



**Kalamazoo Resources Limited
ACN 150 026 850**

Notice of Annual General Meeting

**The Annual General Meeting of the Company will be held
on Wednesday, 18 November 2020 at 9.30 am (WST)**

The Meeting will be conducted as a virtual meeting

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

**Should you wish to discuss any matter, please do not hesitate to contact the
Company Secretary by telephone on (08) 9481 8188.**

Kalamazoo Resources Limited
ACN 150 026 850
(Company)

Notice of Annual General Meeting

Notice is hereby given that the annual general meeting of Shareholders of Kalamazoo Resources Limited will be held at 16 Douro Place, West Perth, Western Australia 6005 on Wednesday, 18 November 2020 at 9.30 am (WST) (**Meeting**).

The Board is closely monitoring the rapidly changing coronavirus (COVID-19) pandemic. The health of the Company's Shareholders, employees and other stakeholders is of paramount importance.

While the Board would like to host all Shareholders in person, in order to minimise the risk to Shareholders and to the Company and its ongoing operations, the Company has determined not to allow Shareholders (excluding Board members) to physically attend the Meeting. Instead, the Meeting will be conducted online. Refer to Section 2.2 for details regarding how to participate in the virtual Meeting.

The Directors strongly encourage all Shareholders to lodge Proxy Forms prior to the Meeting.

The Directors have determined pursuant to Regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 9.30 am (WST) on Monday, 16 November 2020.

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

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

Agenda

1 Annual Report

To consider the Annual Report of the Company and its controlled entities for the financial year ended 30 June 2020, which includes the Financial Report, the Directors' Report and the Auditor's Report.

2 Resolutions

Resolution 1 – Remuneration Report

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

“That the Remuneration Report be adopted by Shareholders.”

Resolution 2 – Re-election of Director – Angus Middleton

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

“That Angus Middleton, who retires by rotation in accordance with Clause 14.2 of the Constitution and, being eligible and offers himself for re-election, is re-elected as a Director of the Company.”

Resolution 3 – Approval of 10% Placement Facility

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

“That pursuant to and in accordance with Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of Equity Securities totalling up to 10% of the issued capital of the Company at the time of issue, calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions in the Explanatory Memorandum.”

Resolution 4 – Approval of Employee Securities Incentive Plan

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

“That pursuant to and in accordance with exception 13(b) of Listing Rule 7.2 and for all other purposes, Shareholders approve the establishment of the employee incentive scheme of the Company known as the “Kalamazoo Resources Limited Employee Securities Incentive Plan” and the issue of Securities under that plan, on the terms and conditions in the Explanatory Memorandum.”

Resolution 5 – Approval of potential termination benefits under the Plan

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

“That, conditional on Resolution 4 being approved, for a period commencing from the date this Resolution is passed and ending upon the expiry of all Securities issued or to be issued under the “Kalamazoo Resources Limited Employee Securities Incentive Plan”, approval be given for all purposes including Part 2D.2 of the Corporations Act for the giving of benefits to any current or future person holding a managerial or executive office of the Company or a related body corporate in connection with that person ceasing to hold such office, on the terms and conditions in the Explanatory Memorandum.”

Resolution 6 – Approval to issue Performance Rights to Directors

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

“That, subject to Resolution 4 being passed and pursuant to and in accordance Listing Rule 10.14, section 208 of the Corporations Act and for all other purposes, Shareholders approve the issue of Performance Rights to Directors (or their respective nominees) under the Plan as follows:

- (a) up to 2,000,000 Performance Rights to Luke Reinehr;
 - (b) up to 1,000,000 Performance Rights to Paul Adams; and
 - (c) up to 750,000 Performance Rights to Angus Middleton,
- on the terms and conditions in the Explanatory Memorandum.”

Voting exclusions

The Company will disregard any votes cast in favour of:

- (a) Resolution 3, if at the time of the Meeting, the Company is proposing to make an issue of Equity Securities under Listing Rule 7.1.A.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 Shareholder), or any associate of those persons;
- (b) Resolution 4 by or on behalf of a person who is eligible to participate in the employee incentive scheme, or any of their respective associates; or
- (c) Resolution 6 by or on behalf of a person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the Plan, or any of their respective associates.

The above voting exclusions do not apply to a vote cast in favour of the relevant Resolution by:

- (a) a person as 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;
- (b) the Chair as proxy or attorney for a person who is entitled to vote, 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 prohibitions

Resolution 1: In accordance with sections 250BD and 250R of the Corporations Act, a vote on this Resolution must not be cast (in any capacity) by or on behalf of a member of the Key Management Personnel details of whose remuneration are included in the Remuneration Report, or a Closely Related Party of such a member.

A vote may be cast by such person if the vote is not cast on behalf of a person who is excluded from voting on this Resolution, and:

- (a) the person is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or

- (b) the voter is the Chair and the appointment of the Chair as proxy does not specify the way the proxy is to vote on this Resolution, but expressly authorises the Chair to exercise the proxy even if this Resolution is connected with the remuneration of a member of the Key Management Personnel.

Resolution 4, Resolution 5 and Resolution 6: In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

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

However, the above prohibition does not apply if:

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

Further, in respect of **Resolution 5**, in accordance with section 200E(2A) of the Corporations Act, a vote on the Resolution must not be cast by any participants or potential participants in the Employee Securities Incentive Plan and their associates, otherwise the benefit of this Resolution will be lost by such a person in relation to that person's future retirement.

However, a vote may be cast by such a person if:

- (a) the person is appointed as proxy by writing that specifies the way the proxy is to vote on the Resolution; and
- (b) it is not cast on behalf of the person or an associate of the person.

Further, in respect of **Resolution 6**, in accordance with section 224 of the Corporations Act, a vote on this Resolution must not be cast (in any capacity) by or on behalf of a related party of the Company to whom the Resolution would permit a financial benefit to be given, or an associate of such a related party.

However, the above prohibition does not apply if:

- (a) it is cast by a person as a proxy appointed by writing that specifies how the proxy is to vote on the Resolution; and
- (b) it is not cast on behalf of a related party of the Company to whom the Resolution would permit a financial benefit to be given, or an associate of such a related party.

Please note: If the Chair is a person referred to in the section 224 Corporations Act voting prohibition statement above, the Chair will only be able to cast a vote as proxy for a person who is entitled to vote if the Chair is appointed as proxy in writing and the Proxy Form specifies how the proxy is to vote on the relevant Resolution.

If you purport to cast a vote other than as permitted above, that vote will be disregarded by the Company (as indicated above) and you may be liable for breaching the voting restrictions that apply to you under the Corporations Act.

BY ORDER OF THE BOARD



Luke Reinehr
Executive Chairman
Kalamazoo Resources Limited
Dated: 16 October 2020

Kalamazoo Resources Limited
ACN 150 026 850
(Company)

Explanatory Memorandum

1. Introduction

The Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be conducted at the Meeting.

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

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

Section 2	Action to be taken by Shareholders
Section 3	Annual Report
Section 4	Resolution 1 – Remuneration Report
Section 5	Resolution 2 – Re-election of Director – Angus Middleton
Section 6	Resolution 3 – Approval of 10% Placement Facility
Section 7	Resolution 4 – Approval of Employee Securities Incentive Plan
Section 8	Resolution 5 – Approval of potential termination benefits under the Plan
Section 9	Resolution 6 – Approval to issue Performance Rights to Directors
Schedule 1	Definitions
Schedule 2	Securities issued or agreed to be issued in the previous 12 months under Listing Rule 7.1A
Schedule 3	Summary of Employee Securities Incentive Plan
Schedule 4	Terms and conditions of Performance Rights
Schedule 5	Valuation of Performance Rights

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

2. Action to be taken by Shareholders

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

2.1 Voting by proxy

A Proxy Form is attached to the Notice. This is to be used by Shareholders if they wish to appoint a representative (a 'proxy') to vote in their place. All Shareholders are invited and encouraged to attend the Meeting or, if they are unable to attend in person, sign and return the Proxy Form to the Company in accordance with the instructions thereon. Lodgement of a Proxy Form will not preclude a Shareholder from attending and voting at the Meeting in person.

Please note that:

- (i) a member of the Company entitled to attend and vote at the Meeting is entitled to appoint a proxy;
- (ii) a proxy need not be a member of the Company; and
- (iii) a member of the Company entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise, but where the proportion or number is not specified, each proxy may exercise half of the votes.

The enclosed Proxy Form provides further details on appointing proxies and lodging Proxy Forms.

Proxy vote if appointment specifies way to vote:-

Section 250BB(1) of the Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, if it does:

- (i) the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (i.e. as directed);
- (ii) if the proxy has 2 or more appointments that specify different ways to vote on the resolution – the proxy must not vote on a show of hands;
- (iii) if the proxy is the chair of the meeting at which the resolution is voted on – the proxy must vote on a poll, and must vote that way (i.e. as directed); and
- (iv) if the proxy is not the chair – the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (i.e. as directed).

Transfer of non-chair proxy to chair in certain circumstances:-

Section 250BC of the Corporations Act provides that, if:

- (i) an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's members;
- (ii) the appointed proxy is not the chair of the meeting;
- (iii) at the meeting, a poll is duly demanded on the resolution; and
- (iv) either the proxy is not recorded as attending the meeting or the proxy does not vote on the resolution,

the chair of the meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the meeting.

2.2 Participation in the virtual Meeting

To participate in the Meeting online and watch the webcast, shareholders will need to log into the following URL: www.advancedshare.com.au/virtual-meeting

How to join the Meeting									
Step 1	Enter the “Meeting ID” and your personalised “Shareholder ID” in the fields indicated. You will find this information in a box towards the top right hand corner of your personalised Proxy Form – a sample of this box has been replicated below, with the relevant fields highlighted: <table><tr><td>Sub-Register</td><td>ISSUER</td></tr><tr><td>HIN/SRN</td><td>lxxxxxxxx</td></tr><tr><td>Meeting ID</td><td>KZRxxx</td></tr><tr><td>Shareholder ID</td><td>XXXXXXXXXX</td></tr></table> If you hold Shares under multiple SRNs/HINs and wish to vote by poll online for each holding, you will need to contact the Share Registry with details of each relevant holding (SRN/HIN, name and address of holder). The Share Registry must already have on file an email address for at least one of the nominated holdings – once you have satisfied their identification requirements, they will email you a new Shareholder ID that can be used in the above process. If you do not follow the above process and want to participate in the poll on behalf of each holding, you will need to log in separately for each holding, using the unique Shareholder ID allocated to each holding.	Sub-Register	ISSUER	HIN/SRN	lxxxxxxxx	Meeting ID	KZRxxx	Shareholder ID	XXXXXXXXXX
Sub-Register	ISSUER								
HIN/SRN	lxxxxxxxx								
Meeting ID	KZRxxx								
Shareholder ID	XXXXXXXXXX								
Step 2	Once you have read the Terms and Conditions, tick the “I agree to the Terms and Conditions” box, and Select the “Login” button. If you are unsuccessful with your login attempt, please try again ensuring you have entered the Meeting ID (three letters and four numbers) and Shareholder ID (ten numbers) exactly as shown on your Proxy Form. Once you have successfully logged in you will see a summary of the Meeting details, titled “Virtual Meeting Information”. Towards the middle of this summary will be a “Meeting Status” field, which will indicate whether the Meeting has started or not. Prior to the Meeting commencing, this should be designated “Pre Meeting”. This portal provides Shareholders with access to view the Meeting, submit questions in writing, and vote via poll. A copy of the Notice of Meeting can be found in the bottom left hand corner of this browser page. While the Meeting is in “Pre Meeting” status you will only be able to submit questions, and will not be able to join the Meeting or cast votes via poll. The Board strongly encourages shareholders to submit questions prior to the Meeting to provide the maximum possible time for the Board and/or Auditor to consider and respond. The Company intends to: • open the Question and Answer facility from 13 November 2020;								

	- close the facility at 9.30 am (WST) on 16 November 2020, in line with the cut-off for submission of proxy votes; and - re-open the facility approximately one (1) hour before the Meeting is scheduled to commence. Once the Meeting Status has changed to “Active” Shareholders will be able join the Meeting by following the steps below.	
Step 3	Select the “Join Now” button. The browser page should change display, showing a summary of the meeting details at the top of the page, video streaming of the KZR Board members in the body of the screen, and “Q&A” and “Poll” Action buttons at the bottom of the screen. Shareholders will then be able to watch a live webcast of the Meeting.	
Step 4	Shareholders will continue to be able to submit questions during the Meeting:	
	Step 4.1	Select the “Q&A” button at the bottom of the screen. This will open up a new browser.
	Step 4.2	Complete all the fields as prompted.
	Step 4.3	Select the “Submit” button at the bottom of the screen. You will be prompted to confirm your submission, after which you will be provided with confirmation the question has been submitted.
	Step 4.4	Select the “OK” button. The screen will then display a summary of any questions you have submitted (bottom half of screen), as well as a summary of questions raised by other shareholders for which the Company has provided public responses.
	Step 4.5	If you wish to ask another question, select the “Ask more” button. Repeat Steps 4.2 to 4.4 above, after which your browser page will be updated with your new question.
	Step 4.6	To return to the Meeting broadcast, close that browser page by selecting the cross in the tab at the top of the page and return to the original browser page, which should have remained open on your device.
	You will not be able to vote prior to the Chair opening the Poll – an error message will appear if attempted. It is currently the intention of the Chair to enable voting by Poll only once all agenda items and resolutions have been tabled and discussed. However, we encourage Shareholders to submit their proxy forms and questions ahead of the Meeting. Instructions on how to vote online are detailed in the following section of the Notice. If you are experiencing technical difficulties, please contact Advance Share Registry on the number below for assistance: Advanced Share Registry (Assistance for Virtual Meeting): +61 (0) 8 6500 2108	

Voting by poll online		
If you have already submitted proxy votes for this Meeting, you do not need to participate in the poll voting process – your proxy votes will remain valid and will be counted towards the results of the poll vote. If you do participate in the online poll voting process, the poll votes you submit will override any proxy votes you have previously submitted for that particular Shareholding. Once the Chair has opened the poll, a representative of the Share Registry will provide step-by-step verbal guidance on how to vote. Instructions have also been provided below:		
Step 1	Select the “Poll” button at the bottom of the page to commence voting. You will be directed automatically to a new browser window, where you will be prompted to follow each step in the Poll voting process.	
Step 2	Tick the “ I have read and agreed to the declarations ” box and select the “ Continue ” button at the bottom right of the page.	
Step 3	In the Allocation section: - if you wish to split your votes between “For”, “Against” and “Abstain”, select the option “I/we would like to split my/our votes on some or all resolutions” and then select the “Continue” button. Go to step 4.1. - if you do not wish to split your votes, select the option “I/we would like to cast all of my/our votes on each resolution” and then select the “Continue” button. Go to step 5.1.	
Step 4	Step 4.1	You will be directed to enter the NUMBER of votes (not the percentage of votes) for each selection for each resolution in the split voting section. Once you have allocated your votes for each resolution, select the “Continue” button. If the number of votes you have nominated in any resolution do not add up to your total holding, you will receive a prompt saying “all of directions do not add up to your total holdings”, and you will be required to amend the number of votes and press “Continue” again.
	Step 4.2	Once you have correctly selected your voting options you will be provided with a “Split Proxy Voting Selection Review” screen that summarises your voting instructions. Please review your voting instructions carefully button. Once you press the “Submit” button at the bottom right of this screen your votes will be formally submitted, and they will over-rule any proxy votes that have previously been submitted for that shareholding. If you wish to change your selection, press the grey “back” button, then re-perform Steps 4.1 & 4.2 If you are happy with your selection, proceed to Step 6.
Step 5	Step 5.1	You will be required to select your voting Direction for each resolution. Once you have given Direction on each resolution, select the “ Continue ” button.

	Step 5.2 You will be provided with a “Proxy Selection Review” screen that summarises your voting instructions. Please review your voting instructions carefully button. Once you press the “Submit” button at the bottom right of this screen your votes will be formally submitted, and they will over-rule any proxy votes that have previously been submitted for that shareholding. If you wish to change your selection, press the grey “back” button, then re-perform Steps 5.1 & 5.2 If you are happy with your selection, proceed to Step 6.
Step 6	Once you are satisfied with your voting instructions, select the “Submit” button. You will receive a confirmation that your Poll instructions have been lodged successfully.
Step 7	To return to the virtual meeting, select the “Virtual Meeting” button – the current browser page will close and you will be able to return to the original browser page (which should still be open on your device) to continue watching the live webcast. Again, if you are experiencing any technical difficulties while voting, please contact Advance Share Registry for assistance (on the phone number listed above).

2.3 Chair's voting intentions

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

Subject to the following paragraph, if the Chair is appointed as your proxy and you have not specified the way the Chair is to vote on Resolution 1, Resolution 4, Resolution 5, and/or Resolution 6 (as applicable), 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 relevant Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel of the Company.

If the Chair is a person referred to in the section 214 Corporations Act voting prohibition statement applicable to Resolution 6, the Chair will only be able to cast a vote as proxy for you on the relevant Resolution if you are entitled to vote and have specified your voting intention in the Proxy Form.

2.4 Submitting questions

Shareholders may submit questions in advance of the Meeting to the Company. Questions must be submitted by emailing the Company Secretary at Bernard.crawford@kzr.com.au by Tuesday, 10 November 2020.

Shareholders will also have the opportunity to submit questions during the Meeting in respect to the formal items of business. In order to ask a question during the Meeting, please follow the instructions from the Chair.

The Chair will attempt to respond to the questions during the Meeting. The Chair will request prior to a Shareholder asking a question that they identify themselves (including the entity name of their shareholding and the number of Shares they hold).

3. **Annual Report**

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 2020.

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

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

- (a) discuss the Annual Report which is available online at <https://kzr.com.au/>;
- (b) ask questions about, or comment on, the management of the Company; and
- (c) ask the auditor questions about the conduct of the audit and the preparation and content of the Auditor's Report.

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

- (a) the preparation and content of the Auditor's Report;
- (b) the conduct of the audit;
- (c) accounting policies adopted by the Company in relation to the preparation of the financial statements; and
- (d) the independence of the auditor in relation to the conduct of the audit,

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

4. **Resolution 1 – Remuneration Report**

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 executive Directors, specified executives and non-executive Directors.

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.

If the Company's Remuneration Report receives a 'no' vote of 25% or more (**Strike**) at two consecutive annual general meetings, Shareholders will have the opportunity to remove the whole Board, except the managing director (if any).

Where a resolution on the Remuneration Report receives a Strike at two consecutive annual general meetings, the Company will be required to put to Shareholders at the second annual

general meeting a resolution on whether another meeting should be held (within 90 days) at which all Directors (other than the managing director, if any) 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 2019 annual general meeting. If the Remuneration Report receives a Strike at this Meeting, Shareholders should be aware that if a second Strike is received at the 2021 annual general meeting, 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.

Given the personal interests of all Directors in this Resolution, the Board makes no recommendation to Shareholders regarding this Resolution.

5. Resolution 2 – Re-election of Director – Angus Middleton

5.1 General

Clause 14.2 of the Constitution requires that one third of the Directors (excluding the Managing Director) must retire at each annual general meeting (or if that is not a whole number, the whole number nearest to one third, rounded down). Clause 14.2 of the Constitution requires that the Directors to retire are those who have held their office as Director for the longest period since their last election or appointment to that office. In the event two or more Directors have held office for equal periods of time, the retiring Directors are to be determined by lot, unless otherwise agreed by those Directors.

Clause 14.2 of the Constitution provides that a Director who retires in accordance with Clause 14.2 is eligible for re-election.

As at the date of this Notice, the Company has three Directors and accordingly, one Director must retire.

Non-Executive Director Angus Middleton was last elected at the Annual General Meeting held on 14 November 2018 and will retire by rotation at this Meeting and, being eligible, seek re-election pursuant to Resolution 2.

The Board considers Mr Middleton to be an independent Director.

5.2 Mr Angus Middleton

Mr Middleton is a fund manager and former stockbroker who has extensive experience in the capital markets sector in Australia. He is currently a director of SA Capital Pty Ltd, a corporate advisory firm specialising in equity raisings and underwriting, and the managing director of SA Capital Funds Management Limited, an Adelaide based investment fund that has been involved in advising and raising equity for corporations in the form of venture capital, seed capital, private equity, pre-initial public offerings and initial public offerings.

5.3 Additional information

Resolution 2 is an ordinary resolution.

The Board considers that Mr Middleton's extensive experience in capital markets and as a fund manager bring valuable skills to Board that complement the Board's existing skills and experience.

The Board (with Mr Middleton abstaining) recommends that Shareholders vote in favour of the re-election of Mr Middleton.

6. Resolution 3 – Approval of 10% Placement Facility

6.1 General

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

Under Listing Rule 7.1A, however, an eligible entity can seek approval from its members by way of a special resolution passed at its annual general meeting, to increase this 15% limit by an extra 10% to 25% (**10% Placement Facility**).

Resolution 3 seeks Shareholder approval by way of a special resolution for the Company to have the additional 10% Placement Facility provided for in Listing Rule 7.1A to issue Equity Securities without Shareholder approval.

6.2 Listing Rule 7.1A

(a) Is the Company an eligible entity?

An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less.

The Company is an eligible entity as it is not included in the S&P/ASX 300 Index and has a market capitalisation of approximately \$92.31 million, based on the closing price of Shares (\$0.705) on 6 October 2020.

If on the date of the Meeting, the Company's market capitalisation exceeds \$300 million or it has been included in the S&P/ASX 300 Index, this Resolution 3 will be withdrawn.

(b) What Equity Securities can be issued?

Any Equity Securities issued under the 10% Placement Facility must be in the same class as an existing quoted class of Equity Securities of the eligible entity.

As at the date of the Notice, the Company has on issue one quoted class of Equity Securities, namely quoted Shares.

(c) How many Equity Securities can be issued?

Listing Rule 7.1A.2 provides that under the approved 10% Placement Facility, the Company may issue or agree to issue a number of Equity Securities calculated in accordance with the following formula:

$$(A \times D) - E$$

Where:

A is the number of Shares on issue 12 months before the date of issue or agreement:

- (A) plus the number of fully paid Shares issued in the 12 months:
- (1) under an exception in Listing Rule 7.2 (other than exception 9, 16 or 17);
 - (2) on the conversion of convertible securities within Listing Rule 7.2 exception 9 where:
 - the convertible securities were issued or agreed to be issued before the 12 month period; or
 - the issue of, or agreement to issue, the convertible securities was approved, or taken under the Listing Rules to have been approved, under Listing Rule 7.1 or 7.4;
 - (3) under an agreement to issue securities within Rule 7.2 exception 16 where:
 - the agreement was entered into before the 12 month period; or
 - the agreement or issue was approved, or taken under the Listing Rules to be approved, under Listing Rule 7.1 or 7.4; and
 - (4) with Shareholder approval under Listing Rule 7.1 or 7.4. This does not include any issue of Shares under the Company's 15% annual placement capacity without Shareholder approval;
- (B) plus the number of partly paid shares that became fully paid in the 12 months; and
- (C) less the number of fully paid Shares cancelled in the 12 months.

Note that 'A' has the same meaning in Listing Rule 7.1 when calculating the Company's 15% annual placement capacity.

D is 10%.

E is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue that are not issued with Shareholder approval under Listing Rule 7.1 or 7.4.

(d) **What is the interaction with Listing Rule 7.1?**

The Company's ability to issue Equity Securities under Listing Rule 7.1A will be in addition to its 15% annual placement capacity under Listing Rule 7.1.

(e) **What is the effect of Resolution 3?**

The effect of Resolution 3 will be to allow the Directors to issue the Equity Securities under Listing Rule 7.1A during the 10% Placement Period without further Shareholder approval or using the Company's 15% annual placement capacity under Listing Rule 7.1.

If Resolution 3 is not passed, the Company will not be able to access the additional 10% capacity to issue Equity Securities without Shareholder approval provided for in Listing Rule 7.1A and will remain subject to the 15% limit on issuing equity securities without Shareholder approval as provided in Listing Rule 7.1.

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

Pursuant to and in accordance with Listing Rule 7.3A, the following information is provided in relation to the 10% Placement Facility:

(a) **When can Equity Securities be issued?**

Shareholder approval of the 10% Placement Facility under Listing Rule 7.1A will be valid from the date of Meeting and will expire on the earlier to occur of:

- (i) the date that is 12 months after the date of the Meeting;
- (ii) the time and date of the Company's next annual general meeting; or
- (iii) the time and date of Shareholder approval of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking),

(10% Placement Period).

(b) **Minimum issue price**

Any Equity Securities issued under Listing Rule 7.1A must be issued for a cash consideration per security which is not less than 75% of the VWAP of Equity Securities in the same class calculated over the 15 Trading Days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed by the Company and the recipient of the Equity Securities; or
- (ii) if the Equity Securities are not issued within 10 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued,

(Minimum Issue Price).

(c) **Purposes of issues under 10% Placement Facility**

The Company may seek to issue Equity Securities under the 10% Placement Facility for cash consideration in order to raise funds for continued investment in the Company's current assets, the acquisition of new assets or investments (including expenses associated with such an acquisition), and/or for general working capital.

The Company will comply with the disclosure obligations under Listing Rules 7.1A.4 and 3.10.3 upon issue of any Equity Securities.

(d) **Risk of economic and voting dilution**

Shareholders should note that there is a risk that:

- (i) the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date of the Meeting; and
- (ii) the Equity Securities may be issued at a price that is at a discount to the market price for the Equity Securities on the issue date.

If this Resolution is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Facility, the existing Shareholders' economic and voting power in the Company may be diluted.

The below table provides examples of the dilution of existing Shareholders based on the following assumptions:

- (i) a Share price of:
 - (A) \$0.71, being the closing Share price on 6 October 2020, being the latest practicable date before the finalisation of the Notice (**Latest Practicable Date**) (**Current Market Price**);
 - (B) \$0.35, being a 50% decrease in the Current Market Price;
 - (C) \$1.40, being a 100% increase in the Current Market Price; and
- (ii) the current number of Shares for 'A' calculated in accordance with the formula in Listing Rule 7.1A.2 of:
 - (A) 130,941,434, being the number of Shares on issue as at the Latest Practicable Date (**Variable A**);
 - (B) 196,42,151, being a 50% increase in Variable A; and
 - (C) 261,882,868, being a 100% increase in Variable A.

	Dilution			
	Issue price per Share	\$0.351 (50% decrease in Current Market Price)	\$0.705 (Current Market Price)	\$1.402 (100% increase in Current Market Price)
130,941,434 Shares (Variable A)	10% Voting Dilution	13,094,143 Shares	13,094,143 Shares	13,094,143 Shares
	Funds raised	\$4,589,497	\$9,178,995	\$18,357,989
196,412,151 Shares (50% increase in Variable A)	10% Voting Dilution	19,641,215 Shares	19,641,215 Shares	19,641,215 Shares
	Funds raised	\$6,884,246	\$13,768,492	\$27,536,984
261,882,868 Shares (100% increase in Variable A)	10% Voting Dilution	26,188,286 Shares	26,188,286 Shares	26,188,286 Shares
	Funds raised	\$9,178,995	\$18,357,989	\$36,715,978

(e) **Allocation policy**

The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility. The identity of the allottees of Equity Securities will be determined on a case-by-case basis having regard to the factors including but not limited to the following:

- (i) the methods of raising funds that are available to the Company, including but not limited to, rights issue or other issue in which existing security holders can participate;
- (ii) the effect of the issue of the Equity Securities on the control of the Company;
- (iii) financial situation and solvency of the Company; and
- (iv) advice from corporate, financial and broking advisers (if applicable).

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

(f) **Issues in the past 12 months**

In the 12 months preceding the date of this Meeting, the Company has issued or agreed to issue 10,194,143 Equity Securities under Listing Rule 7.1A.2. This represents 7.07% of the total number of Equity Securities on issue 12 months preceding the date of this Meeting.

Refer to Schedule 2 for additional information.

(g) **Voting exclusion statement**

At the date of the Notice, the Company is not proposing to make an issue of Equity Securities under Listing Rule 7.1A and has not approached any particular existing Shareholder or security holder or an identifiable class of existing security holder to participate in any such issue.

However, in the event that between the date of the Notice and the date of the Meeting, the Company proposes to make an issue of Equity Securities under Listing Rule 7.1A to one or more existing Shareholders, those Shareholders' votes will be excluded under the voting exclusion statement in the Notice.

6.4 **Additional information**

Resolution 3 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

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

7. **Resolution 4 – Approval of Employee Securities Incentive Plan**

7.1 **General**

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

Resolution 4 seeks Shareholders' approval for the adoption of the employee incentive scheme titled 'Kalamazoo Resources Limited Employee Securities Incentive Plan' (**Plan**) in accordance with Listing Rule 7.2 exception 13(b).

Under the Plan, the Board may offer to eligible persons the opportunity to subscribe for such number of Equity Securities in the Company as the Board may decide and on the terms set out in the rules of the Plan.

A summary of the key terms and conditions of the Plan is in Schedule 3. A copy of the Plan is available for review by Shareholders at the registered office of the Company until the date of the Meeting. A copy of the Plan can also be sent to Shareholders upon request to the Company Secretary.

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

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 shares it had on issue at the start of that period.

Listing Rule 7.2, exception 13(b) provides an exception to Listing Rule 7.1 such that issues of Equity Securities under an employee incentive scheme are exempt for a period of three years

from the date on which shareholders approve the issue of Equity Securities under the scheme as an exception to Listing Rule 7.1.

If Resolution 4 is passed, the Company will be able to issue Equity Securities under the Plan to eligible participants over a period of three years up to a nominated maximum amount without using the Company's 15% annual placement capacity under Listing Rule 7.1.

If Resolution 4 is not passed, the Company will not be able to issue Equity Securities under the Plan to eligible participants without using the Company's 15% limit under Listing Rule 7.1, effectively decreasing the number of Equity Securities the Company can issue or agree to issue without obtaining Shareholder approval over the 12 month period following any such issue.

However, any future issues of Equity Securities under the Plan to a related party or a person whose relation with the Company or the related party is, in ASX's opinion, such that approval should be obtained will require additional Shareholder approval under Listing Rule 10.14 at the relevant time. For this reason, the Company is also seeking approval under Resolution 6 for the issue of 3,750,000 Performance Rights to certain Directors pursuant to the Plan.

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

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

- (a) The material terms of the Plan are summarised in Schedule 3.
- (b) The Plan is a new employee incentive scheme and has not previously been approved by Shareholders. No Equity Securities have previously been issued under the Plan.
- (c) The maximum number of Equity Securities proposed to be issued under the Plan following approval of Resolution 4 shall not exceed 13,094,143, being **10%** of the Company's Equity Securities currently on issue, subject to adjustment in the event of a reorganisation of capital and further subject to applicable laws and the Listing Rules. .
- (d) A voting exclusion statement is included in the Notice.

7.4 **Additional information**

Resolution 4 is an ordinary resolution.

The Directors decline to make a recommendation in relation to Resolution 4 due to their personal interest in the outcome of the Resolution.

8. **Resolution 5 – Approval of potential termination benefits under the Plan**

8.1 **General**

The Corporations Act contains certain limitations concerning the payment of 'termination benefits' to persons who hold a 'managerial or executive office'. The Listing Rules also provides certain limitations on the payment of 'termination benefits' to officers of listed entities.

As is common with employee incentive schemes, the Plan provides the Board with the discretion to, amongst other things, determine that some or all of the Equity Securities granted to a participant under the Plan (**Plan Securities**) will not lapse in the event of that participant

ceasing their engagement with the Company before such Plan Securities have vested. This 'accelerated vesting' of Plan Securities may constitute a 'termination benefit' prohibited under the Corporations Act, regardless of the value of such benefit, unless Shareholder approval is obtained. Accordingly, the Board has resolved to seek Shareholder approval for the granting of such termination benefits in accordance with Resolution 5.

8.2 **Part 2D.2 of the Corporations Act**

Under section 200B of the Corporations Act, a company may only give a person a benefit in connection with them ceasing to hold a 'managerial or executive office' (as defined in the Corporations Act) if an exemption applies or if the benefit is approved by shareholders in accordance with section 200E of the Corporations Act.

Subject to Shareholder approval of Resolution 4, Shareholder approval is sought for the purposes of Part 2D.2 of the Corporations Act to approve the giving of benefits under the Plan to a person by the Company in connection with that person ceasing to be an officer of, or ceasing to hold a managerial or executive office in, the Company (or subsidiary of the Company) on the terms and conditions in this Explanatory Memorandum.

As noted above, under the terms of the Plan and subject to the Listing Rules, the Board possesses the discretion to vary the terms or conditions of the Plan Securities. Notwithstanding the foregoing, without the consent of the participant in the Plan, no amendment may be made to the terms of any granted Plan Security which reduces the rights of the participant in respect of that Plan Security, other than an amendment introduced primarily to comply with legislation, to correct any manifest error or mistake or to take into consideration possible adverse tax implications.

As a result of the above discretion, the Board has the power to determine that some or all of a participant's Plan Securities will not lapse in the event of the participant ceasing employment or office before the vesting of their Plan Securities. The Board's current intention is to only exercise this discretion where the person leaves employment or office without fault on their part.

The exercise of this discretion by the Board may constitute a 'benefit' for the purposes of section 200B of the Corporations Act. The Company is therefore seeking Shareholder approval for the exercise of the Board's discretion in respect of any current or future participant in the Plan who holds:

- (a) a managerial or executive office in, or is an officer of, the Company (or subsidiary of the Company) at the time of their leaving or at any time in the three years prior to their leaving; and
- (b) Plan Securities at the time of their leaving.

8.3 **Value of the termination benefits**

Provided Shareholder approval is given, the value of the termination benefits may be disregarded when applying section 200F(2)(b) or section 200G(1)(c) of the Corporations Act (ie the approved benefit will not count towards the statutory cap under the legislation).

The value of the termination benefits that the Board may give under the Plan cannot be determined in advance. This is because various matters will or are likely to affect that value. In particular, the value of a particular benefit will depend on factors such as the Company's

Share price at the time of vesting and the number of Plan Securities that will vest or otherwise be affected. The following additional factors may also affect the benefit's value:

- (a) the participant's length of service and the status of the vesting conditions attaching to the relevant Plan Securities at the time the participant's employment or office ceases; and
- (b) the number of unvested Plan Securities that the participant holds at the time they cease employment or office.

In accordance with Listing Rule 10.19, the Company will ensure that no officer of the Company or any of its child entities will, or may be, entitled to termination benefits if the value of those benefits and the terminations benefits that are or may be payable to all officers together exceed 5% of the equity interests of the Company as set out in the latest accounts given to ASX under the Listing Rules.

8.4 Additional information

Resolution 5 is conditional on the passing of Resolution 4. If Resolution 4 is not approved at the Meeting, Resolution 5 will not be put to the Meeting.

Resolution 5 is an ordinary resolution.

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

9. Resolution 6 – Approval to issue Performance Rights to Directors

9.1 General

The Company is proposing, subject to obtaining Shareholder approval and the adoption of the Plan (refer to Resolution 4), to issue up to a total of 3,750,000 Performance Rights to Luke Reinehr, Paul Adams and Angus Middleton, or their respective nominees, as follows:

Director	Class A Performance Rights	Class B Performance Rights	TOTAL
Luke Reinehr	1,000,000	1,000,000	2,000,000
Paul Adams	500,000	500,000	1,000,000
Angus Middleton	375,000	375,000	750,000
TOTAL	1,875,000	1,875,000	3,750,000

The Company is in an important stage of development with significant opportunities and challenges in both the near and long-term, and the proposed issue seeks to align the efforts of the Directors in seeking to achieve growth of the Share price and in the creation of Shareholder value. In addition, the Board also believes that incentivising with Performance Rights is a prudent means of conserving the Company's available cash reserves. The Board believes it is important to offer these Performance Rights to continue to attract and maintain highly experienced and qualified Board members in a competitive market.

The Performance Rights are to be issued under the Company's Plan, the terms of which are summarised in Schedule 3.

Subject to the terms and conditions in Schedule 4, the Performance Rights will vest on the generation of significant value on an existing asset as follows:

- (a) Class A Performance Rights: on announcing an increased Mineral Resource estimate of at least Inferred category on any of its the Projects of at least 500,000 ounces of gold or more, with a minimum cut-off grade of 1g/t Au within 3 years; and
- (b) Class B Performance Rights: on announcing an increased Mineral Resource estimate of at least Inferred category on any of its Projects of at least a further 500,000 ounces of gold or more (above Class A), with a minimum cut-off grade of 1g/t Au within 5 years.

9.2 Listing Rule 10.14

Listing Rule 10.14 requires shareholder approval to be obtained where an entity issues, or agrees to issue, securities under an employee incentive scheme to a director of the entity, an associate of the director, or a person whose relationship with the entity, director or associate of the director is, in ASX's opinion, such that approval should be obtained.

The proposed issue of the Performance Rights falls within Listing Rule 10.14.1 (or Listing Rule 10.14.2 if a Related Party elects for the Performance Rights to be granted to their nominee) and therefore requires the approval of Shareholders under Listing Rule 10.14.

As Shareholder approval is sought under Listing Rule 10.14, approval under Listing Rule 7.1 or 10.11 is not required.

If Resolution 6(a) to (c) (inclusive) are passed, the Company will be able to proceed with the issue of the Performance Rights to the Related Parties and the Related Parties will be remunerated accordingly based on the achievement of Milestones set out in Schedule 4.

If Resolution 6(a) to (c) (inclusive) are not passed, the Company will not be able to proceed with the issue of the Performance Rights to the Related Parties and the Company may need to consider other forms of performance-based remuneration, including by the payment of cash, subject to the limitations under the Corporations Act, Listing Rules and Constitution.

9.3 Specific information required by Listing Rule 10.15

Pursuant to and in accordance with Listing Rule 10.15, the following information is provided in relation to the proposed issue of the Performance Rights:

- (a) The Performance Rights will be issued under the Plan to Messrs Reinehr, Adams and Middleton (or their respective nominees), each of whom is a Director.
- (b) The maximum number of Performance Rights to be issued to the Directors (or their respective nominees) is 3,750,000, in the proportions set out in Section 9.1 above.
- (c) The current total remuneration package for each of the Directors as at the date of this Notice are set out below:

Director	Salary and fees (inclusive of superannuation)
Luke Reinehr ¹	\$297,855
Paul Adams ²	\$45,420
Angus Middleton ³	\$39,420

Notes:

1. Refer KZR 30 June 2020 Annual Report.
2. Refer KZR 30 June 2020 Annual Report. Mr Adams has a contractor agreement with the Company whereby he provides consultant geological services, primarily in relation to the Ashburton Gold Project, on an as needed basis at a rate of \$1,000 per day.
3. Refer KZR 30 June 2020 Annual Report.

- (d) The Directors have not previously been issued Securities under the Plan.
- (e) The Performance Rights will be issued on the terms and conditions set out in Schedule 4. The Board considers that Performance Rights, rather than Shares, are an appropriate form of incentive because they reward the Directors for achievement of financial and non-financial business objectives over a five year period and the Directors will only obtain the value of the Performance Rights upon satisfaction of the relevant milestones.
- (f) The Performance Rights will have an issue price of nil as they will be issued as part of each Director's remuneration package.
- (g) The persons referred to in Listing Rule 10.14 who are entitled to participate in the Plan are the current Directors, namely Messrs Reinehr, Adams and Middleton.
- (h) No loan will be provided to the Directors in relation to the issue of the Performance Rights.
- (i) The Performance Rights will be issued no later than 12 months after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules).
- (j) A valuation of the Performance Rights is in Schedule 5.

The vesting conditions for the Performance Rights have intentionally been set as stretch targets and accordingly the Directors have determined that it is more likely than not that the Vesting Conditions for the Class A and Class B Performance Rights will not be achieved. Therefore, in accordance with AASB 2 a value of \$Nil has been recognised for the Class A and Class B Performance Rights. The Directors will re-assess this valuation at each reporting date.

As a matter of completeness only, in the event that the vesting conditions are satisfied (which, as noted above, the Board has assessed as less likely), the value of the Performance Rights would be based on the Share price as at the date of vesting

- (k) a voting exclusion statement is included in the Notice.

9.4 Chapter 2E of the Corporations Act

In accordance with Chapter 2E of the Corporations Act, in order to give a financial benefit to a related party, the Company must:

- (a) obtain Shareholder approval in the manner set out in section 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The grant of the Performance Rights constitutes giving a financial benefit and the Related Parties are related parties of the Company by virtue of being Directors.

Each of the Directors have an interest in the Resolutions which form part of Resolution 6. Accordingly, the Company is seeking approval for the purposes of Chapter 2E of the Corporations Act in respect of the proposed issue of Performance Rights.

9.5 Information requirements for Chapter 2E of the Corporations Act

Pursuant to and in accordance with section 219 of the Corporations Act, the following information is provided in relation to the proposed issue of the Performance Rights:

- (a) **Identity of the related parties to whom Resolution 6 permit financial benefits to be given**

The Performance Rights will be issued to Messrs Reinehr, Adams and Middleton or their respective nominees.

- (b) **Nature of the financial benefit**

Resolution 6 seeks approval from Shareholders to allow the Company to issue the Performance Rights in the amounts specified in Section 9.1 above to the Directors or their nominees. The Performance Rights are to be issued in accordance with the Plan and otherwise on the terms and conditions in Schedule 4.

The Shares to be issued upon conversion of the Performance Rights will be fully paid ordinary shares in the capital of the Company on the same terms and conditions as the Company's existing Shares and will rank equally in all respects with the Company's existing Shares. The Company will apply for official quotation of the Shares on ASX.

- (c) **Valuation of financial benefit**

A valuation of the Performance Rights is in Schedule 5.

The vesting conditions for the Performance Rights have intentionally been set as stretch targets and accordingly the Directors have determined that it is more likely than not that the Vesting Conditions for the Class A and Class B Performance Rights will not be achieved. Therefore, in accordance with AASB 2 a value of \$Nil has been

recognised for the Class A and Class B Performance Rights. The Directors will re-assess this valuation at each reporting date.

As a matter of completeness only, in the event that the vesting conditions are satisfied (which, as noted above, the Board has assessed as less likely), the value of the Performance Rights would be based on the Share price as at the date of vesting.

(d) Remuneration of Directors

The total annual remuneration arrangements current for each of the Directors are disclosed in Section 9.3(c) above.

(e) Existing relevant interests

At the date of this Notice, the Directors hold the following relevant interests in Equity Securities of the Company:

Related Party	Shares	Unquoted Options
Luke Reinehr ¹	931,246	7,000,000
Paul Adams ²	-	2,500,000
Angus Middleton ³	371,905	3,500,000

Notes:

1. 4,000,000 Options exercisable at \$0.25 each on or before 30 November 2021.
3,000,000 Options exercisable at \$0.42 each on or before 30 November 2022.
2. 1,000,000 Options exercisable at \$0.25 each on or before 30 November 2021.
1,500,000 Options exercisable at \$0.42 each on or before 30 November 2022.
3. 2,000,000 Options exercisable at \$0.25 each on or before 30 November 2021.
1,500,000 Options exercisable at \$0.42 each on or before 30 November 2022.

Assuming that each of the resolutions which form part of Resolution 6 is approved by Shareholders, all of the Performance Rights are issued, vested and exercised into Shares, and no other Equity Securities are issued or exercised, the respective interests of the Directors in the Company would be as follows:

- (i) Mr Reinehr's interest would represent approximately 2.24% of the Company's expanded capital;
- (ii) Mr Adams' interest would represent approximately 0.76% of the Company's expanded capital; and
- (iii) Mr Middleton's interest would represent approximately 0.86% of the Company's expanded capital.

(f) Trading history

The highest and lowest closing market sale prices of the Shares on ASX during the 12 months prior to the date of this Notice were:

Highest: \$0.85 per Share on 29 June 2020

Lowest: \$0.22 per Share on 19 December 2019

The latest available closing market sale price of the Shares on ASX prior to the date of this Notice was \$0.71 per Share on 6 October 2020.

(g) **Dilution**

The issue of the Performance Rights will have a diluting effect on the percentage interest of existing Shareholders' holdings if the Performance Rights vest and are exercised. The potential dilution effect is summarised below:

Performance Rights	Dilutionary effect
Class A	1.41%
Class B	1.41%

The above table assumes the current Share capital structure as at the date of this Notice (being 130,941,434 Shares on 6 October 2020) and that no Shares are issued other than the Shares issued on exercise of the Performance Rights. The exercise of all of the Performance Rights will result in a total dilution of all other Shareholders' holdings of 2.78% on a fully diluted basis (assuming that all Performance Rights are exercised). The actual dilution will depend on the extent that additional Shares are issued by the Company.

(h) **Corporate governance**

Mr Luke Reinehr is an executive director of the Company and therefore the Board believes that the grant of the Performance Rights is in line with Recommendation 8.2 of the 3rd and 4th editions of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations.

The Board acknowledges the grant of the Performance Rights to the non-executive Directors, Messrs Adams and Middleton is contrary to Recommendation 8.2 of the 3rd and 4th editions of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations. However, the Board considers the grant of Performance Rights to the non-executive Directors reasonable in the circumstances for the reasons set out in Section 9.1.

(i) **Taxation consequences**

There are no taxation consequences for the Company arising from the issue of the Performance Rights.

(j) **Director recommendations**

The Directors decline to make a recommendation to Shareholders in relation to Resolution 6 due to their personal interests in the outcome of the Resolutions.

(k) **Other information**

The Board is not aware of any other information that would be reasonably required by Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass Resolution 6(a) to (c) (inclusive).

9.6 **Additional information**

The Resolutions comprising Resolution 6 are ordinary resolutions.

The Directors decline to make a recommendation to Shareholders in relation to Resolution 6 due to their personal interests in the outcome of the Resolutions.

Schedule 1 Definitions

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

10% Placement Facility	has the meaning given in Section 6.1.
10% Placement Period	has the meaning given in Section 6.3(a).
\$ or A\$	means Australian Dollars.
Annual Report	means the Directors' Report, the Financial Report, and Auditor's Report, in respect to the year ended 30 June 2020.
ASX	means the 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.
Chair	means the person appointed to chair the Meeting of the Company convened by the Notice.
Clause	means a clause of the Constitution
Closely Related Party	means: (a) a spouse or child of the member; or (b) has the meaning given in section 9 of the Corporations Act.
Company	means Kalamazoo Resources Limited (ACN 150 026 850).
Constitution	means the constitution of the Company as at the date of the Meeting.
Corporations Act	means the <i>Corporations Act 2001</i> (Cth).
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 and its controlled entities.
Equity Security	has the same meaning as in the Listing Rules.
Explanatory Memorandum	means the explanatory memorandum which forms part of the Notice.
Financial Report	means the annual financial report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities.
Key Management Personnel	has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a

consolidated entity, of the consolidated entity, directly or indirectly, including any Director (whether executive or otherwise) of the Company, or if the Company is part of a consolidated entity, of an entity within the consolidated group.

Listing Rules	means the listing rules of ASX.
Meeting	has the meaning given in the introductory paragraph of the Notice.
Market Price	means the published closing price of Shares on the ASX market on the date of issue of the relevant Shares.
Minimum Issue Price	has the meaning given in Section 6.3(b).
Notice	means this notice of annual general meeting.
Option	means an option to acquire a Share.
Performance Rights	means up to 3,750,000 performance rights to be issued to the Related Parties on the terms and conditions set out in Schedule 4, which are the subject of Resolution 6.
Plan	means the Company's Employee Securities Incentive Plan which is the subject of Resolution 4, a summary of which is set out in Schedule 3.
Proxy Form	means the proxy form attached to the Notice.
Related Parties	means Messrs Reinehr, Adams and Middleton for the purposes of Resolution 6.
Remuneration Report	means the remuneration report of the Company contained in the Directors' Report.
Resolution	means a resolution referred to in the Notice.
Schedule	means a schedule to the Notice.
Section	means a section of the Explanatory Memorandum.
Securities	means any Equity Securities of the Company (including Shares, Options and/or Performance Rights).
Share	means a fully paid ordinary share in the capital of the Company.
Shareholder	means the holder of a Share.
Trading Day	has the meaning given in the Listing Rules.
VWAP	means volume weighted average market price.
WST	means Western Standard Time, being the time in Perth, Western Australia.

Schedule 2 Securities issued or agreed to be issued in the previous 12 months under Listing Rule 7.1A

Details of each issue of Equity Securities by the Company under Listing Rule 7.1A during the 12 months preceding the date of the Meeting are in the table below:

Date of Issue	Number of Securities	Type of Securities	Recipient of Securities	Issue Price and details of any discount to Market Price ¹	Cash consideration and use of funds
17 January 2020	10,194,143	Shares	Sophisticated and professional investors under the placement as approved by Shareholders pursuant to Listing Rule 7.4 at the general meeting on 24 February 2020. Taylor Collison was the corporate advisor to the Placement.	\$0.40 per Share, representing a discount of 31.62% to the Market Price (\$0.585)	Total cash consideration received: \$4,077,657 Amount of that cash that has been spent: \$Nil Intended use for remaining funds: Expansion of the Company's exploration and drilling programs at its Castlemaine, South Muckleford and Tarnagulla Central gold projects in Victoria, as well as for general working capital.

Schedule 3 Summary of Employee Securities Incentive Plan

A summary of the key terms of the Plan is set out below:

1. **(Eligible Participant):** Eligible Participant means a person that:
 - (a) is an 'eligible participant' (as that term is defined in ASIC Class Order [CO 14/1000]) in relation to the Company or an Associated Body Corporate (as that term is defined in ASIC Class Order [14/1000]); and
 - (b) has been determined by the Board to be eligible to participate in the Plan from time to time.
2. **(Maximum allocation):** The Company must not make an offer of Securities under the Plan where the total number of Plan Shares that may be issued, or acquired upon exercise of Plan Convertible Securities offered, when aggregated with the number of Shares issued or that may be issued as a result of offers made under the Plan at any time during the previous 3 year period would exceed 5% of the total number of Shares on issue at the date of the offer.
3. **(Purpose):** The purpose of the Plan is to:
 - (a) assist in the reward, retention and motivation of Eligible Participants;
 - (b) link the reward of Eligible Participants to Shareholder value creation; and
 - (c) align the interests of Eligible Participants with shareholders of the Group (being the Company and each of its Associated Bodies Corporate), by providing an opportunity to Eligible Participants to receive an equity interest in the Company in the form of Securities.
4. **(Plan administration):** The Plan will be administered by the Board. The Board may exercise any power or discretion conferred on it by the Plan rules in its sole and absolute discretion. The Board may delegate its powers and discretion.
5. **(Eligibility, invitation and application):** The Board may from time to time determine that an Eligible Participant may participate in the Plan and make an invitation to that Eligible Participant to apply for Securities on such terms and conditions as the Board decides. On receipt of an Invitation, an Eligible Participant may apply for the Securities the subject of the invitation by sending a completed application form to the Company. The Board may accept an application from an Eligible Participant in whole or in part. If an Eligible Participant is permitted in the invitation, the Eligible Participant may, by notice in writing to the Board, nominate a party in whose favour the Eligible Participant wishes to renounce the invitation.
6. **(Grant of Securities):** The Company will, to the extent that it has accepted a duly completed application, grant the Participant the relevant number of Securities, subject to the terms and conditions set out in the invitation, the Plan rules and any ancillary documentation required.
7. **(Terms of Convertible Securities):** Each 'Convertible Security' represents a right to acquire one or more Shares (for example, under an option or performance right), subject to the terms and conditions of the Plan. Prior to a Convertible Security being exercised a Participant does not have any interest (legal, equitable or otherwise) in any Share the subject of the Convertible Security by virtue of holding the Convertible Security. A Participant may not sell, assign,

transfer, grant a security interest over or otherwise deal with a Convertible Security that has been granted to them. A Participant must not enter into any arrangement for the purpose of hedging their economic exposure to a Convertible Security that has been granted to them.

8. **(Vesting of Convertible Securities):** Any vesting conditions applicable to the grant of Convertible Securities will be described in the invitation. If all the vesting conditions are satisfied and/or otherwise waived by the Board, a vesting notice will be sent to the Participant by the Company informing them that the relevant Convertible Securities have vested. Unless and until the vesting notice is issued by the Company, the Convertible Securities will not be considered to have vested. For the avoidance of doubt, if the vesting conditions relevant to a Convertible Security are not satisfied and/or otherwise waived by the Board, that Convertible Security will lapse.
9. **(Exercise of Convertible Securities and cashless exercise):** To exercise a Convertible Security, the Participant must deliver a signed notice of exercise and, subject to a cashless exercise of Convertible Securities (see below), pay the exercise price (if any) to or as directed by the Company, at any time prior to the earlier of any date specified in the vesting notice and the expiry date as set out in the invitation. At the time of exercise of the Convertible Securities, subject to Board approval at that time, the Participant may elect not to be required to provide payment of the exercise price for the number of Convertible Securities specified in a notice of exercise, but that on exercise of those Convertible Securities the Company will transfer or issue to the Participant that number of Shares equal in value to the positive difference between the Market Value of the Shares at the time of exercise and the exercise price that would otherwise be payable to exercise those Convertible Securities.

'Market Value' means, at any given date, the volume weighted average price per Share traded on the ASX over the five trading days immediately preceding that given date, unless otherwise specified in an invitation.

A Convertible Security may not be exercised unless and until that Convertible Security has vested in accordance with the Plan rules, or such earlier date as set out in the Plan rules.

10. **(Delivery of Shares on exercise of Convertible Securities):** As soon as practicable after the valid exercise of a Convertible Security by a Participant, the Company will issue or cause to be transferred to that Participant the number of Shares to which the Participant is entitled under the Plan rules and issue a substitute certificate for any remaining unexercised Convertible Securities held by that Participant.
11. **(Forfeiture of Convertible Securities):** Where a Participant who holds Convertible Securities ceases to be an Eligible Participant or becomes insolvent, all unvested Convertible Securities will automatically be forfeited by the Participant, unless the Board otherwise determines in its discretion to permit some or all of the Convertible Securities to vest. Where the Board determines that a Participant has acted fraudulently or dishonestly, or wilfully breached his or her duties to the Group, the Board may in its discretion deem all unvested Convertible Securities held by that Participant to have been forfeited.

Unless the Board otherwise determines, or as otherwise set out in the Plan rules:

- (a) any Convertible Securities which have not yet vested will be forfeited immediately on the date that the Board determines (acting reasonably and in good faith) that any applicable vesting conditions have not been met or cannot be met by the relevant date; and

- (b) any Convertible Securities which have not yet vested will be automatically forfeited on the expiry date specified in the invitation.
12. **(Change of control):** If a change of control event occurs in relation to the Company, or the Board determines that such an event is likely to occur, the Board may in its discretion determine the manner in which any or all of the Participant's Convertible Securities will be dealt with, including, without limitation, in a manner that allows the Participant to participate in and/or benefit from any transaction arising from or in connection with the change of control event.
13. **(Rights attaching to Plan Shares):** All Shares issued under the Plan, or issued or transferred to a Participant upon the valid exercise of a Convertible Security, **(Plan Shares)** will rank pari passu in all respects with the Shares of the same class. A Participant will be entitled to any dividends declared and distributed by the Company on the Plan Shares and may participate in any dividend reinvestment plan operated by the Company in respect of Plan Shares. A Participant may exercise any voting rights attaching to Plan Shares.
14. **(Disposal restrictions on Plan Shares):** If the invitation provides that any Plan Shares are subject to any restrictions as to the disposal or other dealing by a Participant for a period, the Board may implement any procedure it deems appropriate to ensure the compliance by the Participant with this restriction.
- For so long as a Plan Share is subject to any disposal restrictions under the Plan, the Participant will not:
- (a) transfer, encumber or otherwise dispose of, or have a security interest granted over that Plan Share; or
- (b) take any action or permit another person to take any action to remove or circumvent the disposal restrictions without the express written consent of the Company.
15. **(Adjustment of Convertible Securities):** If there is a reorganisation of the issued share capital of the Company (including any subdivision, consolidation, reduction, return or cancellation of such issued capital of the Company), the rights of each Participant holding Convertible Securities will be changed to the extent necessary to comply with the Listing Rules applicable to a reorganisation of capital at the time of the reorganisation. If Shares are issued by the Company by way of bonus issue (other than an issue in lieu of dividends or by way of dividend reinvestment), the holder of Convertible Securities is entitled, upon exercise of the Convertible Securities, to receive an allotment of as many additional Shares as would have been issued to the holder if the holder held Shares equal in number to the Shares in respect of which the Convertible Securities are exercised. Unless otherwise determined by the Board, a holder of Convertible Securities does not have the right to participate in a pro rata issue of Shares made by the Company or sell renounceable rights.
16. **(Participation in new issues):** There are no participation rights or entitlements inherent in the Convertible Securities and holders are not entitled to participate in any new issue of Shares of the Company during the currency of the Convertible Securities without exercising the Convertible Securities.
17. **(Amendment of Plan):** Subject to the following paragraph, the Board may at any time amend any provisions of the Plan rules, including (without limitation) the terms and conditions upon which any Securities have been granted under the Plan and determine that any amendments to the Plan rules be given retrospective effect, immediate effect or future effect.

No amendment to any provision of the Plan rules may be made if the amendment materially reduces the rights of any Participant as they existed before the date of the amendment, other than an amendment introduced primarily for the purpose of complying with legislation or to correct manifest error or mistake, amongst other things, or is agreed to in writing by all Participants.

18. **(Plan duration):** The Plan continues in operation until the Board decides to end it. The Board may from time to time suspend the operation of the Plan for a fixed period or indefinitely, and may end any suspension. If the Plan is terminated or suspended for any reason, that termination or suspension must not prejudice the accrued rights of the Participants.

If a Participant and the Company (acting by the Board) agree in writing that some or all of the Securities granted to that Participant are to be cancelled on a specified date or on the occurrence of a particular event, then those Securities may be cancelled in the manner agreed between the Company and the Participant.

Schedule 4 Terms and conditions of Performance Rights

1. Entitlement

Subject to the terms and conditions set out below, each Performance Right, once vested, entitles the holder, on conversion, to the issue of one Share.

2. Plan

Defined terms in these terms and conditions have the same meaning as in the Plan. In the event of any inconsistency between the Plan and these terms and conditions, these terms and conditions will apply to the extent of the inconsistency.

3. Milestones and Expiry Date

The Performance Rights have the following Milestones and Expiry Dates:

Class	Milestone	Expiry Date
A	Announcement by the Company of an increased Mineral Resource estimate of at least Inferred category on any of the Projects of at least 500,000 ounces of gold or more, with a minimum cut-off grade of 1g/t Au within 3 years of the date of issue.	3 years after the date of issue
B	Announcement by the Company of an increased Mineral Resource estimate of at least Inferred category on any of the Projects of at least a further 500,000 ounces of gold or more (above Class A), with a minimum cut-off grade of 1g/t Au within 5 years of the date of issue.	5 years after the date of issue

For the purposes of the above:

Inferred has the meaning given to that term in the JORC Code.

JORC Code means the JORC Code means the Joint Ore Reserves Committee's Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (2012 Edition) (and any updated editions).

Mineral Resource has the meaning given to that term in the JORC Code.

Projects means the Company's existing projects including:

- (a) the Ashburton Gold project located in Western Australia;
- (b) the Pilbara Gold and Base Metal Project located in Western Australia;
- (c) the Castlemaine Gold Project located in Victoria; and
- (d) the South Muckleford Gold Project located in Victoria.

4. Vesting

Unless otherwise determined by the Board in accordance with the Plan, subject to the relevant Eligible Participant remaining an officeholder, or employed or engaged by the Group at the date of achievement of the relevant Milestone, 100% of the Class A and Class B Performance Rights will vest on the date the Milestone relating to those Performance Rights has been satisfied.

The Board will notify the holder in writing of the extent to which the Performance Rights vest at the end of the measurement period.

5. Consideration

The Performance Rights will be granted to the Eligible Participant (or their permitted nominee) for nil cash consideration.

6. Exercise Price

The Exercise Price of each vested Performance Right is nil.

7. Expiry Date

Each Performance Right will expire on the earlier to occur of the expiry date described in paragraph 3 or the Performance Right lapsing and being forfeited under the Plan or these terms and conditions (**Expiry Date**). For the avoidance of doubt any unexercised Performance Rights will automatically lapse on the Expiry Date.

8. Conversion

Upon vesting, each Performance Right will, at the Eligible Participant's election, convert into one Share. The Eligible Participant may apply to exercise vested Performance Rights at any time prior to the Expiry Date by filling out a notice of exercise in the form provided by the Company and returning to the Company Secretary (**Notice of Exercise**).

9. Timing of issue of Shares and quotation of Shares on exercise

As soon as practicable after the issue of a Notice of Exercise by the holder, the Company will:

- (a) issue, allocate or cause to be transferred to the holder the number of Shares to which the holder is entitled;
- (b) if required, issue a substitute Certificate for any remaining unexercised Performance Rights held by the holder;
- (c) if required and subject to paragraph 10, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act; and
- (d) in the event the Company is admitted to the official list of ASX, do all such acts, matters and things to obtain the grant of quotation of the Shares by ASX in accordance with the Listing Rules and subject to the expiry of any restriction period that applies to the Shares under the Corporations Act or the Listing Rules.

10. Restrictions on transfer of Shares

If the Company is required but is unable to give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, Shares issued on conversion of the Performance

Rights may not be traded until 12 months after their issue unless the Company, at its sole discretion, elects to issue a prospectus pursuant to section 708A(11) of the Corporations Act.

11. Shares issued on exercise

All Shares issued upon the exercise of Performance Rights will upon issue rank *pari passu* in all respects with the then Shares of the Company.

12. Transfer

The Performance Rights are not transferable unless they have vested and only with the prior written approval of the Board and subject to compliance with the Corporations Act and the Listing Rules.

13. Quotation

No application for quotation of the Performance Rights will be made by the Company.

14. Dividend and voting rights

The Performance Rights do not confer on the holder an entitlement to vote at general meetings of the Company or to receive dividends.

15. Participation in entitlements and bonus issues

Subject always to the rights under paragraphs 16 and 17, holders of Performance Rights will not be entitled to participate in new issues of capital offered to holders of Shares such as bonus issues and entitlement issues.

16. Adjustment for bonus issue

If securities are issued pro-rata to shareholders generally by way of bonus issue (other than an issue in lieu of dividends by way of dividend reinvestment), the number of Performance Rights to which the holder is entitled will be increased by that number of securities which the holder would have been entitled if the Performance Rights held by the holder were exercised immediately prior to the record date of the bonus issue, and in any event in a manner consistent with the Listing Rules at the time of the bonus issue.

17. Reorganisation of capital

In the event that the issued capital of the Company is reorganised (including consolidation, subdivision, reduction or return), all the holder's rights as a holder of Performance Rights will be changed to the extent necessary to comply with the Listing Rules at the time of reorganisation provided that, subject to compliance with the Listing Rules, following such reorganisation the holder's economic and other rights are not diminished or terminated.

18. Leaver

Where the holder of the Performance Rights (or the relevant Eligible Participant in the case of a Permitted Nominee holder) of the Performance Rights is no longer employed, or their office or engagement is discontinued with the Group:

- (a) as a result of Special Circumstances (as defined in the Plan), the Milestones will be deemed to be waived and the Performance Rights will be exercisable within 3 months of the date the Eligible Participant ceases to be an Eligible Participant; and
- (b) in all other circumstances, any unvested or unexercised Performance Rights will automatically lapse and be forfeited by the holder,

unless the Board otherwise determines in its discretion in accordance with the Plan.

19. Change of Control Event

If a Change of Control Event (as defined in the Plan) occurs, or the Board determines that such an event is likely to occur, then:

- (a) any unvested Performance Rights will automatically vest; and
- (b) to the extent Performance Rights have not been converted into Shares following satisfaction of the Milestones, Performance Rights will automatically convert to that number of Shares which when issued together with all Shares issued under any other class of Performance Rights then on issue in the Company, is equal to the lesser of one Share per Performance Right and 10% of the total Shares on issue at that time. Performance Rights that are not converted into Shares will continue to be held by the holder on the same terms and conditions.

Schedule 5 Valuation of Performance Rights

The Performance Rights to be issued to the Directors pursuant to Resolution 6 have been valued according to the Black & Scholes valuation model on the following assumptions:

Related Party	Luke Reinehr		Paul Adams		Angus Middleton	
Performance Rights	Class A	Class B	Class A	Class B	Class A	Class B
Number	1,000,000	1,000,000	500,000	500,000	375,000	375,000
Deemed grant date	23 Sep 2020	23 Sep 2020	23 Sep 2020	23 Sep 2020	23 Sep 2020	23 Sep 2020
Deemed expiry date	23 Sep 2023	23 Sep 2025	23 Sep 2023	23 Sep 2025	23 Sep 2023	23 Sep 2025
Share price at deemed grant date	\$0.69	\$0.69	\$0.69	\$0.69	\$0.69	\$0.69
Exercise price	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil
Expected volatility	100%	100%	100%	100%	100%	100%
Risk free interest rate	0.22%	0.39%	0.22%	0.39%	0.22%	0.39%
Annualised dividend yield	0%	0%	0%	0%	0%	0%
Value of each Performance Right	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil
Aggregate value of Performance Right	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil

Notes:

The valuations took into account the following matters:

1. The following Vesting Conditions apply to the Performance Rights:
 - (a) **Class A** Performance Rights: on announcing an increased Mineral Resource estimate of at least Inferred category on any of its the Projects of at least 500,000 ounces of gold or more, with a minimum cut-off grade of 1g/t Au within 3 years; and
 - (b) **Class B** Performance Rights: on announcing an increased Mineral Resource estimate of at least Inferred category on any of its Projects of at least a further 500,000 ounces of gold or more (above Class A), with a minimum cut-off grade of 1g/t Au within 5 years.
2. Performance Rights with non-market based vesting conditions can only be exercised following the satisfaction of the Vesting Condition, a change of control or winding up occurring, or a takeover bid becoming unconditional.
3. Assuming that the Vesting Conditions will be met, the value of a Performance Right is the value of an ordinary share as at the grant date, which will be set on the date of the Meeting (if approved). As at the date of this Notice, the latest available estimate is \$0.69. However, the Vesting Conditions for the Performance Rights have intentionally been set as stretch targets and accordingly the Directors have determined that it is more likely than not that the Vesting Conditions for the Class A and Class B Performance Rights will not be achieved. Therefore, in accordance with AASB 2 a value of \$Nil has been recognised for the Class A and Class B Performance Rights. The Directors will re-assess this valuation at each reporting date.
4. The valuation of the Performance Rights assumes that the exercise of a Performance Rights does not affect the value of the underlying asset.



ONLINE PROXY APPOINTMENT

www.advancedshare.com.au/investor-login



MOBILE DEVICE PROXY APPOINTMENT

Lodge your proxy by scanning the QR code below, and enter your registered postcode.

It is a fast, convenient and a secure way to lodge your vote.

Important Note: In light of the status of the evolving COVID-19 situation and Government restrictions on public gatherings in place at the time of the Meeting, the Directors have made a decision that the Shareholder meeting will be held entirely virtually via an online meeting platform provided by the Company's share registry.

Sub-Register	
HIN / SRN	
Meeting ID	
Shareholder ID	

2020 ANNUAL GENERAL MEETING PROXY FORM

I/We being shareholder(s) of Kalamazoo Resources Limited and entitled to attend and vote hereby:

APPOINT A PROXY

The Chair of the meeting **OR**

 **PLEASE NOTE:** If you leave the section blank, the Chair of the Meeting will be your proxy.

or failing the individual(s) or body corporate(s) named, or if no individual(s) or body corporate(s) are named, the Chair of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf, including to vote in accordance with the following directions (or, if no directions have been given, and to the extent permitted by law, as the proxy sees fit), at the General Meeting of the Company to be held at **16 Douro Place, West Perth, WA 6005 on 18 November 2020 at 9.30 am (WST)** and at any adjournment or postponement of that Meeting.

Chair authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chair of the Meeting as my/our proxy (or the Chair becomes my/our proxy by default), I/we expressly authorise the Chair to exercise my/our proxy on Resolutions 1, 4, 5 & 6 (except where I/we have indicated a different voting intention below) even though these resolutions are connected directly or indirectly with the remuneration of a member(s) of key management personnel, which includes the Chair. Subject to the following paragraph, I/we acknowledge the Chair of the Meeting intends to vote all undirected proxies available to them in favour of each Item of Business.

If the Chair is a person referred to in the voting prohibition statement applicable to a Resolution under section 224 of the Corporation Act, the Chair will only be able to cast a vote for you as proxy if you are entitled to vote and have specified your voting intention in the Proxy Form. Shareholders are therefore encouraged to specify their voting intention for every Resolution in the Proxy Form.

VOTING DIRECTIONS

Resolutions

	For	Against	Abstain*
1 Adoption of the Remuneration Report	☐	☐	☐
2 Re-Election of Director – Angus Middleton	☐	☐	☐
3 Approval of Additional 10% Placement Facility	☐	☐	☐
4 Approval of Employee Securities Incentive Plan	☐	☐	☐
5 Approval of Potential Termination Benefits Under the Plan	☐	☐	☐
6(a) Approval of Performance Rights to Luke Reinehr	☐	☐	☐
6(b) Approval of Performance Rights to Paul Adams	☐	☐	☐
6(c) Approval of Performance Rights to Angus Middleton	☐	☐	☐

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

SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Joint Shareholder 2 (Individual)

Joint Shareholder 3 (Individual)

Sole Director and Sole Company Secretary

Director/Company Secretary (Delete one)

Director

This form should be signed by the shareholder. If a joint holding, all the shareholder should sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the Corporations Act 2001 (Cth).

Email Address

☐ Please tick here to agree to receive communications sent by the company via email. This may include meeting notifications, dividend remittance, and selected announcements.

HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

In light of the status of the evolving COVID-19 situation and Government restrictions on public gatherings in place at the time of the Meeting, the Directors have made a decision that the Shareholder meeting will be held entirely virtually via an online meeting platform provided by the Company's share registry.

Shareholders will be able to participate at the Meeting by using meeting ID and Shareholder ID on the Proxy Form to log-in to the Meeting on www.advancedshare.com.au/virtual-meeting. The Meeting portal will be open to ask question prior to Meeting from 13 Nov 2020 and during the Meeting. Shareholders can also submit any questions in advance of the Meeting by emailing questions to Mr. Bernard Crawford, Company Secretary at bernard.crawford@kzr.com.au by 10 November 2020.

To vote at the Meeting, you are encouraged to appoint a proxy, preferably the Chair of the Meeting, to vote on your behalf at the Meeting as this will simplify the voting procedures for the Meeting. Alternatively, you will be able to record your vote during the Meeting through an online poll, subject to any conditions contained in the Notice of Meeting.

HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

CHANGE OF ADDRESS

This form shows your address as it appears on Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes.

APPOINTMENT OF A PROXY

If you wish to appoint the Chair as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chair, please write that person's name in the box in Step 1. A proxy need not be a shareholder of the Company. A proxy may be an individual or a body corporate.

DEFAULT TO THE CHAIR OF THE MEETING

If you leave Step 1 blank, or if your appointed proxy does not attend the Meeting, then the proxy appointment will automatically default to the Chair of the Meeting.

VOTING DIRECTIONS – PROXY APPOINTMENT

You may direct your proxy on how to vote by placing a mark in one of the boxes opposite each resolution 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 resolution 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 a given resolution, your proxy may vote as they choose to the extent they are permitted by law. If you mark more than one box on a resolution, your vote on that resolution will be invalid.

PROXY VOTING BY KEY MANAGEMENT PERSONNEL

If you wish to appoint a Director (other than the Chair) or other member of the Company's key management personnel, or their closely related parties, as your proxy, you must specify how they should vote on Resolutions 1, 4, 5 & 6, by marking the appropriate box. If you do not, your proxy will not be able to exercise your vote for Resolutions 1, 4, 5 & 6.

PLEASE NOTE: If you appoint the Chair as your proxy (or if they are appointed by default) but do not direct them how to vote on a resolution (that is, you do not complete any of the boxes "For", "Against" or "Abstain" opposite that resolution), the Chair may vote as they see fit on that resolution.

APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning Advanced Share Registry Limited or you may copy this form and return them both together.

To appoint a second proxy, you must:

- On each Proxy Form state the percentage of your voting rights or number of shares 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; and
- Return both forms together.

COMPLIANCE WITH LISTING RULE 14.11

In accordance with Listing Rule 14.11, if you hold shares on behalf of another person(s) or entity/entities or you are a trustee, nominee, custodian or other fiduciary holder of the shares, you are required to ensure that the person(s) or entity/entities for which you hold the shares are not excluded from voting on resolutions where there is a voting exclusion. Listing Rule 14.11 requires you to receive written confirmation from the person or entity providing the voting instruction to you and you must vote in accordance with the instruction provided.

By lodging your proxy votes, you confirm to the company that you are in compliance with Listing Rule 14.11.

CORPORATE REPRESENTATIVES

If a representative of a nominated corporation is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission in accordance with the Notice of Meeting. A Corporate Representative Form may be obtained from Advanced Share Registry.

SIGNING INSTRUCTIONS ON THE PROXY FORM

Individual:

Where the holding is in one name, the security holder must sign.

Joint Holding:

Where the holding is in more than one name, all the security holders should sign.

Power of Attorney:

If you have not already lodged the Power of Attorney with Advanced Share Registry, please attach the original or a certified photocopy of the Power of Attorney to this form when you return it.

Companies:

Where the company has a Sole Director, who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held.

LODGE YOUR PROXY FORM

This Proxy Form (and any power of attorney under which it is signed) must be received at an address given below by 9.30 am (WST) on 16 November 2020, being not later than 48 hours before the commencement of the Meeting. Proxy Forms received after that time will not be valid for the scheduled meeting.



ONLINE PROXY APPOINTMENT

www.advancedshare.com.au/investor-login



BY MAIL

Advanced Share Registry Limited
110 Stirling Hwy, Nedlands WA 6009; or
PO Box 1156, Nedlands WA 6909



BY FAX

+61 8 6370 4203



BY EMAIL

admin@advancedshare.com.au



IN PERSON

Advanced Share Registry Limited
110 Stirling Hwy, Nedlands WA 6009



ALL ENQUIRIES TO

Telephone: +61 8 9389 8033