



Paterson Resources Limited
ACN 115 593 005

Notice of Annual General Meeting

The General Meeting of the Company will be held at the offices of the Company, at Suite 2, Level 1, 1 Altona Street, West Perth, Western Australia on Friday, 11 December 2020 at 10:00 am (WST).

THE COMPANY IS TAKING PRECAUTIONS TO FACILITATE AN IN PERSON MEETING IN ACCORDANCE WITH COVID-19 RESTRICTIONS. IF THE SITUATION IN RELATION TO COVID-19 CHANGES IN A WAY AFFECTING THE ABILITY TO FACILITATE AN IN PERSON MEETING, THE COMPANY WILL PROVIDE AN UPDATE AHEAD OF THE MEETING BY WAY OF AN ASX ANNOUNCEMENT.

The Notice of General Meeting should be read in its entirety. If Shareholders are in doubt as to how to vote, they should seek advice from their suitably qualified advisor prior to voting.

Should you wish to discuss any matter, please do not hesitate to contact the Company Secretary by telephone on (08) 6559 1792.

Shareholders are urged to attend or vote by lodging the proxy form attached to the Notice

Paterson Resources Limited
ACN 115 593 005
(Company)

Notice of Annual General Meeting

Notice is hereby given that the annual general meeting of Shareholders of Paterson Resources Limited (**Company**) will be held at Suite 2, Level 1, 1 Altona Street, West Perth WA, on Friday, 11 December 2020 at 10:00 am (WST) (**Meeting**).

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.

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 5.00pm WST on Wednesday, 9 December 2020 at 5:00pm (WST).

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 – Matthew Bull

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

'That Matthew Bull, who retires by rotation in accordance with article 7.2(b) of the Constitution, Listing Rule 14.5 and for all other purposes, and, being eligible and offering himself for re-election, is re-elected as a Director on the terms and conditions in the Explanatory Memorandum.'

Resolution 3 – Ratification of prior issue of February Placement Shares

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 Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 251,771,564 Shares on the terms and conditions in the Explanatory Memorandum.'

Resolution 4 – Ratification of prior issue of September Placement Shares

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 Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 142,857,143 Shares on the terms and conditions in the Explanatory Memorandum.'

Resolution 5 – Approval to issue September Placement Options

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 Listing Rule 7.1 and for all other purposes, Shareholders approve the issue of 142,857,143 free-attaching Options on the terms and conditions in the Explanatory Memorandum.'

Resolution 6 – Approval to issue SPP Options

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 Listing Rule 7.1 and for all other purposes, Shareholders approve the issue of up to 428,571,429 Options on the terms and conditions in the Explanatory Memorandum.'

Resolution 7 – Approval of issue of Lead Manager Options

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 Listing Rule 7.1 and for all other purposes, Shareholders approve the agreement to issue 20,000,000 to Baker Young Stockbrokers Limited (or its nominees) on the terms and conditions in the Explanatory Memorandum.'

Resolution 8 – Approval to issue Director Placement Shares to Matthew Bull

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

'That, pursuant to and in accordance Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of 100,000,000 Shares to Matthew Bull (or his nominees) on the terms and conditions in the Explanatory Memorandum.'

Resolution 9 - Approval to issue Performance Rights to Matthew Bull

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

'That, pursuant to and in accordance Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of 60,000,000 Performance Rights to Matthew Bull (or his nominees) on the terms and conditions in the Explanatory Memorandum.'

Resolution 10 – Approval to issue Options to Brian Thomas

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

'That, pursuant to and in accordance Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of 40,000,000 Options to Brian Thomas (or his nominees) on the terms and conditions in the Explanatory Memorandum.'

Resolution 11 – Consolidation of capital

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 section 254H of the Corporations Act and for all other purposes, the issued capital of the Company be consolidated on the terms and conditions in the Explanatory Memorandum, on the basis that:

- (a) every 15 Shares be consolidated into 1 Shares; and;*
- (b) all Options on issue be adjusted in accordance with Listing Rule 7.22,*

and, where this Consolidation results in a fraction of a security being held, the Company be authorised to round that fraction up to the nearest whole security.'

Voting exclusions

Pursuant to the Listing Rules, the Company will disregard any votes cast in favour of:

- (a) Resolution 3 by or on behalf of any person who participated in the issue of the February Placement Shares, or any of their respective associates;
- (b) Resolution 4 by or on behalf of any person who participated in the issue of the September Placement Shares, or any of their respective associates;

- (c) Resolution 5 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 of their respective associates;
- (d) Resolution 7 by or on behalf of Baker Young Stockbrokers Limited (or its nominees) and any person 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 of their respective associates;
- (e) Resolution 8 by or on behalf of Matthew Bull (or his nominees) and any other 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 Shareholder), or any of their respective associates;
- (f) Resolution 9 by or on behalf of Matthew Bull (or his nominees) and any other person who will obtain a material benefit as a result of the issue of the Performance Rights (except a benefit solely by reason of being a Shareholder), or any of their respective associates; and
- (g) Resolution 10 by or on behalf of Brian Thomas (or his nominees) and any other person who will obtain a material benefit as a result of the issue of the Options (except a benefit solely by reason of being a Shareholder), 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 prohibition

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 9 and Resolution 10: 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.

BY ORDER OF THE BOARD



Sarah Smith
Company Secretary
Paterson Resources Limited
Dated: 10 November 2020

Paterson Resources Limited
ACN 115 593 005
(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 to be held at Suite 2, Level 1, 1 Altona Street, West Perth WA, on Friday, 11 December 2020 at 10:00 am (WST) (**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	Voting and attendance information
Section 3	Annual Report
Section 4	Resolution 1 – Remuneration Report
Section 5	Resolution 2 – Re-election of Director – Matthew Bull
Section 6	Resolution 3 – Ratification of prior issue of February Placement Shares
Section 7	Resolution 4 – Ratification of prior issue of September Placement Shares
Section 8	Resolution 5 – Approval to issue September Placement Options
Section 9	Resolution 6 – Approval to issue SPP Options
Section 10	Resolution 7 – Approval of issue of Lead Manager Options
Section 11	Resolution 8 – Approval to issue Director Placement Shares to Matthew Bull
Section 12	Resolution 9 - Approval to issue Performance Rights to Matthew Bull
Section 13	Resolution 10 – Approval to issue Options to Brian Thomas
Section 14	Resolution 11 – Consolidation of capital
Schedule 1	Definitions
Schedule 2	Terms and Conditions of the September Placement Options
Schedule 3	Terms and Conditions of Lead Manager Options

Schedule 4	Terms and Conditions of Incentive Options
Schedule 5	Terms and Conditions of Performance Rights

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

2. Voting and attendance information

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

2.1 Impact of COVID-19 on the Meeting

The health and safety of members and personnel, and other stakeholders, is the highest priority and the Company is acutely aware of the current circumstances resulting from COVID-19.

Based on the best information available to the Board at the time of the Notice, the Board considers it will be in a position to hold an 'in-person' meeting to provide Shareholders with a reasonable opportunity to participate in and vote at the Meeting, while complying with the COVID-19 restrictions regarding gatherings. The Company, however, strongly encourages Shareholders to submit proxies prior to the Meeting.

If the situation in relation to COVID-19 were to change in a way that affected the position above, the Company will provide a further update ahead of the Meeting by releasing an ASX announcement.

2.2 Voting in person

Given the current COVID-19 circumstances and in the interests of public health and safety of our Shareholders, the Company will implement arrangements to allow Shareholders to physically attend the Meeting in accordance with COVID-19 protocols and government advice.

The Company will strictly comply with applicable limitations on indoor gatherings in force at the time of the Meeting. If you attend the Meeting in person, you will be required to adhere to COVID-19 protocols in place at the time of the Meeting.

2.3 Proxies

Shareholders are encouraged to vote by voting online or by completing a Proxy Form.

Lodgement of a Proxy Form will not preclude a Shareholder from attending and voting at the Meeting in person.

Proxy Forms can be lodged:

Online:	At www.investorvote.com.au
By mail:	Computershare Investor Services Pty Ltd GPO Box 242 Melbourne VIC 3001

By fax: 1800 783 447 (within Australia)
+61 3 9473 2555 (outside Australia)

By mobile: scan the QR Code available on the proxy form and follow the prompts

2.4 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.

If the Chair is appointed as your proxy and you have not specified the way the Chair is to vote on Resolution 1, Resolution 9 and Resolution 10 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 Resolutions are connected directly or indirectly with the remuneration of a member of the Key Management Personnel of the Company.

2.5 Voting Prohibition by Proxy Holders (Remuneration of Key Management Personnel)

In accordance with sections 250BD and 250R of the Corporations Act, votes on Resolution 1, Resolution 9 and Resolution 10 must not be cast (in any capacity) by, or on behalf of:

- (a) a member of the Key Management Personnel; or
- (b) a Closely Related Party of such member.

However, a person described above may cast votes on Resolution 1, Resolution 9 and Resolution 10 if the vote is not cast on behalf of a person who is excluded from voting on the relevant Resolution and:

- (a) the person is appointed as proxy by writing that specifies the way the proxy is to vote on the Resolution; or
- (b) the person is the Chair and the appointment of the Chair as proxy does not specify the way the proxy is to vote on the resolution, but expressly authorises the Chair to exercise the proxy even if the Resolution is connected with the remuneration of a member of the Key Management Personnel.

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://patersonresources.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

4.1 General

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.

4.2 Additional Information

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 – Matthew Bull

5.1 General

Article 7.2(b) of the Constitution and Listing Rule 14.5 both require an election of Directors at each annual general meeting of the Company. Article 7.2(b)(iv) of the Constitution provides that the Directors to retire are those who have held their office as a Director for the longest period since their last election or appointment to that office.

Article 7.4 of the Constitution provides that a Director who retires in accordance with Article 7.2(b)(iv) is eligible for re-election.

Brian Thomas and Matthew Bull were last elected at the general meeting held on 27 September 2019. As announced on 3 November 2020, Mr Thomas has tendered his resignation as a Director effective from the conclusion of this Meeting.

Accordingly, Mr Bull retires at this Meeting and, being eligible, seeks re-election pursuant to Resolution 2.

If elected, the Board considers Mr Bull to be an independent Director.

5.2 Matthew Bull

Matthew Bull is a geologist with over 10 years' experience in the mining and exploration industry. He has worked in a wide range of commodities including graphite, bauxite, gold, iron ore, copper and coal.

Mr Bull has considerable experience on the operation greenfield and resource development drilling exploration programs. His previous positions include consultant geologist working on Discovery Africa's Tanzanian Graphite Project and CEO/Chief Geologist at Baru Resources.

Mr Bull was previously a director/exploration manager of Volt Resources (ASX:VRC) and is currently a Non-Executive Director/exploration manager of Lindian Resources (ASX:LIN).

5.3 Additional Information

Resolution 2 is an ordinary resolution.

The Board considers that Mr Bull has made and continues to make a significant and valuable contribution to the Company through demonstrating a high level of technical knowledge and industry experience. The Board believes that the qualifications, skill set and experience of Mr Bull will continue to enhance the Board's ability to perform its role. For these reasons, the Board (with Mr Bull abstaining) recommends that Shareholders vote in favour of Resolution 2.

If Resolution 2 is passed, Mr Bull will be appointed as a Non-Executive Director of the Company.

If Resolution 2 is not passed, Mr Bull will not be appointed as a Non-Executive Director of the Company and the Company will be required to appoint a new Director in order to have a Board comprised of at least three Directors as required by section 201A(2) of the Corporations Act.

6. Resolution 3 – Ratification of prior issue of February Placement Shares

6.1 General

On 20 February 2020, the Company announced that it had received binding commitments for a placement to raise approximately \$251,771 (before costs) (**February Placement**) by the issue of Shares at \$0.001 each (**February Placement Shares**) to sophisticated and professional investors.

On 25 February 2020, the Company issued 251,771,564 Shares to sophisticated and professional investors using the Company's placement capacity under Listing Rule 7.1.

Resolution 3 seeks the approval of Shareholders pursuant to Listing Rule 7.4 to ratify the issue of the February Placement Shares.

6.2 Listing Rules 7.1 and 7.4

Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more Equity Securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

The issue of the February Placement Shares does not fit within any of the exceptions to Listing Rule 7.1 and, as it has not yet been approved by Shareholders, effectively uses up part of the Company's 15% placement capacity under Listing Rule 7.1. This reduces the Company's capacity to issue further Equity Securities without Shareholder approval under that Listing Rule for the 12 month period following the issue of the February Placement Shares.

Listing Rule 7.4 provides an exception to Listing Rules 7.1. It provides that where a company in general meeting ratifies previous issues of securities made pursuant to Listing Rule 7.1 (and provided that the previous issue did not breach Listing Rule 7.1), those securities will be deemed to have been made with Shareholder approval for the purpose of Listing Rule 7.1.

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.

The effect of Shareholders passing Resolution 3 will be to restore the Company's ability to issue further Equity Securities, to the extent of 251,771,564 Equity Securities, during the next 12 months without the requirement to obtain prior Shareholder approval.

If Resolution 3 is passed, the February Placement 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 the issue of the February Placement Shares.

If Resolution 3 is not passed, the February Placement Shares will continue to be included in calculating the Company's 15% limit in Listing Rule 7.1, effectively decreasing the number of Equity Securities it can issue without Shareholder approval over the 12 month period following the issue of the February Placement Shares.

6.3 Specific 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 the ratification of the issue of the February Placement Shares:

- (a) The February Placement Shares were issued to sophisticated and professional investors, none of whom is a related party of the Company or a Material Investor. The Company did not appoint a lead manager to lead manage the February Placement. The Placement Participants were identified through a bookbuild process, which involved the Board seeking expressions of interest to participate in the capital raising from non-related parties of the Company.
- (b) 251,771,564 February Placement Shares were issued within the 15% annual limit permitted under Listing Rule 7.1, without the need for Shareholder approval.
- (c) The February Placement Shares are fully paid ordinary shares in the capital of the Company and rank equally in all respects with the Company's existing Shares on issue.
- (d) The February Placement Shares were issued on 25 February 2020.
- (e) The February Placement Shares were issued at \$0.001 each.
- (f) The proceeds from the issue of the February Placement Shares were intended to be used towards exploration expenditure commitments on its current tenement portfolio, to assess new opportunities, to cover costs of the recent entitlement offer and to provide ongoing working capital.
- (g) There are no other material terms to the agreement for the subscription of the February Placement Shares.
- (h) A voting exclusion statement is included in the Notice.

6.4 Additional Information

Resolution 3 is an ordinary resolution.

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

7. Resolution 4 – Ratification of prior issue of September Placement Shares

7.1 General

On 14 September 2020, the Company announced that it had received binding commitments for a placement to raise approximately \$500,000 (before costs) (**September Placement**) by the issue of Shares at \$0.0035 each (**September Placement Shares**) to sophisticated and professional investors, together with one free-attaching option for every one September Placement Share subscribed for (subject to Shareholder approval under Resolution 5) (**September Placement Options**).

On 18 September 2020, the Company issued 142,857,143 Shares to sophisticated and professional investors using the Company's placement capacity under Listing Rule 7.1A.

Resolution 4 seeks the approval of Shareholders pursuant to Listing Rule 7.4 to ratify the issue of the September Placement Shares.

7.2 Listing Rules 7.1A and 7.4

Listing Rule 7.1A provides that an eligible entity may seek shareholder approval at its annual general meeting to allow it to issue Equity Securities comprising up to 10% of its issued capital. The Company obtained this approval at its annual general meeting held on 9 December 2019.

The issue of the September Placement Shares does not fit within any of the exceptions to Listing Rule 7.1A and, as it has not yet been approved by Shareholders, effectively uses up part of the Company's 10% placement capacity under Listing Rule 7.1A. This reduces the Company's capacity to issue further Equity Securities without Shareholder approval under that Listing Rule for the 12 month period following the issue of the September Placement Shares.

A summary of Listing Rule 7.4 is in Section 6.2 above.

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.

If Resolution 4 is passed, the September Placement Shares will be excluded in calculating the Company's 10% limit in Listing Rule 7.1A, effectively increasing the number of Equity Securities it can issue without Shareholder approval over the 12 month period following the issue date.

If Resolution 4 is not passed, the September Placement Shares will continue to be included in the Company's 10% limit under Listing Rule 7.1A, effectively decreasing the number of Equity Securities the Company can issue or agree to issue without obtaining prior Shareholder approval, to the extent of 142,857,143 Equity Securities for the 12 month period following the issue of those September Placement Shares.

7.3 Specific 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 the ratification of the issue of the September Placement Shares:

- (a) The September Placement Shares were issued to sophisticated and professional investors, none of whom is a related party of the Company or a Material Investor. The

Company did not appoint a lead manager to lead manage the September Placement. The Placement Participants were identified through a bookbuild process, which involved the Board seeking expressions of interest to participate in the capital raising from non-related parties of the Company.

- (b) 142,857,143 September Placement Shares were issued within the 10% annual limit permitted under Listing Rule 7.1A, without the need for Shareholder approval.
- (c) The September Placement Shares are fully paid ordinary shares in the capital of the Company and rank equally in all respects with the Company's existing Shares on issue.
- (d) The September Placement Shares were issued on 18 September 2020.
- (e) The September Placement Shares were issued at \$0.0035 each.
- (f) The proceeds from the issue of the September Placement Shares are intended to be used towards:
 - (i) completion of geophysical surveys at the Grace Prospect in the Paterson Province;
 - (ii) exploration and resource definition drilling at the Grace Prospect;
 - (iii) deep exploration drilling of aeromagnetic targets on E45/4524 and E45/5130;
 - (iv) resource definition drilling of the Hackneys Creek Gold Prospect at the Burruga Project in the East Lachlan Fold Belt in NSW; and
 - (v) costs of the capital raising and to provide ongoing working capital.
- (g) There are no other material terms to the agreement for the subscription of the September Placement Shares.
- (h) A voting exclusion statement is included in the Notice.

7.4 Additional Information

Resolution 4 is an ordinary resolution.

The Board recommends that Shareholders vote in favour of Resolution 4.

8. Resolution 5 – Approval to issue September Placement Options

8.1 General

A summary of the September Placement is in Section 7.1 above.

Resolution 5 seeks Shareholder approval pursuant to Listing Rule 7.1 for the issue of up to 142,857,143 free-attaching Options in connection with the September Placement.

8.2 Listing Rule 7.1

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

The proposed issue of September Placement Options does not fit within any of the exceptions to Listing Rule 7.1 and exceeds the 15% limit in Listing Rule 7.1. It therefore requires the approval of Shareholders under Listing Rule 7.1.

If Resolution 5 is passed, the Company will be able to proceed with the issue of the September Placement Options to sophisticated and professional investors in accordance with the terms of the September Placement. In addition, the issue 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, effectively increasing the number of Equity Securities it can issue without Shareholder approval over the 12 month period following the issue date.

If Resolution 5 is not passed, the Company will not be able to proceed with the issue of the September Placement Options as they are conditional on Shareholder approval and, in this event, Shareholders who participated in the Placement may view their investment in the Company unfavourably and may be less inclined to support the Company in its future endeavours .

8.3 Specific information required by Listing Rule 7.3

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to the proposed issue of the September Placement Options:

- (a) The September Placement Options will be issued to sophisticated and professional investors, none of whom will be a related party of the Company or a Material Investor.
- (b) Up to 142,857,143 Options are to be issued as September Placement Options, on the basis of one free-attaching September Placement Option for every one September Placement Share subscribed for.
- (c) The September Placement Options will have an exercise price of \$0.007 each and expire on 30 September 2023 and otherwise on the terms and conditions in Schedule 2.
- (d) The September Placement Options will be issued no later than three months after the date of this Meeting.
- (e) The September Placement Options will be issued for nil consideration as they are free-attaching to the September Placement Shares.
- (f) No funds will be raised from the issue of the September Placement Options.
- (g) There are no other material terms to the agreement for the subscription of the September Placement Shares.
- (h) A voting exclusion statement is included in the Notice.

8.4 Additional Information

Resolution 5 is an ordinary resolution.

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

9. Resolution 6 – Approval to issue SPP Options

9.1 General

On 14 September 2020, the Company announced that it was undertaking a share purchase plan (**SPP**) to provide eligible Shareholders with the opportunity to subscribe for new Shares in the Company at an issue price of \$0.0035 each, together with one free-attaching option for every one Share subscribed for under the SPP (**SPP Options**).

On 16 October 2020, the Company issued 502,178,606 Shares under the SPP to eligible Shareholders using the Company's placement capacity under Listing Rule 7.1.

Resolution 6 seeks Shareholder approval pursuant to Listing Rule 7.1 for the issue of up to 428,571,429 free-attaching SPP Options in connection with the SPP.

9.2 Listing Rule 7.1

A summary of Listing Rule 7.1 is contained in Section 8.2 above.

The proposed issue of SPP Options does not fit within any of the exceptions to Listing Rule 7.1 and exceeds the 15% limit in Listing Rule 7.1. It therefore requires the approval of Shareholders under Listing Rule 7.1.

If Resolution 6 is passed, the Company will be able to proceed with the issue of the SPP Options to eligible shareholders in accordance with the terms of the SPP. In addition, the issue 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 6 is not passed, the Company will not be able to proceed with the issue of the SPP Options. Participants in the SPP will have no right to withdraw their participation in the SPP and will not be entitled to a refund. In this event, Shareholders who participated in the SPP may view their investment in the Company unfavourably and may be less inclined to support the Company in its future endeavours.

9.3 Specific information required by Listing Rule 7.3

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to the proposed issue of the SPP Options:

- (a) The SPP Options will be issued to Shareholders who participated in the SPP.
- (b) Up to 428,571,429 SPP Options are proposed to be issued.
- (c) The SPP Options will be exercisable at \$0.007 each on or before 30 September 2023 and will otherwise be on the terms and conditions in Schedule 2.
- (d) The SPP Options will be issued no later than three months after the date of this Meeting.

- (e) The SPP Options will be issued for nil consideration, as they are free-attaching to the Shares issued under the SPP.
- (f) No funds will be raised from the issue of the SPP Options as they are free-attaching to the SPP Shares.
- (g) The SPP Options will not be issued under an agreement.
- (h) The Company has been granted a waiver by ASX under Listing Rule 7.3.9 to permit any person who participated in the issue of the SPP Options and ordinarily excluded from voting on Resolution 6 to vote, on condition that:
 - (i) that the SPP is not underwritten, or if it is underwritten, the Company excludes any votes cast in favour of that resolution by any proposed underwriter or sub-underwriter of the SPP; and
 - (ii) that the Company excludes any votes cast in favour of that resolution by any investor who may receive shares under any SPP shortfall.

9.4 Additional Information

Resolution 6 is an ordinary resolution.

The Board recommends that Shareholders vote in favour of Resolution 6.

10. Resolution 7 – Approval of issue of Lead Manager Options

10.1 General

The Company is proposing, subject to obtaining Shareholder approval, to issue a total of 20,000,000 Options to Baker Young Stockbrokers Limited (or its nominees) (**Lead Manager Options**) in consideration for corporate advisory services provided to the Company in connection with the entitlement offer completed in June 2020 (**Entitlement Offer**).

Resolution 7 seeks Shareholder approval pursuant to Listing Rule 7.1 for the issue of the Lead Manager Options.

10.2 Listing Rule 7.1

A summary of Listing Rule 7.1 is contained in Section 8.2 above.

The proposed issue of Lead Manager Options does not fit within any of the exceptions to Listing Rule 7.1 and exceeds the 15% limit in Listing Rule 7.1. It therefore requires the approval of Shareholders under Listing Rule 7.1.

If Resolution 7 is passed, the Company will be able to proceed with the issue of the Lead Manager Options to Baker Young Stockbrokers Limited (or its nominees).

If Resolution 7 is not passed, the Company will not be able to proceed with the issue of the Lead Manager Options to Baker Young Stockbrokers Limited (or its nominees).

10.3 Specific information required by Listing Rule 7.3

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to the proposed issue of the Lead Manager Options:

- (a) The Lead Manager Options will be issued to Baker Young Stockbrokers Limited (or its nominees), whom is not a related party of the Company or a Material Investor.
- (b) Up to 20,000,000 Options are proposed to be issued to Baker Young Stockbrokers Limited (or its nominees).
- (c) The Lead Manager Options will be exercisable at \$0.003 each and will expire three years from the date of issue and will otherwise be issued on the terms and conditions in Schedule 3.
- (d) The Lead Manager Options will be issued no later than three months after the date of this Meeting.
- (e) The Lead Manager Options will be issued for nil cash consideration, at a deemed issue price of \$0.001 each as part consideration for services provided by Baker Young Stockbrokers Limited in connection with the Entitlement Offer.
- (f) No funds will be raised from the issue of the Lead Manager Options.
- (g) The Lead Manager Options will be issued in accordance with the Lead Manager Mandate. A summary of the Lead Manager Mandate is outlined at Section 10.4 below.
- (h) A voting exclusion statement is included in the Notice.

10.4 Summary of Lead Manager Mandate

The Company engaged Baker Young Stockbrokers Limited (**Lead Manager**) pursuant to the Lead Manager Mandate for the provision of corporate advisory services for the Entitlement Offer.

In consideration for its services, the Company agreed to pay the Lead Manager:

- (a) a corporate advisory fee of \$5,000 per month for a six month period commencing on the date of reinstatement of the Company's Shares to official quotation;
- (b) 20,000,000 Options exercisable at \$0.003 each on or before the date that is three years after the date of issue; and
- (c) 6% (plus GST) of the gross amount raised by the Lead Manager in respect of shortfall participants introduced or otherwise arranged by the Lead Manager under the Entitlement Offer.

The Entitlement Offer raised a total of \$1,597,206 (before costs). As a result of the high demand for the Entitlement Offer, the small amount of shortfall was placed by the Board. Accordingly, no shortfall participants were introduced by the Lead Manager and as a result, no fees were payable to the Lead Manager specifically in connection with the Entitlement Offer. However in addition to the issue of the Lead Manager Options, the Company has paid a monthly corporate advisory fee of \$5,000 for a period of 6 months pursuant to the terms of the Lead Manager Mandate.

The Lead Manager Mandate contains additional provisions including termination rights, reimbursement obligations, and warranties and indemnities in respect of the Company, which are considered standard for agreements of this nature.

10.5 Board recommendation

Resolution 7 is an ordinary resolution.

The Board recommends that Shareholders vote in favour of Resolution 7.

11. Resolution 8 – Approval to issue Director Placement Shares to Matthew Bull

11.1 General

The Company is seeking Shareholder approval pursuant to Listing Rule 10.11 for the issue of up to 100,000,000 Shares to Mr Bull (or his nominees) at an issue price of \$0.001 each to raise up to \$100,000 (before costs) (**Director Placement Shares**).

Resolution 8 seeks the approval of Shareholders pursuant to Listing Rule 10.11 for the issue of the Director Placement Shares to Mr Bull.

11.2 Listing Rule 10.11

Listing Rule 10.11 provides that unless one of the exceptions in Listing Rule 10.12 applies, a listed company must not issue or agree to issue Equity Securities to:

- (a) a related party (Listing Rule 10.11.1);
- (b) a person who is, or was at any time in the 6 months before the issue or agreement, a substantial holder (30%+) in the company (Listing Rule 10.11.2);
- (c) a person who is, or was at any time in the 6 months before the issue or agreement, a substantial holder (10%+) in the company and who has nominated a director to the board of the company pursuant to a relevant agreement which gives them a right or expectation to do so (Listing Rule 10.11.3);
- (d) an associate of a person referred to in Listing Rules 10.11.1 to 10.11.3 (Listing Rule 10.11.4); or
- (e) a person whose relation with the company or a person referred to in Listing Rule 10.11.1 or 10.11.4 is such that, in ASX's opinion, the issue or agreement should be approved by its shareholders (Listing Rule 10.11.5),

unless it obtains the approval of its shareholders.

Mr Matt Bull is a related party of the Company by virtue of being a Director. As the issue involves the issue of Shares to a related party of the Company, Shareholder approval pursuant to Listing Rule 10.11 is required unless an exception applies. It is the view of the Directors (other than Mr Matt Bull, who has a personal interest in the outcome of Resolution 8) that the exceptions in Listing Rule 10.12 do not apply in the current circumstances.

Approval pursuant to Listing Rule 7.1 is not required for the issue of the Director Placement Shares as approval is being obtained under Listing Rule 10.11. Accordingly, the issue of the

Shares will not be included in the use of the Company's 15% annual placement capacity pursuant to Listing Rule 7.1.

If Resolution 8 is passed, the Company will be able to proceed with the issue of the Director Placement Shares to Mr Bull (or his nominees).

If Resolution 8 is not passed, the Company will not be able to proceed with the issue of the Director Placement Shares to Mr Bull (or his nominees) and the Company will consider other capital raisings to provide the Company with the funding proposed to be provided by Mr Bull.

11.3 Specific information required by Listing Rule 10.13

Pursuant to and in accordance with Listing Rule 10.13, the following information is provided in relation to the proposed issue of the Director Placement Shares:

- (a) The Director Placement Shares will be issued to Matthew Bull (or his nominees).
- (b) Mr Bull is a related party of the Company by virtue of being a Director and falls into the category stipulated by Listing Rule 10.11.1.
- (c) Up to a total of 100,000,000 Director Placement Shares are proposed to be issued to Mr Bull.
- (d) The Director Placement Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares.
- (e) The Director Placement Shares will be issued no later than one month after the date of the Meeting.
- (f) The issue price will be \$0.001 per Share, being the same issue price as the Shares offered under the February Placement.
- (g) The funds raised by the issue of the Director Placement Shares will be used for completion of geophysical surveys at the Grace Prospect, exploration and resources definition drilling at the Grace Prospect, resources definition drilling of the Hackneys Creek Gold Prospect at the Burraga Project and working capital.
- (h) Mr Bull's current remuneration is \$60,000 per annum.
- (i) The Director Placement Shares will not be issued under an agreement.
- (j) A voting exclusion statement is included in the Notice.

11.4 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 in sections 210 to 216 of the Corporations Act.

The issue of the Director Placement Shares will result in the giving of a financial benefit and Mr Bull is a related party of the Company by virtue of being Director.

The Board (other than Mr Bull, who has a personal interest in the outcome of Resolution 8) considers that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the Director Placement Shares because the Shares will be issued to Mr Bull on the same terms as Shares issued to non-related party parties under the February Placement and as such the giving of the financial benefit is on arm's length terms.

11.5 Additional Information

Resolution 8 is an ordinary resolution.

The Board (other than Mr Bull, who has a personal interest in the outcome of Resolution 8) recommends that Shareholders vote in favour of Resolution 8.

12. Resolution 9 - Approval to issue Performance Rights to Matthew Bull

12.1 General

The Company is proposing, subject to obtaining Shareholder approval, to issue 60,000,000 Performance Rights to Non-Executive Director, Matthew Bull, who is transitioning into an executive role in the Company.

The vesting of the Performance Rights is subject to the achievement of the following performance milestones, which is to be determined by the Board in its discretion:

- (a) 30,000,000 Performance Rights will vest upon the Company's Shares achieving a VWAP of \$0.006 over any 20 consecutive day period on which shares are traded on ASX, expiring 3 years after issue; and
- (b) 30,000,000 Performance Rights will vest upon the Company's Shares achieving a VWAP of \$0.009 over any 20 consecutive day period on which shares are traded on ASX, expiring 4 years after issue.

The number of Performance Rights and the number of Shares into which they may convert, and the relevant volume weighted average price of the Performance Rights will be adjusted in the event of a reorganisation of the Company's its capital in any way while a Performance Rights is on issue, so that the Performance Rights holder will not receive a benefit the holders of Shares do not receive and vice versa. Further, Listing Rule 7.21 requires the reorganisation of the Performance Rights so that the holder of such rights will not receive a benefit that holders of Shares do not receive.

Accordingly, if the Consolidation the subject of Resolution 11 is approved, the terms of the Performance Rights issued will be adjusted as follows:

	Number of Performance Rights	VWAP vesting condition
Tranche 1	30,000,000 (Pre-Consolidation)	\$0.006 (Pre-Consolidation)

	Number of Performance Rights	VWAP vesting condition
	2,000,000 (Post-Consolidation)	\$0.090 (Post-Consolidation)
Tranche 2	30,000,000 (Pre-Consolidation)	\$0.009 (Pre-Consolidation)
	2,000,000 (Post-Consolidation)	\$0.135 (Post-Consolidation)

Resolution 9 seeks shareholder approval to the issue of the Performance Rights to Mr Bull (or his nominees) under and for the purposes of Listing Rule 10.11.

12.2 Listing Rule 10.11

A summary of Listing Rule 10.11 is in Section 11.2 above.

Mr Bull is a related party of the Company by virtue of being a Director. As the issue of the Performance Rights involves the issue of Securities to a related party of the Company, Shareholder approval pursuant to Listing Rule 10.11 is required unless an exception applies. It is the view of the Directors (other than Mr Bull, who has a personal interest in the outcome of Resolution 9) that the exceptions in Listing Rule 10.12 do not apply in the current circumstances.

Approval pursuant to Listing Rule 7.1 is not required for the issue of the Performance Rights as approval is being obtained under Listing Rule 10.11. Accordingly, the issue of the Performance Rights will not be included in the use of the Company's 15% annual placement capacity pursuant to Listing Rule 7.1.

If Resolution 9 is passed, the Company will be able to proceed with the issue of the Performance Rights to Mr Bull (or his nominees).

If Resolution 9 is not passed, the Company will not be able to proceed with the issue of the Performance Rights to Mr Bull (or his nominees) and the Company will consider alternative forms of incentive.

12.3 Specific information required by Listing Rule 10.13

Pursuant to and in accordance with Listing Rule 10.13, the following information is provided in relation to the proposed issue of Performance Rights:

- (a) The Performance Rights will be issued to Mr Matthew Bull (or his nominees).
- (b) Mr Bull is a related party of the Company by virtue of being a Director and falls into the category stipulated by Listing Rule 10.11.1.
- (c) Up to a total of 60,000,000 Performance Rights are proposed to be issued to Mr Matthew Bull.
- (d) The Performance Rights will be issued on the terms in Schedule 5.
- (e) The Performance Rights will be issued no later than one month after the date of the Meeting.
- (f) The Performance Rights will be issued for nil cash consideration as they will be issued as part of Mr Bull's remuneration package.

- (g) No funds will be raised as a result of the issue.
- (h) The purpose of the issue of the Performance Rights is to provide an incentive component to Mr Bull's remuneration package, as he transitions into an executive role in the Company and align his interests with those of Shareholders. The Board considers that the number of Performance Rights to be granted to Mr Bull is commensurate with his value to the Company and is an appropriate method to provide cost effective remuneration.
- (i) Mr Bull's current remuneration is \$60,000 per annum.
- (j) The Performance Rights will not be issued under an agreement.
- (k) A voting exclusion statement is included in the Notice.

12.4 Chapter 2E of the Corporations Act

A summary of Chapter 2E of the Corporations Act is in Section 11.4 above.

The issue of the Performance Rights will result in the giving of a financial benefit and Mr Bull is a related party of the Company by virtue of being Director.

The Board (other than Mr Bull, who has a personal interest in the outcome of Resolution 9) considers that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue of the Performance Rights as the agreement to grant the Performance Rights, reached as part of the remuneration package for Mr Bull, is considered reasonable remuneration in the circumstances and was negotiated on arm's length terms.

12.5 Additional Information

Resolution 9 is an ordinary resolution.

The Board (other than Mr Bull, who has a personal interest in the outcome of Resolution 9) recommends that Shareholders vote in favour of Resolution 9.

13. Resolution 10 – Approval to issue Options to Brian Thomas

13.1 General

The Company is seeking Shareholder approval pursuant to Listing Rule 10.11 for the issue of up to 40,000,000 Options to Mr Brian Thomas (or his nominees) as part of his remuneration as Director of the Company (**Incentive Options**).

The Incentive Options provide a reward to Mr Brian Thomas's for his significant contribution and service to the Company over his tenure. The Board considers that the number of Options to be granted to Mr Thomas is commensurate with the value he has provided to the Company and is an appropriate method to provide cost effective remuneration.

The Incentive Options will be issued for nil cash consideration, exercisable at \$0.003 each and expiring 3 years from the date of issue. The full terms and conditions of the Incentive Options are in Schedule 4.

Resolution 10 seeks shareholder approval to the issue of the Incentive Options to Mr Thomas (or his nominees) under and for the purposes of Listing Rule 10.11.

13.2 Listing Rule 10.11

A summary of Listing Rule 10.11 is in Section 11.2 above.

Mr Thomas is a related party of the Company by virtue of being a Director. As the issue of the Incentive Options involves the issue of Options to a related party of the Company, Shareholder approval pursuant to Listing Rule 10.11 is required unless an exception applies. It is the view of the Directors (other than Mr Thomas, who has a personal interest in the outcome of Resolution 10) that the exceptions in Listing Rule 10.12 do not apply in the current circumstances.

Approval pursuant to Listing Rule 7.1 is not required for the issue of the Incentive Options as approval is being obtained under Listing Rule 10.11. Accordingly, the issue of the Incentive Options will not be included in the use of the Company's 15% annual placement capacity pursuant to Listing Rule 7.1.

If Resolution 10 is passed, the Company will be able to proceed with the issue of the Incentive Options to Mr Thomas (or his nominees).

If Resolution 10 is not passed, the Company will not be able to proceed with the issue of the Incentive Options to Mr Thomas (or his nominees) and the Company will pay to Mr Thomas the amount of \$25,000 within 7 days of the Meeting.

13.3 Specific information required by Listing Rule 10.13

Pursuant to and in accordance with Listing Rule 10.13, the following information is provided in relation to the proposed issue of Incentive Options:

- (a) The Incentive Options will be issued to Mr Brian Thomas (or his nominees).
- (b) Mr Thomas is a related party of the Company by virtue of being a Director as at the date of the Meeting and falls into the category stipulated by Listing Rule 10.11.1.
- (c) Up to a total of 40,000,000 Incentive Options are proposed to be issued to Mr Brian Thomas.
- (d) The Incentive Options will be issued with an exercise price of \$0.003 each and an expiry date which is 3 years from the date of issue, and otherwise on the terms in Schedule 4.
- (e) The Incentive Options will be issued no later than one month after the date of the Meeting.
- (f) The Incentive Options will be issued for nil cash consideration as they will be issued as part of Mr Thomas's remuneration package.
- (g) No funds will be raised as a result of the issue.
- (h) The purpose of the issue of the Incentive Options is to reward Mr Thomas for his significant contribution to the Company over his tenure. The Board considers that the number of Incentive Options to be granted to Mr Brian Thomas is commensurate with the value he has provided to the Company and is an appropriate method to provide cost effective remuneration.

- (i) Mr Thomas' current remuneration is \$150,000.
- (j) The Incentive Options will be issued pursuant to an agreement dated 14 August 2020. A summary of the agreement is in Section 13.4 below.
- (k) A voting exclusion statement is included in the Notice.

13.4 Summary of agreement

The Company entered into a letter of appointment with Brian Thomas on 15 March 2019, pursuant to which Mr Thomas is appointed as a Non-Executive Director. On 14 August 2020, the parties amended the letter of appointment to appoint Mr Thomas as a Technical Director (effective 1 July 2020) and in consideration for his services, Mr Thomas be entitled to:

- (a) an additional fee of A\$7,500 per month for the role of Technical Director; and
- (b) 40,000,000 Incentive Options.

13.5 Chapter 2E of the Corporations Act

A summary of Chapter 2E of the Corporations Act is in Section 11.4 above.

The issue of the Incentive Options will result in the giving of a financial benefit and Mr Brian Thomas is a related party of the Company by virtue of being Director.

The Board (other than Mr Thomas, who has a personal interest in the outcome of Resolution 10) considers that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue of the Incentive Options as the agreement to grant the Incentive Options, reached as part of the remuneration package for Mr Thomas, is considered reasonable remuneration in the circumstances and was negotiated on arm's length terms.

13.6 Additional Information

Resolution 10 is an ordinary resolution.

The Board (other than Mr Thomas, who has a personal interest in the outcome of Resolution 10) recommends that Shareholders vote in favour of Resolution 10.

14. Resolution 11 – Consolidation of capital

Resolution 11 seeks Shareholder approval for the Company to undertake a consolidation of its capital on a 1 for 15 basis (**Consolidation**).

Resolution 11 is an ordinary resolution.

The Board recommends that Shareholders vote in favour of Resolution 11.

14.1 Legal requirements

Section 254H of the Corporations Act provides that a company may, by resolution passed in a general meeting, convert all or any of its shares into a larger or smaller number.

Listing Rule 7.22.1 requires that when a listed entity undertakes a consolidation of capital, the number of its Options must be consolidated in the same ratio as the ordinary capital and the exercise price must be amended in inverse proportion to that ratio.

14.2 Fractional entitlements

Not all Shareholders will hold that number of Securities (as the case may be) which can be evenly multiplied by .06666. Where a fractional entitlement occurs, the Company will round that fraction up to the nearest whole Security.

14.3 Taxation

It is not considered that any taxation implications will exist for Shareholders arising from the Consolidation. However, Shareholders are advised to seek their own tax advice on the effect of the Consolidation and the Company accepts no responsibility for the individual taxation implications arising from the Consolidation.

14.4 Holding statements

From the date of the Consolidation, all holding statements for Securities will cease to have any effect, except as evidence of entitlement to a certain number of Securities on a post-Consolidation basis. After the Consolidation becomes effective, the Company will arrange for new holding statements for Securities to be issued to holders of those Securities. It is the responsibility of each Shareholders to check the number of Securities held prior to disposal or exercise (as the case may be).

14.5 Effect on capital structure

The approximate effect which the Consolidation will have on the Company's current capital structure is set out in the tables below. All numbers are subject to rounding.

Security	Pre-Consolidation	Post-Consolidation
Shares	4,505,533,061	300,368,871
Convertible Notes	150,000	150,000

The Convertible Notes have an aggregate face value of \$150,000. The Convertible Notes are currently convertible into an aggregate of 150,000,000 Shares at a deemed conversion price of \$0.001 per Share. The Convertible Note terms provide that if the Company reorganises its capital in any way while a Convertible Note is on issue, in respect of a Convertible Note, the number of Shares to be issued on conversion will be reorganised so that the Convertible Note holder will not receive a benefit the holders of Shares do not receive and vice versa. Further, Listing Rule 7.21 requires the reorganisation of the Convertible Notes so that the holder of such notes will not receive a benefit that holders of Shares do not receive. Accordingly, the Convertible Notes will become convertible into an aggregate of 10,000,000 Shares at a deemed conversion price of \$0.015 per Share.

14.6 Consolidation timetable

If Resolution 11 is passed, the Consolidation will take effect in accordance with the following timetable:

Event	Date
Company announces Consolidation using an Appendix 3A.3 and sends out Notice	11 November 2020
Meeting – Shareholders approve Consolidation	11 December 2020
Effective date of Consolidation	14 December 2020
Last day for trading on a pre-Consolidation basis	15 December 2020
Post-Consolidation trading starts on a deferred settlement basis	16 December 2020
Record date and last day for Company to register transfers on a pre-Consolidation basis	17 December 2020
First day for Company to update its register of Securities on a post-Consolidation basis and first day for issue of holding statements	18 December 2020
Last date for Company to update its register and send holding statements on a post-Consolidation basis and notify ASX this has occurred.	24 December 2020
Normal trading of post-Consolidation Securities commences	29 December 2020
Lodge ASIC Form 2205 notification	No later than 11 January 2021

The timetable is a proposed indicative timetable and the Board reserves the right to vary the dates in accordance with the Listing Rules.

Schedule 1 Definitions

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

\$ 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.
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 Paterson Resources Limited (ACN 115 593 005).
Consolidation	has the meaning given in Section 14.
Constitution	means the constitution of the Company as at the date of the Meeting.
Corporations Act	means the <i>Corporations Act 2001</i> (Cth) as amended or modified from time to time.
Director	means a director of the Company.
Director Placement Shares	means up to 100,000,000 Shares the subject of Resolution 8.
Directors' Report	means the annual directors' report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities.
Entitlement Offer	has the meaning given in Section 10.1.
Equity Security	has the same meaning as in the Listing Rules.
Explanatory Memorandum	means the explanatory memorandum which forms part of the Notice.
February Placement	has the meaning given in Section 6.1.
February Placement Shares	means the 251,771,564 Shares the subject of Resolution 3.

Financial Report	means the annual financial report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities.
Incentive Options	means up to 40,000,000 Options the subject of Resolution 10.
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.
Lead Manager	means Baker Young Stockbrokers Limited.
Lead Manager Mandate	means the agreement between the Company and Baker Young Stockbrokers Limited for the provision corporate advisory services to the Entitlement Offer.
Lead Manager Options	means up to 20,000,000 Options the subject of Resolution 7.
Listing Rules	means the listing rules of ASX.
Material Investor	means, in relation to the Company: (a) a related party; (b) Key Management Personnel; (c) a substantial Shareholder; (d) an adviser; or (e) an associate of the above, who received or will receive (as applicable) Securities in the Company which constitute or constituted (as applicable) more than 1% of the Company's anticipated capital structure at the time of issue.
Meeting	has the meaning given in the introductory paragraph of the Notice.
Notice	means this notice of annual general meeting.
Option	means an option to acquire a Share.
Performance Rights	means a right to be issued a Share, subject to the satisfaction or waiver of specified vesting conditions.
Placement Options	means up to 142,857,143 Options the subject of Resolution 5.
Proxy Form	means the proxy form attached to the Notice.
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).
September Placement	has the meaning given in Section 7.1.
September Placement Options	means the 142,857,143 Options the subject of Resolution 5.
September Placement Shares	means the 142,857,143 Shares the subject of Resolution 4.
Share	means a fully paid ordinary share in the capital of the Company.
Shareholder	means the holder of a Share.
SPP	means the Company's share purchase plan as outlined in Section 9.1.
SPP Options	means up to 428,571,429 SPP Options the subject of Resolution 6.
Strike	means a 'no' vote of 25% or more on the resolution approving the Remuneration Report.
VWAP	means volume weighted average market price.
WST	means Western Standard Time, being the time in Perth, Western Australia.

Schedule 2 Terms and Conditions of the September Placement Options and SPP Options

The terms of the September Placement Options and SPP Options are as follows:

1. **(Entitlement)**: Each Option entitles the holder to subscribe for one fully paid ordinary Share.
2. **(Exercise Price and Expiry Date)**: The Options are exercisable at \$0.007 each at any time up to 5.00pm (WST) on 30 September 2023 (**Expiry Date**). Any Option not exercised by the Expiry Date will automatically expire.
3. **(Exercise)**: To exercise Options, the Option holder must give the Company:
 - (i) a written exercise notice (in the form approved by the Board from time to time) specifying the number of Options being exercised and Shares to be issued; and
 - (ii) payment of the exercise price for the Shares, the subject of the exercise notice, by way of bank cheque or by other means of payment approved by the Company.

The Option holder may only exercise Options in multiples of 250,000 unless the Option holder exercises all Options held by the Option holder or as otherwise may be agreed by the Board.

Options will be deemed to have been exercised on the date the exercise notice is lodged with the Company and cleared funds for the exercise price has been received.

4. **(Timing of issue of Shares upon exercise)**: Within 5 Business Days (as defined in the Listing Rules) after the exercise of the Options in accordance with paragraph 3 above, the Company must issue the Option holder the resultant Shares.
5. **(Ranking of Shares)**: Subject to the Constitution, all Shares issued on the exercise of Options will rank in all respects (including rights relating to dividends) equally with the existing ordinary shares of the Company at the date of issue.
6. **(Transferability)**: The Options are transferable.
7. **(Quotation of Options)**: The Company will apply to ASX for quotation of the Options.
8. **(Quotation of Shares on exercise)**: The Company will apply to ASX for Official Quotation of the Shares issued on exercise of Options.
9. **(Participation rights)**: The Option holder is not entitled to participate in any issue to existing Shareholders of Securities unless they have exercised their Options before the "record date" for determining entitlements to the issue of Securities and participate as a result of holding Shares.
10. **(Reorganisation)**: If there is a reorganisation (including consolidation, subdivision, reduction or return) of the share capital of the Company, then the rights of the Option holder (including the number of Options to which the Option holder is entitled to and the exercise price) is

changed to the extent necessary to comply with the Listing Rules applying to a reorganisation of capital at the time of the reorganisation.

11. **(Amendments):** The number and exercise price of the Options remains the same regardless if the Company makes a bonus issue of Shares or other Securities to Shareholders.
12. **(Adjustments):** Any calculations or adjustments which are required to be made will be made by the Board and will, in the absence of manifest error, be final and conclusive and binding on the Company and the Option holder.
13. **(Governing law):** The terms and the rights and obligations of the Option holder are governed by the laws of Western Australia. The Option holder irrevocably and unconditionally submits to the non-exclusive jurisdiction of the courts of Western Australia.

Schedule 3 Terms and Conditions of Lead Manager Options

The terms of the Lead Manager Options are as follows:

14. **(Entitlement)**: Each Option entitles the holder to subscribe for one Share upon exercise of the Option.
15. **(Issue Price)**: No cash consideration is payable for the issue of the Options.
16. **(Exercise Price)**: The Options have an exercise price of \$0.001 per Option **(Exercise Price)**.
17. **(Expiry Date)**: The Options expire at 5.00 pm (WST) on or before the date that is three years after the date of issue **(Expiry Date)**. An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
18. **(Exercise Period)**: The Options are exercisable at any time and from time to time on or prior to the Expiry Date.
19. **(Quotation of the Options)**: The Company will not apply for quotation of the Options on ASX.
20. **(Transferability of the Options)**: The Options are not transferable, except with the prior written approval of the Company.
21. **(Notice of Exercise)**: The Options may be exercised by notice in writing to the Company in the manner specified on the Option certificate **(Notice of Exercise)** and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

Any Notice of Exercise of an Option received by the Company will be deemed to be a notice of the exercise of that Option as at the date of receipt 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)**.

22. **(Timing of issue of Shares on exercise)**: Within 5 Business Days after the Exercise Date the Company will:
 - (a) allot and issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
 - (b) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act; and
 - (c) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.
23. **(Restrictions on transfer of Shares)**: If the Company is required but unable to give ASX a notice under paragraph 22(b), 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, Shares issued on exercise of Options may not be traded and will be subject to a holding lock 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.

24. **(Shares issued on exercise):** Shares issued on exercise of the Options will rank equally with the then Shares of the Company.
25. **(Quotation of Shares on exercise):** If admitted to the official list of ASX at the time, application will be made by the Company to ASX for quotation of the Shares issued upon the exercise of the Options in accordance with the Listing Rules.
26. **(Reconstruction of capital):** If at any time the issued capital of the Company is reconstructed, all rights of an Option holder are to be changed in a manner consistent with the Corporations Act and the Listing Rules at the time of the reconstruction.
27. **(Participation in new issues):** There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.
28. **(Adjustment for bonus issues of Shares):** If the Company 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.

Schedule 4 Terms and Conditions of Incentive Options

The terms of the Incentive Options are as follows:

1. **(Entitlement)**: Each Option entitles the holder to subscribe for one Share upon exercise of the Option.
2. **(Issue Price)**: No cash consideration is payable for the issue of the Options.
3. **(Exercise Price)**: The Options have an exercise price of \$0.003 per Option **(Exercise Price)**.
4. **(Expiry Date)**: The Options expire at 5.00 pm (WST) on the date that is three years after 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. **(Quotation of the Options)**: The Company will not apply for quotation of the Options on ASX.
7. **(Transferability of the Options)**: The Options are not transferable, except with the prior written approval of the Company.
8. **(Notice of Exercise)**: The Options may be exercised by notice in writing to the Company in the manner specified on the Option certificate **(Notice of Exercise)** and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

Any Notice of Exercise of an Option received by the Company will be deemed to be a notice of the exercise of that Option as at the date of receipt 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)**.

9. **(Timing of issue of Shares on exercise)**: Within 5 Business Days after the Exercise Date the Company will:
 - (a) allot and issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
 - (b) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act; and
 - (c) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.
10. **(Restrictions on transfer of Shares)**: If the Company is required but unable to give ASX a notice under paragraph 9(b), 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, Shares issued on exercise of Options may not be traded and will be subject to a holding lock 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):** Shares issued on exercise of the Options will rank equally with the then Shares of the Company.
12. **(Quotation of Shares on exercise):** If admitted to the official list of ASX at the time, application will be made by the Company to ASX for quotation of the Shares issued upon the exercise of the Options in accordance with the Listing Rules.
13. **(Reconstruction of capital):** If at any time the issued capital of the Company is reconstructed, all rights of an Option holder are to be changed in a manner consistent with the Corporations Act and the Listing Rules at the time of the reconstruction.
14. **(Participation in new issues):** There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.
15. **(Adjustment for bonus issues of Shares):** If the Company 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.

Schedule 5 Terms and Conditions of Performance Rights

1. Entitlement

The Performance Rights entitle the holder (**Holder**) to subscribe for one Share upon the conversion of each Performance Right.

2. Consideration

The Performance Rights will be granted for nil cash consideration.

3. Conversion price

The conversion price of each Performance Right is nil.

4. Vesting Conditions

The Performance Rights will be granted with the Vesting Conditions and Expiry Date as follows:

Performance Rights	Vesting Condition	Expiry Date
30,000,000	The 20 day VWAP of the Company's Shares of \$0.006 prior to the Expiry Date	3 years from grant date
30,000,000	The 20 day VWAP of the Company's Shares of \$0.009 prior to the Expiry Date	4 years from grant date

5. Expiry Date

All unvested, or vested but unexercised, Performance Rights will expire automatically at 5.00 pm WST on the date specified in clause 4.

6. Timing of issue of Shares and quotation of Shares on conversion

As soon as practicable after the valid conversion of a Performance Right by the Holder, the Company will:

- (a) issue, allocate or cause to be transferred to the Consultant (or its nominee) the number of Shares to which the Holder is entitled;
- (b) issue a substitute Certificate for any remaining unconverted Performance Rights held by the Holder;
- (c) if required, give 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.

All Shares issued upon the conversion of Performance Rights will upon issue rank equally in all respects with the then issued Shares.

7. **Restrictions on transfer of Shares**

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

8. **Leaver**

Where the Holder (or the person who is entitled to be registered as the holder) of the Performance Rights is no longer employed, or their engagement is discontinued (for whatever reason), with the Company, any unconverted and unvested Performance Rights will automatically lapse and be forfeited by the Holder, unless the Board otherwise determines in its discretion.

9. **Participation in new issues**

There are no participation rights or entitlements inherent in the Performance Rights and a holder will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Performance Rights. However, the Company will give the holder notice of the proposed issue prior to the date for determining entitlements to participate in any such issue.

10. **Adjustment for bonus issues of Shares**

If the Company 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) no changes will be made to the Performance Rights.

11. **Adjustments for reorganisation**

The number of Performance Rights and the number of Shares into which they may convert, and the relevant volume weighted average price of the Performance Rights will be adjusted in the event of a reorganisation of the Company's its capital in any way while a Performance Rights is on issue, so that the Holder will not receive a benefit the holders of Shares do not receive and vice versa. Further, if there is any reconstruction of the issued share capital of the Company, the rights of the Holder may be varied to comply with the Listing Rules which apply to the reconstruction at the time of the reconstruction.

12. **Quotation of Performance Rights**

The Performance Rights will be unquoted Performance Rights.

13. **Performance Rights non-transferable**

The Performance Rights are non-transferable.

14. **Dividend rights**

A Performance Right does not entitle the Holder to any dividends.

15. **Return of capital rights**

The Performance Rights do not confer any right to a return of capital, whether in a winding up, upon a reduction of capital or otherwise.

16. **No other rights**

A Performance Right does not give a Holder any rights other than those expressly provided by these terms, the Agreement and those provided at law where such rights at law cannot be excluded by these terms.

17. **Change of Control**

- (a) If prior to the earlier of the conversion of the Performance Rights or the Expiry Date a Change in Control Event occurs, then each Performance Right will automatically and immediately convert into a Share.
- (b) A Change of Control Event means:
 - (i) **takeover bid**: the occurrence of the offeror under a takeover offer in respect of all Shares announcing that it has achieved acceptances in respect of more than 50.1% of the Shares and that takeover bid has become unconditional (except any condition in relation to the cancellation or conversion of the Performance Rights); or
 - (ii) **scheme of arrangement**: the announcement by the Company that:
 - (A) the Shareholders have at a Court-convened meeting of Shareholders voted in favour, by the necessary majority, of a proposed scheme of arrangement under which all Shares are to be either cancelled or transferred to a third party; and
 - (B) the Court, by order, has approved the proposed scheme of arrangement.

Need assistance?



Phone:

1300 369 046 (within Australia)
+61 3 9946 4431 (outside Australia)



Online:

www.investorcentre.com/contact

PSL

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



YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **10:00 AM (AWST)** on **Wednesday, 9 December 2020**.

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 under the help tab, "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 Paterson Resources Ltd 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 Annual General Meeting of Paterson Resources Ltd to be held at Suite 2, Level 1, 1 Altona Street, West Perth, WA 6005 on Friday, 11 December 2020 at 10:00 AM (AWST) and at any adjournment or postponement of that meeting.

Chairman authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Resolutions 1, 9 and 10 (except where I/we have indicated a different voting intention in step 2) even though Resolutions 1, 9 and 10 are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

Important Note: If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Resolutions 1, 9 and 10 by marking the appropriate box in step 2.

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			For	Against	Abstain
1	Remuneration Report	☐	☐	☐	9	Approval to issue Performance Rights to Matthew Bull	☐	☐	☐
2	Re-election of Director – Matthew Bull	☐	☐	☐	10	Approval to issue Options to Brian Thomas	☐	☐	☐
3	Ratification of prior issue of February Placement Shares	☐	☐	☐	11	Consolidation of capital	☐	☐	☐
4	Ratification of prior issue of September Placement Shares	☐	☐	☐					
5	Approval to issue September Placement Options	☐	☐	☐					
6	Approval to issue SPP Options	☐	☐	☐					
7	Approval of issue of Lead Manager Options	☐	☐	☐					
8	Approval to issue Director Placement Shares to Matthew Bull	☐	☐	☐					

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

PSL

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Computershare

