



Lefroy Exploration

Lefroy Exploration Limited

IBC No.29457

ARBN 052 123 930

Notice of General Meeting and Explanatory Statement

**General Meeting to be held at
Quest Kings Park Road, 54 Kings Park Road, West Perth, Western Australia
on Thursday, 2 December 2021 commencing at 11.30am (WST)**

This Notice of General Meeting and Explanatory Statement should be read in its entirety.

A proxy form is enclosed. If you are unable to attend the General Meeting please complete and return the enclosed proxy form in accordance with the specified directions. If you are in doubt as to how you should vote, you should seek advice from your accountant, solicitor or other professional adviser without delay.

If COVID-19 social distancing restrictions change prior to the Meeting, the Company will advise via an ASX announcement as to any changes in the manner in which the Meeting will be held and as to whether shareholders will still be able to attend in person and participate in the usual way.

NOTICE OF GENERAL MEETING

Notice is hereby given that a General Meeting of Lefroy Exploration Limited, incorporated in the British Virgin Islands, IBC No.29457, Australian Registered Business Number 052 123 930 ("Company") will be held at Quest Kings Park Road, 54 Kings Park Road, West Perth, Western Australia on Thursday, 2 December 2021 commencing at 11.30am (WST).

The purpose of the Meeting is to consider, and if thought fit, pass the following Resolutions:

RESOLUTION 1 – RATIFICATION OF 17,142,857 PLACEMENT SHARES

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

"That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 17,142,857 Shares at an issue price of \$0.35 per Share issued on 17 November 2021, on the terms and conditions set out in the Explanatory Memorandum."

Voting Exclusion Statement: The Company will disregard any votes cast in favour of the Resolution by or on behalf of:

- a) a person who participated in the issue or is a counterparty to the agreement being approved; or
- b) an associate of that person or those persons.

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

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

RESOLUTION 2 - APPROVAL OF ISSUE OF SHARES VIA PLACEMENT TO MR GORDON GALT (OR HIS NOMINEE)

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

"That pursuant to ASX Listing Rule 10.11 and for all other purposes, approval be given to issue 142,858 Shares at an issue price of \$0.35 per Share to Mr Gordon Galt (or his nominee) on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion Statement: The Company will disregard any votes cast in favour of the Resolution by or on behalf of:

- a) Mr Galt (or nominee) or any of his associates; and
- b) any person who will obtain a material benefit as a result of the issue of the Shares (except a benefit solely by reason of being a holder of Shares).

However, a vote will not be disregarded if the vote is cast in favour of the Resolution by:

- a) a person as proxy or attorney for a person entitled to vote on the Resolution in accordance with directions given to the proxy or attorney to vote on the Resolution in that way;

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

RESOLUTION 3 - APPROVAL OF ISSUE OF SHARES VIA PLACEMENT TO MR MICHAEL DAVIES (OR HIS NOMINEE)

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

“That pursuant to ASX Listing Rule 10.11 and for all other purposes, approval be given to issue 714,286 Shares at an issue price of \$0.35 per Share to Mr Michael Davies (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion Statement: The Company will disregard any votes cast in favour of the Resolution by or on behalf of:

- a) Mr Davies (or nominee) or any of his associates; and
- b) any person who will obtain a material benefit as a result of the issue of the Shares (except a benefit solely by reason of being a holder of Shares).

However, a vote will not be disregarded if the vote is cast in favour of the Resolution by:

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

Members are referred to the Explanatory Statement accompanying this Notice of Meeting.

For the purpose of the meeting, securities will be taken to be held by the persons who are registered holders at 4.00pm (WST) on Tuesday, 30 November 2021. Transactions registered after that time will be disregarded in determining entitlements to attend and to vote at the meeting.

BY ORDER OF THE BOARD



Susan Park
Company Secretary
17 November 2021

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared for Shareholders in connection with the business to be conducted at a General Meeting of the Company to be held the Quest Kings Park Road, 54 Kings Park Road, West Perth, Western Australia on Thursday, 2 December 2021 commencing at 11.30am (WST).

1. RESOLUTION 1 – RATIFICATION OF PLACEMENT SHARES

1.1 General

On 10 November 2021, the Company announced a \$6.3 million placement comprising the issue of 18,000,001 Shares at an issue price of \$0.35 per Share (**Placement**). Lefroy Non-executive Chairman Mr Gordon Galt committed to subscribe for 142,858 Shares at the Placement issue price of \$0.35 per Share to raise \$50,000.30 and Non-executive Director Mr Michael Davies committed to subscribe for 714,286 Shares at the Placement issue price of \$0.35 per Share to raise \$250,000.10. This issue of Shares to Mr Galt (or nominee) and Mr Davies (or nominee) is subject to Shareholder approval in Resolutions 2 and 3 below. The Placement was taken up by new institutions and sophisticated investors as well as existing Shareholders. Bridge Street Capital Partners and Arlington Group Asset Management were joint lead managers and bookrunners for the Placement.

The proceeds of the Placement will be used to accelerate exploration at the Company's 100% owned Eastern Lefroy Gold Project and for general working capital purposes. The principal and immediate focus of the Company is at the exciting and unique Burns copper gold system where recent exploration involving drilling and geophysics has expanded the mineralised footprint to 3,000m in length.

The Company issued 17,142,857 Placement Shares on 17 November 2021. Resolution 1 seeks Shareholder approval to the ratification for the purposes of Listing Rule 7.4 for the issue of 17,142,857 Shares issued pursuant to the Company's existing Listing Rule 7.1 placement capacity.

1.2 Background to Listing Rule 7.1

The Company issued 17,142,857 Shares utilising the Company's existing Listing Rule 7.1 placement capacity. Listing Rule 7.1 places a general limitation on the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that period. The 17,142,857 Shares were issued within the Company's 15% limit under Listing Rule 7.1.

Listing Rule 7.4 allows the shareholders of a listed company to approve an issue of equity securities after it has been made or agreed to be made, provided the Company complied with Listing Rule 7.1 at the time of issuing the relevant equity securities. If they do, the issue is taken to have been approved under Listing Rule 7.1 and so does not reduce the Company's capacity to issue further equity securities without Shareholder approval under that rule.

If Resolution 1 is approved, the 17,142,857 Shares will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of equity securities it can issue without Shareholder approval over the 12 month period following their issue.

If Resolution 1 is not approved by the requisite majority, the 17,142,857 Shares will be included in calculating the Company's 15% limit in Listing Rule 7.1, effectively decreasing the number of equity

securities the Company can issue without Shareholder approval over the 12 month period following their issue.

1.3 Technical information required by Listing Rule 7.5

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to Resolution 1 and the ratification of the issue of the 17,142,857 Shares issued pursuant to the Company's existing Listing Rule 7.1 placement capacity:

- The 17,142,857 Shares were issued to new and existing professional and sophisticated investors determined by Bridge Street Capital Partners and Arlington Group Asset Management in consultation with the Board. The subscribers were not related parties of the Company at the time of the issue of the Shares.
- The 17,142,857 Shares were issued on 17 November 2021.
- The 17,142,857 Shares are fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares. The Shares will rank equally in all respects with the existing Shares on issue.
- The issue price of the Shares was \$0.35 per Share.
- Funds raised from the issue will be used to accelerate exploration at the Company's 100% owned Eastern Lefroy Gold Project and for general working capital purposes.
- A voting exclusion statement is included in Resolution 1 of the Notice.

1.4 Directors' recommendation

The Company wishes to retain as much flexibility as possible to issue additional equity securities into the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1. Therefore, the Directors unanimously recommend that Shareholders vote in favour of Resolution 1.

2. RESOLUTION 2 - APPROVAL OF ISSUE OF SHARES VIA PLACEMENT TO MR GORDON GALT (OR HIS NOMINEE)

2.1 General

As noted in Section 1.1 above, on 10 November 2021, the Company announced a \$6.3 million Placement comprising the issue of 18,000,001 Shares at an issue price of \$0.35 per Share. Lefroy Non-executive Chairman Mr Gordon Galt committed to subscribe for 142,858 Shares at the Placement issue price of \$0.35 per Share to raise \$50,000.30. This issue of Shares to Mr Galt (or nominee) is subject to Shareholder approval. The funds raised from the Placement will be used to accelerate exploration at the Company's 100% owned Eastern Lefroy Gold Project and for general working capital purposes.

Resolution 2 seeks Shareholder approval for the purposes of Listing Rule 10.11 to approve the issue of a total of 142,858 Shares at an issue price of \$0.35 per Share to Mr Gordon Galt (or his nominee).

2.2 Listing Rule 10.11

Listing Rule 10.11 provides that a company must not issue equity securities to a Related Party without the approval of shareholders. Pursuant to Listing Rule 7.2 exception 14, where approval under Listing Rule 10.11 is obtained, approval is not required under Listing Rule 7.1 and the issue of securities will

not be included in the Company's 15% limit.

If Resolution 2 is not approved, the 142,858 Shares at an issue price of \$0.35 per Share under the placement to Mr Galt will not be issued and the Company will not receive the additional \$50,000.30 in Placement proceeds.

2.3 Technical information required by ASX Listing Rule 10.13

In accordance with Listing Rule 10.13 the following information is provided in relation to Resolution 2:

- The maximum number of securities to be issued is 142,858 Shares.
- The 142,858 Shares are fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares. The Shares will rank equally in all respects with the existing Shares on issue.
- The issue price of the Shares will be \$0.35 per Share.
- The 142,858 Shares will be issued to Mr. Gordon Galt (or his nominee).
- Mr. Gordon Galt falls within the category set out in Listing Rule 10.11.1 by virtue of being a Director of Lefroy and is a Related Party of the Company.
- The issue will occur on a single date no later than one (1) month after the date of the General Meeting or such later date to the extent permitted by an ASX waiver of the Listing Rules.
- Funds raised from the issue will be used to accelerate exploration at the Company's 100% owned Eastern Lefroy Gold Project and for general working capital purposes.
- A voting exclusion statement is included in Resolution 2 of the Notice.

2.4 Directors' recommendation

The Directors (other than Mr Gordon Galt who has an interest in the Resolution) recommend that the Shareholders vote in favour of Resolution 2.

3. RESOLUTION 3 - APPROVAL OF ISSUE OF SHARES VIA PLACEMENT TO MR MICHAEL DAVIES (OR HIS NOMINEE)

3.1 General

As noted in Section 1.1 above, on 10 November 2021, the Company announced a \$6.3 million Placement comprising the issue of 18,000,001 Shares at an issue price of \$0.35 per Share. Lefroy Non-executive Director Mr Michael Davies committed to subscribe for 714,286 Shares at the Placement issue price of \$0.35 per Share to raise \$250,000.10. This issue of Shares to Mr Davies (or nominee) is subject to Shareholder approval. The funds raised from the Placement will be used to accelerate exploration at the Company's 100% owned Eastern Lefroy Gold Project and for general working capital purposes.

Resolution 3 seeks Shareholder approval for the purposes of Listing Rule 10.11 to approve the issue of a total of 714,286 Shares at an issue price of \$0.35 per Share to Mr Michael Davies (or his nominee).

3.2 Listing Rule 10.11

Listing Rule 10.11 provides that a company must not issue equity securities to a Related Party without

the approval of shareholders. Pursuant to Listing Rule 7.2 exception 14, where approval under Listing Rule 10.11 is obtained, approval is not required under Listing Rule 7.1 and the issue of securities will not be included in the Company's 15% limit.

If Resolution 3 is not approved, the 714,286 Shares at an issue price of \$0.35 per Share under the placement to Mr Davies will not be issued and the Company will not receive the additional \$250,000.10 in Placement proceeds.

3.3 Technical information required by ASX Listing Rule 10.13

In accordance with Listing Rule 10.13 the following information is provided in relation to Resolution 3:

- The maximum number of securities to be issued is 714,286 Shares.
- The 714,286 Shares are fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares. The Shares will rank equally in all respects with the existing Shares on issue.
- The issue price of the Shares will be \$0.35 per Share.
- The 714,286 Shares will be issued to Mr. Michael Davies (or his nominee).
- Mr. Michael Davies falls within the category set out in Listing Rule 10.11.1 by virtue of being a Director of Lefroy and is a Related Party of the Company.
- The issue will occur on a single date no later than one (1) month after the date of the General Meeting or such later date to the extent permitted by an ASX waiver of the Listing Rules.
- Funds raised from the issue will be to accelerate exploration at the Company's 100% owned Eastern Lefroy Gold Project and for general working capital purposes.
- A voting exclusion statement is included in Resolution 3 of the Notice.

3.4 Directors' recommendation

The Directors (other than Mr Michael Davies who has an interest in the Resolution) recommend that the Shareholders vote in favour of Resolution 3.

4. GLOSSARY

\$ means Australian dollars.

ASIC means the Australian Securities and Investments Commission.

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

ASX Listing Rules means the listing rules of ASX.

Board means the current board of directors of the Company.

Chair means the chair of the Meeting.

Company means Lefroy Exploration Limited, incorporated in the British Virgin Islands. IBC No.29457, Australian Registered Business Number 052 123 930.

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

Director means a director of the Company.

WST means Eastern Daylight Savings Time as observed in Sydney, New South Wales.

Explanatory Statement means the explanatory statement accompanying the Notice.

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



Notice or Notice of Meeting means this notice of meeting including the Explanatory Statement and the Proxy Form.

Ordinary Resolution means for the purposes of these resolutions, that more than 50% of votes cast by Shareholders present and eligible to vote at the Meeting must be in favour for the resolution to be passed.

Proxy Form means the proxy form accompanying the Notice.

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

Section means a section of the Explanatory Statement.

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

Shareholder means a registered holder of a Share.

LEX

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Need assistance?



Phone:
1300 850 505 (within Australia)
+61 3 9415 4000 (outside Australia)



Online:
www.investorcentre.com/contact



YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **11:30am (WST)** on **Tuesday, 30 November 2021**.

Proxy Form

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

APPOINTMENT OF PROXY

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

SIGNING INSTRUCTIONS FOR POSTAL FORMS

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

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

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this 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 also 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. Delete titles as applicable.

PARTICIPATING IN THE MEETING

Corporate Representative

If a representative of a corporate securityholder or proxy is to participate in the meeting you will need to provide the appropriate "Appointment of Corporate Representative". A form may be obtained from Computershare or online at www.investorcentre.com/au and select "Printable Forms".

Lodge your Proxy Form:

XX

Online:

Lodge your vote online at www.investorvote.com.au using your secure access information or use your mobile device to scan the personalised QR code.

Your secure access information is



Control Number: 999999
SRN/HIN: I9999999999
PIN: 99999

For Intermediary Online subscribers (custodians) go to www.intermediaryonline.com

By Mail:

Computershare Investor Services Pty Limited
GPO Box 242
Melbourne VIC 3001
Australia

By Fax:

1800 783 447 within Australia or
+61 3 9473 2555 outside Australia



PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

☐

Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



I 9999999999

I ND

Proxy Form

Please mark ☒ to indicate your directions

Step 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Lefroy Exploration Limited hereby appoint

☐

the Chairman
of the Meeting

OR

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and 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 Lefroy Exploration Limited to be held at Quest Kings Park Road, 54 Kings Park Road, West Perth, Western Australia on Thursday, 2 December 2021 at 11:30am (WST) and at any adjournment or postponement of that meeting.

Step 2 Items of Business

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

		For	Against	Abstain
Resolution 1	Ratification of 17,142,857 Placement Shares	☐	☐	☐
Resolution 2	Approval of Issue of Shares via Placement to Mr Gordon Galt (or his Nominee)	☐	☐	☐
Resolution 3	Approval of Issue of Shares via Placement to Mr Michael Davies (or his Nominee)	☐	☐	☐

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

Step 3 Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director & Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

/ /

Date

Update your communication details (Optional)

Mobile Number

Email Address

By providing your email address, you consent to receive future Notice of Meeting & Proxy communications electronically

