given that the Annual General Meeting of Shareholders of Elementos Limited ACN 138 468 756 (**Company**) will be held physically at **Level 26, Riparian Plaza, 71 Eagle Street, Brisbane, Qld 4000** on **23 November 2021 at 10:30am** (AEST).

Capitalised terms used in this Notice of Meeting and the Explanatory Memorandum have the meaning ascribed to them in the Glossary contained at the end of the Explanatory Memorandum.

This Notice of Meeting should be read in its entirety, together with the Explanatory Memorandum and the enclosed proxy form.

Financial Reports

To receive and consider the Company's Annual Report comprising the Directors' Report and Auditor's Report, Directors' Declaration, Consolidated Statement of Profit or Loss and Other Comprehensive Income, Consolidated Statement of Financial Position, Consolidated Statement of Changes in Equity, Consolidated Statement of Cash Flows and notes to the Consolidated Financial Statements for the Company for the financial year ended 30 June 2021. The Company's reports can be accessed on the Company's website at <http://elementos.com.au/>.

1. Resolution 1 – Remuneration Report

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

"That, for the purposes of section 250R(2) of the Corporations Act, and for all other purposes, the Remuneration Report for the year ended 30 June 2021 (as set out in the Directors' Report) be adopted."

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

Voting exclusion: The Company will disregard any votes cast on Resolution 1 by, or on behalf of, any person who is either a member of the Key Management Personnel, for whom details of their remuneration are included in the Remuneration Report, or a Closely Related Party of such a member, unless:

- a) it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the proxy form; or
- b) it is cast by the Chair as proxy for a person who is entitled to vote, and the appointment of the Chair as proxy:
 - (i) does not specify the way the proxy is to vote on this Resolution; and
 - (ii) expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

Additionally, the Company will disregard any votes cast on Resolution 1 by any person appointed as a proxy by any person who is either a member of the Key Management Personnel or a Closely Related Party of such a member, unless:

- a) it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
- b) it is cast by the Chair as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

For these reasons, Shareholders who intend to vote by proxy should carefully consider the identity of their proxy and are encouraged to direct their proxy as to how to vote on all Resolutions. In particular, Shareholders who intend to appoint the Chair as their proxy (including an appointment by default) are encouraged to direct the Chair as to how to vote on all Resolutions.

Notice of Annual General Meeting

If the Chair is appointed, or is taken to have been appointed, as your proxy, you can direct the Chair to vote for, against or abstain from voting on Resolution by marking the appropriate box opposite Resolution 1 on the Proxy Form.

However, if the Chair is your proxy and you do not direct the Chair how to vote, you will be deemed to have directed, and expressly authorised, the Chair to vote your proxy in favour of Resolution 1. This express authorisation acknowledges that the Chair may vote your proxy even though:

- a) Resolution 1 is connected directly or indirectly with the remuneration of a member of the Key Management Personnel; or
- b) the Chair may have an interest in Resolution 1.

ORDINARY BUSINESS

2. Resolution 2 – Re-Election of Corey Nolan

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

"That Mr Corey Nolan, who retires by rotation under the Company's constitution and Listing Rule 14.4 and, being eligible, offers himself for re-election, is re-elected as a director."

3. Resolution 3 – Share Consolidation

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

"That, for the purpose of Section 254H(1) of the Corporations Act and for all other purposes, the Shares of the Company be consolidated on a 1:25 basis (rounded up to the nearest whole Share), with the consolidation to take effect in accordance with the timetable set out in the Explanatory Memorandum."

SPECIAL BUSINESS

4. Resolution 4 – Approval to issue an additional 10% of the issued capital of the Company over a 12 month period pursuant to Listing Rule 7.1A

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

*"That, pursuant to and in accordance with Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of Equity Securities in a number which is up to 10% of the issued capital of the Company (at the time of the issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2, over a 12 month period from the date of the Meeting, at a price not less than that determined pursuant to Listing Rule 7.1A.3 and otherwise on the terms and conditions in the Explanatory Statement (**Placement Securities**)."*

Voting exclusion: The Company will disregard any votes cast on Resolution 4 by, or on behalf of, any person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue, except a benefit arising solely from their capacity as a holder of Shares, and any of their respective Associates. However, the Company need not disregard a vote if it is cast by a person as a proxy or attorney for a person who is entitled to vote, in accordance with directions given to the proxy or attorney to vote on the resolution in that way, or it is cast by the person Chair as proxy or attorney for a person who is entitled to vote, in accordance with a direction given to the Chair to vote 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: (a) 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 (b) the holder votes on the resolution in accordance with directions given by the beneficiary to the

Notice of Annual General Meeting

holder to vote in that way. However, as at the date of this Notice of Meeting, the Company has not invited any existing Shareholder to participate in an issue of Equity Securities under ASX Listing Rule 7.1A. Therefore, as at the date of this Notice of Meeting, no existing Shareholders will be excluded from voting on Resolution 4.

By order of the Board
Mr Duncan Cornish
Company Secretary
Elementos Limited
21 October 2021

Explanatory Memorandum

The following notes and the Explanatory Memorandum form part of the Notice of Meeting.

Voting and Attendance Entitlement

The Board has determined that those persons who are registered as holding Shares as at 10:30am (AEST) on 21 November 2021, will be entitled to attend and vote at the Meeting.

Accordingly, transactions registered after that time will be disregarded in determining entitlements to attend and vote at the Meeting.

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

Action to be Taken by Shareholders

A Shareholder who is entitled to attend and vote at the Meeting may appoint a person, who need not be a Shareholder of the Company, as the Shareholder's proxy to attend and vote on behalf of the Shareholder.

A Shareholder who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise.

If you wish to indicate how your proxy should vote, please mark the appropriate boxes on the proxy form. If in respect of any of the items of business you do not direct your proxy how to vote, you are directing your proxy to vote as he or she decides.

If you mark the abstain box for a particular item you are directing your proxy to not vote on your behalf and your Shares will not be counted in computing the required majority in the event of a poll.

For proxies without voting instructions that are exercisable by the Chair, the Chair intends to vote those proxies in favour of the Resolutions. The Chair will be deemed to be appointed where a signed proxy form is returned that does not contain the name of the proxy or where the person appointed on the form is absent from the Meeting.

A proxy form accompanies this Notice of Meeting. Should you wish to appoint a proxy, please complete the proxy form and return it at

least 48 hours before the Meeting, being no later than **10:30am (AEST) on 21 November 2021** to:

- (a) if online:
<https://www.votingonline.com.au/eltagm2021>
- (b) if by fax: on +61 2 9290 9655; or
- (c) if by mail:
Elementos Limited
C/- Boardroom Pty Limited
GPO Box 3993
Sydney NSW 2001 Australia

If the appointment is signed by an attorney, the power of attorney or a certified copy of it must be sent with the proxy form.

Corporate Representatives

A Shareholder which is a corporation may appoint an individual to act as its representative to attend and vote at the Meeting. The appointment must comply with section 250D of the Corporations Act, meaning that Company will require a Certificate of Appointment of Corporate Representative executed in accordance with section 250D of the Corporations Act. The completed certificate should be lodged with Company's share registry before the Meeting or at the registration desk on the day of the Meeting.

Polls

In the event that a poll is demanded, every Shareholder shall have one vote for every Share registered in their name as at 7pm (AEST) on 21 November 2021.

Required Majority

Resolution 4 is a Special Resolution, requiring at least 75% of the votes cast by Shareholders entitled to vote on Resolution 4.

Each of Resolutions 1 to 3 (inclusive) are Ordinary Resolutions, requiring a simple majority of the votes cast by Shareholders entitled to vote on them.

General

All Shareholders are invited to attend the Meeting or, if they are unable to attend in person, to sign and return the proxy form to the Company in accordance with the instructions set out on the proxy form.

Shareholders, their proxy or corporate representatives who plan on attending the Meeting are asked to arrive at the venue at least 30 minutes prior to the time the Meeting is scheduled to commence, so that Shareholders can be checked against the Company's share register, or appointment as proxy, attorney or

Explanatory Memorandum

corporate representative can be verified and their attendance noted.

If the situation surrounding the global COVID-19 pandemic changes materially between the date of this Notice of Meeting, and the date of the Meeting, the Company may need to change the location of the Meeting, including hosting the meeting entirely virtually. If so, the Company will inform Shareholders of any such change as soon as reasonably practicable prior to the date of the Meeting. Accordingly, Shareholders are encouraged to vote on the resolutions set out in this Notice of Meeting by proxy to ensure their participation.

Explanatory Memorandum

This Explanatory Memorandum contains an explanation of, and information about, the Resolutions to be considered at the General Meeting. Shareholders should read this Explanatory Memorandum in full. This Explanatory Memorandum forms part of the accompanying Notice of Meeting and should be read with the Notice of Meeting.

This Explanatory Memorandum does not take into account the individual investment objectives, financial situation and needs of individual Shareholders or any other person. If you are in any doubt about what to do in relation to the Resolutions, you should consult your financial or other professional adviser.

Capitalised words used in the Notice of Meeting and in this Explanatory Memorandum are defined in the Glossary section at the end of this Explanatory Memorandum. Unless otherwise stated, all references to sums of money, '\$' and 'dollars' are references to Australian currency.

Resolution 1 – Remuneration Report

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

The Remuneration Report is set out on pages 22-26 of the Directors' Report section of the Annual Report for the period ending 30 June 2021. The Annual Report is available to download on the Company's website, www.elementos.com.au.

The Remuneration Report:

- (a) explains the Board's policy for determining the nature and amount of remuneration of Key Management Personnel of the Company;
- (b) explains the relationship between the Board's remuneration policy and the Company's performance;
- (c) sets out remuneration details for each member of Key Management Personnel of the Company; and
- (d) details and explains any performance conditions applicable to the remuneration of Key Management Personnel of the Company.

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

At the 2020 Annual General Meeting of the Company, more than 97% of the votes cast were in favour of the Remuneration Report.

In the interests of good corporate governance, the Directors abstain, from making a recommendation in relation to this Resolution 1.

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

Resolution 2 – Re-Elections of Mr Corey Nolan

Under clause 8.3 of the Constitution of the Company, one third of the Directors (or, if their number is not a multiple of 3, then the number nearest to but not exceeding one third), and any Director for whom that annual general meeting would be their third annual general meeting or who has been in office for three years since their last appointment, automatically retires and if eligible may stand for re-election.

Mr Nolan retires by rotation at the Meeting as he was appointed as a director of the Company on 30 November 2018. His qualifications are set out below:

Explanatory Memorandum

Mr Nolan has twenty years of diverse experience in the resources sector. This has included experience in mining operations, global resource evaluation, and the financing and development of new opportunities in Australia, South Africa, Asia, and South America.

Mr Nolan is a qualified mineral economist who has applied his first-hand practical and technical skills in specialist roles as an equities analyst in the mining and natural resources sector of stock broking firms Morgan Stanley and Wilson HTM. During this period, he undertook detailed coverage of the Australian and global resources sector including the commodities market.

Mr Nolan has been a Director at PWC in the corporate finance and valuations practice, specialising in resources industry valuations for Australian and global resources firms.

Mr Nolan is a member of the Audit and Risk Management Committee. In accordance with the ASX Corporate Governance Council's "Corporate Governance Principles and Recommendations, 4th Edition", Mr Nolan is considered independent.

Mr Nolan is also a director of ASX listed Platina Resources Limited.

The Directors (Mr Nolan abstaining) recommend that Shareholders vote in favour of Resolution 2 and advise that they intend to vote any Shares that they own or control in favour of Resolution 2.

The Chair intends to vote all undirected proxies in favour of Resolution 2.

Resolution 3 – Share Consolidation

Resolution 3 seeks Shareholder approval for the Company to consolidate its issued share capital on a 1:25 basis (**Share Consolidation**).

Pursuant to Section 254H(1) of the Corporations Act, the Company may convert all or any of its Shares into a larger or smaller number of Shares by ordinary resolution passed at a general meeting. Accordingly, Resolution 3 seeks Shareholder approval for the Share Consolidation in accordance with the requirements of the Corporations Act.

If Resolution 3 is passed, the Share Consolidation will take effect on and from 25 November 2021 or another date determined by the Board.

If Resolution 3 is not passed, the Share Consolidation will not take effect.

For the sake of completeness, the below table sets out the Company's capital structure before and after this Resolution 3 is approved.

Explanatory Memorandum

	Pre-Consolidation	Post-Consolidation (subject to rounding)
Total Shares on issue¹	4,052,671,223	162,106,849
Total Options on issue¹	499,345,201	19,973,809
Total Rights on issue¹	82,500,000	3,300,000

Details of options on issue as follows:

Share options with an existing exercise price of \$0.015 and expiry 30 April 2022	Pre-Consolidation	Post-Consolidation (subject to rounding)
Total 30-Apr-22 Options on issue¹	311,750,000	12,470,000
Exercise Price of 30-Apr-22 options	\$0.015	\$0.375

Share options with an existing exercise price of \$0.009 and expiry 31 August 2022	Pre-Consolidation	Post-Consolidation (subject to rounding)
Total 31-Aug-22 Options on issue¹	187,595,201	7,503,808
Exercise Price of 31-Aug-22 options	\$0.009	\$0.225

For the purposes of Listing Rule 7.20, the following information is provided in respect of Resolution 3:

Purpose of Resolution	The Company currently has on issue 4.63 billion shares on a fully diluted basis and proposes to consolidate on a 1:25 basis to reduce the total to 185 million shares (fully diluted). This large pre-consolidation number of shares imposes a number of disadvantages upon the Company, including: (a) negative perception associated with a low share price; (b) precluding investment from certain investors who may be limited by their charters or mandates from investing in shares with low share prices; (c) administrative cost and inconvenience associated with the volume of shares in the market; and (d) additional share price volatility arising from the fact the minimum share price movement permitted by the ASX (of 0.005 cents) represents a high proportion of the Company's share price.
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¹ These calculations are based on the current shares on issue as at 5 October 2021 and assumes the Company does not issue any further Shares and no Options or Rights are exercised into Shares before the date the Share Consolidation takes effect.

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Fractional Entitlements	Where a fractional entitlement occurs, the Company will round that fraction up to the nearest whole Share.														
Holding Statements	Taking effect from the date of the Share Consolidation, all existing holding statements will cease to have any effect, except as evidence of entitlement to a certain number of securities on a post-Share Consolidation basis. New holding statements will be issued to Shareholders and Optionholders, who are encouraged to check their holdings after the Share Consolidation.														
Indicative Timetable	If approved by Shareholders, the proposed Share Consolidation will take effect in accordance with the following indicative timetable (subject to change) of the key events: <table> <tr> <th>Event</th><th>Date</th></tr> <tr> <td>General Meeting</td><td>23 November 2021</td></tr> <tr> <td>Notify ASX that Share Consolidation is approved</td><td>23 November 2021</td></tr> <tr> <td>Last day of trading in pre-Consolidation securities</td><td>24 November 2021</td></tr> <tr> <td>If agreed by ASX, trading in post-Consolidation securities commences on a deferred settlement basis</td><td>25 November 2021</td></tr> <tr> <td>Record Date for Share Consolidation</td><td>26 November 2021</td></tr> <tr> <td>Company to send holding statements to Shareholders and Optionholders reflecting the change in the number of securities they hold.</td><td>29 November 2021</td></tr> </table> The timetable above (other than the date of the Meeting) is indicative only and may be changed at the discretion of the Directors (subject to the Listing Rules) or as required by the ASX.	Event	Date	General Meeting	23 November 2021	Notify ASX that Share Consolidation is approved	23 November 2021	Last day of trading in pre-Consolidation securities	24 November 2021	If agreed by ASX, trading in post-Consolidation securities commences on a deferred settlement basis	25 November 2021	Record Date for Share Consolidation	26 November 2021	Company to send holding statements to Shareholders and Optionholders reflecting the change in the number of securities they hold.	29 November 2021
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Company to send holding statements to Shareholders and Optionholders reflecting the change in the number of securities they hold.	29 November 2021														

The Directors unanimously recommend that Shareholders vote in favour of Resolution 3 and the Directors intend to vote all of the Shares that they each hold or control in favour of Resolution 3.

The Chair intends to vote all undirected proxies in favour of Resolution 3.

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Resolution 4 – Approval to issue an additional 10% of the issued capital of the Company over a 12 month period pursuant to Listing Rule 7.1A

Listing Rule 7.1A provides that an Eligible Entity may seek Shareholder approval to allow it to issue Equity Securities up to 10% of its issued capital over a period up to 12 months after the entity's annual general meeting (**10% Additional Placement Capacity**). The 10% Additional Placement Capacity is in addition to the Company's 15% placement capacity under Listing Rule 7.1.

The Company is an Eligible Entity as it is not included in the S&P/ASX 300 Index and has a current market capitalisation of less than \$300,000,000.

Accordingly, Resolution 4 seeks Shareholder approval to have the ability to issue Equity Securities pursuant to the 10% Additional Placement Capacity.

If Resolution 4 is passed, the Directors will be able to issue Equity Securities in the Company for up to 10% of the Company's fully paid ordinary securities on issue during the period up to 12 months after the Meeting (**Placement Securities**), calculated in accordance with the formula prescribed in Listing Rule 7.1A.2.

If Resolution 4 is not passed, the Directors will be unable to issue Placement Securities under the Company's 10% Additional Placement Capacity and the Company will be unable to raise funds using the Company's 10% Additional Placement Capacity.

Resolution 4 is a Special Resolution. Accordingly, at least 75% of votes cast by Shareholders present and eligible to vote at the Meeting must be in favour of Resolution 4 for it to be passed. Pursuant to Listing Rule 7.1A, no Placement Securities will be issued until and unless this Special Resolution is passed at the Meeting.

For the purpose of Listing Rule 7.3A, the following information is provided in respect of Resolution 4:

Period of approval	The Placement Securities may be issued under the 10% Additional Placement Capacity commencing on the date of the General Meeting and expiring on the first to occur of the following: (a) the date that is 12 months after the date of the General Meeting; (b) the time and date of the Company's next annual general meeting; and (c) the time and date of the approval by Shareholders of any transaction under Listing Rules 11.1.2 or 11.2.
Minimum price	The minimum price at which the Placement Securities (which must be in an existing quoted class of the Company's Equity Securities and issued for cash consideration) may be issued is 75% of the volume weighted average market price of Equity Securities in the same class, calculated over the 15 Trading Days on which trades in that class were recorded immediately before: (a) the date on which the price at which the relevant Placement Securities are to be issued is agreed by the entity and the recipient of the securities; or (b) if the relevant Placement Securities are not issued within 10 Trading Days of the date in paragraph (a) above, the date on which the

Explanatory Memorandum

	relevant Placement Securities are issued.																																												
Use of funds	The Company may issue Placement Securities under the 10% Additional Placement Capacity for cash consideration, which the Company intends to use for the acquisition of new resources, assets and investments (including expenses associated with such an acquisition), continued exploration expenditure on the Company's current assets and general working capital (including payment of expenses associated with the issue of Placement Securities).																																												
Risk of economic and voting dilution	Any issue of Placement Securities under the 10% Additional Placement Capacity will dilute the economic and voting interests of Shareholders who do not receive any Equity Securities under the issue. If Resolution 4 is approved by Shareholders and the Company issues the maximum number of Equity Securities available under the 10% Additional Placement Capacity, the economic and voting dilution of existing Shares would be as shown in the table below. Shareholders should note that there is a risk that: (a) the market price for the Company's Equity Securities may be significantly lower on the issue date of any Placement Securities than on the date of the General Meeting; and (b) the Placement Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the date of issue, which may have an effect on the amount of funds raised by the issue of the Placement Securities. The table below displays the potential dilution of existing Shareholders calculated in accordance with the formula outlined in ASX Listing Rule 7.1A(2) on the basis of three (3) different assumed issue prices and values for variable "A" in the formula in Listing Rule 7.1A.2: <table border="1"> <thead> <tr> <th colspan="2" rowspan="3">Listing Rule 7.1A.2</th><th colspan="3">Dilution</th></tr> <tr> <th>\$0.013</th><th>\$0.025</th><th>\$0.05</th></tr> <tr> <th>50% decrease in Market Price</th><th>Market Price</th><th>100% increase in Market Price</th></tr> </thead> <tbody> <tr> <td>Current Issued Capital</td><td>10% voting dilution</td><td>405,267,122</td><td>405,267,122</td><td>405,267,122</td></tr> <tr> <td>4,052,671,223</td><td>Funds raised</td><td>\$5,065,839</td><td>\$10,131,678</td><td>\$20,263,356</td></tr> <tr> <td>50% increase in current issued capital</td><td>10% voting dilution</td><td>607,900,683</td><td>607,900,683</td><td>607,900,683</td></tr> <tr> <td>6,079,006,835</td><td>Funds raised</td><td>\$7,598,759</td><td>\$15,197,517</td><td>\$30,395,034</td></tr> <tr> <td>100% increase in current issued capital</td><td>10% voting dilution</td><td>810,534,245</td><td>810,534,245</td><td>810,534,245</td></tr> <tr> <td>8,105,342,446</td><td>Funds raised</td><td>\$10,131,678</td><td>\$20,263,356</td><td>\$40,526,712</td></tr> </tbody> </table> The table above uses the following assumptions: (a) Resolution 4 is passed.				Listing Rule 7.1A.2		Dilution			\$0.013	\$0.025	\$0.05	50% decrease in Market Price	Market Price	100% increase in Market Price	Current Issued Capital	10% voting dilution	405,267,122	405,267,122	405,267,122	4,052,671,223	Funds raised	\$5,065,839	\$10,131,678	\$20,263,356	50% increase in current issued capital	10% voting dilution	607,900,683	607,900,683	607,900,683	6,079,006,835	Funds raised	\$7,598,759	\$15,197,517	\$30,395,034	100% increase in current issued capital	10% voting dilution	810,534,245	810,534,245	810,534,245	8,105,342,446	Funds raised	\$10,131,678	\$20,263,356	\$40,526,712
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- (b) The current Shares on issue are the Shares on issue as at 5 October 2021.
- (c) The Share price set out above is the closing price of the Shares on the ASX on 5 October 2021 (being the last trading day before the date of this Notice of Meeting).
- (d) The Company issues the maximum possible number of Equity Securities under the 10% Additional Placement Capacity.
- (e) The above table only shows the dilutionary effect based on the 10% Additional Placement Capacity under Listing Rule 7.1A and not the 15% issue under Listing Rule 7.1.
- (f) The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue.
- (g) The issued capital has been calculated in accordance with the formula in Listing Rule 7.1A(2) as at 5 October 2021 and as provided for by the assumptions.
- (h) The issue price of the Placement Securities used in the table is the same as the Share price and does not take into account any discount to the share price (if any).
- (i) No Options or Rights are exercised into Shares before the date of the issue of the Equity Securities under Listing Rule 7.1A.
- (j) The calculations above do not show the dilution that any one particular Shareholder will be subject to. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.
- (k) Only Shares will be issued under the 10% Additional Placement Capacity.

The table below has been re-stated based on the assumption that Resolution 3 in relation to the Share Consolidation is passed:

Listing Rule 7.1A.2		Dilution		
		\$0.3125	\$0.625	\$1.25
		50% decrease in Market Price	Market Price	100% increase in Market Price
Current Issued Capital	10% voting dilution	16,210,685	16,210,685	16,210,685
162,106,849	Funds raised	\$5,065,839	\$10,131,678	\$20,263,356
50% increase in current issued capital	10% voting dilution	24,316,027	24,316,027	24,316,027
243,160,274	Funds raised	\$7,598,759	\$15,197,517	\$30,395,034
100% increase in current issued capital	10% voting dilution	32,421,370	32,421,370	32,421,370
324,213,698	Funds raised	\$10,131,678	\$20,263,356	\$40,526,712

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Allocation policy	The allottees of the Placement Securities to be issued under the 10% Additional Placement Capacity have not yet been determined. However, the allottees of Placement Securities could consist of current Shareholders or new investors (or both), none of whom will be related parties or Associates of a related party of the Company. Further, if the Company is successful in acquiring new assets or investments, it is likely that the allottees under the Additional 10% Placement Capacity will be vendors of the new assets or investments. The Company will determine the allottees at the time of the issue under the 10% Additional Placement Capacity, having regard to the following factors: (a) the purpose of the issue; (b) alternative methods for raising funds available to the Company at that time, including, but not limited to, an entitlement issue or other offer where existing Shareholders may participate; (c) the effect of the issue of the Placement Securities on the control of the Company; (d) the Company's circumstances, including, but not limited to, its financial position and solvency; (e) prevailing market conditions; and (f) advice from corporate, financial and broking advisers (if applicable).
Total number of Equity Securities issued or agreed to be issued in the 12 months preceding the date of the Meeting under Listing Rule 7.1A.2	The number of equity security on issue 12 months before the date of the Meeting was 3,247,512,856 equity securities: (a) 3,106,603,735 ordinary shares (b) 140,909,121 Unlisted Options (\$0.009 @ 31-Aug-21) In the previous twelve months the total number of equity securities issued or agreed to be issued under Listing Rule 7.1A.2 is 326,485,126 ordinary shares. Accordingly, the total number of equity securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months preceding the date of the Meeting represents approximately 10% of the total Equity Securities on issue at the commencement of that 12 month period. For the purpose of Listing Rule 7.3A.6(b), the Company provides the following information: (a) the allottees of the Shares were subscribers to a private placement who are exempt from the disclosure requirements of the Corporations Act; (b) the issue price of the shares was \$0.01 per share, representing a discount of 16.7% to the closing market price on the date of issue or agreement; (c) The Company received total cash consideration received of \$3,264,851. No funds have been used to date. However, the money raised will be used for the purposes of: i. Oropesa Drilling Programme and Geological Optimisation

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	ii. Oropesa Environmental Approval Process iii. Oropesa DFS and Project Engineering iv. Corporate costs including cost of the offer and working capital.
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As at the date of this Notice of Meeting, the Company does not have any intention to issue any Equity Securities under Listing Rule 7.1A which has not previously been disclosed.

The Directors unanimously recommend that you vote in favour of Resolution 4.

The Chair intends to vote all undirected proxies in favour of Resolution 4.

Any inquiries in relation to the Resolutions or the Explanatory Memorandum should be directed to Duncan Cornish (Company Secretary): Level 6, 10 Market St, Brisbane City, QLD 4000 Ph: +61 7 3212 6299

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5. Glossary

10% Additional Placement Capacity means the equity securities issued by the Company pursuant to Listing Rule 7.1A.

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

AEST means Australian Eastern Standard Time.

Associate has the meaning given to that term in the Corporations Act.

ASX means ASX Limited (ABN 98 008 624 691) or the securities market operated by ASX Limited (as the context requires).

Board means the board of Directors of the Company.

Chair means the chair of the Meeting.

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

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependant of the member or of the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member or be influenced by the member, in the member's dealings with the Company;
- (e) a company the member controls; or
- (f) a person prescribed by the regulations for the purpose of the above definition.

Company means Elementos Limited ACN 138 468 756.

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

Director means a director of the Company as at the date of this Explanatory Memorandum.

Directors' Report means the document dated 28 September 2021 entitled 'Directors' Report' contained within pages 16-28 (inclusive) of the Annual Report.

Eligible Entity has the meaning given to that term in the Listing Rules.

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

Explanatory Memorandum means this explanatory memorandum that accompanies, and forms part of, the Notice of Meeting.

General Meeting or **Meeting** means the annual general meeting of the Company to be convened by the Notice of Meeting.

Key Management Personnel 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);

Listing Rules means the listing rules of the ASX.

Notice of Meeting means the notice convening the general meeting of Shareholders that accompanies this Explanatory Memorandum.

Option means an option to subscribe for a Share.

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

Placement Securities means Equity Securities issued pursuant to the Company's 10% Additional Placement Capacity.

Related Party has the meaning given to that term in the Listing Rules.

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Resolution means a resolution referred to in this Notice of Meeting.

Remuneration Report means the section of the Directors' Report in the Annual Report dealing with the remuneration of the Company's Directors, Company Secretary and senior executives described as 'Remuneration Report'.

Rights means a performance right issued to acquire Shares in the Company.

Shareholder means a holder of a Share.

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

Special Resolution means a resolution:

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

Trading Days means has the meaning given to that term in the Listing Rules.

All Correspondence to:

- ✉ **By Mail** Boardroom Pty Limited
GPO Box 3993
Sydney NSW 2001 Australia
- 📠 **By Fax:** +61 2 9290 9655
- 💻 **Online:** www.boardroomlimited.com.au
- ☎ **By Phone:** (within Australia) 1300 737 760
(outside Australia) +61 2 9290 9600

YOUR VOTE IS IMPORTANT

For your vote to be effective it must be recorded **before 10:30 am (Brisbane Time) on Sunday, 21 November 2021.**

🖥 TO VOTE ONLINE

STEP 1: VISIT <https://www.votingonline.com.au/eltagm2021>

STEP 3: Enter your Voting Access Code (VAC):

📱 BY SMARTPHONE



Scan QR Code using smartphone
QR Reader App

TO VOTE BY COMPLETING THE PROXY FORM

STEP 1 APPOINTMENT OF PROXY

Indicate who you want to appoint as your Proxy.

If you wish to appoint the Chair of the Meeting as your proxy, mark the box. If you wish to appoint someone other than the Chair of the Meeting as your proxy please write the full name of that individual or body corporate. If you leave this section blank, or your named proxy does not attend the meeting, the Chair of the Meeting will be your proxy. A proxy need not be a securityholder of the company. Do not write the name of the issuer company or the registered securityholder in the space.

Appointment of a Second Proxy

You are entitled to appoint up to two proxies to attend the meeting and vote. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by contacting the company's securities registry or you may copy this form.

To appoint a second proxy you must:

- complete two Proxy Forms. On each Proxy Form state the percentage of your voting rights or the number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded.
- return both forms together in the same envelope.

STEP 2 VOTING DIRECTIONS TO YOUR PROXY

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

Proxy which is a Body Corporate

Where a body corporate is appointed as your proxy, the representative of that body corporate attending the meeting must have provided an "Appointment of Corporate Representative" prior to admission. An Appointment of Corporate Representative form can be obtained from the company's securities registry.

STEP 3 SIGN THE FORM

The form **must** be signed as follows:

Individual: This form is to be signed by the securityholder.

Joint Holding: where the holding is in more than one name, all the securityholders should sign.

Power of Attorney: to sign under a Power of Attorney, you must have already lodged it with the registry. Alternatively, attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: this form must be signed by a Director jointly with either another Director or a Company Secretary. Where the company has a Sole Director who is also the Sole Company Secretary, this form should be signed by that person. **Please indicate the office held by signing in the appropriate place.**

STEP 4 LODGEMENT

Proxy forms (and any Power of Attorney under which it is signed) must be received no later than 48 hours before the commencement of the meeting, therefore by **10:30 am (Brisbane Time) on Sunday, 21 November 2021.** Any Proxy Form received after that time will not be valid for the scheduled meeting.

Proxy forms may be lodged using the enclosed Reply Paid Envelope or:

🖥 **Online** <https://www.votingonline.com.au/eltagm2021>

📠 **By Fax** + 61 2 9290 9655

✉ **By Mail** Boardroom Pty Limited
GPO Box 3993,
Sydney NSW 2001 Australia

👤 **In Person** Boardroom Pty Limited
Level 12, 225 George Street,
Sydney NSW 2000 Australia

Attending the Meeting

If you wish to attend the meeting please bring this form with you to assist registration.

☐

Your Address

This is your address as it appears on the company's share register. If this is incorrect, please mark the box with an "X" and make the correction in the space to the left. Securityholders sponsored by a broker should advise their broker of any changes.

Please note, you cannot change ownership of your securities using this form.

PROXY FORM

STEP 1 APPOINT A PROXY

I/We being a member/s of **Elementos Limited (Company)** and entitled to attend and vote hereby appoint:

☐

the **Chair of the Meeting (mark box)**

OR if you are **NOT** appointing the Chair of the Meeting as your proxy, please write the name of the person or body corporate (excluding the registered securityholder) you are appointing as your proxy below

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chair of the Meeting as my/our proxy at the Annual General Meeting of the Company to be held at the offices of Piper Alderman, Level 26, Riparian Plaza, 71 Eagle Street, Brisbane, QLD, 4000 **on Tuesday, 23 November, 2021 at 10:30 am (Brisbane Time)** and at any adjournment of that meeting, to act on my/our behalf and to vote in accordance with the following directions or if no directions have been given, as the proxy sees fit.

The Chair of the Meeting is authorised to exercise undirected proxies on remuneration related matters: If I/we have appointed the Chair of the Meeting as my/our proxy or the Chair of the Meeting becomes my/our proxy by default and I/we have not directed my/our proxy how to vote in respect of Resolution 1, I/we expressly authorise the Chair of the Meeting to exercise my/our proxy in respect of this Resolution even though Resolution 1 is connected with the remuneration of a member of the key management personnel for the Company.

The Chair of the Meeting will vote all undirected proxies in favour of all items of business (including Resolution 1). If you wish to appoint the Chair of the Meeting as your proxy with a direction to vote against, or to abstain from voting on an item, you must provide a direction by marking the 'Against' or 'Abstain' box opposite that resolution.

STEP 2 VOTING DIRECTIONS

* If you mark the Abstain box for a particular item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your vote will not be counted in calculating the required majority if a poll is called.

		For	Against	Abstain*
Resolution 1	Adoption of Remuneration Report	☐	☐	☐
Resolution 2	Re-election of Mr Corey Nolan as a Director	☐	☐	☐
Resolution 3	Approval of Share Consolidation	☐	☐	☐
Resolution 4	Approval to issue an additional 10% Issued Capital of the Company over a 12 month period pursuant to Listing Rule 7.1A	☐	☐	☐

STEP 3 SIGNATURE OF SECURITYHOLDERS

This form must be signed to enable your directions to be implemented.

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director / Company Secretary

Contact Name.....

Contact Daytime Telephone.....

Date / / 2021