

Friday, 28 October 2022

Letter to Shareholders Regarding Annual General Meeting 2022

Dear Shareholder,

Resource Base Limited (ASX:RBX) ("**Resource Base**" or the "**Company**") will be holding its Annual General Meeting on 30 November 2022 at 10:00 am (AWST) at Suite 4.01, Level 4, 105 St Georges Terrace, Perth, WA 6000 (the "**Meeting**").

In accordance with the Corporations Act 2001 (Cth), the Company will not be dispatching physical copies of the Notice of Annual General Meeting (**Notice**) to Shareholders unless a shareholder has previously requested a hard copy. Instead, a copy of the Notice is being made available to shareholders electronically. You are able to view and download the Meeting Materials at: <https://resourcebase.com.au/>, a copy of your personalised proxy form is enclosed for your convenience.

For those who have nominated an email address and have elected to receive electronic communications from the Company, an email will be sent to their nominated email address with a link to an electronic copy of the Meeting Materials.

In order to be able to receive electronic communications by email from the Company in the future, please update your shareholder details online at www.computershare.com.au/easyupdate/RBX and log in with your unique shareholder identification number and postcode (or country for overseas residents), that you can find on your enclosed personalised proxy form.

You can lodge your proxy vote online at www.investorvote.com.au (Control Number: 181648). As a valued shareholder in the Company, we look forward to your participation in the meeting. If you prefer not to vote online, please return the attached proxy form. Your proxy voting instructions must be received by 10:00am (AWST) on Tuesday, 28 November 2022.

In accordance with section 249L of the Corporations Act 2001 (Cth) (Corporations Act), Shareholders are advised that:

- each shareholder has a right to appoint a proxy;
- the proxy need not be a shareholder of the Company; and
- a shareholder who is entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the shareholder appoints two proxies and the appointment does not specify the proportion or number of the shareholder's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes

The Company will hold a physical meeting with the appropriate social distancing measures in place to comply with the Federal and State Governments' current restrictions for physical gatherings. If COVID-19 circumstances were to change and impact arrangements for the meeting, the Company will update shareholders by way of an announcement on the ASX and the details will also be made available on the Company's website.

If you have any difficulties obtaining a copy of the Meeting Materials, please contact the Company's share registry on 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia).



The Notice is important and should be read in its entirety. If you are in doubt as to the course of action you should follow, you should consult your financial adviser, lawyer, accountant or other professional adviser

Yours Sincerely,

Ailsa Osborne | Executive Director CFO and Company Secretary

RESOURCE BASE LIMITED
ACN 113 385 425
NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Meeting will be held at:

TIME: 10.00 am (WST)
DATE: 30 November 2022
PLACE: Suite 4.01, Level 4,
105 St Georges Terrace
Perth WA 6000

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

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

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 5.00 pm (WST) on 28 November 2022.

Should you wish to discuss any matter please do not hesitate to contact the Company Secretary by telephone on +61 (08) 6102 8072.

IMPORTANT INFORMATION

Time and place of Meeting

Notice is given that the Meeting will be held at Suite 4.01, Level 4, 105 St Georges Terrace, Perth WA 6000 on Wednesday, 30 November 2022 at 10:00am (WST).

Your vote is important

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

Voting in person

To vote in person, attend the Meeting at the time, date and place set out above.

Voting by proxy

To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

In accordance with section 249L of the Corporations Act, Shareholders are advised that:

- each Shareholder has a right to appoint a proxy;
- the proxy need not be a Shareholder of the Company; and
- a Shareholder who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints 2 proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

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

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

Transfer of non-chair proxy to chair in certain circumstances: Section 250BC of the Corporations Act provides that, if:

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

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

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 8 6102 8072.

BUSINESS OF THE MEETING

AGENDA

FINANCIAL STATEMENTS AND REPORTS

To receive and consider the annual financial report of the Company for the financial year ended 30 June 2022 together with the declaration of the Directors, the Director's report, the Remuneration Report and the auditor's report.

1. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

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

"That, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Company's annual financial report for the financial year ended 30 June 2022."

Note: the vote on this Resolution is advisory only and does not bind the Directors or the Company.

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

2. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – MR PAUL HISSEY

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

"That, Paul Hissey, who retires in accordance with Listing Rule 14.4 and clause 14.2 of the Company's Constitution and, being eligible and offering himself for re-election, be re-elected as a Director of the Company."

3. RESOLUTION 3 – ELECTION OF MS AILSA OSBORNE AS DIRECTOR

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

"That, for the purposes of clause 14.4 of the Constitution, Listing Rule 14.1 and for all other purposes, Ms Ailsa Osborne, a Director who was appointed casually on 13 September 2022, retires by rotation and being eligible, is elected as a Director."

4. RESOLUTION 4 – ELECTION OF MR MAURICE FEILICH AS DIRECTOR

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

"That, for the purposes of clause 14.4 of the Constitution, Listing Rule 14.1 and for all other purposes, Mr Maurice Feilich, a Director who was appointed casually on 29 September 2022, retires by rotation and being eligible, is elected as a Director."

5. RESOLUTION 5 – ELECTION OF MR BRENT PALMER AS DIRECTOR

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

“That, for the purposes of clause 14.4 of the Constitution, Listing Rule 14.1 and for all other purposes, Mr Brent Palmer, a Director who was appointed casually on 29 September 2022, retires by rotation and being eligible, is elected as a Director.”

6. RESOLUTION 6 – APPROVAL TO ISSUE OPTIONS TO DIRECTOR – MR MAURICE FEILICH

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

“That, for the purpose of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 2,000,000 Options to Mr Maurice Feilich (or his nominee(s)) for the purposes and on the terms set out in the Explanatory Statement accompanying this Notice of Meeting.”

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

7. RESOLUTION 7 – APPROVAL TO ISSUE OPTIONS TO DIRECTOR – MR BRENT PALMER

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

“That, for the purpose of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 1,000,000 Options to Mr Brent Palmer (or his nominee(s)) for the purposes and on the terms set out in the Explanatory Statement accompanying this Notice of Meeting.”

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

8. RESOLUTION 8 – RATIFICATION OF PRIOR ISSUE OF SHARES

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

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 8,050,000 Shares to sophisticated and/or professional investors under ASX Listing Rule 7.1 on the terms and conditions set out in the Explanatory Statement.”

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

9. RESOLUTION 9 – APPROVAL TO ISSUE SHARES TO A RELATED PARTY UNDER A PLACEMENT – MR MAURICE FEILICH

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

“That for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the issue of 1,333,333 shares at AUD\$0.075 to Mr Maurice Feilich or his nominee(s) pursuant to his participation in the Capital Raising on the terms and conditions set out in the Explanatory Statement.”

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

10. RESOLUTION 10 – APPROVAL TO ISSUE SHARES TO A RELATED PARTY UNDER A PLACEMENT – MR BRENT PALMER

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

“That for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the issue of 666,667 shares at AUD\$0.075 to Mr Brent Palmer or his nominee(s) pursuant to his participation in the Capital Raising on the terms and conditions set out in the Explanatory Statement.”

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

11. RESOLUTION 11 – APPOINTMENT OF BDO AUDIT PTY LTD AS AUDITOR

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

“That, for the purpose of 327B of the Corporations Act 2001 (Cth) and for all other purposes, BDO Audit Pty Ltd, having been nominated by a Shareholder and consented in writing to act as auditor of the Company, be appointed auditor of the Company, effective immediately.”

12. RESOLUTION 12 – APPROVAL OF 7.1A MANDATE

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

“That, for the purpose of Listing Rule 7.1A and for all other purposes, approval is given for the Company to issue up to that number of Equity Securities equal to 10% of the issued capital of the Company (at the time of issue), calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and otherwise on the terms and conditions set out in this Explanatory Statement”

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

Dated: 28 October 2022 By

order of the Board

**Ailsa Osborne Company
Secretary**

Voting Prohibition Statements

Resolution 1 – Adoption of Remuneration Report	A vote on this Resolution must not be cast (in any capacity) by or on behalf of either of the following persons: (a) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or (b) a Closely Related Party of such a member. However, a person (the voter) described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either: (a) the voter 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: (i) does not specify the way the proxy is to vote on this Resolution; and (ii) expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.
Resolution 6 – Approval to issue Options to Director, Mr Maurice Feilich	The Company will disregard any votes cast in favour of Resolution 6 by or on behalf of Mr Maurice Feilich and any other person who will obtain a material benefit as a result of the issue of securities (except a benefit solely by reason of being a holder of Ordinary Securities in the Company), or an Associate of those persons. However, the Company need not disregard a vote if: (a) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or (b) the Chair acting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met: (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an Associate of a person excluded from voting, on the Resolution; and (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way. The Company will disregard any votes cast on this Resolution by any member of the Key Management Personnel of the Company, or a Closely Related Party of such member, acting as proxy if their appointment does not specify the way the proxy is to vote on Resolution. However, the Company will not disregard any votes cast on this Resolution by such person if: (a) the Proxy Form specifies how the proxy is to vote on the Resolution, and the vote is not cast on behalf of a person who is otherwise excluded from voting on this Resolution as described above; or (b) the person is the Chair voting an undirected proxy and their appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected with the remuneration of the Key Management Personnel of the Company.

Resolution 7 – Approval to issue Options to Director, Mr Brent Palmer	The Company will disregard any votes cast in favour of Resolution 7 by or on behalf of Mr Brent Palmer and any other person who will obtain a material benefit as a result of the issue of securities (except a benefit solely by reason of being a holder of Ordinary Securities in the Company), or an Associate of those persons. However, the Company need not disregard a vote if: (a) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or (b) the Chair acting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met: (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an Associate of a person excluded from voting, on the Resolution; and (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way. The Company will disregard any votes cast on this Resolution by any member of the Key Management Personnel of the Company, or a Closely Related Party of such member, acting as proxy if their appointment does not specify the way the proxy is to vote on Resolution. However, the Company will not disregard any votes cast on this Resolution by such person if: (a) the Proxy Form specifies how the proxy is to vote on the Resolution, and the vote is not cast on behalf of a person who is otherwise excluded from voting on this Resolution as described above; or (b) the person is the Chair voting an undirected proxy and their appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected with the remuneration of the Key Management Personnel of the Company.
Resolution 8 - Ratification of prior share issue	The Company will disregard any votes cast in favour of this Resolution by or on behalf of any person who participated in the issue or any Associate of those persons. However, this does not apply to a vote cast in favour of Resolution 8 by: (a) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or (b) the Chair acting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met: (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an Associate of a person excluded from voting, on the Resolution; and (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Resolution 9 – Approval to Issue Shares to a related Party under a placement – Mr Maurice Feilich	The Company will disregard any votes cast in favour of Resolution 9 by or on behalf of Mr Maurice Feilich and any other person who will obtain a material benefit as a result of the issue of securities (except a benefit solely by reason of being a holder of Ordinary Securities in the Company), or an Associate of those persons. However, the Company need not disregard a vote if: (a) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or (b) the Chair acting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met: (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an Associate of a person excluded from voting, on the Resolution; and (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.
Resolution 10 – Approval to Issue Shares to a related Party under a placement – Mr Brent Palmer	The Company will disregard any votes cast in favour of Resolution 10 by or on behalf of Mr Brent Palmer and any other person who will obtain a material benefit as a result of the issue of securities (except a benefit solely by reason of being a holder of Ordinary Securities in the Company), or an Associate of those persons. However, the Company need not disregard a vote if: (a) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or (b) the Chair acting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met: (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an Associate of a person excluded from voting, on the Resolution; and (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Resolution 12 – Approval of 7.1 A Mandate	The Company will disregard any votes cast in favour of the Resolution by or on behalf of any person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities, if the Resolution is passed or any associates of those persons. However, this does not apply to a vote cast in favour of the Resolution by: (a) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or (b) the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met: (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.
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EXPLANATORY STATEMENT

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

FINANCIAL STATEMENTS AND REPORTS

In accordance with the Corporations Act, the business of the Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 30 June 2022 together with the declaration of the Directors, the Directors' report, the Remuneration Report and the auditor's report.

The Company will not provide a hard copy of the Company's annual financial report to Shareholders unless specifically requested to do so. The Company's annual financial report is available on its website at www.resourcebase.com.au.

1. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

1.1 General

The Corporations Act requires that at a listed company's annual general meeting, a resolution that the remuneration report be adopted must be put to the shareholders. However, such a resolution is advisory only and does not bind the company or the directors of the company.

The remuneration report sets out the company's remuneration arrangements for the directors and senior management of the company. The remuneration report is part of the directors' report contained in the annual financial report of the company for a financial year.

The chair of the meeting must allow a reasonable opportunity for its shareholders to ask questions about or make comments on the remuneration report at the annual general meeting.

1.2 Voting consequences

A company is required to put to its shareholders a resolution proposing the calling of another meeting of shareholders to consider the appointment of directors of the company (**Spill Resolution**) if, at consecutive annual general meetings, at least 25% of the votes cast on a remuneration report resolution are voted against adoption of the remuneration report and at the first of those annual general meetings a Spill Resolution was not put to vote. If required, the Spill Resolution must be put to vote at the second of those annual general meetings.

If more than 50% of votes cast are in favour of the Spill Resolution, the company must convene a shareholder meeting (**Spill Meeting**) within 90 days of the second annual general meeting.

All of the directors of the company who were in office when the directors' report (as included in the company's annual financial report for the most recent financial year) was approved, other than the managing director of the company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting.

Following the Spill Meeting those persons whose election or re-election as directors of the company is approved will be the directors of the company.

1.3 Previous voting results

At the Company's previous annual general meeting the votes cast against the remuneration report considered at that annual general meeting were less than 25%. Accordingly, the Spill Resolution is not relevant for this Annual General Meeting.

2. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – MR PAUL HISSEY

2.1 General

Pursuant to clause 14.2 of the Company's Constitution, at the Company's annual general meeting in every year, one-third of the Directors for the time being, or, if their number is not a multiple of 3, then the number nearest one-third, shall retire from office provided always that no Director except a Managing Director shall hold office for a period in excess of 3 years, or until the third annual general meeting following his or her appointment, whichever is the longer, without submitting himself for re-election. The Directors to retire at an annual general meeting are those who have been longest in office since their last election. A retiring Director is eligible for re-election. An election of Directors shall take place each year.

In determining the number of Directors to retire, no account is to be taken of:

- (a) a Director appointed as an additional Director and who only holds office until the next annual general meeting pursuant to clause 14.4 of the Company's Constitution; and/ or
- (b) a Managing Director,

each of whom are exempt from retirement by rotation.

Paul Hissey retires by rotation in accordance with Listing Rule 14.4 and clause 14.2 of the Company's Constitution, and, being eligible, offers himself for re-election.

2.2 Qualifications and other material directorships

Mr Hissey has more than 20 years' experience in the resources sector, split evenly between roles in both the mining and capital markets sectors, and is currently Chief Financial Officer at ASX listed Navarre Resources Limited (ASX: NML).

He commenced his career working in numerous open-pit and underground, base and precious metals operations in North Queensland, and led the mine geology team at the world class Olympic Dam deposit in South Australia for BHP. In addition, Mr Hissey has worked as a UK-based technical consultant on a range of commodities and projects throughout Europe and Africa, conducting due diligence and resource estimates, before returning to the Victorian goldfields as a resource geologist and eventually transitioning to capital markets.

Mr Hissey spent a combined 10 years as a rated equity analyst with Goldman Sachs and Royal Bank of Canada writing institutional research on an extensive range of Australian publicly listed mining companies and providing extensive exposure to leading mining companies, their executives, and resource investors worldwide.

He holds a Bachelor of Science (Hons) degree in Applied Geology from the University of South Australia as well as a Graduate Diploma in Applied Finance from Kaplan and an MBA from the Chifley Business School (La Trobe University). Mr Hissey has been a Member of the AusIMM for more than 20 years.

2.3 Independence

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

2.4 Board recommendation

The Board considers that Mr Hissey's skills and experience will enhance the Board's ability to perform its role. Accordingly, the Board (other than Mr Hissey) supports the election of Mr Hissey and recommends that Shareholders vote in favour of Resolution 2.

3. RESOLUTION 3 – ELECTION OF AILSA OSBORNE AS DIRECTOR

3.1 General

Pursuant to clause 14.4 of the Company's Constitution, the Directors may at any time appoint a person to be a Director, either to fill a casual vacancy or as an addition to the existing Directors, but so that the total number of Directors does not at any time exceed the maximum number specified by the Constitution. Any Director so appointed holds office only until the next following annual general meeting and is then eligible for re-election but shall not be taken into account in determining the Directors who are to retire by rotation (if any) at that meeting.

Ailsa Osborne, having been appointed by the Directors on 13 September 2022, retires in accordance with the clause 14.4 of the Company's Constitution and ASX Listing Rule 14.4 and, being eligible, seeks election from Shareholders.

3.2 Qualifications and other material directorships

Ms Osborne has more than 17 years of professional experience in the mineral resources industry. Ms Osborne most recently was Chief Financial Officer and Company Secretary of Pathfinder Resources Limited (ASX:PF1) and has held senior finance roles in a number of listed companies operating in Australia and internationally including South America, Indonesia and Africa.

Ms Osborne's qualifications include a CPA and degrees in Commerce (Accounting) and Business Law, and a Graduate Diploma of Applied Corporate Governance and Risk Management.

Ms Osborne is a Director of XLR8 Metals Limited an unlisted public company.

3.3 Independence

Ms Osborne is employed by the Company under an Executive Services Agreement. Consequently, if elected, the Board considers Ms Osborne will not be considered an Independent Director.

3.4 Other Material Information

The Company conducts appropriate checks on the background and experience of candidates before their appointment to the Board. These include checks as to a person's experience, educational qualifications, character, criminal record and bankruptcy history. The Company undertook such checks prior to the appointment of Ailsa Osborne.

Ms Osborne has confirmed that she considers she will have sufficient time to fulfil her responsibilities as a Director of the Company and does not consider that any other commitment will interfere with her availability to perform her duties as a Director of the Company

3.5 Board Recommendation

The Board considers that Ms Osborne's skills and experience will enhance the Board's ability to perform its role. Accordingly, the Board (other than Ms Osborne) supports the election of Ms Osborne and recommends that Shareholders vote in favour of Resolution 3.

4. RESOLUTION 4 – ELECTION OF MAURICE FEILICH AS DIRECTOR

4.1 General

Pursuant to clause 14.4 of the Company's Constitution, the Directors may at any time appoint a person to be a Director, either to fill a casual vacancy or as an addition to the existing Directors, but so that the total number of Directors does not at any time exceed the maximum number specified by the Constitution. Any Director so appointed holds office only until the next following

annual general meeting and is then eligible for re-election but shall not be taken into account in determining the Directors who are to retire by rotation (if any) at that meeting.

Maurice Feilich, having been appointed by the Directors on 29 September 2022, retires in accordance with the clause 14.4 of the Company's Constitution and ASX Listing Rule 14.4 and, being eligible, seeks election from Shareholders.

4.2 Qualifications and other material directorships

Mr Feilich holds a Bachelor of Commerce degree with a major in Marketing and Business. He has been involved in investment markets for 30 years, commencing his career as an institutional derivative broker at McIntosh Securities (later Merrill Lynch) in 1998. He joined Tricom Equities in 2000 as Head of Equities, and in 2010 became a founding partner of Sanlam Private Wealth. Mr Feilich has a track record of success in the small resources sector and he has provided capital markets and funding support to a number of resource companies via primary and secondary raisings.

Mr Feilich is also Executive Chairman of QX Resources Ltd (ASX: QXR), where he has been heavily involved in project origination through his extensive networks.

4.3 Independence

If elected, the Board considers Mr Feilich to be an Independent Director.

4.4 Other Material Information

The Company conducts appropriate checks on the background and experience of candidates before their appointment to the Board. These include checks as to a person's experience, educational qualifications, character, criminal record and bankruptcy history. The Company undertook such checks prior to the appointment of Maurice Feilich.

Mr Feilich has confirmed that he considers he will have sufficient time to fulfil his responsibilities as a Director of the Company and does not consider that any other commitment will interfere with his availability to perform his duties as a Director of the Company

4.5 Board Recommendation

The Board considers that Mr Feilich's skills and experience will enhance the Board's ability to perform its role. Accordingly, the Board (other than Mr Feilich) supports the election of Mr Feilich and recommends that Shareholders vote in favour of Resolution 4.

5. RESOLUTION 5 – ELECTION OF BRENT PALMER AS DIRECTOR

5.1 General

Pursuant to clause 14.4 of the Company's Constitution, the Directors may at any time appoint a person to be a Director, either to fill a casual vacancy or as an addition to the existing Directors, but so that the total number of Directors does not at any time exceed the maximum number specified by the Constitution. Any Director so appointed holds office only until the next following annual general meeting and is then eligible for re-election but shall not be taken into account in determining the Directors who are to retire by rotation (if any) at that meeting.

Brent Palmer, having been appointed by the Directors on 29 September 2022, retires in accordance with the clause 14.4 of the Company's Constitution and ASX Listing Rule 14.4 and, being eligible, seeks election from Shareholders.

5.2 Qualifications and other material directorships

Mr Palmer holds a Bachelor of Commerce degree with a major in Property from Curtin University, together with a Post Graduate degree in Mineral and Energy Economics from the WA School of Mines. Mr Palmer has around 10 years' experience in capital markets, specialising in trading and analysis of small caps.

He is a founding director of Bluebird Capital, a project generation, investment and corporate advisory business, and was the original founder of the Mitre Hill Project, pegging the initial claim and divesting the asset to Resource Base Limited. He has built a comprehensive network and strong stockbroker relationships across Australia.

Mr Palmer is a member of the Australian Institute of Company Directors (GAICD).

5.3 Independence

If elected, the Board considers Mr Feilich to be an Independent Director.

5.4 Other Material Information

The Company conducts appropriate checks on the background and experience of candidates before their appointment to the Board. These include checks as to a person's experience, educational qualifications, character, criminal record and bankruptcy history. The Company undertook such checks prior to the appointment of Brent Palmer.

Mr Palmer has confirmed that he considers he will have sufficient time to fulfil his responsibilities as a Director of the Company and does not consider that any other commitment will interfere with his availability to perform his duties as a Director of the Company

5.5 Board Recommendation

The Board considers that Mr Palmer's skills and experience will enhance the Board's ability to perform its role. Accordingly, the Board (other than Mr Palmer) supports the election of Mr Palmer and recommends that Shareholders vote in favour of Resolution 5.

6. RESOLUTIONS 6 AND 7 – APPROVAL OF ISSUE OF OPTIONS TO DIRECTORS

6.1 General

Messrs Feilich and Palmer have both accepted a reduced cash component of remuneration on their appointment to the Board to enable the Company to spend a greater proportion of its cash reserves on operations. As such, the Company has agreed to issue 3,000,000 Options in aggregate to Messrs Feilich and Palmer (or their respective nominees) (**Director Options**) in order to provide a performance linked incentive, align the interests of the Directors with the those of shareholders, and to motivate and reward performance.

The Director Options will be issued for nil cash consideration, exercisable at \$0.20 each and expire on or before the date that is 5 years after the date of issue. The full terms and conditions of the Director Options are detailed in Schedule 1.

Resolutions 6 to 7 seek Shareholder approval to issue the Director Options to Messrs Feilich and Palmer (or their respective nominees). Resolutions 6 to 7 are ordinary resolutions.

6.2 ASX Listing Rule 10.11

ASX Listing Rule 10.11 provides that unless one of the exceptions in ASX Listing Rule 10.12 applies, a listed entity must not issue or agree to issue securities to any of the following, unless it obtains shareholder approval by ordinary resolution:

- (a) a related party;
- (b) a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (30%+) holder in the entity;
- (c) person who is, or was at any time in the 6 months before the issue or agreement, a substantial (10%+) holder in the entity and who has nominated a director to the board of the entity pursuant to a relevant agreement which gives them a right or expectation to do so;
- (d) an associate of a person referred to in items (a) - (c) above; or
- (e) a person whose relationship with the entity, or a person referred to items (a) - (d) above is such that in ASX's opinion, the issue or agreement should be approved its Shareholders.

As each of Maurice Feilich and Brent Palmer are Directors of the Company, they are considered related parties under item (a) above and accordingly, shareholder approval is required under ASX Listing Rule 10.11.

Resolutions 6 and 7 seek the requisite shareholder approval to the issue of Director Options under and for the purposes of ASX Listing Rule 10.11.

If shareholders approve Resolutions 6 and 7, the Company will be able to proceed with the issue of Director Options to Maurice Feilich and Brent Palmer and/or their nominees on the terms and conditions as set out in this Notice of Meeting.

If shareholders do not approve Resolutions 6 and 7, the Company will not be able to issue the Director Options to Maurice Feilich and Brent Palmer and/or their nominees and the Board would need to consider alternative remuneration arrangements.

To ensure the Company can attract and retain the right talent and align the interests of directors with those of shareholders, the Board considers it is important for the Company to offer incentives to its Directors that are in line with market practice.

6.3 Section 208 of the Corporations Act

Section 208(1) of the Corporations Act provides that a public company must not, without the approval of the Company's members, give a financial benefit to a related party unless an exception to the prohibition as set out in sections 210 to 216 of the Corporations Act applies to that issue.

As Directors of the Company, Maurice Feilich and Brent Palmer are related parties of the Company for the purposes of section 228(2) Corporations Act. The issue of the Director Options proposed under Resolutions 6 and 7 will constitute the giving of a financial benefit to a related party for the purposes of section 229(3)(e) of the Corporations Act.

The Board has resolved that the grant of Director Options to each of Maurice Feilich and Brent Palmer (with each abstaining from the approval of the issue of their own Director Options) constitutes reasonable remuneration within the meaning of section 211(1) of the Corporations Act as the Company wishes to maximise the use of its cash resources towards the Company's

development and equity based incentives, such as options, are used to supplement cash based remuneration.

For the reasons set out above, shareholder approval is not required under section 208(1) of the Corporations Act, however approval is still required for the purposes of ASX Listing Rule 10.11.

6.4 Information required by ASX Listing Rule 10.13

In accordance with ASX Listing Rule 10.13, the Company provides the following information in relation to the proposed issue of the share under Resolutions 6 and 7:

(a) Name of the person to receive securities

The Director Options the subject of Resolution 6 are proposed to be issued to Maurice Feilich.

The Director Options the subject of Resolution 7 are proposed to be issued to Brent Palmer.

(b) Which category in rules 10.11.1 - 10.11.5 the person falls within and why

Each of Maurice Feilich and Brent Palmer fall within the description of ASX Listing Rule 10.11.1 and are related parties of the Company as they are directors of the Company.

(c) The number and class of securities to be issued to the person

Under Resolution 6 the Company proposes to issue 2,000,000 Options.

Under Resolution 7 the Company proposes to issue 1,000,000 Options.

(d) Terms of the securities

A summary of the material terms of the Director Options is set out at Schedule 1.

(e) The date or dates on or by which the entity will issue the securities

If approved under Resolutions 6 and 7, the Company expects to issue securities approved on/around 30 November 2022 but in any event, not later than 1 month after the Meeting.

(f) The price the entity will receive for the issue

The Director Options will be issued for nil financial consideration and have an exercise price of \$0.20.

(g) Purpose of the issue

As detailed at 6.1 above, the purpose of the issues is to remunerate the Directors, Maurice Feilich and Brent Palmer.

(h) Remuneration

In FY23 it is anticipated that Maurice Feilich will be paid a total remuneration of \$147,825 including \$45,455 cash salary and \$4,773 superannuation.

In FY23 it is anticipated that Brent Palmer will be paid a total remuneration of \$78,935 including \$27,273 cash salary and \$2,864 superannuation.

(i) **Relevant agreement**

The Director Options will be issued under an offer letter. The key terms of the Director Options are outlined at Schedule 1.

(j) **Voting exclusion statement**

A voting exclusion statement is included in the Notice of Meeting preceding this Explanatory Statement.

6.5 Board Recommendation

Maurice Feilich declines to make a recommendation to Shareholders in relation to Resolution 6 due to his material personal interest in the outcome of the Resolution on the basis that he is to be issued the Director Options should Resolution 6 be passed.

Mr Paul Hissey recommends that Shareholders vote in favour of Resolution 6.

Ms Ailsa Osborne does not recommend that Shareholders vote in favour of Resolution 6 for the following reasons:

- the issue of options was not contemplated by the Board on the appointment of the Director on 29 September 2022; and
- there has been no opportunity to determine if additional remuneration is appropriate, and if so the extent of that additional remuneration.

Brent Palmer declines to make a recommendation to Shareholders in relation to Resolution 7 due to his material personal interest in the outcome of the Resolution on the basis that he is to be issued the Director Options should Resolution 7 be passed.

Mr Paul Hissey recommends that Shareholders vote in favour of Resolution 7.

Ms Ailsa Osborne does not recommend that Shareholders vote in favour of Resolution 7 for the following reasons:

- the issue of options was not contemplated by the Board on the appointment of Mr Palmer on 29 September 2022; and
- there has been no opportunity to determine if additional remuneration is appropriate, and if so the extent of that additional remuneration.

7. BACKGROUND TO RESOLUTIONS 8, 9 AND 10 - PLACEMENT

On 24 October 2022, the Company announced a placement of 8,050,000 Shares at an issue price of \$0.075 per Share (**Placement Shares**) to raise up to approximately \$603,750 (before costs) (**October 2022 Placement**). The Company also announced that Directors Mr Maurice Feilich and Mr Brent Palmer would also participate in the October 2022 Placement for an additional \$150,000 (in aggregate) on the same terms and conditions (**Director Placement Shares**), for a combined capital raise of approximately \$750,000 (before costs). For further information, please refer to the ASX announcement dated 24 October 2022.

The Director Placement Shares comprise 1,333,333 Shares (valued at \$100,000) and 666,667 Shares (valued at \$50,000) to be issued to Directors Mr Maurice Feilich and Mr Brent Palmer respectively, subject to Shareholder approval under Resolutions 9 and 10.

The total number of Placement Shares to be issued under the October 2022 Placement are within the Company's existing placement capacity under ASX Listing Rule 7.1.

Funds raised under the October 2022 Placement will be used to progress the Mitre Hill REE project to a targeted JORC resource by Q1 CY2023, for new project evaluation and for general working capital purposes.

Resolution 8 seeks Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Placement Shares.

Resolutions 9 and 10 seek Shareholder approval to issue the Director Placement Shares to Directors Mr Maurice Feilich and Mr Brent Palmer respectively.

8. RESOLUTION 8 – RATIFICATION OF ISSUE OF OCTOBER 2022 PLACEMENT SHARES

8.1 Background

As stated in section 7 of the Explanatory Statement, the purpose of Resolution 8 is for Shareholders to ratify the issue of the Placement Shares, pursuant to Listing Rule 7.1. The Placement Shares were issued by way of a placement without Shareholder approval, as announced to the ASX on 24 October 2022.

8.2 Regulatory requirements

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 Placement Shares does not fit within any of these exceptions and, as it has not yet been approved by Shareholders, it effectively uses up part of the 15% limit in Listing Rule 7.1, reducing the Company's capacity to issue further Equity Securities without shareholder approval under Listing Rule 7.1 for the 12-month period following the date of issue of the Placement Shares.

Listing Rule 7.4 sets out an exception to Listing Rule 7.1. It provides that where a company in general meeting ratifies the previous issue of securities made without shareholder approval under 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 and so it does not reduce the Company's capacity to issue further Equity Securities without shareholder approval under that rule.

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

If Resolution 8 is passed, the issue of the Placement Shares will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of Equity Securities the Company can issue without shareholder approval over the 12-month period following the date of issue of the Placement Shares.

If Resolution 8 is not passed, the issue of the Placement Shares will 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 date of issue of the Placement Shares.

In compliance with the information requirements of Listing Rule 7.5, Shareholders are advised of the following information:

(a) The names of the persons to whom the entity issued or agreed to issue the securities or the basis on which those persons were identified and selected

The Placement Shares were issued to sophisticated, professional or other exempt investors, all of whom were not related parties of the Company.

The subscribers were introduced by the Company's management. None of the investors were material investors in the company.¹

(b) Number of securities and class of securities issued

8,050,000 Shares were issued pursuant to Listing Rule 7.1.

(c) Terms of the securities

The Placement Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares.

(d) Date of issue

The Placement Shares are proposed to be issued on 8 November 2022.

(e) Issue price or other consideration

The Placement Shares are to be issued at \$0.075 per Share.

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

The proceeds from the issue of the Placement Shares will primarily be used to progress the Mitre Hill REE project to a targeted JORC resource by Q1 CY2023, for new project evaluation and for general working capital purposes.

(g) Relevant agreement

The Placement Shares were issued pursuant to a placement agreement with each individual investor that included terms usual for agreements of this nature.

(h) Voting exclusion statement

A Voting Exclusion Statement has been provided for Resolution 8 in the Voting Prohibition Statement section of this Notice of Meeting.

8.3 Board Recommendation

The Directors, recommend that Shareholders vote in favour of Resolution 8.

¹ ASX consider the following to be material investors:

(i). a related party of the entity;
(ii). a member of the entity's Key Management Personnel;
(iii). a substantial holder in the entity;
(iv). an adviser to the entity; or
(v). an associate of any of the above,
where such person or entity is being issued more than 1% of the entity's current issued capital.

9. RESOLUTIONS 9 AND 10 APPROVAL TO ISSUE DIRECTOR PLACEMENT SHARES

9.1 General

As stated in section 7, the Company announced on 24 October 2022 that Directors Mr Maurice Feilich and Mr Brent Palmer had committed to invest \$150,000 (in aggregate) by participating in the October 2022 Placement, subject to the Company receiving shareholder approval.

Accordingly, Resolutions 9 and 10 seek Shareholder approval for the issue of the Director Placement Shares.

9.2 Chapter 2E of the Corporations Act

Chapter 2E of the Corporations Act regulates the provision of “financial benefits” to “related parties” by a public company. Chapter 2E prohibits a public company from giving a financial benefit to a related party of the public company unless either:

- (a) the giving of the financial benefit falls within one of the nominated exceptions to the provisions; or
- (b) prior shareholder approval is obtained to the giving of the financial benefit.

A “related party” is widely defined under the Corporations Act and includes the directors of a company. As such, the Directors of the Company are related parties of the Company for the purposes of section 208 of the Corporations Act.

A “financial benefit” is construed widely and in determining whether a financial benefit is being given, section 229 of the Corporations Act requires that any consideration that is given is disregarded, even if the consideration is adequate. It is necessary to look at the economic and commercial substance and the effect of the transaction in determining the financial benefit. Section 229 of the Corporations Act includes as an example of a financial benefit, the issuing of securities or the granting of an option to a related party.

Each issue of the Director Placement Shares under Resolutions 9 and 10 constitutes the provision of a financial benefit to related parties of the Company under section 228 of the Corporations Act by virtue of each issue being to Directors of the Company. However, it is the view of the Directors that the proposed issue of the Director Placement Shares fall within the “arm’s length” exception under section 210 of the Corporations Act because the Director Placement Shares will be issued on the same terms as the Placement Shares are proposed to be issued to non-related parties on 8 November 2022. Accordingly, the Directors have determined not to seek Shareholder approval for the purposes of section 208 Corporations Act for the issue of the Director Placement Shares to the Directors.

9.3 ASX Listing Rule 10.11

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

- (a) a related party;
- (b) a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (30%+) holder in the company;
- (c) a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (10%+) holder 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;

- (d) an associate of a person referred to in ASX Listing Rules 10.11.1 to 10.11.3; or
- (e) a person whose relationship with the company or a person referred to in ASX Listing Rule 10.11.1 to 10.11.4 is such that, in ASX's opinion, the issue or agreement should be approved by its shareholders,

unless the issue has been approved by holders of ordinary securities.

The issue of the Director Placement Shares falls within ASX Listing Rule 10.11.1 and does not fall within any of the exceptions in Listing Rule 10.12. Accordingly, the Director Placement requires Shareholder approval under ASX Listing Rule 10.11.

Resolutions 9 and 10 seek the required Shareholder approval for the issue of the Director Placement Shares under and for the purposes of ASX Listing Rule 10.11.

If Shareholders approve Resolutions 9 and 10, the Company will be able to proceed with the issue of the Director Placement Shares on the terms and conditions as set out in this Notice of Meeting.

If Shareholders do not approve Resolutions 9 and 10, the Company will not be able to proceed with the issue of the Director Placement Shares.

Accordingly, under Resolutions 9 and 10, the Company seeks approval from Shareholders for the issue of Director Placement Shares to the Directors, who by virtue of their position as Directors of the Company are related parties of the Company.

ASX Listing Rule 10.13

In compliance with the information requirements of ASX Listing Rule 10.13, Shareholders are advised of the following information:

- (a) the Director Placement Shares will be issued to Maurice Feilich and Brent Palmer (or their nominees), who fall within the category set out in Listing Rule 10.1.1, as each is a related party of the Company by virtue of being a Director;
- (b) the maximum number of Director Placement Shares to be issued to each of Messrs Feilich and Palmer (or their nominees) is as follows:

Director	Number of Director Placement Shares	Total Consideration
Maurice Feilich	1,333,333	\$100,000
Brent Palmer	666,667	\$50,000

- (c) the Director Placement Shares will be fully paid ordinary shares in the capital of the Company issued on the same terms as the Company's existing Shares;
- (d) the Director Placement Shares will be issued no later than 1 month after the date of the Meeting and it is anticipated that the Director Placement Shares will be issued on the day after the Meeting;
- (e) the issue price will be \$0.075 per Share, being the same issue price as Shares issued to participants in the October 2022 Placement. The Company will not receive any other consideration for the issue of the Director Placement Shares;

- (f) the purpose of the issue of the Director Placement Shares is to to progress the Mitre Hill REE project to a targeted JORC resource by Q1 CY2023, for new project evaluation and for general working capital purposes;
- (g) the Director Placement Shares are not intended to remunerate or incentivise Messrs Feilich or Palmer;
- (h) the Director Placement Shares are not being issued pursuant to an agreement; and
- (i) a Voting Exclusion Statement has been provided for Resolutions 9 and 10 in the Voting Prohibition Statement section of this Notice of Meeting.

9.4 Directors' recommendation

The Directors (with Mr Feilich abstaining) recommend that you vote in favour of Resolution 9.

Ms Ailsa Osborne does not recommend that Shareholders vote in favour of Resolution 9, it is Ms Osbornes position that it is pre-emptive to raise capital prior to the release of the JORC resource. The Company has sufficient cash reserves to fund the completion of the JORC resource by Q1 CY2023. The release of the resource is a significant milestone and provides the catalyst for the Company to consider new project evaluations and / or raise funds.

The Directors (with Mr Palmer abstaining) recommend that you vote in favour of Resolution 10.

Ms Ailsa Osborne does not recommend that Shareholders vote in favour of Resolution 10, it is Ms Osbornes position that it is pre-emptive to raise capital prior to the release of the JORC resource. The Company has sufficient cash reserves to fund the completion of the JORC resource by Q1 CY2023. The release of the resource is a significant milestone and provides the catalyst for the Company to consider new project evaluations and / or raise funds.

10. RESOLUTION 11 – APPOINTMENT OF BDO AUDIT PTY LTD AS AUDITOR

10.1 General

As announced on the ASX on 20 May 2022, BDO Audit Pty Ltd (BDO) was appointed auditor of the Company following the resignation of Elderton Audit Pty Ltd (Elderton). ASIC consented to the resignation in accordance with section 329(5) of the Corporations Act. The change of auditor arose following a review and consultation process with the Board citing BDO's direct experience and reputation in the resources sector as key to the appointment.

As a result of the timing of the change, BDO filled a casual vacancy in accordance with section 327C(1) of the Corporations Act. Under section 327C(2) of the Corporations Act, an auditor who has been appointed under section 327C(1) only holds office until the Company's next annual general meeting. The Company is required to appoint an auditor to fill any vacancy at each annual general meeting (after its first annual general meeting) pursuant to section 327B(1)(b) of the Corporations Act.

Pursuant to section 328B(1) of the Act, the Company received a valid notice of nomination from a Shareholder for BDO Audit to be appointed as the Company's auditor. A copy of the nomination is attached as Annexure A to this Notice.

BDO has provided the Company with its written consent to act as auditor of the Company in accordance with s328A(1) of the Act, subject to Shareholder approval being obtained at this Meeting.

If Resolution 11 is passed, the appointment of BDO as the Company's auditor will take effect from the close of this meeting.

10.2 Board recommendation

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

11. RESOLUTION 12 – APPROVAL OF 7.1A MANDATE

11.1 General

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.

However, under Listing Rule 7.1A, an eligible entity may seek shareholder approval by way of a special resolution passed at its annual general meeting to increase this 15% limit by an extra 10% to 25% (7.1A Mandate).

An 'eligible entity' means an entity that is not included in the S&P/ASX300 Index and which has a market capitalisation of \$300 million or less. The Company is an eligible entity for these purposes.

As at the date of this Notice, the Company is an eligible entity as it is not included in the S&P/ASX 300 Index and has a current market capitalisation of \$4,615,874 (based on the number of Shares on issue and the closing price of Shares on the ASX on 25 October 2022).

Resolution 9 seeks Shareholder approval by way of special resolution for the Company to have the additional 10% capacity provided for in Listing Rule 7.1A to issue Equity Securities without Shareholder approval.

If Shareholders approve Resolution 12, the Company will be able to issue Equity Securities up to the combined 25% limited in Listing Rule 7.1 and 7.1A without any further Shareholder approval.

If Resolution 12 is not passed, the Company will not be able to access the additional 10% capacity to issue Equity Securities without Shareholder approval under Listing Rule 7.1A and will remain subject to the 15% limit on issuing Equity Securities without Shareholder approval set out in Listing Rule 7.1.

Resolution 12 is a special resolution. Accordingly, at least 75% of votes cast by Shareholders entitled to vote on the Resolution must be in favour of Resolution 9 for it to be passed.

11.2 Technical information required by Listing Rule 7.1A

Pursuant to and in accordance with Listing Rule 7.3A, the information below is provided in relation to Resolution 12:

(a) Period for which the 7.1A Mandate is valid

Equity Securities under the 7.1A Mandate may be issued until the earlier of:

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

(b) **Minimum Price**

Pursuant to Listing Rule 7.1A, Equity Securities must be issued at a minimum price of 75% of the volume weighted average price of Equity Securities in that class, calculated over the 15 trading days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed by the entity and the recipient of the Equity Securities; or
- (ii) if the Equity Securities are not issued within 10 trading days of the date above, the date on which the Equity Securities are issued.

Equity Securities that may be issued under Listing Rule 7.1A will only be in an existing quoted class of securities and be issued for cash consideration only.

(c) **Use of funds raised under the 7.1A Mandate**

The Company intends to use funds raised from issues of Equity Securities under the 7.1A Mandate for the exploration and development of the Company's existing assets, the acquisition of new assets or investments (including expenses associated with such an acquisition), to repay debt or to fund working capital.

(d) **Risk of Economic and Voting Dilution**

The issue of Equity Securities under the 7.1A Mandate will result in dilution of the interests of existing Shareholders who do not receive any Shares under the issue. There is also the risk that:

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

If Resolution 9 is approved by Shareholders and the Company issues the maximum number of Equity Securities available under the 7.1A Mandate, the economic and voting dilution of existing Shares would be as shown in the table below.

The table below shows the dilution of existing Shareholders calculated in accordance with the formula outlined in Listing Rule 7.1A.2 on the basis of the closing market price of Shares and the number of Equity Securities on issue as at 25 October 2022.

The table also shows the voting dilution impact where the number of Shares on issue (Variable A in the formula) changes and the economic dilution where there are changes in the issue price of Shares issued under the 7.1A Mandate.

Number of Shares on Issue (Variable A in Listing Rule 7.1A.2)		Shares issued – 10% voting dilution	Issue Price		
			\$0.041	\$0.082	\$0.123
			50% decrease	Issue Price	50% increase
			Funds Raised		
Current	56,291,152	5,629,115	\$ 230,794	\$ 461,587	\$ 692,381
50% increase	84,436,728	8,443,673	\$ 346,191	\$ 692,381	\$ 1,038,572
100% Increase	112,582,304	11,258,230	\$ 461,587	\$ 923,175	\$ 1,384,762

*The number of Shares on issue (Variable A in the formula) may increase as a result of issues of Shares that do not require Shareholder approval (for example, a pro rata entitlements issue or scrip issued under a takeover offer) or future placements under Listing Rule 7.1 that are issued with Shareholder approval.

The above table is based on the following assumptions:

1. The number of Shares on issue (Variable A) is calculated as 56,291,152 being all the Shares on issue as at the date of this Notice.
2. The issue price of \$0.0820 was the closing price of Shares on ASX on 25 October 2022.
3. The Company issues the maximum number of Equity Securities available under the 7.1A Mandate.
4. The Company has not issued any Equity Securities in the 12 months prior to the Meeting that were not issued under an exception in Listing Rule 7.2 or with approval under Listing Rule 7.1.
5. The issue of Equity Securities under the 7.1A Mandate includes only Shares. It is assumed that no Options are exercised into Shares before the date of issue of the Equity Securities.
6. The table shows only the issue of Equity Securities under the 7.1A Mandate and not under Listing Rule 7.1.
7. The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
8. The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 7.1A Mandate, based on that Shareholder's holding at the date of the Meeting. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.

(e) Allocation policy under the 7.1A Mandate

The Company's allocation policy for issues under the 7.1A Mandate is dependent on prevailing market conditions at the time of any proposed issue. The identity of the allottees of the Equity Securities will be determined on a case-by-case basis having regard to factors including, but not limited to, the following:

- (i) the purpose of the issue;
- (ii) the methods of raising funds that are available to the Company at that time, including but not limited to, rights issues or other issues in which existing Shareholders may participate;
- (iii) the effect of the issue of the Equity Securities on the control of the Company;
- (iv) the circumstances of the Company, including, but not limited to, the financial situation and solvency of the Company;
- (v) prevailing market conditions; and
- (vi) advice from the Company's corporate, financial and broking advisors (if applicable).

The Company has no current plans to undertake a new capital raising using its 7.1A Mandate. As such, the allottees under the 7.1A Mandate have not yet been determined. In the event that such an exercise was to be undertaken, allottees may include existing substantial Shareholders and/or new Shareholders who are not related parties, or associates of a related party, of the Company.

(f) **Previous approval under Listing Rule 7.1A**

The Company did not obtain approval under Listing Rule 7.1A at its annual general meeting held on 16 December 2022. Accordingly, the Company has not issued any Equity Securities under Listing Rule 7.1A.2 in the 12 months preceding the date of this Meeting.

11.3 Board recommendation

The Board believes this Resolution is in the best interests of the company and unanimously recommend that Shareholders vote in favour of this Resolution.

11.4 Voting exclusion statement

A voting exclusion statement has been included in this Notice. However, as at the date of this Notice, the Company has not approached any persons to participate in the issue of equity securities under the 7.1A Mandate. No existing Shareholders' votes will therefore be excluded under the voting exclusion in the Notice.

GLOSSARY

\$ means Australian dollars.

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

ASIC means the Australian Securities & Investments Commission.

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

Board means the current board of directors of the Company.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

Chair means the chair of the Meeting.

Closely Related Party of a member of the Key Management Personnel means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent of the member or the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the Corporations Regulations 2001 (Cth) for the purposes of the definition of 'closely related party' in the Corporations Act.

Company means Resource Base Limited (ACN 113 385 425).

Constitution means the Company's constitution.

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

Directors means the current directors of the Company.

Director Options has the meaning given to that term in section 6.1.

Director Placement Shares has the meaning given to that term in section 7 of the Explanatory Statement.

Explanatory Statement means the explanatory statement accompanying the Notice.

Key Management Personnel has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, of the consolidated entity, directly or indirectly, including any director (whether executive or otherwise) of the Company, or if the Company is part of a consolidated entity, of an entity within the consolidated group.

Listing Rules means the Listing Rules of ASX.

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

October 2022 Placement has the meaning given to that term in section 7 of the Explanatory Statement.

Placement Shares has the meaning given to that term in section 7 of the Explanatory Statement.

Plan means the Resource Base Employee Share Plan.

Proxy Form means the proxy form accompanying the Notice.

Remuneration Report means the remuneration report set out in the Director's report section of the Company's annual financial report for the year ended 30 June 2021.

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

Restricted Voter means Key Management Personnel and their Closely Related Parties as at the date of the Meeting.

Section means a section of the Explanatory Statement.

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

Shareholder means a registered holder of a Share.

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

SCHEDULE 1 – TERMS OF DIRECTOR OPTIONS

The following terms and conditions apply to the Director Options the subject of Resolutions 6 and 7:

(a) **Entitlement**

Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

(b) **Exercise Price**

The amount payable upon exercise of each Option will be A\$0.20 (**Exercise Price**).

(c) **Expiry Date**

Each Option will expire at 5:00 pm (WST) on the date that is five (5) years after issue date (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

(e) **Notice of Exercise**

The Options may be exercised during the Exercise Period 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.

(f) **Exercise Date**

A Notice of Exercise is only effective on and from the later of 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**).

(g) **Timing of issue of Shares on exercise**

Within 15 Business Days after the Exercise Date, the Company will:

- (i) 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;
- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- (iii) 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.

If a notice delivered under (g)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(h) **Shares issued on exercise**

Shares issued on exercise of the Options rank equally with the then issued shares of the Company.

(i) **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 ASX Listing Rules at the time of the reconstruction.

(j) **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.

(k) **Adjustment for rights issue**

In the event the Company proceeds with a pro rata issue (except a bonus issue) of securities to Shareholders after the date of issue of the Options, the Exercise Price will be reduced in accordance with the formula set out in ASX Listing Rule 6.22.2.

(l) **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):

(i) the number of Shares or other securities which must be issued on the exercise of an Option will be increased by the number of Shares or other securities which the Option holder would have received if the Option holder had exercised the Option before the record date for the bonus issue; and

(ii) no change will be made to the Exercise Price.

(m) **Transferability**

The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

(n) **Cashless exercise**

In lieu of paying the aggregate Exercise Price under (b), an Option holder may elect to receive, without payment of cash or other consideration, upon surrender of the applicable portion of exercisable Incentive Options to the Company, a number of Shares determined in accordance with the following formula (a Cashless Exercise):

$$A = [B \times (C - D)] / C$$

where:

A = the number of Shares (rounded down to the nearest whole number) to be issued to the Option holder pursuant to this paragraph (n);

B = the number of Shares otherwise issuable upon the exercise of the Option or portion of the Incentive Options being exercised;

C = the Market Value of one Share determined as of the date of delivery to the Company Secretary of the Notice of Exercise; and

D = the Exercise Price.

For the purposes of this paragraph (n), Market Value means, at any given date, the volume weighted average price per Share traded on the ASX over the five (5) trading days immediately preceding that given date

ANNEXURE A – NOMINATION OF AUDITOR LETTER

1 August 2022

The Directors of Resource Base Limited
Suite 4.01, Level 4,
105 St Georges Terrace
Perth WA 6000

Dear Directors,

Re: Nomination of Auditor

The undersigned being a shareholder of Resource Base Limited hereby nominates BDO Audit Pty Ltd for appointment as auditor of the company at the forthcoming Annual General Meeting.

Yours faithfully,

A handwritten signature in black ink, appearing to read 'A Osborne'.

Ailsa Osborne



RESOURCE BASE

Resource Base Limited
ABN 57 113 385 425

RBXRM

MR RETURN SAMPLE
123 SAMPLE STREET
SAMPLE SUBURB
SAMPLETOWN VIC 3030



Need assistance?



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



Online:
www.investorcentre.com/contact



YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **10:00am (AWST) on Monday, 28 November 2022.**

Proxy Form

How to Vote on Items of Business

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

APPOINTMENT OF PROXY

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

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

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

A proxy need not be a securityholder of the Company.

SIGNING INSTRUCTIONS FOR POSTAL FORMS

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

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

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

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

PARTICIPATING IN THE MEETING

Corporate Representative

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

Lodge your Proxy Form:

XX

Online:

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

Your secure access information is



Control Number: 999999

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.

You may elect to receive meeting-related documents, or request a particular one, in electronic or physical form and may elect not to receive annual reports. To do so, contact Computershare.



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.



IND

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 Resource Base Limited hereby appoint

☐

the Chairman
of the Meeting

OR

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

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Resource Base Limited to be held at Suite 4.01, Level 4, 105 St Georges Terrace, WA 6000 on Wednesday, 30 November 2022 at 10:00am (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, 6 and 7 (except where I/we have indicated a different voting intention in step 2) even though Resolutions 1, 6 and 7 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, 6 and 7 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	Adoption of Remuneration Report	☐	☐	☐	10	Approval to Issue Shares to a related Party under a placement – Mr Brent Palmer	☐	☐	☐
2	Re-election of Director – Mr Paul Hissey	☐	☐	☐	11	Appointment of BDO Audit Pty Ltd as Auditor	☐	☐	☐
3	Election of Ms Ailsa Osborne as Director	☐	☐	☐	12	Approval of 7.1A Mandate	☐	☐	☐
4	Election of Mr Maurice Feilich as Director	☐	☐	☐					
5	Election of Mr Brent Palmer as Director	☐	☐	☐					
6	Approval to issue Options to Director, Mr Maurice Feilich	☐	☐	☐					
7	Approval to issue Options to Director, Mr Brent Palmer	☐	☐	☐					
8	Ratification of prior share issue	☐	☐	☐					
9	Approval to Issue Shares to a related Party under a placement – Mr Maurice Feilich	☐	☐	☐					

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

