



**LARVOTTO**  
RESOURCES

**LARVOTTO RESOURCES LIMITED**  
**ABN 16 645 596 238**

# **Notice of General Meeting**

## **Explanatory Statement and Proxy Form**

Date of Meeting:  
**Tuesday, 6 December 2022**

Time of Meeting:  
**3:00 PM (AWST)**

The meeting will be held at 136 Stirling Highway, Nedlands, Western Australia. If you are a Shareholder and are unable to attend in person and wish to participate in the General Meeting, you are strongly encouraged to lodge completed proxy form documentation in accordance with the instructions in this Notice of Meeting.

Following recent modifications brought to the *Corporations Act 2001 (Cth)* which provided for permanent relief for companies to use electronic communications to send meeting materials, no hard copy of the Notice of Meeting and Explanatory Statement will be circulated unless shareholders have elected to receive the GM materials in paper form. The Notice of Meeting is also available on the ASX Announcement platform and on the Company's website <https://larvottoresources.com>

*This Notice of Meeting and Explanatory Statement should be read in its entirety.  
If Shareholders are in doubt as to how they should vote, they should seek advice from their accountant,  
solicitor, or other professional advisor without delay.*

# LARVOTTO RESOURCES LIMITED

ABN 16 645 596 238

Registered office: 136 Stirling Highway, Nedlands, WA 6009

Notice is hereby given that a General Meeting of Shareholders of Larvotto Resources Limited ("Larvotto" or the "Company") will be held at 136 Stirling Highway, Nedlands, Western Australia at 3.00pm (AWST) on Tuesday, 6 December 2022 ("General Meeting", "GM" or "Meeting").

In compliance with ASX guidelines, each Resolution will be decided by poll, based on proxy votes and by votes from Shareholders in attendance at the General Meeting. Shareholders are strongly encouraged to vote by lodging the Proxy Form accompanying this Notice of Meeting in accordance with the instructions set out on that form **by no later than 3.00pm AWST on 4 December 2022**.

## AGENDA

The Explanatory Statement and Proxy Form which accompany and form part of this Notice, include defined terms and describe in more detail the matters to be considered. Please consider this Notice, the Explanatory Statement and the proxy form in their entirety.

### ORDINARY BUSINESS

#### 1. Resolution 1: Ratification of prior issue of Tranche 1 Placement Shares

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

*"That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the prior issue of 8,373,000 Shares to the parties and on the terms and conditions set out in the Explanatory Statement."*

A voting exclusion statement applies to this Resolution. Please see below.

#### 2. Resolution 2: Approval to issue Tranche 2 Placement Shares

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

*"That, for the purposes of Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue 2,738,111 Shares to the parties on the terms and conditions set out in the Explanatory Statement."*

A voting exclusion statement applies to this Resolution. Please see below.

#### 3. Resolution 3: Approval to issue Placement Options

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

*"That, for the purposes of Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue 11,111,111 Options to the parties on the terms and conditions set out in the Explanatory Statement."*

A voting exclusion statement applies to this Resolution. Please see below.

#### 4. Resolution 4: Approval to issue shares to EDLP

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

*"That, for the purposes of Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue 10,000,000 Shares to EDLP on the terms and conditions set out in the Explanatory Statement."*

A voting exclusion statement applies to this Resolution. Please see below.

#### 5. Resolution 5: Approval to issue options to EDLP

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

*"That, for the purposes of Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue 10,000,000 Options to EDLP on the terms and conditions set out in the Explanatory Statement."*

A voting exclusion statement applies to this Resolution. Please see below.

#### **6. Resolution 6: Approval to issue shares to Lithium Royalty Corp**

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

*“That, for the purposes of Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue 1,111,111 Shares to Lithium Royalty Corp on the terms and conditions set out in the Explanatory Statement.”*

A voting exclusion statement applies to this Resolution. Please see below.

#### **7. Resolution 7: Approval to issue options to Lithium Royalty Corp**

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

*“That, for the purposes of Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue 1,111,111 Options to Lithium Royalty Corp on the terms and conditions set out in the Explanatory Statement.”*

A voting exclusion statement applies to this Resolution. Please see below.

#### **8. General Business**

To consider any other business as may be lawfully put forward in accordance with the Constitution of the Company.

#### **ASX voting exclusion statements**

For the purposes of Listing Rule 14.11, the following voting exclusion statements apply to the Resolutions. The Company will disregard any votes cast in favour of the following Resolutions by or on behalf of the following persons or an Associate of those persons:

| <b>Resolution</b>            | <b>Excluded Parties</b>                                                                                                                                                                                                                                                |
|------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Resolution 1</b>          | A person who participated in the issue or is a counterparty to the agreement being approved.                                                                                                                                                                           |
| <b>Resolutions 2 &amp; 3</b> | A person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the entity)                                                        |
| <b>Resolutions 4 &amp; 5</b> | EDLP or any nominee or any person who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an Associate of that person (or those persons).                 |
| <b>Resolutions 6 &amp; 7</b> | Lithium Royalty Corp or any nominee or any person who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an Associate of that person (or those persons). |

However, these voting exclusions do not apply to a vote cast in favour of the above Resolutions by:

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

## Notes

Terms used in this Notice of Meeting are defined in Section 8 (Glossary) of the accompanying Explanatory Statement.

A detailed summary of the Resolution(s) is contained within the Explanatory Statement.

The Resolution(s) at this Meeting will be voted on by poll and Shareholders who are entitled to vote may vote either prior to the Meeting by appointing a proxy or by poll during the Meeting.

## By the order of the Board

**Matthew Edmondson**

**Company Secretary**

7 November 2022

## Proxies and representatives

Shareholders are entitled to appoint a proxy to attend and vote on their behalf. Where a Shareholder is entitled to cast two or more votes at the Meeting, they may appoint two proxies. Where more than one proxy is appointed, each proxy may be appointed to represent a specific proportion or number of votes the Shareholder may exercise. If the appointment does not specify the proportion or number of votes each proxy may exercise, each proxy may exercise half of the votes. The proxy may, but need not, be a Shareholder of the Company.

Shareholders who are a body corporate are able to appoint representatives to attend and vote at the Meeting under section 250D of the *Corporations Act 2001* (Cth). The Proxy Form must be signed by the Shareholder or his/her attorney duly authorised in writing or, if the Shareholder is a corporation, in a manner permitted by the *Corporations Act*.

The Proxy Form (and the power of attorney or other authority, if any, under which the Proxy Form is signed) or a copy or facsimile which appears on its face to be an authentic copy of the Proxy Form (and the power of attorney or other authority) must be deposited at, posted to, scanned and emailed or sent by facsimile transmission to the Company's share registry not less than 48 hours before the time for holding the Meeting, or adjourned meeting as the case may be, at which the individual named in the Proxy Form proposes to vote.

If a representative of the corporation is to attend the Meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission. A form of the certificate may be obtained from the Company's share registry.

A Proxy Form accompanies this Notice.

## Voting entitlement

For the purposes of determining voting entitlements at the Meeting, shares will be taken to be held by the persons who are registered as holding the shares at 5:00pm AWST on 4 December 2022.

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

## Signing instructions

You must sign the Proxy Form as follows in the spaces provided:

|                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
|---------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Individual:</b>        | Where the holding is in one name, the holder must sign.                                                                                                                                                                                                                                                                                                                                                                                                              |
| <b>Joint Holding:</b>     | Where the holding is in more than one name, either holder may sign.                                                                                                                                                                                                                                                                                                                                                                                                  |
| <b>Power of Attorney:</b> | To sign under Power of Attorney, please attach a certified photocopy of the Power of Attorney to this form when you return it.                                                                                                                                                                                                                                                                                                                                       |
| <b>Companies:</b>         | <p>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) does not have a Company Secretary, a Sole Director can sign alone.</p> <p>Otherwise, this form must be signed by a Director jointly with either another Director or a Company Secretary.</p> <p>Please indicate the office held by signing in the appropriate place.</p> |

## **1. Entire Notice**

The details of the resolutions contained in the Explanatory Statement accompanying this Notice of Meeting should be read together with, and form part of, this Notice of Meeting.

## **2. Record Date**

The Company has determined that for the purposes of the General Meeting, shares will be taken to be held by the persons who are registered as holding the shares at 5:00pm on the date 48 hours before the date of the General Meeting. Only those persons will be entitled to vote at the General Meeting and transfers registered after that time will be disregarded in determining entitlements to attend and vote at the General Meeting.

## **3. Proxies**

- a. Votes at the General Meeting may be given personally or by proxy, attorney or representative.
- b. Each Shareholder has a right to appoint one or two proxies.
- c. A proxy need not be a Shareholder of the Company.
- d. If a Shareholder is a company, it must execute under its common seal or otherwise in accordance with its constitution or the Corporations Act.
- e. Where a Shareholder is entitled to cast two or more votes, the Shareholder may appoint two proxies and may specify the proportion of number of votes each proxy is appointed to exercise.
- f. If a Shareholder appoints two proxies, and the appointment does not specify the proportion or number of the Shareholder's votes, each proxy may exercise half of the votes. If a Shareholder appoints two proxies, neither proxy may vote on a show of hands.
- g. A proxy must be signed by the Shareholder or his or her attorney who has not received any notice of revocation of the authority.
- h. To be effective, Proxy Forms must be received by the Company's share registry Automic Group no later than 48 hours before the commencement of the General Meeting, i.e. no later than 3:00pm AWST on Sunday, 4 December 2022. Any proxy received after that time will not be valid for the scheduled meeting.
  - i. By post to Automic Group Perth, GPO Box 5193, Sydney NSW 2001
  - ii. In person to Level 5, 191 St Georges Terrace, Perth WA 6000
  - iii. By fax to +61 2 8583 3040 (within Australia)

## **4. Corporate Representative**

Any corporate Shareholder who has appointed a person to act as its corporate representative at the General Meeting should provide that person with a certificate or letter executed in accordance with the Corporations Act authorizing him or her to act as that company's representative. The authority may be sent to the Company and/or registry in advance of the General Meeting or handed in at the General Meeting when registering as a corporate representative.

## **5. How the Chair will vote Undirected Proxies**

Subject to the restrictions set out in Note 6 below, the Chair of the General Meeting will vote undirected proxies in favour of all the proposed resolutions.

## **6. Enquiries**

Shareholders are invited to contact the Company Secretary, Matthew Edmondson on +61 (8) 6373 0112 if they have any queries in respect of the matters set out in this Notice.

# EXPLANATORY STATEMENT

## 1. Introduction

This Explanatory Statement is provided to Shareholders to explain the Resolutions to be put to Shareholders at the General Meeting.

The Directors recommend Shareholders read the accompanying Notice of Meeting and this Explanatory Statement in full before making any decision in relation to the Resolutions.

Subject to the abstentions noted below, the Directors unanimously recommend that Shareholders vote in favour of all Resolutions. The Chair intends to vote all available undirected proxies in favour of each resolution.

Capitalised terms used in the Notice and this Explanatory Statement are defined in Section 8.

## 2. Background to Resolutions 1 to 3 - Placement

On 14 October 2022, the Company announced that it had received firm commitments from professional and sophisticated investors to raise \$2 million through a two-tranche placement of 11,111,111 shares (**Placement Shares**) at an issue price of \$0.18; with each Placement Share issued carrying one unlisted option exercisable at \$0.30 cents expiring 3 years from issue (**Placement Options**) (**Placement**).

The Placement Shares were to be distributed in two-tranches as follows:

- (a) 8,373,000 Shares to be issued under Tranche 1 (**Tranche 1 Placement Shares**); and
- (b) 2,378,111 Shares to be issued under Tranche 2 (**Tranche 2 Placement Shares**).

On 24 October 2022, the Company issued the Tranche 1 Placement Shares under the Company's capacity pursuant to Listing Rule 7.1 (being the subject of Resolution 1).

The Company shall issue the Tranche 2 Placement Shares subject to Shareholder approval under Resolution 2.

## 3. Resolution 1

Resolution 1 seeks ratification of the issue of the Tranche 1 Placement Shares.

### 3.1 Listing Rule 7.1

Broadly speaking, and subject to a number of exceptions set out at Listing Rule 7.2, Listing Rule 7.1 limits the number 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 issue of the Tranche 1 Placement Shares does not fit within any of the exceptions set out in Listing Rule 7.2 and, as it has not yet been approved by Shareholders, it effectively uses up part of the 15% limit in Listing Rule 7.1, reducing the Company's capacity to issue further Equity Securities without Shareholder approval under Listing Rule 7.1 for the 12 month period following the date of issue of the Tranche 1 Placement Shares.

### 3.2 Listing Rule 7.4

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. If they do, the issue is taken to have been approved under Listing Rule 7.1 and does not reduce the company's capacity to issue further Equity Securities without Shareholder approval under that rule.

The Company wishes to retain as much flexibility as possible to issue additional Equity Securities in the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1.

Accordingly, the Company is seeking Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Tranche 1 Placement Shares.

### 3.3 Listing Rule 14.1A

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

If Resolution 1 is not passed, the Tranche 1 Placement Shares will be included in calculating the Company's 15% limit in Listing Rules 7.1, effectively decreasing the number of equity securities the Company can issue without Shareholder approval over the 12-month period following the date of issue of the Tranche 1 Placement Shares.

### 3.4 Technical Information Required under Listing Rule 7.5

Listing Rule 7.5 contains certain requirements as to the contents of a Notice sent to Shareholders for the purpose of Listing Rule 7.4 and the following information is included in this Explanatory Statement for that purpose:

|                     |  |
|---------------------|--|
| <b>Resolution 1</b> |  |
|---------------------|--|

|                                              |                                                                                                                                                                                                                                                                        |
|----------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Party<sup>1</sup></b>                     | The Tranche 1 Placement Shares were issued to various investors who did not require a disclosure document and who were identified and selected by the Company in consultation with the Company's corporate advisers for the Placement, Aitken Murray Capital Partners. |
| <b>Number and Class of Securities issued</b> | 8,373,000 fully paid ordinary shares were issued under ASX Listing Rule 7.1.                                                                                                                                                                                           |
| <b>Date of issue</b>                         | The Tranche 1 Placement Shares were issued on 24 October 2022.                                                                                                                                                                                                         |
| <b>Consideration</b>                         | The Tranche 1 Placement Shares were issued at a price \$0.18 per Share.                                                                                                                                                                                                |
| <b>Terms</b>                                 | The Tranche 1 Placement Shares rank equally with all other Shares on issue.                                                                                                                                                                                            |
| <b>Purpose</b>                               | Further exploration activities including drilling on the Company's Mt Isa Copper Project in Queensland and the Ohakuri Gold Project in New Zealand, in addition to working capital purposes.                                                                           |
| <b>Material terms of agreement</b>           | The Tranche 1 Placement Shares were not issued pursuant to any agreement.                                                                                                                                                                                              |

**Notes:**

1. None of the parties are Material Investors in the Company.

### 3.5 Board Recommendation

The Directors recommend that Shareholders vote in favour of Resolution 1.

The Chair intends to vote all undirected proxies in favour of Resolution 1.

## 4. Resolutions 2 and 3

Resolution 2 seeks approval for the issue of the Tranche 2 Placement Shares.

Resolution 3 seeks approval for the issue of the Placement Options.

### 4.1 Listing Rule 7.1

As noted in section 3.1 above, broadly speaking, and subject to a number of exceptions set out in Listing Rule 7.2, Listing Rule 7.1 limits the number 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 issue of the Tranche 2 Placement Shares and the Placement Options does not fall within any of these exceptions and exceeds the 15% limit in Listing Rule 7.1. It therefore requires the approval of Shareholders under Listing Rule 7.1.

Resolution 2 seeks the required Shareholder approval for the issue of the Tranche 2 Placement Shares under and for the purposes of Listing Rule 7.1.

Resolution 3 seeks the required Shareholder approval for the issue of the Placement Options under and for the purposes of Listing Rule 7.1.

### 4.2 Listing Rule 14.1A

If Resolutions 2 and 3 are passed, the Company will be able to proceed with the issue of the Tranche 2 Placement Shares and Placement Options.

In addition, the issue of the Tranche 2 Placement Shares and Placement Options will be excluded from the calculation of the number of Equity Securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolution 3 is not passed, the Company will not be able to proceed with the issue of the Tranche 2 Placement Shares and Placement Options. In these circumstances, the Company will be unable to raise further funds that would otherwise have been raised through the issue of the Tranche 2 Placement Shares.

### 4.3 Technical Information Required under Listing Rule 7.3

Listing Rule 7.3 contains certain requirements as to the contents of a Notice sent to Shareholders for the purpose of Listing Rule 7.1 and the following information is included in this Explanatory Statement for that purpose:

|                            |                                                                                                                                                                                                                                                                                                   |
|----------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Resolutions 2 and 3</b> |                                                                                                                                                                                                                                                                                                   |
| <b>Party<sup>1</sup></b>   | The Tranche 2 Placement Shares and Placement Options are to be issued to various investors who did not require a disclosure document and who were identified and selected by the Company in consultation with the Company's corporate advisers for the Placement, Aitken Murray Capital Partners. |

|                                              |                                                                                                                                                                                              |
|----------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Number and Class of Securities issued</b> | 2,378,111 fully paid ordinary shares are to be issued under Listing Rule 7.1 under Resolution 2.<br><br>11,111,111 Options are to be issued under Listing Rule 7.1 under Resolution 3.       |
| <b>Date of issue</b>                         | The Tranche 2 Placement Shares and Placement Options shall be issued as soon as possible after the Meeting and in any event within three months of the Meeting.                              |
| <b>Consideration</b>                         | The issue price for the Tranche 2 Placement Shares is \$0.18 per Share.<br><br>The Placement Options were issued as free-attaching Options to the Placement Shares.                          |
| <b>Terms</b>                                 | The Tranche 2 Placement Shares rank equally with all other Shares on issue.<br><br>The Placement Options will be issued on the terms set out in Schedule 1.                                  |
| <b>Purpose</b>                               | Further exploration activities including drilling on the Company's Mt Isa Copper Project in Queensland and the Ohakuri Gold Project in New Zealand, in addition to working capital purposes. |
| <b>Material terms of agreement</b>           | The Tranche 2 Placement Shares and Placement Options were not issued pursuant to any agreement.                                                                                              |

**Notes:**

1. None of the parties are Material Investors in the Company.

#### 4.4 Board Recommendation

The Directors recommend that Shareholders vote in favour of Resolutions 2 and 3.

The Chair intends to vote all undirected proxies in favour of Resolutions 2 and 3.

#### 5. Background to Resolutions 4, 5, 6 and 7

As announced to the ASX on 11 October 2022 the Company entered into a royalty, equity and offtake arrangement with Lithium Royalty Corp and EDLP that will provide a \$3.4 million capital injection to the Company.

Under the terms of the arrangement, the Company entered into various agreements with Lithium Royalty Corp and EDLP with respect to a 3-tiered equity investment which involved a:

- (a) \$700,000 cash payment by Lithium Royalty Corp for 1% gross revenue royalty over lithium and all other pegmatite materials;
- (b) \$2 million cornerstone equity investment and free-attaching options (**Equity Investment**); and
- (c) \$700,000 cash payment by Lithium Royalty Corp as consideration for a 20% offtake agreement (**Offtake**),

which will collectively deliver to the Company \$3.4 million,

Under the Equity Investment:

- (a) EDLP will subscribe for \$1.8 million worth of Shares, at an issue price of \$0.18, being 10,000,000 Shares; and
- (b) Lithium Royalty Corp will subscribe for \$200,000 worth of Shares, at an issue price of \$0.18, being 1,111,111 Shares.

EDLP and Lithium Royalty Corp will each be issued a free attaching Option for each of the Shares subscribed for, being 10,000,000 Options to EDLP and 1,111,111 Options to Lithium Royalty Corp.

The Equity Investment will proceed on the same terms as the Placement and is given effect by subscription agreements with Lithium Royalty Corp and EDLP.

The Shares and Options to be issued to EDLP are the subject of Resolutions 4 and 5.

The Shares and Options to be issued to Lithium Royalty Corp are the subject of Resolutions 6 and 7.

#### 6. Resolutions 4 and 5

Resolution 4 seeks approval for the issue of the Shares to EDLP (**EDLP Shares**).

Resolution 5 seeks approval for the issue of the Options to EDLP (**EDLP Options**).

##### 6.1 Listing Rule 7.1

Broadly speaking, and subject to a number of exceptions set out at Listing Rule 7.2, Listing Rule 7.1 limits the number 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 issue of the EDLP Shares and the EDLP Options does not fall within any of these exceptions and exceeds the 15% limit in Listing Rule 7.1. It therefore requires the approval of Shareholders under Listing Rule 7.1.

Resolution 4 seeks the required Shareholder approval for the issue of the EDLP Shares under and for the purposes of Listing Rule 7.1.

Resolution 5 seeks the required Shareholder approval for the issue of the EDLP Options under and for the purposes of Listing Rule 7.1.

## 6.2 Listing Rule 14.1A

If Resolutions 4 and 5 are passed, the Company will be able to proceed with the issue of the EDLP Shares and EDLP Options. In addition, the issue of the EDLP Shares and EDLP Options will be excluded from the calculation of the number of Equity Securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolutions 4 and 5 are not passed, the Company will not be able to proceed with the issue of the EDLP Shares and EDLP Options. As Shareholder approval is a condition precedent under the subscription agreement, if such approval is not received, then the agreement will not complete and either party may terminate the subscription agreement without notice to the other parties and no funds will be raised under the Equity Investment. Further, as the cash payment under the Offtake is also linked to the receipt of Shareholder approval this would similarly not proceed.

## 6.3 Technical Information Required under Listing Rule 7.3

Listing Rule 7.3 contains certain requirements as to the contents of a Notice sent to Shareholders for the purpose of Listing Rule 7.1 and the following information is included in this Explanatory Statement for that purpose:

|                                              |                                                                                                                                                                                                   |
|----------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Resolutions 4 and 5</b>                   |                                                                                                                                                                                                   |
| <b>Party</b>                                 | The EDLP Shares and the EDLP Options are to be issued to EDLP. <sup>1</sup>                                                                                                                       |
| <b>Number and Class of Securities issued</b> | 10,000,000 fully paid ordinary shares are to be issued under Listing Rule 7.1 under Resolution 4.<br>10,000,000 Options are to be issued under Listing Rule 7.1 under Resolution 5.               |
| <b>Date of issue</b>                         | The EDLP Shares and the EDLP Options shall be issued as soon as possible after the Meeting and in any event within three months of the Meeting.                                                   |
| <b>Consideration</b>                         | The issue price for the EDLP Shares is \$0.18 per Share.<br>The EDLP Options will be issued as free-attaching Options to the EDLP Shares.                                                         |
| <b>Terms</b>                                 | The EDLP Shares rank equally with all other Shares on issue.<br>The EDLP Options will be issued on the terms set out in Schedule 1.                                                               |
| <b>Purpose</b>                               | Further exploration activities including drilling on the Company's Mt Isa Copper Project in Queensland and the Ohakuri Gold Project in New Zealand, in addition to working capital purposes.      |
| <b>Material terms of agreement</b>           | The EDLP Shares and EDLP Option are to be issued under the subscription agreement with EDLP.<br>The material terms of the agreements governing the Equity Investment is summarised in Schedule 2. |

### Notes:

1. EDLP is not a Material Investor in the Company.

## 6.4 Board Recommendation

The Directors recommend that Shareholders vote in favour of Resolutions 4 and 5.

The Chair intends to vote all undirected proxies in favour of Resolutions 4 and 5.

## 7. Resolutions 6 and 7

Resolution 6 seeks approval for the issue of the Shares to Lithium Royalty Corp (**Lithium Royalty Corp Shares**).

Resolution 7 seeks approval for the issue of the Options to Lithium Royalty Corp (**Lithium Royalty Corp Options**).

### 7.1 Listing Rule 7.1

Broadly speaking, and subject to a number of exceptions set out at Listing Rule 7.2, Listing Rule 7.1 limits the number 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 issue of the Lithium Royalty Corp Shares and the Lithium Royalty Corp Options does not fall within any of these exceptions and exceeds the 15% limit in Listing Rule 7.1. It therefore requires the approval of Shareholders under Listing Rule 7.1.

Resolution 6 seeks the required Shareholder approval for the issue of the Lithium Royalty Corp Shares under and for the purposes of Listing Rule 7.1.

Resolution 7 seeks the required Shareholder approval for the issue of the Lithium Royalty Corp Options under and for the purposes of Listing Rule 7.1.

## 7.2 Listing Rule 14.1A

If Resolutions 6 and 7 are passed, the Company will be able to proceed with the issue of the Lithium Royalty Corp Shares and the Lithium Royalty Corp Options. In addition, the issue of the Lithium Royalty Corp Shares and the Lithium Royalty Corp Options will be excluded from the calculation of the number of Equity Securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolutions 6 and 7 are not passed, the Company will not be able to proceed with the issue of the Lithium Royalty Corp Shares and the Lithium Royalty Corp Options. As Shareholder approval is a condition precedent under the subscription agreement, if such approval is not received, then the agreement will not complete and either party may terminate the subscription agreement without notice to the other parties and no funds will be raised under the Equity Investment. Further, as the cash payment under the Offtake is also linked to the receipt of Shareholder approval this would similarly not proceed.

## 7.3 Technical Information Required under Listing Rule 7.3

Listing Rule 7.3 contains certain requirements as to the contents of a Notice sent to Shareholders for the purpose of Listing Rule 7.1 and the following information is included in these Explanatory Notes for that purpose:

| <b>Resolutions 6 and 7</b>                   |                                                                                                                                                                                                                                             |
|----------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Party<sup>1</sup></b>                     | The Lithium Royalty Corp Shares and the Lithium Royalty Corp Options are to be issued to Lithium Royalty Corp.                                                                                                                              |
| <b>Number and Class of Securities issued</b> | 1,111,111 fully paid ordinary shares are to be issued under ASX Listing Rule 7.1 under Resolution 6.<br><br>1,111,111 Options are to be issued under ASX Listing Rule 7.1 under Resolution 7.                                               |
| <b>Date of issue</b>                         | The Lithium Royalty Corp Shares and the Lithium Royalty Corp Options shall be issued as soon as possible after the Meeting and in any event within three months of the Meeting.                                                             |
| <b>Consideration</b>                         | The issue price for the Lithium Royalty Corp Shares is \$0.18 per Share.<br><br>The Lithium Royalty Corp Options will be issued as free-attaching Options to the Lithium Royalty Corp Shares.                                               |
| <b>Terms</b>                                 | The Lithium Royalty Corp Shares rank equally with all other Shares on issue.<br><br>The Lithium Royalty Corp Options will be issued on the terms set out in Schedule 1.                                                                     |
| <b>Purpose</b>                               | Further exploration activities including drilling on the Company's Mt Isa Copper Project in Queensland and the Ohakuri Gold Project in New Zealand, in addition to working capital purposes.                                                |
| <b>Material terms of agreement</b>           | The Lithium Royalty Corp and Lithium Royalty Corp Options are to be issued under subscription agreement with Lithium Royalty Corp.<br><br>The material terms of the agreements governing the Equity Investment is summarised in Schedule 2. |

### Notes:

1. Lithium Royalty Corp is not a Material Investor in the Company.

## 7.4 Board Recommendation

The Directors recommend that Shareholders vote in favour of Resolutions 6 and 7.

The Chair intends to vote all undirected proxies in favour of Resolutions 6 and 7.

## 8. GLOSSARY

The following terms have the following meanings in this Explanatory Statement:

“\$” means Australian Dollars;

“**Associate**” has the meaning given to that term in section 9 of the Corporations Act;

“**ASX**” means ASX Limited ABN 82 644 122 216 or the Australian Securities Exchange, as the context requires;

“**AWST**” means Australian Western Standard Time as observed in Perth, Western Australia;

“**Board**” means the Directors acting as the board of Directors of the Company or a committee appointed by such board of Directors;

“**Chair**” means the person appointed to chair the Meeting of the Company convened by the Notice;

“**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**” or “**Larvotto**” means Larvotto Resources Limited ACN 645 596 238;

“**Constitution**” means the constitution of the Company as at the date of the Meeting;

“**Corporations Act**” means the Corporations Act 2001 (Cth);

“**Director**” means a Director of the Company;

“**EDLP**” means Waratah Capital’s Electrification and Decarbonization AIE LP (Company Number 754548709);

“**EDLP Shares**” means the 10,000,000 Shares to be issued to EDLP, the subject of Resolution 4;

“**EDLP Options**” means the 10,000,000 Options to be issued to EDLP, the subject of Resolution 5, to be issued on the terms set out in Schedule 1;

“**Equity Investment**” has the meaning given to that term in section 5 of this Explanatory Statement;

“**Equity Security**” has the same meaning as in the Listing Rules;

“**Explanatory Statement**” means the explanatory statement which forms part of this Notice;

“**GM**” or “**General Meeting**” or “**Meeting**” means the Meeting convened by this Notice;

“**Key Management Personnel**” means persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of the Company;

“**Listing Rules**” means the Listing Rules of the ASX;

“**Lithium Royalty Corp**” means Lithium Royalty Corp. (Canadian Incorporation Number 7827105111);

“**Lithium Royalty Corp Shares**” means the 1,111,111 Shares to be issued to Lithium Royalty Corp, the subject of Resolution 6;

“**Lithium Royalty Corp Options**” means the 1,111,111 Options to be issued to Lithium Royalty Corp, the subject of Resolution 7, to be issued on the terms set out in Schedule 1;

“**Material Investor**” means:

- (a) a related party of the entity;
- (b) a member of the entity’s Key Management Personnel;
- (c) a substantial holder in the entity;
- (d) an adviser to the entity; or
- (e) an associate of any of the above,

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

“**Notice**” or “**Notice of Meeting**” means this Notice of Meeting including the Explanatory Statement;

“**Offtake**” has the meaning given to that term in section 5 of this Explanatory Statement;

“**Option**” means an option to acquire a Share with the terms and conditions set out in Schedule 1;

“**Placement**” means the placement of 11,111,111 new shares at an issue price of \$0.18 per share, to raise \$2,000,000 (before costs), together with the issue of 11,111,111 Options;

“**Placement Shares**” has the meaning given to that term in section 2 of the Explanatory Statement and means the Tranche 1 and Tranche 2 Placement Shares;

“**Placement Options**” has the meaning given to that term in section 2 of the Explanatory Statement;

**“Proxy Form”** means the proxy form attached to the Notice;

**“Resolution”** means a resolution referred to in the Notice;

**“Section”** means a section of the Explanatory Statement;

**“Share”** means a fully paid ordinary share in the capital of the Company;

**“Shareholder”** means shareholder of the Company;

**“Tranche 1 Placement Shares”** means the 8,373,000 Shares under the Placement; and

**“Tranche 2 Placement Shares”** means the 2,378,111 Shares under the Placement.

## Schedule 1 - Terms and conditions of the Options

The terms and conditions of the Options are as follows:

1. **(Entitlement):** Subject to the terms and conditions set out below, each Option entitles the holder to the issue of one fully paid ordinary share in the capital of Larvotto **(Share)**.
2. **(Issue Price):** The Options are free attaching options which are being issued for \$nil additional cash consideration.
3. **(Exercise Price):** The Options are exercisable at \$0.30 each **(Exercise Price)**.
4. **(Expiry Date):** Each Option will expire at 5.00pm (WST) on the date that is 36 months from the date of issue **(Expiry Date)**. An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
5. **(Exercise Period):** The Options are exercisable at any time and from time to time on or prior to the Expiry Date.
6. **(Notice of Exercise):** Options may be exercised by notice in writing to Larvotto specifying the number of Options being exercised **(Notice of Exercise)** and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to Larvotto.  

Any Notice of Exercise of an Option received by Larvotto will be deemed to be a notice of the exercise of that Option as at the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds **(Exercise Date)**.
7. **(Issue of Shares):** Within 5 Business Days of the valid exercise of an Option, Larvotto will:
  - (a) issue, allocate or cause to be transferred to the holder the number of Shares to which the holder is entitled;
  - (b) issue a substitute certificate for any remaining unexercised Options held by the holder;
  - (c) if required, and subject to clause 8 below, provide ASX a notice that complies with section 708A(5)(e) of the Corporations Act; and
  - (d) do all such acts, matters and things to obtain the grant of quotation of the Shares by ASX in accordance with the Listing Rules.
8. **(Restrictions on transfer of Shares):** If Larvotto is unable to provide ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or such a notice for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, then Larvotto must, no later than 15 business days after the date of issue, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares by EDLP after their issue does not require disclosure to investors.
9. **(Ranking):** All Shares issued upon the exercise of Options will upon issue rank equally in all respects with other Shares.
10. **(Transferability):** The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.
11. **(Dividend rights):** An Option does not entitle the holder to any dividends.
12. **(Voting rights):** An Option does not entitle the holder to vote on any resolutions proposed at a general meeting of Larvotto, subject to any voting rights provided under the Corporations Act or the ASX Listing Rules where such rights cannot be excluded by these terms.
13. **(Quotation of the Options):** Larvotto will not apply for quotation of the Options on any securities exchange.
14. **(Adjustments for reorganisation):** If there is any reorganisation of the issued share capital of Larvotto, the rights of the Option holder will be varied in accordance with the ASX Listing Rules.

15. **(Entitlements and bonus issues):** Subject to the rights under clause 16, holders will not be entitled to participate in new issues of capital offered to shareholders such as bonus issues and entitlement issues.
16. **(Adjustment for bonus issues of Shares):** If Larvotto makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment):
  - (a) the number of Shares which must be issued on the exercise of an Option will be increased by the number of Shares which the Option holder would have received if the Option holder had exercised the Option before the record date for the bonus issue; and
  - (b) no change will be made to the Exercise Price.
17. **(Return of capital rights):** The Options do not confer any right to a return of capital, whether in a winding up, upon a reduction of capital or otherwise.
18. **(Rights on winding up):** The Options have no right to participate in the surplus profits or assets of Larvotto upon a winding up of Larvotto.
19. **(Takeovers prohibition):** The issue of Shares on exercise of the Options is subject to and conditional upon:
  - (a) the issue of the relevant Shares not resulting in any person being in breach of section 606(1) of the Corporations Act; and
  - (b) Larvotto will not be required to seek the approval of its members for the purposes of item 7 of section 611 of the Corporations Act to permit the issue of any Shares on exercise of the Options.
20. **(No other rights)** An Option does not give a holder any rights other than those expressly provided by these terms and those provided at law where such rights at law cannot be excluded by these terms.
21. **(Amendments required by ASX)** The terms of the Options may be amended as considered necessary by the Board in order to comply with the ASX Listing Rules, or any directions of ASX regarding the terms provided that, subject to compliance with the Listing Rules, following such amendment the economic and other rights of the holder are not diminished or terminated.
22. **(Constitution)** Upon the issue of the Shares on exercise of the Options, the holder will be bound by Larvotto's Constitution in respect of those Shares.

## Schedule 2 – Material terms of the Agreement

The issue of Shares and Options to EDLP and Lithium Royalty Corp are subject to subscription agreements entered into between the Company and EDLP and Lithium Royalty Corp, dated 9 October 2022.

The terms of the subscription of both EDLP and Lithium Royalty Corp are subject to the same material terms, summarised below:

1. **(Subscription)** Under the subscription agreement EDLP and Lithium Royalty Corp have agreed to subscribe for:
  - (a) in the case of EDLP, 10,000,000 Shares; and
  - (b) in the case of Lithium Royalty Corp, 1,111,111 Shares,and the Company has agreed to issue those Shares.
2. **(Share rights and ranking)** The Company shall ensure that the Shares issued to EDLP and Lithium Royalty Corp are fully paid, validly issued and free from any encumbrance;
3. **(Share Subscription Price)** \$0.18 per Share, being;
  - (a) in the case of EDLP, \$1,800,000; and
  - (b) in the case of Lithium Royalty Corp, \$200,000.
4. **(Options)** The Company has agreed to issue one free-attaching Option per Share to be issued. As such the Company shall issue:
  - (a) in the case of EDLP, 10,000,000 Options; and
  - (b) in the case of Lithium Royalty Corp, 1,111,111 Options.The Options shall be issued on the terms set out in Schedule 1 of the Explanatory Statement.
5. **(Option Subscription Price)** The Options will be issued as free-attaching Options;
6. **(Condition Precedent)** The Subscription is conditional on the Company having obtained approval of its Shareholders at a general meeting for the issue of the Shares and Options on or before 31 November 2022;
7. **(Termination)** If the Condition above is not satisfied either party may terminate the subscription agreement without notice to the other parties;
8. **(Board Recommendation)** The Board must procure that its Board recommend that Shareholders vote in favour of Resolutions 4, 5, 6 and 7 and state their intention to vote their Shares in favour of those Resolutions;
9. **(Completion)** As well as standard completion mechanisms with respect to payment of the Share Subscription Price and the issue of the Shares and Options, the Company must lodge with ASX:
  - (a) an Appendix 2A with respect to the EDLP and Lithium Royalty Shares; and
  - (b) an Appendix 3G with respect to the EDLP and Lithium Royalty Options, andeither:
  - (a) lodge a 'cleansing notice' under section 708A(5)(e) of Corporations Act; or
  - (b) lodge a 'cleansing prospectus' under section 708A(11) of the Corporations Act.
10. **(Other)** The Subscription Agreement contains other terms (including warranties and termination rights) standard for agreements of this nature.

# Proxy Voting Form

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

**Holder Number:**

Your proxy voting instruction must be received by **3.00pm (WST) on Sunday, 4 December 2022**, being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

## SUBMIT YOUR PROXY

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

### YOUR NAME AND ADDRESS

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

### STEP 1 – APPOINT A PROXY

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

### DEFAULT TO THE CHAIR OF THE MEETING

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

### STEP 2 - VOTES ON ITEMS OF BUSINESS

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

### APPOINTMENT OF SECOND PROXY

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

### SIGNING INSTRUCTIONS

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

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

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

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

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

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

### CORPORATE REPRESENTATIVES

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

### Lodging your Proxy Voting Form:

#### Online:

Use your computer or smartphone to appoint a proxy at

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

or scan the QR code below using your smartphone

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



#### BY MAIL:

Automic  
GPO Box 5193  
Sydney NSW 2001

#### IN PERSON:

Automic  
Level 5, 126 Phillip Street  
Sydney NSW 2000

#### BY EMAIL:

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