



KOBA RESOURCES LIMITED
ACN 650 210 067

**NOTICE OF EXTRAORDINARY GENERAL MEETING
AND EXPLANATORY STATEMENT**

TIME:	10:00am (WST)
DATE:	5 April 2023
PLACE:	Unit 25, Level 3, 22 Railway Road Subiaco, Western Australia 6008

This Notice of Meeting and Explanatory Statement 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 without delay.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 8 9226 1356.



ACN 650 210 067

IMPORTANT INFORMATION IN REGARD TO SHAREHOLDER MEETING VOTING

Notice is hereby given that a General Meeting of Shareholders of Koba Resources Limited (**Company**) will be held at Unit 25, Level 3, 22 Railway Road, Subiaco, WA 6008 on 5 April 2023 at 10:00am (WST) (**Meeting**).

The Company strongly encourages Shareholders to submit completed Proxy Forms prior to the Meeting in accordance with the instructions set out in the Proxy Form and the Notice. The Board also advises Shareholders to monitor the Company's website and ASX announcements for any updates in relation to the Meeting that may need to be provided.

As permitted by section 110D of the Corporations Act (as inserted by the *Corporations Amendment (Meetings and Documents) Act 2022 (Cth)*), the Company will not be sending hard copies of the Notice of Meeting to Shareholders. Instead, Shareholders can access a copy of the Notice at the following link:

<https://kobaresources.com/wp-content/uploads/NoticeOfGeneralMeeting5Apr23.pdf>

How Shareholders Can Participate

1. Shareholders are urged to appoint the Chair as their proxy. Shareholders can complete the Proxy Form to provide specific instructions on how a Shareholder's vote is to be cast on each item of business and the Chair must follow the Shareholder's instructions. Lodgement instructions (which include the ability to lodge proxies electronically) are set out in the Proxy Form attached to the Notice. If a person other than the Chair is appointed as proxy, the proxy will revert to the Chair in the absence of the appointed proxy holder's attendance at the Meeting. Your proxy voting instructions must be received by 10am (WST) on 3 April 2023.
2. Shareholders may submit questions in advance of the Meeting by email to the Company Secretary at icunningham@kobaresources.com. Responses will be provided at the Meeting in respect of all valid questions received prior to 5.00pm (WST) on 3 April 2023. Shareholders who attend the Meeting, will also have the opportunity to submit questions during the Meeting.

Shareholders should contact the Company Secretary on +61 8 9226 1356 or by email at icunningham@kobaresources.com if they have any queries in relation to the Meeting arrangements.

If the above arrangements with respect to the Meeting change, Shareholders will be updated via the ASX Market Announcements Platform and on the Company's website at www.kobaresources.com.

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IMPORTANT INFORMATION

Time and place of Meeting

The General Meeting of the Shareholders to which this Notice of Meeting relates will be held at 10:00am (WST) on 5 April 2023 at:

Unit 25, 22 Railway Road
Subiaco, Western Australia 6008

Your vote is important

The business of the Meeting affects your shareholding and your vote is important.

Voting eligibility

The Company may specify a time, not more than 48 hours before the Meeting, at which a “snap-shot” of Shareholders will be taken for the purposes of determining Shareholder entitlements to vote at the Meeting.

The Company’s Directors have determined that all Shares of the Company that are on issue at 5:00pm (WST) on 3 April 2023 shall, for the purposes of determining voting entitlements at the Meeting, be taken to be held by the persons registered as holding the Shares at that time.

Voting in person

To vote in person, attend the Meeting at the time, date and place set out above. However, the Company strongly encourages all Shareholders to participate in the Meeting by reading the Notice carefully and voting by proxy in accordance with the instructions below.

Voting by proxy

Shareholders are strongly urged to appoint the Chair as their proxy. Shareholders can complete the Proxy Form to provide specific instructions on how a Shareholder’s vote is to be cast on each item of business, and the Chair must follow Shareholder’s instructions. Lodgement instructions (which include the ability to lodge proxies online) are set out in the Proxy Form attached to this Notice of Meeting. If a person other than the Chair is appointed as proxy, the proxy will revert to the Chair in the absence of the appointed proxy holder’s attendance at the Meeting. **Proxy Forms must be received prior to 10:00am (WST) on 3 April 2023.**

BUSINESS OF THE MEETING

The business to be considered at the Meeting is set out below.

1. RESOLUTION 1 – APPROVAL FOR ISSUE OF PLACEMENT SHARES

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 for all other purposes, Shareholders approve the issue of up to 26,666,667 Placement Shares to the parties, for the purpose and on the terms and conditions set out in the Explanatory Statement accompanying this Notice of Meeting."

Voting Exclusion: The Company will disregard any votes cast in favour of Resolution 1 by or on behalf of any person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company), and any Associate of those persons. However, this does not apply to a vote cast in favour of Resolution 1 by:

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

2. RESOLUTION 2 – APPROVAL FOR ISSUE OF PLACEMENT OPTIONS

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 for all other purposes, Shareholders approve the issue of up to 6,666,667 Placement Options to the parties, for the purpose and on the terms and conditions set out in the Explanatory Statement accompanying this Notice of Meeting."

Voting Exclusion: The Company will disregard any votes cast in favour of Resolution 2 by or on behalf of any person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company), and any Associate of those persons. However, this does not apply to a vote cast in favour of Resolution 2 by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair acting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:

- (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an Associate of a person excluded from voting, on the Resolution; and
- (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

3. RESOLUTION 3 – APPROVAL FOR ISSUE OF OPTIONS TO CYGNET CAPITAL

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 for all other purposes, Shareholders approve the issue of 4,000,000 Options to Cygnet Capital Pty Limited (and/or their nominee(s)), for the purpose and on the terms and conditions set out in the Explanatory Statement accompanying this Notice of Meeting."

Voting Exclusion: The Company will disregard any votes cast in favour of Resolution 3 by or on behalf of Cygnet Capital (and/or their nominee(s)), and any Associate of those persons. However, this does not apply to a vote cast in favour of Resolution 3 by:

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

Dated: 2 March 2023

By order of the Board

IAN CUNNINGHAM
COMPANY SECRETARY

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions.

1. BACKGROUND TO RESOLUTIONS 1 – 3

On 23 February 2023, the Company announced a placement of up to 26,666,667 Shares at an issue price of \$0.15 per Share (**Placement Shares**), together with free attaching Options on a 1 for 4 basis (**Placement Options**), to raise approximately \$4 million, before costs (**Placement**). The Placement Options will be exercisable at \$0.30 each on or before 27 December 2024.

The issue of the Placement Shares and Placement Options is subject to shareholder approval under Resolutions 1 and 2 (respectively) of this Notice of Meeting.

Cygnnet Capital Pty Limited (**Lead Manager**) has been appointed as lead manager to the Placement. As part of the consideration for the services provided by the Lead Manager the Company agreed to issue Options (**Broker Options**) on the same terms as the Placement Options to the Lead Manager (and/or their nominee(s)).

The issue of the Broker Options is subject to shareholder approval under Resolution 3 of this Notice of Meeting.

2. RESOLUTION 1 – APPROVAL OF ISSUE OF PLACEMENT SHARES

2.1 Background

As stated in section 1, Resolution 1 seeks Shareholder approval for the issue of the Placement Shares.

2.2 Regulatory Requirements

Listing Rule 7.1 provides that, unless an exemption applies, a company must not, without prior approval of shareholders, issue or agree to issue Equity Securities if the Equity Securities will in themselves or when aggregated with the Equity Securities issued by the company during the previous 12 months, exceed 15% of the number of ordinary securities on issue at the commencement of that 12 month period.

The issue of 26,666,667 Placement Shares pursuant to Resolution 1 will exceed the 15% limit and therefore requires the approval of Shareholders.

Resolution 1 seeks the required shareholder approval for the issue of the Placement Shares and for the purposes of Listing Rule 7.1.

If Resolution 1 is passed the issue of the Placement Shares will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of Equity Securities the Company can issue without shareholder approval over the 12 month period following the date of issue of the Placement Shares.

If Resolution 1 is not passed, then the Company will not be able to proceed with the Placement.

The Placement Shares will comprise approximately 21.6% of the Company's fully diluted issued capital (based on the number of Shares and Options on issue as at the date of this Notice of Meeting).

In compliance with the information requirements of Listing Rule 7.3, Shareholders are advised of the following information:

(a) The names of the persons to whom the entity will issue the securities or the basis on which those persons will be identified or selected

The Placement 7.1 Shares will be issued to sophisticated, professional or other exempt investors.

The subscribers have been introduced to the Company by the Lead Manager (or other external brokers in accordance with the Broker Agreement).

None of the investors were related parties or material investors of the Company.¹

(b) Maximum number and class of securities to be issued

The Company intends to issue up to 26,666,667 Placement Shares.

(c) Material terms of the securities

The Placement Shares will rank equally in all respects with the existing Shares on issue.

The Company will apply to ASX for official quotation of the Placement Shares.

(d) Date of issue

The Placement Shares are proposed to be issued on 14 April 2023, but, in any case, will be issued no later than 3 months after the date of Shareholder approval pursuant to this Resolution 1 or such later date as approved by ASX.

(e) Issue price or other consideration

The issue price of the Placement Shares will be \$0.15 per Share.

(f) Purpose of the issue, including the intended use of the fund raised

The net proceeds from the Placement will be used to fund the following:

- (i) exploration programs at the Company's Whitlock, SB1, Davidson and Python lithium projects; and
- (ii) identification, evaluation and execution of acquisition opportunities.

(g) Relevant agreement

The Placement Shares will not be issued pursuant to any agreement.

(h) Voting exclusion statement

A voting exclusion statement for Resolution 1 is included in the Notice of Annual General Meeting preceding this Explanatory Statement.

2.3 Board Recommendation

The Board recommends that Shareholders vote in favour of Resolution 1 to approve the issue of the Placement Shares.

3. RESOLUTION 2 – APPROVAL OF ISSUE OF PLACEMENT OPTIONS

3.1 Background

As stated in section 1, Resolution 2 seeks Shareholder approval for the issue of the Placement Options.

3.2 Regulatory Requirements

Listing Rule 7.1 provides that, unless an exemption applies, a company must not, without prior approval of shareholders, issue or agree to issue Equity Securities if the Equity Securities will in themselves or when aggregated with the Equity Securities issued by the company during the previous 12 months, exceed 15% of the number of ordinary securities on issue at the commencement of that 12 month period.

¹ ASX consider the following to be material investors:

- (i). a related party of the entity;
- (ii). a member of the entity's Key Management Personnel;
- (iii). a substantial holder in the entity;
- (iv). an adviser to the entity; or
- (v). an associate of any of the above,

where such person or entity is being issued more than 1% of the entity's current issued capital.

The issue of up to 6,666,667 Placement Options pursuant to Resolution 2 will exceed the 15% limit and therefore requires the approval of Shareholders.

Resolution 2 seeks the required shareholder approval for the issue of the Placement Options and for the purposes of Listing Rule 7.1.

If Resolution 2 is passed the issue of the Placement Options will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of Equity Securities the Company can issue without shareholder approval over the 12 month period following the date of issue of the Placement Options.

If Resolution 2 is not passed, and Resolution 1 is passed, then the Company will not be able to proceed with the issue of the Placement Options and the Company may be required to renegotiate the terms of the Placement with the placement subscribers or may be required to pay cash in lieu of the issue of the Placement Options to the subscribers under the Placement.

If Resolution 2 is not passed, and Resolution 1 is also not passed, the Company will not issue the Placement Options.

The Placement Options will comprise approximately 5.1% of the Company's fully diluted issued capital (based on the number of Shares and Options on issue as at the date of this Notice of Meeting).

In compliance with the information requirements of Listing Rule 7.3, Shareholders are advised of the following information:

(a) The names of the persons to whom the entity will issue the securities or the basis on which those persons will be identified or selected

The Placement Options will be issued to the participants under the Placement on the basis of one option for every four Placement Share subscribed for.

The participants under the Placement are sophisticated, professional or other exempt investors, were introduced to the Company by the Lead Manager (or other external brokers in accordance with the Broker Agreement) and are not related parties or material investors of the Company.²

(b) Maximum number and class of securities to be issued

The Company intends to issue up to 6,666,667 Placement Options.

(c) Material terms of the securities

The Placement Options will be issued on the terms and conditions set out in Schedule 1.

(d) Date of issue

The Placement Options are proposed to be issued on 14 April 2023, but, in any case, no later than 3 months after the date of Shareholder approval pursuant to this Resolution 2 or such later date as approved by ASX.

(e) Issue price or other consideration

Each Placement Option is exercisable at \$0.30 on or before 27 December 2024.

The Placement Options are issued for nil consideration.

² ASX consider the following to be material investors:

- (i). a related party of the entity;
- (ii). a member of the entity's Key Management Personnel;
- (iii). a substantial holder in the entity;
- (iv). an adviser to the entity; or
- (v). an associate of any of the above,

where such person or entity is being issued more than 1% of the entity's current issued capital.

(f) Purpose of the issue, including the intended use of the funds raised

The purpose of the issue is satisfy the Company's obligations to participants under the Placement as announced on 23 February 2023.

No funds will be raised from the issue of the Placement Options.

(g) Relevant agreement

The Placement Options will not be issued pursuant to any agreement.

The terms of the Placement Options are set out in Schedule 1.

(h) Voting exclusion statement

A voting exclusion statement for Resolution 2 is included in the Notice of Annual General Meeting preceding this Explanatory Statement.

3.3 Board Recommendation

The Board recommends that Shareholders vote in favour of Resolution 2 to approve the issue of the Placement Options.

4. RESOLUTION 3 – APPROVAL OF ISSUE OF BROKER OPTIONS

4.1 Background

As stated in section 1, Resolution 3 seeks Shareholder approval for the issue of the Broker Options.

4.2 Regulatory Requirements

Listing Rule 7.1 provides that, unless an exemption applies, a company must not, without prior approval of shareholders, issue or agree to issue Equity Securities if the Equity Securities will in themselves or when aggregated with the Equity Securities issued by the company during the previous 12 months, exceed 15% of the number of ordinary securities on issue at the commencement of that 12 month period.

The issue of 4,000,000 Broker Options pursuant to Resolution 3 will exceed the 15% limit and therefore requires the approval of Shareholders.

Resolution 3 seeks the required shareholder approval for the issue of the Broker Options and for the purposes of Listing Rule 7.1.

If Resolution 3 is passed the issue of the Broker Options will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of Equity Securities the Company can issue without shareholder approval over the 12 month period following the date of issue of the Broker Options.

If Resolution 3 is not passed, the Company will not be able to proceed with the issue of the Broker Options to Cygnet Capital (or nominee(s)) and the Company may be required to pay cash in lieu of the issue of the Broker Options.

The Broker Options will comprise approximately 3% of the Company's fully diluted issued capital (based on the number of Shares and Options on issue as at the date of this Notice of Meeting).

In compliance with the information requirements of Listing Rule 7.3, Shareholders are advised of the following information:

(a) The names of the persons to whom the entity will issue the securities or the basis on which those persons will be identified or selected

The Broker Options will be issued to the Lead Manager (or their nominees).

The Lead Manager is not a material investor in the Company.³

(b) Maximum number and class of securities to be issued

The Company intends to issue 4,000,000 Broker Options.

(c) Material terms of the securities

The material terms of the Broker Options are summarised in Schedule 2.

(d) Date of issue

The Broker Options will be issued as soon as possible after Shareholder approval is provided, but, in any case, no later than 3 months after the date of Shareholder approval pursuant to this Resolution 3 or such later date as approved by ASX.

(e) Issue price or other consideration

Each Broker Option is exercisable at \$0.30 on or before 27 December 2024.

(f) Purpose of the issue, including the intended use of the funds raised

The proposed issue of the Broker Options is as part consideration for the services provided by the Lead Manager to the Placement.

(g) Relevant agreement

The Broker Options the subject of Resolution 3 are to be issued pursuant to the Broker Agreement between the Company and the Lead Manager, the material terms of which are set out in Schedule 2.

(h) Voting exclusion statement

A voting exclusion statement for Resolution 3 is included in the Notice of Annual General Meeting preceding this Explanatory Statement.

4.3 Board Recommendation

The Directors unanimously recommend that shareholders vote in favour of Resolution 2 to approve the issue of the Placement Options

Accordingly, the Board recommends Shareholders vote in favour of Resolution 1. the Board recommends Shareholders vote in favour of Resolution 3.

5. ENQUIRIES

Shareholders may contact the Company Secretary on (+61) 8 9226 1356 or icunningham@kobaresources.com if they have any queries in respect of the matters set out in the Notices.

³ ASX consider the following to be material investors:

- (i). a related party of the entity;
- (ii). a member of the entity's Key Management Personnel;
- (iii). a substantial holder in the entity;
- (iv). an adviser to the entity; or
- (v). an associate of any of the above,

where such person or entity is being issued more than 1% of the entity's current issued capital.

GLOSSARY

\$ Means Australian dollars.

ASIC means the Australian Securities and Investments Commission.

Associate has the meaning given to that term in the Listing Rules.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by ASX Limited, as the context requires.

Board means board of Directors.

Broker Agreement means the agreement between the Lead Manager and the Company, dated 20 February 2023.

Broker Options has the meaning given to that term in section 1 of the Explanatory Statement accompanying this Notice of Meeting.

Chair means the chair of the Meeting.

Company means Koba Resources Limited (ACN 650 210 067).

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

Director means director of the Company.

Equity Securities has the meaning set out in the Listing Rules.

Explanatory Statement means the explanatory statement that accompanies this Notice of Meeting.

General Meeting or **Meeting** means the meeting convened by the Notice.

Lead Manager means Cygnet Capital Pty Limited (ACN 103 488 606).

Listing Rules means the listing rules of ASX.

Notice of Meeting or **Notice** means this notice of General Meeting.

Option means an option to subscribe for a Share.

Placement has the meaning given to that term in section 1 of the Explanatory Statement accompanying this Notice of Meeting.

Placement Options has the meaning given to that term in section 1 of the Explanatory Statement accompanying this Notice of Meeting.

Placement Shares has the meaning given to that term in section 1 of the Explanatory Statement accompanying this Notice of Meeting.

Proxy Form means the proxy form enclosed with this Notice of Meeting.

Resolutions means the resolutions set out in the Notice, or any one of them, as the context requires.

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

Shareholder means a registered holder of a Share.

WST means Western Standard Time as observed in Perth, Western Australia.

SCHEDULE 1 – TERMS OF PLACEMENT OPTIONS

The Placement Options were issued on the terms as summarised below:

- (i) **(Entitlement)**: Subject to the terms and conditions set out below, each Option, entitles the holder to subscribe for one Share of the Company upon exercise of the Option.
- (ii) **(Exercise Price and Expiry Date)**: The Options will be exercisable at \$0.30 each **(Exercise Price)** and expire at 5pm (WST time) on 27 December 2024 **(Expiry Date)**. An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
- (iii) **(Exercise Period)**: The Options are exercisable at any time on or prior to the Expiry Date.
- (iv) **(Quotation of the Options)**: The Company will not apply for quotation of the Options on ASX.
- (v) **(Transferability of the Options)**: The Options may not be assigned or transferred, other than with prior approval from the Board acting in its sole and absolute discretion..
- (vi) **(Notice of Exercise)**: The Options may be exercised by notice in writing to the Company in the manner specified on the Option certificate or statement **(Notice of Exercise)** and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company. Any Notice of Exercise of an Option received by the Company will be deemed to be a notice of the exercise of that Option as at the date of receipt.

Cheques shall be in Australian currency made payable to the Company and crossed "Not Negotiable". The application for Shares on exercise of the Options with the appropriate remittance should be lodged at the Company's registry.

- (vii) **(Shares issued on exercise)**: Shares issued on exercise of the Options rank equally with the then Shares of the Company.
- (viii) **(Quotation of Shares on exercise)**: Application will be made by the Company to ASX for quotation of the Shares issued upon the exercise of the Options.
- (ix) **(Timing of issue of Shares)**: Within 30 Business Days after the later of the following:
 - (A) receipt of a Notice of Exercise given in accordance with these terms and conditions and payment of the Exercise Price for each Option being exercised; and
 - (B) when excluded information in respect to the Company (as defined in section 708A(7) of the Corporations Act) (if any) ceases to be excluded information,the Company will:
 - (C) issue the Shares pursuant to the exercise of the Options;
 - (D) give ASX a notice that complies with section 708A(5)(e) of the Corporations Act or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
 - (E) apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

- (x) **(Reconstruction of capital)**: If at any time the issued capital of the Company is reconstructed, all rights of an Option holder are to be changed in a manner consistent with the Corporations Act and the Listing Rules at the time of the reconstruction.
- (xi) **(Participation in new issues)**: There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.
- (XII) **(Change in exercise price)**: An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

SCHEDULE 2 – TERMS OF BROKER OPTIONS

The Broker Options were issued on the terms as summarised below:

- (i) **(Entitlement)**: Subject to the terms and conditions set out below, each Option, once vested, entitles the holder to subscribe for one Share of the Company upon exercise of the Option.
- (ii) **(Exercise Price and Expiry Date)**: The Options will be exercisable at \$0.30 each (**Exercise Price**) and expire at 5pm (WST time) on 27 December 2024 (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
- (iii) **(Exercise Period)**: The Options are exercisable at any time on or prior to the Expiry Date.
- (iv) **(Quotation of the Options)**: The Company will not apply for quotation of the Options on ASX.
- (v) **(Transferability of the Options)**: The Options may not be assigned or transferred, other than with prior approval from the Board acting in its sole and absolute discretion.
- (vi) **(Notice of Exercise)**: The Options may be exercised by notice in writing to the Company in the manner specified on the Option certificate or statement (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company. Any Notice of Exercise of an Option received by the Company will be deemed to be a notice of the exercise of that Option as at the date of receipt.

Cheques shall be in Australian currency made payable to the Company and crossed "Not Negotiable". The application for Shares on exercise of the Options with the appropriate remittance should be lodged at the Company's registry.

- (vii) **(Shares issued on exercise)**: Shares issued on exercise of the Options rank equally with the then Shares of the Company.
- (viii) **(Quotation of Shares on exercise)**: Application will be made by the Company to ASX for quotation of the Shares issued upon the exercise of the Options.
- (ix) **(Timing of issue of Shares)**: Within 30 Business Days after the later of the following:
 - (A) receipt of a Notice of Exercise given in accordance with these terms and conditions and payment of the Exercise Price for each Option being exercised; and
 - (B) when excluded information in respect to the Company (as defined in section 708A(7) of the Corporations Act) (if any) ceases to be excluded information,the Company will:
 - (C) issue the Shares pursuant to the exercise of the Options;
 - (D) give ASX a notice that complies with section 708A(5)(e) of the Corporations Act or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
 - (E) apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.
- (x) **(Reconstruction of capital)**: If at any time the issued capital of the Company is reconstructed, all rights of an Option holder are to be changed in a manner consistent with the Corporations Act and the Listing Rules at the time of the reconstruction.

- (xi) **(Participation in new issues)**: There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.
- (xii) **(Change in exercise price)**: An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

SCHEDULE 3 – TERMS OF BROKER AGREEMENT

On 20 February 2023, the Company entered into a broker agreement (**Broker Agreement**) with the Lead Manager who agreed to act as lead manager and corporate adviser to the Placement.

- (i) **(Term of Engagement)** The Broker Agreement is effective from 20 February 2023 and will continue until the Placement settles which is expected on to occur on or about April 2023.
- (ii) **(External Broker Carve Out)** Of the \$4,000,000 to be raised under the Placement, the Lead Manager is allowing for \$1,000,000 to be guaranteed as an allocation for external brokers. The external brokers will be paid a fee of 5% on funds raised, and will also be allocated pro-rate fee options. Details of the pro-rata allocation are detailed in (iii)(B) below.
- (iii) **(Remuneration)** The Company will pay fees, consisting of:
 - (A) 6% of the total amount on all funds raised under the Placement. The Lead Manager reserves the right to pass on all or part of the fee to third parties at its sole discretion; and
 - (B) the Company will issue to the Lead Manager (or their nominees) a total of 4,000,000 options exercisable at \$0.30 per share on or before 27 December 2024 and on the terms described in Schedule 2. The Broker Options will be split pro rata between the Lead Manager and external brokers based on the respective proportions of the Placement subscribed for by the Lead Manager and any external brokers.

In addition to the fees specified above, all reasonable disbursements and expenses relating to or arising from the Lead Manager's involvement in the engagement must be paid or reimbursed in full by the Company.
- (iv) **(Other)** The Broker Agreement contains other terms (including warranties) standard for agreements of this nature.

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 Monday, 3 April 2023**, being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

SUBMIT YOUR PROXY

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

YOUR NAME AND ADDRESS

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

STEP 1 – APPOINT A PROXY

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

DEFAULT TO THE CHAIR OF THE MEETING

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

STEP 2 - VOTES ON ITEMS OF BUSINESS

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

APPOINTMENT OF SECOND PROXY

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

SIGNING INSTRUCTIONS

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

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

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

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

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

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

CORPORATE REPRESENTATIVES

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

Lodging your Proxy Voting Form:

Online:

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

or scan the QR code below using your smartphone

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



BY MAIL:

Automic
GPO Box 5193
Sydney NSW 2001

IN PERSON:

Automic
Level 5, 126 Phillip Street
Sydney NSW 2000

BY EMAIL:

meetings@automicgroup.com.au

BY FACSIMILE:

+61 2 8583 3040

All enquiries to Automic:

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

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

