

18 October 2021

Dear Shareholder

IMPORTANT INFORMATION REGARDING ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting (**Meeting**) Red Mountain Mining Limited] (ASX:RMX) (**Red Mountain** or the **Company**) will be held as a physical meeting at Suite 2, Level 1/1 Altona Street, West Perth WA 6005, on Thursday, 18 November 2021 at 10:00am (AWST).

The Australian Securities and Investments Commission (**ASIC**) has recently released the *ASIC Corporations (Extension of Time to Hold AGM) Instrument 2021/770 (Instrument)* which extends the time for certain public companies to hold their annual general meetings (**AGMs**) to allow companies to plan and prepare for holding their AGMs in the context of the ongoing COVID-19 pandemic restrictions on gathering and movement. The Instrument complements the modifications to the Corporations Act 2001 made by Parliament in *Treasury Laws Amendment (2021 Measures No. 1) Act 2021*. These amendments came into effect on 14 August 2021 and allow meetings to be convened electronically and held using virtual meeting technology, and for notices of meeting to be sent to recipients by means of an electronic communication or access the document electronically.

Accordingly, the Company is not sending hard copies of the Meeting materials to shareholders. Instead, a copy of the Notice is available on the Company's website at www.redmountainmining.com.au/. If you have elected to receive notices by email, you will be notified by email. If you have not elected to receive notices by email, a copy of your proxy form will be posted to you, together with this Letter.

In order to be able to receive communications electronically from the Company in the future, please update your details online at www.investorcentre.com.

The Company will hold a physical meeting with the appropriate social gathering and physical distancing measures in place to comply with the Federal Government's and State Government's current restrictions on physical gatherings. However, in order to minimise the risk to shareholders and to the Company and its ongoing operations, **Shareholders are encouraged to vote by proxy instead of attending the meeting.**

The situation regarding COVID-19 is evolving rapidly and the Company is following the guidance of the Australian Government. Shareholders are encouraged to monitor the Company's ASX announcements for any further updates in relation to the Meeting.

The Meeting materials are important and should be read in their 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.

Authorised for and on behalf of the Board,



Mauro Piccini,
Company Secretary

RED MOUNTAIN MINING LTD

ACN 119 568 106

NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Meeting will be held at:

TIME: 10:00 am (WST)

DATE: 18 November 2021

PLACE: Altona Street West Perth WA 6005

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 4:00pm (WST) on 16 November 2021.

BUSINESS OF THE MEETING

AGENDA

1. FINANCIAL STATEMENTS AND REPORTS

To receive and consider the annual financial report of the Company for the financial year ended 30 June 2021 together with the declaration of the Directors, the Director's report, the Remuneration Report and the auditor's report.

2. 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 2021."

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.

3. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – JEREMY KING

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

"That, for the purpose of clause 7.3 of the Company's constitution, Listing Rule 14.4 and for all other purposes, Jeremy King, a Director, retires by rotation, and being eligible, is re-elected as a Director."

4. RESOLUTION 3 – 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 Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 40,000,000 Shares on the terms and conditions set out in the Explanatory Statement."

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

5. RESOLUTION 4 – 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 Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 5,500,000 Shares on the terms and conditions set out in the Explanatory Statement."

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

6. RESOLUTION 5 – ISSUE OF OPTIONS TO DIRECTOR – LINCOLN HO

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

"That, for the purposes of Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 333,333 Options to Lincoln Ho (or his nominee) on the terms and conditions set out in the Explanatory Statement."

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

7. RESOLUTION 6 – ISSUE OF OPTIONS TO DIRECTOR – JEREMY KING

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

"That, for the purposes of Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 1,833,333 Shares to Jeremy King (or his nominee) on the terms and conditions set out in the Explanatory Statement."

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

8. RESOLUTION 7 – RATIFICATION OF PRIOR ISSUE OF SHARES AND OPTIONS

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

"That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 65,789,474 Shares and 21,929,825 Options on the terms and conditions set out in the Explanatory Statement."

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

9. RESOLUTION 8 – APPROVAL OF 7.1A MANDATE

To consider and, if thought fit, to pass the following resolution as a **special resolution**:

"That, for the purposes 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 the Explanatory Statement."

Dated: 15 October 2021

By order of the Board



**Mauro Piccini
Company Secretary
Red Mountain Mining Limited**

Voting Prohibition Statement

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.
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Voting Exclusion Statements

In accordance with Listing Rule 14.11, the Company will disregard any votes cast in favour of the resolution set out below by or on behalf of the following persons:

Resolution 3 – Ratification of prior issue of Shares	A person who participated in the issue or is a counterparty to the agreement being approved (namely a recipient of January Placement Shares or an associate of that person or those persons.
Resolution 4 – Ratification of prior issue of Shares	A person who participated in the issue or is a counterparty to the agreement being approved (namely S3 Consortium Pty Ltd) or an associate of that person or those persons.
Resolution 5 – Issue of Options to a Director – Mr Lincoln Ho	Mr Lincoln Ho (or his nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons.
Resolution 6 – Issue of Options to a Director – Mr Jeremy King	Mr Jeremy King (or his nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons.
Resolution 7 – Ratification of prior issue of Shares and Options	A person who participated in the issue or is a counterparty to the agreement being approved (namely a recipient of Conversion Securities (as defined in Section 6.1)) or an associate of that person or those persons.

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

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

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 two (2) or more votes may appoint two (2) proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints two (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.

Shareholders and their proxies should be aware that:

- if proxy holders vote, they must cast all directed proxies as directed; and
- any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

Voting in person

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

You may still attend the meeting and vote in person even if you have lodged appointed a proxy. If you have previously submitted a Proxy Form, your attendance will not revoke your proxy appointment unless you actually vote at the meeting for which the proxy is proposed to be used, in which case, the proxy's appointment is deemed to be revoked with respect to voting on that resolution.

Please bring your personalised Proxy Form with you as it will help you to register your attendance at the meeting. If you do not bring your Proxy Form with you, you can still attend the meeting but representatives from [insert share registry] will need to verify your identity. You can register from [insert time] on the day of 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 6559 1792.

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 2021 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 <https://www.redmountainmining.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 – JEREMY KING

2.1 General

Listing Rule 14.4 and clause 7.3 of the Constitution provide that, other than a managing director, a director of an entity must not hold office (without re-election) past the third annual general meeting following the director's appointment or 3 years, whichever is the longer. However, where there is more than one managing director, only one is entitled to be exempt from this rotation requirement.

Jeremy King, who has served as a Director since 1 December 2016 and was last re-elected on 6 November 2018, retires by rotation and seeks re-election.

2.2 Qualifications and other material directorships

Jeremy King is a corporate advisor with over 15 years' experience in domestic and international legal, financial and corporate matters. He spent several years in London where he worked with Allen & Overy LLP and Debevoise & Plimpton LLP and has extensive corporate experience, particularly in relation to cross-border private equity, leveraged buy-out acquisitions and acting for banks, financial institutions and corporate issuers in respect of various debt and equity capital raisings.

Mr King regularly advises ASX listed companies on a range of corporate matters and currently serves as non-executive director of Burgundy Diamond Mines Limited (ASX: BDM), Smart Parking Limited (ASX: SPZ) and Transcendence Technologies Limited (ASX: TTL)

2.3 Independence

If re-elected the Board considers Jeremy King will be an independent Director.

2.4 Board recommendation

The Board has reviewed Jeremy King's performance since his appointment to the Board and considers that Jeremy King's skills and experience will continue to enhance the Board's ability to perform its role. Accordingly, the Board supports the re-election of Jeremy King and recommends that Shareholders vote in favour of Resolution 2.

3. RESOLUTION 3 – RATIFICATION OF PRIOR ISSUE OF SHARES

3.1 General

As announced on 20 January 2021, the Company received firm commitments for a placement of 40,000,000 shares at a price of A\$0.01 per share to professional and sophisticated investors to raise \$400,000 (before costs) (**January Placement**).

It is noted that the January Placement was in addition to the \$360,000 raised by the Company (refer announcement dated 28 October 2020) following the

Company seeking and receiving shareholder approval at its 2020 annual general meeting.

Following receipt of firm commitments for the January Placement, on 28 January 2021, the Company issued 40,000,000 Shares at an issue price of \$0.010 per Share to raise \$400,000 (**January Placement Shares**).

The Company engaged the services of Xcel Capital (ACN 617 047 319) (**Xcel**), (AFSL No. 51738), to manage the issue of the January Placement Shares. The Company has paid Xcel a fee of 6% of the amount raised under the issue of the January Placement Shares.

3.2 Listing Rules 7.1 and 7.1A

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12-month period to 15% of the fully paid ordinary shares it had on issue at the start of that period. Under Listing Rule 7.1A, an eligible entity can seek approval from its members, by way of a special resolution passed at its annual general meeting, to increase this 15% limit by an extra 10% to 25%.

The Company obtained approval to increase its limit to 25% at its annual general meeting held on 30 November 2020.

The issue of the January Placement Shares does not fit within any of the exceptions set out in Listing Rule 7.2 and, as it has not yet been approved by Shareholders, it 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 January Placement Shares.

3.3 Listing Rule 7.4

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

The Company wishes to retain as much flexibility as possible to issue additional equity securities in the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1. Accordingly, the Company is seeking Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the January Placement Shares.

Resolution 3 seeks Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the January Placement Shares.

3.4 Technical information required by Listing Rule 14.1A

If Resolution 3 is passed, the January Placement Shares will be excluded in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, 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 January Placement Shares.

If Resolution 3 is not passed, the January Placement Shares will be included in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A,

decreasing the number of equity securities that the Company can issue without Shareholder approval over the 12-month period following the date of issue of the January Placement Shares.

3.5 Technical information required by Listing Rule 7.5

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to Resolution 3:

- (a) the January Placement Shares were issued to professional and sophisticated investors who are clients of Xcel. The recipients were identified through a bookbuild process, which involved Xcel seeking expressions of interest to participate in the capital raising from non-related parties of the Company.
- (b) in accordance with paragraph 7.4 of ASX Guidance Note 21, the Company confirms that none of the recipients were:
 - (i) related parties of the Company, members of the Company's Key Management Personnel, substantial holders of the Company, advisers of the Company or an associate of any of these parties; and
 - (ii) issued more than 1% of the issued capital of the Company;
- (c) 40,000,000 January Placement Shares were issued, and the January 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) the January Placement Shares were issued on 28 January 2021;
- (e) the issue price was \$0.01 per Placement Shares. The Company has not and will not receive any other consideration for the issue of the January Placement Shares;
- (f) the purpose of the issue of the January Placement Shares was to raise \$400,000, which was applied towards the work programme at Mt Maitland (Phase II drilling programme), Mt Mansbridge, Koonenberry, Mukabi Kasiri, assessment and due diligence in respect of new mineral assets, general working capital and costs of the offer; and
- (g) the January Placement Shares were not issued under an agreement.

4. RESOLUTION 4 – RATIFICATION OF PRIOR ISSUE OF SHARES

4.1 Background

On 26 October 2020, the Company and S3 Consortium Pty Ltd (ACN 135 239 968) (**S3 Consortium**) entered into a services agreement (**S3 Consortium Services Agreement**), pursuant to which S3 Consortium agreed to provide to the Company digital marketing and sponsored content services.

A summary of the S3 Consortium Services Agreement is set out in Schedule 1.

Pursuant to the S3 Consortium Services Agreement, on 3 June 2021, the Company issued 5,500,000 Shares at a deemed issue price of \$0.015 per Share to S3

Consortium in consideration for the services provided by S3 Consortium pursuant to S3 Consortium Services Agreement (**S3 Shares**).

4.2 Listing Rules 7.1 and 7.4

As summarised in Section 3.2 above, 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 12-month period.

The issue of the S3 Shares does not fit within any of the exceptions set out in Listing Rule 7.2 and, as it has not yet been approved by Shareholders, it 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 S3 Shares.

A summary of Listing Rule 7.4 is set out at Section 3.3 above. Resolution 4 seeks Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the S3 Shares.

4.3 Technical information required by Listing Rule 14.1A

If Resolution 4 is passed, the S3 Shares will be excluded in calculating the Company's 15% capacity limit in Listing Rule 7.1, 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 S3 Shares.

If Resolution 4 is not passed, the S3 Shares will continue to be included in calculating the Company's 15% capacity limit in Listing Rule 7.1, decreasing the number of equity securities that the Company can issue without Shareholder approval over the 12-month period following the date of issue of the S3 Shares.

4.4 Technical information required by Listing Rule 7.5

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to Resolution 4:

- (a) the S3 Shares were issued to S3 Consortium Pty Ltd (ACN 135 239 968) (**S3 Consortium**);
- (b) in accordance with paragraph 7.4 of ASX Guidance Note 21, the Company confirms that none of the recipients were:
 - (i) related parties of the Company, members of the Company's Key Management Personnel, substantial holders of the Company, advisers of the Company or an associate of any of these parties; and
 - (ii) issued more than 1% of the issued capital of the Company;
- (c) 5,500,000 S3 Shares were issued and the S3 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) the S3 Shares were issued on 3 June 2021;
- (e) the S3 Shares were issued at a nil issue price, however the Company attached a deemed issue price of \$0.015 per S3 Share. The Company has not and will not receive any consideration for the issue of the S3 Shares

other than the services being provided to the Company by S3 Consortium;

- (f) the purpose of the issue of the S3 Shares was to satisfy the Company's obligations under the S3 Consortium Marketing Agreement, in consideration for the services provided to the Company by S3 Consortium; and
- (g) the S3 Shares were issued to S3 Consortium under the S3 Consortium Marketing Agreement. A summary of the material terms of the Investor Awareness and Marketing Agreement is set out in Schedule 1.

5. RESOLUTION 5 AND 6 – ISSUE OF OPTIONS TO DIRECTORS – JEREMY KING AND LINCOLN HO

5.1 Background

As initially announced on 8 June 2021, the Company's previously issued "RMXOI" class of quoted options expired on 14 July 2021. To incentivise holders of these options, the Company offered each holder of an RMXOI option the chance to receive one (1) new bonus option exercisable at \$0.011 on or before 2 October 2022 (**Bonus Options**), for every three (3) RMXOI options that the holders elected to exercise and convert into Shares prior to their expiry (**Bonus Option Offer**).

The Bonus Option Offer was made to all holders of RMXOI options.

On 19 July 2021, the Company announced that it has received exercise notices and received funds on the exercise of 98,989,196 RMXOI options, and accordingly the Bonus Option Offer would consist of the issue of 32,996,399 new Bonus Options.

On 2 September 2021, the Company lodged with ASIC and the ASX a prospectus with respect to the Bonus Option Offer. This prospectus contained two (2) separate offers, as follows:

- (a) up to 30,826,733 Bonus Options to unrelated parties to the Company; and
- (b) a conditional offer of 2,166,666 Bonus Options to Messrs Lincoln Ho and Jeremy King, who are both Directors (**Director Offer**).

The Director Offer is subject to and conditional upon the receipt of approval of Shareholders at the Meeting. The Director Offer will be conducted on the same terms and conditions as the Bonus Options to be issued to unrelated parties in the Bonus Option Offer.

It is noted that a term of the Bonus Option Offer (and therefore of the Director Offer) is that the Company will apply for quotation on ASX of the entire class of these Bonus Options.

The issue of Bonus Options to unrelated parties does not require Shareholder Approval, however the Listing Rules require that Shareholder Approval is received before any issue of equity securities to a related party of the Company.

Accordingly, Resolutions 5 and 6 seek Shareholder approval for the issue of an aggregate 2,166,666 Bonus Options to Mr King and Mr Ho (or their nominees), as a result of these gentlemen participating in the Bonus Option Offer.

5.2 Chapter 2E of the Corporations Act

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

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

The Director Offer will result in the issue of Bonus Options which constitutes giving a financial benefit and Mr King and Mr Ho are related parties of the Company by virtue of being Directors.

The Directors (other than Mr Ho who has a material personal interest in Resolution 5) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of Mr Ho's participation in the Director Offer because the Bonus Options to be issued to Mr Ho (or his nominee) are to be issued to Mr Ho on the same terms and conditions as all other Bonus Options issued to non-related party participants in the Bonus Option Offer and as such the giving of the financial benefit is on arm's length terms.

The Directors (other than Mr King who has a material personal interest in Resolution 6) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of Mr King's participation in the Director Offer because the Bonus Options to be issued to Mr King (or his nominee) are to be issued to Mr King on the same terms and conditions as all other Bonus Options issued to non-related party participants in the Bonus Option Offer and as such the giving of the financial benefit is on arm's length terms.

5.3 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:

- 10.11.1 a related party;
- 10.11.2 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;
- 10.11.3 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;
- 10.11.4 an associate of a person referred to in Listing Rules 10.11.1 to 10.11.3; or
- 10.11.5 a person whose relationship with the company or a person referred to in Listing Rules 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 it obtains the approval of its shareholders.

The issue of Bonus Options under the Director Offer falls within Listing Rule 10.11.1 and does not fall within any of the exceptions in Listing Rule 10.12. It therefore requires the approval of Shareholders under Listing Rule 10.11. Resolutions 5 and 6 seek Shareholder approval for the Director Offer under and for the purposes of Listing Rule 10.11.

5.4 Technical information required by Listing Rule 14.1A

If Resolutions 5 and 6 are passed, the Company will be able to proceed with the issue of the Bonus Options under the Director Offer within one (1) month after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules). As approval pursuant to Listing Rule 7.1 is not required for the issue of the Bonus Options in respect of the Director Offer (because approval is being obtained under Listing Rule 10.11), the issue of the Bonus Options will not use up any of the Company's 15% annual placement capacity.

If Resolutions 5 and 6 are not passed, the Company will not be able to proceed with the issue of the Options to the Directors under the Director Offer.

5.5 Technical 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 Resolutions 5 and 6:

- (a) these Bonus Options will be issued to Mr Jeremy King and Mr Lincoln Ho (or their nominees), who fall within the category set out in Listing Rule 10.11.1, as Messrs King and Ho are related parties of the Company by virtue of being Directors;
- (b) the maximum number of Bonus Options to be issued to Mr King and Mr Ho (or their nominees) is 2,166,666, as follows:
 - (i) Mr Jeremy King: 1,833,333; and
 - (ii) Mr Lincoln Ho: 333,333;
- (c) the Bonus Options issued will be unlisted Options exercisable at \$0.011 on or before 2 October 2022, however it is intended that the Company will apply for quotation on ASX of the entire class of these Options following their issue;
- (d) the terms and conditions of the Bonus Options are set out in Schedule 2;
- (e) the Bonus Options will be issued no later than one (1) month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is anticipated the Options will be issued on the same date;
- (f) the Company will not receive any other consideration for the issue of the Options, as these Bonus Options are being issued as bonus options to all parties who exercised their holdings of Company's RMXOI options (which have now expired);
- (g) the purpose of the issue of Bonus Options under the Bonus Option Offer (and therefore the Director Offer) was to reward all eligible parties for their continued support of the Company and to provide the Company with a potential source of additional capital if the Bonus Options are exercised

in the future. No funds will be raised directly under the Bonus Option Offer as the Bonus Options are being issued for nil consideration;

- (h) the Bonus Options to be issued under the Director Offer are not intended to remunerate or incentivise the Directors (as they are being issued to these persons on the same terms and conditions of all other Bonus Options to be issued under the Bonus Option Offer);
- (i) the Bonus Options being issued under the Director Offer are not being issued under an agreement; and
- (j) a voting exclusion statements is included in Resolutions 5 and 6 of the Notice.

6. RESOLUTION 7 – RATIFICATION OF PRIOR ISSUE OF SHARES AND OPTIONS

6.1 Background

As announced on 9 August 2021, the Company raised \$500,000 through the issue of 65,789,474 Shares at an issue price of \$0.0076 per Share together with one (1) free attaching listed Option for every three (3) Shares issued to noteholders on the conversion of Convertible Notes (**Convertible Note Scheme**).

On 9 August 2021, the Company issued the Shares and Options the subject of the Convertible Note Scheme (**Conversion Securities**) to professional and sophisticated investors who participated in the Convertible Note Scheme.

The Company engaged the services of Xcel Capital (ACN 617 047 319) (**Xcel**), (AFSL No. 51738), to manage the issue of the Convertible Note Scheme. The Company has paid Xcel a management fee of \$10,000 and 6% of the amount raised under the Convertible Note Scheme.

The key terms and conditions of the Convertible Note Scheme, as announced by the Company on 3 June 2021, are as follows:

- (a) **Interest Rate:** 12% per annum. Payable quarterly in cash or shares at the Company's election.
- (b) **Conversion:** Each Convertible Note is convertible into fully paid ordinary shares in the capital of the Company at a 20% discount to the 5 day VWAP. The Noteholders may elect to convert their notes at any time. Should the Company not have placement capacity at the time of conversion, it undertakes to call a shareholder meeting to approve the conversion.
- (c) **Security:** The Convertible Notes are unsecured.
- (d) **Maturity Date:** 24 months from date of issue – any noted unconverted at the Maturity Date shall automatically convert to shares.
- (e) **Attaching Options:** 1 attaching option issued for every 3 Convertible Notes converted to shares.

6.2 Listing Rules 7.1, 7.1A and 7.4

As summarised in Section 3.2 above, 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 12-month period. Under Listing Rule 7.1A, an eligible entity can seek approval from its members, by way of a special resolution passed at its annual general meeting, to increase this 15% limit by an extra 10% to 25%.

The Company obtained approval to increase its limit to 25% at the annual general meeting held on 30 November 2020.

The issue of the Conversion Securities does not fit within any of the exceptions set out in Listing Rule 7.2 and, as it has not yet been approved by Shareholders, it 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 Capital Raising Securities.

A summary of Listing Rule 7.4 is set out at Section 3.3 above. The Company is seeking Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Conversion Securities.

Resolution 7 seeks Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Conversion Securities.

6.3 Technical information required by Listing Rule 14.1A

If Resolution 7 is passed, the Conversion Securities will be excluded in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, 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 Conversion Securities.

If Resolution 7 is not passed, the Conversion Securities will continue to be included in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, decreasing the number of equity securities that the Company can issue without Shareholder approval over the 12-month period following the date of issue of the Conversion Securities.

6.4 Technical information required by Listing Rule 7.4

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to Resolution 7:

- (a) the Conversion Securities were issued to professional and sophisticated investors who are clients of Xcel. The recipients were identified through a bookbuild process, which involved Xcel seeking expressions of interest to participate in the capital raising from non-related parties of the Company.
- (b) in accordance with paragraph 7.4 of ASX Guidance Note 21, the Company confirms there were three (3) recipients of Conversion Securities who were:
 - (i) related parties of the Company, members of the Company's Key Management Personnel, substantial holders of the Company, advisers of the Company or an associate of any of these parties; and
 - (ii) issued more than 1% of the issued capital of the Company, as follows:

- (A) Kalcon Investments Pty Ltd (ACN 165 776 965), an entity associated with Edwin Bulseco, who is a director and shareholder of Xcel;
 - (B) Nightfall Pty Ltd (ACN 161 954 070), an entity associated with Steve Tomsic, who is a director and shareholder of Xcel; and
 - (C) Kingston Nominees Pty Ltd (ACN 627 626 822) an entity associated with each of Edwin Bulseco and Steve Tomsic, who are both directors and shareholders of Xcel;
- (c) the Conversion Securities comprised 65,789,474 Shares and 21,929,825 listed Options;
 - (d) the Shares issued to participants in the Convertible Note Scheme 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;
 - (e) the Options issued to participants in the Convertible Note Scheme were issued on the terms and conditions set out in Schedule 2;
 - (f) the Conversion Securities were issued on 9 August 2021;
 - (g) the issue price per Share was \$0.0076 and the issue price of the Options was nil as they were issued free attaching with the Shares on a one (1) for three (3) basis. The Company has not and will not receive any other consideration for the issue of the Conversion Securities (other than in respect of funds received on exercise of the Options);
 - (h) the purpose of the issue of the Conversion Securities was to raise \$500,000, which will be applied towards progressing the Company's exploration activities across its project in Western Australia and NSW and for a top up of its general working capital; and
 - (i) the Conversion Securities were not issued under an agreement, however the material terms of the Convertible Note Scheme are summarised in Section 6.1 above.

7. RESOLUTION 8 – APPROVAL OF 7.1A MANDATE

7.1 General

As set out in Section 3.2 above, 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 which is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300,000,000 or less. The Company is an eligible entity for these purposes.

Resolution 8 seeks Shareholder approval by way of special resolution for the Company to have the additional 10% placement capacity provided for in Listing Rule 7.1A to issue Equity Securities without Shareholder approval.

If Resolution 8 is passed, the Company will be able to issue Equity Securities up to the combined 25% limit in Listing Rules 7.1 and 7.1A without any further Shareholder approval.

If Resolution 8 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.

7.2 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 8:

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

The 7.1A Mandate will commence on the date of the Meeting and expire on the first to occur of the following:

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

(b) Minimum price

Any Equity Securities issued under the 7.1A Mandate must be in an existing quoted class of Equity Securities and 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 in Section 7.2(b)(i), the date on which the Equity Securities are issued.

(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 following purposes:

- (i) acquisition of new assets or investments (including expenses associated with such acquisition);

- (ii) continued exploration and expenditure on the Company's current assets;
- (iii) the development of the Company's current business; and
- (iv) general working capital.

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

Any issue of Equity Securities under the 7.1A Mandate will dilute the interests of Shareholders who do not receive any Shares under the issue.

If Resolution 8 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 or proposed to be issued as of 28 September 2021.

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.

			Dilution		
Number of Shares on Issue (Variable A in Listing Rule 7.1A.2)		Shares issued – 10% voting dilution	Issue Price		
			\$0.005	\$0.0095	\$0.014
			50% decrease	Issue Price	50% increase
			Funds Raised		
Current	1,256,822,489 Shares	125,682,249 Shares	\$628,411	\$1,193,981	\$1,759,551
50% increase	1,885,233,734 Shares	188,523,373 Shares	\$942,616	\$1,790,972	\$2,639,327
100% increase	2,513,644,978 Shares	251,364,498 Shares	\$1,256,822	\$2,387,962	\$3,519,102

*The number of Shares on issue (Variable A in the formula) could increase as a result of the issue of Shares that do not require Shareholder approval (such as under a pro-rata rights issue or scrip issued under a takeover offer) or that are issued with Shareholder approval under Listing Rule 7.1.

The table above uses the following assumptions:

1. There are currently 1,256,822,489 Shares on issue.
2. The issue price set out above is the closing market price of the Shares on the ASX on 28 September 2021 being \$0.0095.
3. The Company issues the maximum possible number of Equity Securities 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 consists only of Shares. It is assumed that no Options are exercised into Shares before the date of issue of the Equity Securities. If the issue of Equity Securities includes quoted Options, it is assumed that those quoted Options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.
6. The calculations above do not show the dilution that any one particular Shareholder will be subject to. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.
7. This table does not set out any dilution pursuant to approvals under Listing Rule 7.1 unless otherwise disclosed.
8. 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%.
9. 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.

Shareholders should note that there is a risk that:

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

(e) **Allocation policy under the 7.1A Mandate**

The recipients of the Equity Securities to be issued under the 7.1A Mandate have not yet been determined. However, the recipients of Equity Securities could consist of current Shareholders or new investors (or both), none of whom will be related parties of the Company.

The Company will determine the recipients at the time of the issue under the 7.1A Mandate, having regard to the following factors:

- (i) the purpose of the issue;
- (ii) alternative methods for raising funds available to the Company at that time, including, but not limited to, an entitlement issue, share purchase plan, placement or other offer where 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 position and solvency of the Company;
- (v) prevailing market conditions; and
- (vi) advice from corporate, financial and broking advisers (if applicable).

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

The Company previously obtained approval from its Shareholders pursuant to Listing Rule 7.1A at its annual general meeting held on 30 November 2020 (**Previous Approval**).

During the 12-month period preceding the date of the Meeting, being on and from 4 November 2020, the Company issued 42,857,143 Shares pursuant to the Previous Approval (**Previous Issue**), which represent approximately 3.79% of the total diluted number of Equity Securities on issue in the Company on 4 November 2020, which was 1,131,322,489.

Further details of the issues of Equity Securities by the Company pursuant to Listing Rule 7.1A.2 during the 12-month period preceding the date of the Meeting are set out below.

The following information is provided in accordance with Listing Rule 7.3A.6(b) in respect of the Previous Issue:

Date of Issue and Appendix 2A	Date of Issue: 3 June 2021 Date of Appendix 2A: 18 August 2021
Recipients	Professional and sophisticated investors as part of a convertible note placement announced on 3 June 2021. The placement participants were identified through a bookbuild process, which involved Xcel seeking expressions of interest to participate in the placement from non-related parties of the Company.
Number and Class of Equity Securities Issued	42,857,143 Shares ² issued on conversion of convertible notes.
Issue Price and discount to Market Price¹ (if any)	\$0.007 per Share (at a discount 20% to Market Price).
Total Cash Consideration and Use of Funds	Amount raised: \$300,000 Amount spent: \$100,000 Use of funds: Explore the Mt Mansbridge heavy rare earths project including the Cobalt and Nickel prospect, exploration on RMX's other existing asset portfolio and ongoing working capital. Amount remaining: \$200,000 Proposed use of remaining funds⁴: Mt Mansbridge heavy rare earths project and ongoing working capital.

Notes:

1. Market Price means the closing price of Shares on ASX (excluding special crossings, overnight sales and exchange traded option exercises). For the purposes of this table the discount is calculated on the Market Price on the last trading day on which a sale was recorded prior to the date of issue of the relevant Equity Securities.
2. Fully paid ordinary shares in the capital of the Company, ASX Code: [insert date] (terms are set out in the Constitution).
3. This is a statement of current intentions as at the date of this Notice. As with any budget, intervening events and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way the funds are applied on this basis.

7.3 Voting Exclusion Statement

As at the date of this Notice, the Company is not proposing to make an issue of Equity Securities under Listing Rule 7.1A. Accordingly, a voting exclusion statement is not included in this Notice.

GLOSSARY

\$ means Australian dollars.

7.1A Mandate has the meaning given in Section 7.1.

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 Red Mountain Mining Ltd (ACN 119 568 106).

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

Directors means the current directors of the Company.

Equity Securities includes a Share, a right to a Share or Option, an Option, a convertible security and any security that ASX decides to classify as an Equity Security.

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.

Option means an option to acquire a Share.

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.

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 – SUMMARY OF S3 CONSORTIUM PTY LTD SERVICES AGREEMENT

On 26 October 2020, the Company and S3 Consortium Pty Ltd (ACN 135 239 968) (**S3 Consortium**) entered into a services agreement (**S3 Consortium Services Agreement**), pursuant to which S3 Consortium agreed to provide to the Company digital marketing and sponsored content services (**Services**).

The material terms and conditions of the S3 Consortium Services Agreement are as follows:

Services	The Company has engaged S3 Consortium to provide consulting services regarding digital marketing and sponsored content.
Term	(a) The Agreement commenced on 26 October 2020 for a term of 2 months. The agreement shall terminate 3 calendar months after the end of the 2-month contract period, irrespective of whether all Services have been completed. (b) Where the Services have not been delivered within the 2-month contract period due to the Company not having or providing news flow or not approving such articles as have been prepared by the Company, the Company may extend the contract delivery date by up to three months maximum to allow for fulfilment of the agreement.
Remuneration	In exchange for the services provided, the Company agreed to pay to S3 Consortium \$82,500 (contract value plus GST) to be paid via the issue by the Company of Shares to S3 Consortium. The number of Shares to be issued was based on a consideration price of the Company's 10-day VWAP calculated from 26 October 2020 (being \$0.015).
Intellectual Property	(a) The Company grants to the S3 Consortium a royalty free licence to use and publish the Company's intellectual property for the purposes of performing the Services. (b) All intellectual property created by S3 Consortium in the provision of the Services belongs absolutely to and vests on creation in S3 Consortium. (c) For this purpose, "intellectual property includes: (i) all registered trademarks owned or used under licence agreement from time to time; (ii) all copyrights, other registered or unregistered trademarks or services marks, trade names, brand names, indications of source or appellations of origin, registered designs or commercial names or designations; (iii) all patents registered or unregistered; (iv) any other rights which result from the intellectual activity in the industrial, commercial or agricultural fields and whether dealing with manufactured or natural products; and (v) any invention, discovery, trade secret, recipe, know-how, computer software, confidential, scientific, technical or product information.

Termination

The agreement may be terminated by either party:

- (a) in the event that the other party is in default of a term of this Agreement and that party fails to remedy the default within 14 days of being given notice of the alleged default; or
- (b) immediately if the other party is declared bankrupt, suffers an insolvency event or enters into a deed of arrangement with its creditors; or
- (c) by giving not less than 45 days written notice of termination.

If the agreement is terminated prior to completion of provision of the Services, the S3 Consortium shall be entitled on a pro-rata basis for payment for so much of the Services as shall have been completed at the date of termination together with any costs or third-party expenses reasonably incurred by the S3 Consortium in anticipation of completion of the Services.

The S3 Consortium Services Agreement otherwise contains provisions considered standard for an agreement of its nature.

SCHEDULE 2 – TERMS AND CONDITIONS OF OPTIONS

(a) **Entitlement**

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

(b) **Exercise Price**

Subject to paragraph (i), the amount payable upon exercise of each Option will be \$0.011 (**Exercise Price**).

(c) **Expiry Date**

Each Option will expire at 5:00 pm (WST) on 2 October 2022 (**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 five 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 a holder of an Option 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) **Change in exercise price**

An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

(l) **Transferability**

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



Red Mountain Mining Limited
ABN 40 119 568 106

RMX

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

Need assistance?



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



Online:
www.investorcentre.com/contact



YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **10:00am (AWST) on Tuesday, 16 November 2021**.

Proxy Form

How to Vote on Items of Business

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

APPOINTMENT OF PROXY

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

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

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

A proxy need not be a securityholder of the Company.

SIGNING INSTRUCTIONS FOR POSTAL FORMS

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

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

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

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

PARTICIPATING IN THE MEETING

Corporate Representative

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

Lodge your Proxy Form:

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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 Red Mountain Mining 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 Red Mountain Mining Limited to be held at Mirador Corporate Offices, Suite 2, Level 1, 1 Altona Street, West Perth, WA 6005 on Thursday, 18 November 2021 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, 5 and 6 (except where I/we have indicated a different voting intention in step 2) even though Resolutions 1, 5 and 6 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, 5 and 6 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
Resolution 1 Adoption of Remuneration Report	☐	☐	☐
Resolution 2 Re-election of Director – Jeremy King	☐	☐	☐
Resolution 3 Ratification of Prior Issue of Shares	☐	☐	☐
Resolution 4 Ratification of Prior Issue of Shares	☐	☐	☐
Resolution 5 Issue of Options to Director – Lincoln Ho	☐	☐	☐
Resolution 6 Issue of Options to Director – Jeremy King	☐	☐	☐
Resolution 7 Ratification of Prior Issue of Shares and Options	☐	☐	☐
Resolution 8 Approval of 7.1A Mandate	☐	☐	☐

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

RMX

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