



Pelican Resources Limited

ABN 12 063 388 821

(to be renamed Sunshine Gold Limited)

NOTICE OF ANNUAL GENERAL MEETING AND EXPLANATORY MEMORANDUM TO SHAREHOLDERS

Date of Meeting

26 October 2020

Time of Meeting

2.00pm (WST)

Place of Meeting

Wandoo Room, Holiday Inn, 778 – 788 Hay Street, Perth, Western Australia

A Proxy Form is enclosed

Please read this Notice and Explanatory Memorandum carefully.

If you are unable to attend the Annual General Meeting please complete and return the enclosed Proxy Form in accordance with the specified directions.

Pelican Resources Limited

ABN 12 063 388 821

NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Annual General Meeting of Shareholders of Pelican Resources Limited ABN 12 063 388 821 will be held at Wandoor Room, Holiday Inn, 778 – 788 Hay Street, Perth, Western Australia on 26 October 2020 at 2.00pm (WST) for the purpose of transacting the following business referred to in this Notice of Annual General Meeting.

AGENDA

Financial Reports

To receive and consider the financial report of the Company for the year ended 30 June 2020, together with the Directors' Report and the Auditor's Report as set out in the Annual Report.

1 Resolution 1 – Non Binding Resolution to adopt Remuneration Report

To consider and, if thought fit, pass the following resolution as a **non-binding resolution**:

"That the Remuneration Report for the year ended 30 June 2020 as set out in the Annual Report be adopted."

Note: The vote on this Resolution is advisory only and does not bind the Directors or the Company. Shareholders are encouraged to read the Explanatory Memorandum for further details on the consequences of voting on this Resolution.

Voting exclusion statement: The Company will disregard any votes cast on the Resolution by or on behalf of a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report, or their Closely Related Parties. However, the Company need not disregard a vote if:

- (a) it is cast by a person as a proxy appointed by writing that specifies how the proxy is to vote on the proposed Resolution **or** the proxy is the Chair of the Meeting and the appointment of the Chair as proxy does not specify the way the proxy is to vote on the resolution and expressly authorises the Chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel; and
- (b) it is not cast on behalf of a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report, or their Closely Related Parties.

Further, a Restricted Voter who is appointed as a proxy will not vote on the Resolution unless:

- (a) the appointment specifies the way the proxy is to vote on the Resolution; or
- (b) the proxy is the Chair of the Meeting and the appointment expressly authorises the Chair to exercise the proxy even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel. Shareholders should note that the Chair intends to vote any undirected proxies in favour of the Resolution.

If any of the persons named above purport to cast a vote other than as permitted above, that vote will be disregarded by the Company (as indicated above) and those persons may be liable for breaching the voting restrictions that apply to them under the Corporations Act.

2 Resolution 2 – Re-election of Mr Alec Pismiris as a Director

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

"That, Mr Alec Pismiris, who retires in accordance with clause 13.2 of the Constitution and, being eligible for re-election, be re-elected as a Director."

3 Resolution 3 – Approval of the Acquisition

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

“That, subject to each of the other Essential Resolutions being passed or the inter-conditionality of the other Essential Resolutions being waived by the Board, for the purposes of Listing Rule 11.1.2 and for all other purposes, Shareholders approve the significant change to the nature and scale of the Company’s activities resulting from the Acquisition on the terms and conditions set out in the Explanatory Memorandum.”

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

- (a) a counterparty to the Acquisition that, of itself or together with one or more other transactions, will result in a significant change to the scale of the Company’s activities; and
- (b) any other person who will obtain a material benefit as a result of the Acquisition (except a benefit solely by reason of being a Shareholder).

4 Resolution 4 – Consolidation of Capital

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

“That, subject to each of the other Essential Resolutions being passed or the inter-conditionality of the other Essential Resolutions being waived by the Board, for the purposes of Section 254H of the Corporations Act and the Constitution and for all other purposes, with effect from the passing of the Resolution, approval is given for the Company to consolidate its issued capital on the basis that:

- (a) *the then issued capital of the Company be consolidated on the basis that every 8 Shares be consolidated into 5 Shares (**Consolidation**); and*
- (b) *where the number of Shares held by a member of the Company as a result of the Consolidation includes any fraction of a Share, that fraction be cancelled and extinguished.”*

5 Resolution 5 – Change of Company name

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

“That, subject to the passing of Resolution 3, for the purposes of section 157(1)(a) of the Corporations Act and for all other purposes, the name of the Company be changed from “Pelican Resources Limited” to “Sunshine Gold Limited” and that, for the purposes of section 136(2) of the Corporations Act and all other purposes, all references to “Pelican Resources Limited” in the Constitution be replaced by references to “Sunshine Gold Limited”.

6 Resolution 6 – Proposed Issue of Consideration Shares, Consideration Options and Deferred Shares to Vendors

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

“That, subject to each of the other Essential Resolutions being passed or the inter-conditionality of the other Essential Resolutions being waived by the Board, for the purposes of Listing Rule 7.1 and all other purposes, Shareholders approve the issue of:

- (a) *88,000,000 Shares at a deemed issue price of \$0.02 per Share (**Consideration Shares**); and*

- (b) 40,000,000 Options for no consideration, with each Option having an exercise price of \$0.03 and an expiry date of 30 September 2025 (**Consideration Options**),

on completion of the Acquisition; and:

- (c) 50,000,000 Shares at a deemed issue price of \$0.02 per Share on the Company announcing to ASX within 3 years of completion of the Acquisition that it has a JORC 2012 compliant inferred resource of 100,000 ounces of gold or gold equivalent at a minimum 1 gram per tonne cut off on Tenements owned or being acquired or applied for by XXXX Gold at the time of completion of the Acquisition; and
- (d) 50,000,000 Shares at a deemed issue price of \$0.02 per Share on the Company announcing to ASX within 3 years of completion of the Acquisition that it has a JORC 2012 compliant inferred resource of no less than 200,000 ounces of gold or gold equivalent at a minimum 1 gram per tonne cut off on the Tenements owned or being acquired or applied for by XXXX Gold at the time of completion of the Acquisition,

(**Deferred Shares**),

(on a post-Consolidation basis) to the Vendors as consideration for the acquisition of the issued capital of XXXX Gold (**Acquisition**) on the terms and conditions set out in the Explanatory Memorandum (including Annexure C of the Explanatory Memorandum)."

Voting exclusion statement: The Company will disregard any votes cast in favour of the Resolution by or on behalf of:	
(a)	a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company);
(b)	the person who is to receive the securities in question 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)
(c)	an Associate of those persons.
However, this does not apply to a vote cast in favour of the Resolution 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 of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the 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.

7 Resolution 7 – Proposed Issue of Shares under the Broker Offer

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

"That, subject to each of the other Essential Resolutions being passed or the inter-conditionality of the other Essential Resolutions being waived by the Board, for the purposes of Listing Rule 7.1 and all other purposes, Shareholders approve the issue of 37,500,000 Shares at an issue price of \$0.02 per Share (on a post-Consolidation basis) on the terms and conditions set out in the Explanatory Memorandum."

Voting exclusion statement: The Company will disregard any votes cast in favour of the Resolution by or on behalf of:	
(a)	a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company); or
(c)	an Associate of that person.
However, this does not apply to a vote cast in favour of the Resolution 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 of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the 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.

8 Resolution 8 – Proposed Issue of Underwriter Options to Underwriter

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

*“That, subject to each of the other Essential Resolutions being passed or the inter-conditionality of the other Essential Resolutions being waived by the Board, for the purposes of Listing Rule 7.1 and all other purposes, Shareholders approve the issue of 10,000,000 Options (on a post-Consolidation basis) (**Underwriter Options**) for no consideration, with each Underwriter Option having an exercise price of \$0.03 and an expiry date of 30 September 2025 to Shaw and Partners Limited (or its nominee) (**Underwriter**) on the terms and conditions set out in the Explanatory Memorandum (including Annexure C to the Explanatory Memorandum).”*

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

- (a) a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company); or
- (b) an Associate of that person.

However, this does not apply to a vote cast in favour of the Resolution 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 of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the 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.

9 Resolution 9 – Election of Dr Damien Keys as a Director

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

“That, subject to each of the other Essential Resolutions being passed or the inter-conditionality of the other Essential Resolutions being waived by the Board, in accordance with clause 13.3 of the Constitution, and with effect from completion of the Acquisition, Dr Damien Keys be elected a Director of the Company.”

10 Resolution 10 – Election of Mr Paul Chapman as a Director

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

“That, subject to each of the other Essential Resolutions being passed or the inter-conditionality of the other Essential Resolutions being waived by the Board, in accordance with clause 13.3 of the Constitution, and with effect from completion of the Acquisition, Mr Paul Chapman be elected a Director of the Company.”

11 Resolution 11 – Election of Mr Leslie Davis as a Director

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

"That, subject to each of the other Essential Resolutions being passed or the inter-conditionality of the other Essential Resolutions being waived by the Board, in accordance with clause 13.3 of the Constitution, and with effect from completion of the Acquisition, Mr Leslie Davis be elected a Director of the Company."

12 Resolution 12 – Performance Rights Plan

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

"That, subject to each of the other Essential Resolutions being passed or the inter-conditionality of the other Essential Resolutions being waived by the Board, pursuant to and in accordance with Listing Rule 7.2, Exception 13(b) and for all other purposes, Shareholders approve any issue of securities under the Plan for employees and Directors known as the "Employee Securities Incentive Plan" (Plan), a copy of which is set out in Annexure D to the Explanatory Memorandum, as an exception to Listing Rule 7.1."

Voting exclusion statement:

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

- (a) a person who is eligible to participate in the employee incentive scheme; or
- (b) an Associate of that person.

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 of the Meeting as a 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;
- (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 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.

Further, a Restricted Voter who is appointed as a proxy will not vote on the Resolution unless:

- (a) the appointment specifies the way the proxy is to vote on the Resolution; or
 - (b) the proxy is the Chair of the Meeting and the appointment expressly authorises the Chair to exercise the proxy even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.
- Shareholders should note that the Chair intends to vote any undirected proxies in favour of the Resolution.

Shareholders may also choose to direct the Chair to vote against the Resolution or to abstain from voting.

If any of the persons named above purport to cast a vote other than as permitted above, that vote will be disregarded by the Company (as indicated above) and those persons may be liable for breaching the voting restrictions that apply to them under the Corporations Act.

13 Resolution 13 – Approval of potential termination benefit in relation to securities issued pursuant to the Plan

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

"That, subject to each of the other Essential Resolutions being passed or the inter-conditionality of the other Essential Resolutions being waived by the Board, that for the purposes of Listing Rule 10.19 and Part 2D.2 of the Corporations Act, and for all other purposes, approval be given for the giving of benefits to any current or future person holding a managerial or executive office

in the Company or a related body corporate in connection with that person ceasing to hold that managerial or executive office as set out in the Explanatory Memorandum.”

Voting exclusion statement: The Company will disregard any votes cast in favour of this Resolution by or on behalf of:

- (a) an officer of the Company or any of its child entities (as defined in the Listing Rules) who is entitled to participate in a termination benefit; and
- (b) an Associate of those persons.

However, this does not apply to a vote cast in favour of the Resolution 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 of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the 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.

Further, a Restricted Voter who is appointed as a proxy will not vote on the Resolution unless:

- (a) the appointment specifies the way the proxy is to vote on the Resolution; or
- (b) the proxy is the Chair of the Meeting and the appointment expressly authorises the Chair to exercise the proxy even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel. Shareholders should note that the Chair intends to vote any undirected proxies in favour of the Resolution.

Shareholders may also choose to direct the Chair to vote against the Resolution or to abstain from voting.

If any of the persons named above purport to cast a vote other than as permitted above, that vote will be disregarded by the Company (as indicated above) and those persons may be liable for breaching the voting restrictions that apply to them under the Corporations Act.

14 Resolution 14 – Grant of Performance Rights to Dr Damien Keys or his nominee(s)

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

“That, subject to each of the other Essential Resolutions being passed or the inter-conditionality of the other Essential Resolutions being waived by the Board, for the purposes of Listing Rule 10.14 and for all other purposes, the Company is authorised to issue up to 10,000,000 Performance Rights (on a post-Consolidation basis) for no consideration, each Performance Right having an expiry date 3 years from the date of issue, to Dr Damien Keys or his nominee(s), on the terms and conditions set out in the Explanatory Memorandum (including Annexure E to the Explanatory Memorandum).”

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

- (a) a person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the employee incentive scheme in question; or
- (b) an Associate of those persons.

However, this does not apply to a vote cast in favour of the Resolution 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 of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the 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.

Further, a Restricted Voter who is appointed as a proxy will not vote on the Resolution unless:

- (a) the appointment specifies the way the proxy is to vote on the Resolution; or
- (b) the proxy is the Chair of the Meeting and the appointment expressly authorises the Chair to exercise the proxy even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.
- Shareholders should note that the Chair intends to vote any undirected proxies in favour of the Resolution.

Shareholders may also choose to direct the Chair to vote against the Resolution or to abstain from voting.

If any of the persons named above purport to cast a vote other than as permitted above, that vote will be disregarded by the Company (as indicated above) and those persons may be liable for breaching the voting restrictions that apply to them under the Corporations Act.

15 Resolution 15 – Approval of potential termination benefit to Dr Damien Keys or his nominee(s) in relation to Performance Rights

To consider and, if thought fit, pass the following Resolution as an **ordinary resolution**:

“That, subject to each of the other Essential Resolutions being passed or the inter-conditionality of the other Essential Resolutions being waived by the Board, that for the purposes of Listing Rule 10.19 and sections 200B and 200E of the Corporations Act, and for all other purposes, the potential termination benefit in relation to the Performance Rights described in the Explanatory Memorandum which may become payable to Dr Damien Keys (or his nominee(s)), be approved.”

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

an officer of the Company or any of its child entities who is entitled to participate in a termination benefit; or
an Associate of that person.

However, this does not apply to a vote cast in favour of the Resolution 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 of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the 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.

Further, a Restricted Voter who is appointed as a proxy will not vote on the Resolution unless:

- (a) the appointment specifies the way the proxy is to vote on the Resolution; or
- (b) the proxy is the Chair of the Meeting and the appointment expressly authorises the Chair to exercise the proxy even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel. Shareholders should note that the Chair intends to vote any undirected proxies in favour of the Resolution.

Shareholders may also choose to direct the Chair to vote against the Resolution or to abstain from voting.

If any of the persons named above purport to cast a vote other than as permitted above, that vote will be disregarded by the Company (as indicated above) and those persons may be liable for breaching the voting restrictions that apply to them under the Corporations Act.

16 Resolution 16 – Grant of Performance Rights to Mr Paul Chapman or his nominee(s)

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

“That, subject to each of the other Essential Resolutions being passed or the inter-conditionality of the other Essential Resolutions being waived by the Board, for the purposes of Listing Rule 10.14 and for all other purposes, the Company is authorised to issue up to 4,000,000 Performance Rights (on a post-Consolidation basis) for no consideration, each Performance Right having an expiry date 3 years from the date of issue, to Mr Paul Chapman or his

nominee(s), on the terms and conditions set out in the Explanatory Memorandum (including Annexure E to the Explanatory Memorandum)."

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

- (a) a person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the employee incentive scheme in question; or
- (b) an Associate of those persons.

However, this does not apply to a vote cast in favour of the Resolution 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 of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the 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.

Further, a Restricted Voter who is appointed as a proxy will not vote on the Resolution unless:

- (a) the appointment specifies the way the proxy is to vote on the Resolution; or
 - (b) the proxy is the Chair of the Meeting and the appointment expressly authorises the Chair to exercise the proxy even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.
- Shareholders should note that the Chair intends to vote any undirected proxies in favour of the Resolution.

Shareholders may also choose to direct the Chair to vote against the Resolution or to abstain from voting.

If any of the persons named above purport to cast a vote other than as permitted above, that vote will be disregarded by the Company (as indicated above) and those persons may be liable for breaching the voting restrictions that apply to them under the Corporations Act.

17 Resolution 17 – Approval of potential termination benefit to Mr Paul Chapman or his nominee(s) in relation to Performance Rights

To consider and, if thought fit, pass the following Resolution as an **ordinary resolution**:

"That, subject to each of the other Essential Resolutions being passed or the inter-conditionality of the other Essential Resolutions being waived by the Board, that for the purposes of Listing Rule 10.19 and sections 200B and 200E of the Corporations Act, and for all other purposes, the potential termination benefit in relation to the Performance Rights described in the Explanatory Memorandum which may become payable to Mr Paul Chapman (or his nominee(s)), be approved."

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

an officer of the Company or any of its child entities who is entitled to participate in a termination benefit; or
an Associate of that person.

However, this does not apply to a vote cast in favour of the Resolution 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 of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the 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.

Further, a Restricted Voter who is appointed as a proxy will not vote on the Resolution unless:

- (a) the appointment specifies the way the proxy is to vote on the Resolution; or
- (b) the proxy is the Chair of the Meeting and the appointment expressly authorises the Chair to exercise the proxy even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel. Shareholders should note that the Chair intends to vote any undirected proxies in favour of the Resolution.

Shareholders may also choose to direct the Chair to vote against the Resolution or to abstain from voting.

If any of the persons named above purport to cast a vote other than as permitted above, that vote will be disregarded by the Company (as indicated above) and those persons may be liable for breaching the voting restrictions that apply to them under the Corporations Act.

18 Resolution 18 – Grant of Performance Rights to Mr Leslie Davis or his nominee(s)

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

“That, subject to each of the other Essential Resolutions being passed or the inter-conditionality of the other Essential Resolutions being waived by the Board, for the purposes of Listing Rule 10.14 and for all other purposes, the Company is authorised to issue up to 3,000,000 Performance Rights (on a post-Consolidation basis) for no consideration each Performance Right having an expiry date 3 years from the date of issue, to Mr Leslie Davis or his nominee(s), on the terms and conditions set out in the Explanatory Memorandum (including Annexure E to the Explanatory Memorandum).”

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

- (a) a person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the employee incentive scheme in question; or
- (b) an Associate of those persons.

However, this does not apply to a vote cast in favour of the Resolution 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 of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the 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.

Further, a Restricted Voter who is appointed as a proxy will not vote on the Resolution unless:

- (a) the appointment specifies the way the proxy is to vote on the Resolution; or
- (b) the proxy is the Chair of the Meeting and the appointment expressly authorises the Chair to exercise the proxy even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel. Shareholders should note that the Chair intends to vote any undirected proxies in favour of the Resolution.

Shareholders may also choose to direct the Chair to vote against the Resolution or to abstain from voting.

If any of the persons named above purport to cast a vote other than as permitted above, that vote will be disregarded by the Company (as indicated above) and those persons may be liable for breaching the voting restrictions that apply to them under the Corporations Act.

19 Resolution 19 – Approval of potential termination benefits to Mr Leslie Davis or his nominee(s) in relation to Performance Rights

To consider and, if thought fit, pass the following Resolution as an **ordinary resolution**:

“That, subject to each of the other Essential Resolutions being passed or the inter-conditionality of the other Essential Resolutions being waived by the Board, that for the purposes of Listing Rule 10.19 and sections 200B and 200E of the Corporations Act, and for all other purposes, the

potential termination benefit in relation to the Performance Rights described in the Explanatory Memorandum which may become payable to Mr Leslie Davis (or his nominee(s)), be approved.”

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

an officer of the Company or any of its child entities who is entitled to participate in a termination benefit; or

an Associate of that person.

However, this does not apply to a vote cast in favour of the Resolution 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 of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the 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.

Further, a Restricted Voter who is appointed as a proxy will not vote on the Resolution unless:

- (a) the appointment specifies the way the proxy is to vote on the Resolution; or
- (b) the proxy is the Chair of the Meeting and the appointment expressly authorises the Chair to exercise the proxy even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel. Shareholders should note that the Chair intends to vote any undirected proxies in favour of the Resolution.

Shareholders may also choose to direct the Chair to vote against the Resolution or to abstain from voting.

If any of the persons named above purport to cast a vote other than as permitted above, that vote will be disregarded by the Company (as indicated above) and those persons may be liable for breaching the voting restrictions that apply to them under the Corporations Act.

20 Resolution 20 – Issue of Options to Mr Antonio Torresan (a Director) or his nominee(s)

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

*“That, subject to each of the other Essential Resolutions being passed or the inter-conditionality of the other Essential Resolutions being waived by the Board, for the purposes of Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of up to 8,000,000 Options (on a post-Consolidation basis) (**Incentive Options**) for no consideration, with each Incentive Option having an exercise price of \$0.03 and an expiry date of 30 September 2025 to Mr Antonio Torresan or his nominee(s) on the terms and conditions set out in the Explanatory Memorandum (including Annexure C to the Explanatory Memorandum).”*

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

- (a) the person who is to receive the securities in question 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 his nominee(s); or
- (b) an Associate of that person.

However, this does not apply to a vote cast in favour of the Resolution 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 of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the 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.

Further, a Restricted Voter who is appointed as a proxy will not vote on the Resolution unless:

- (a) the appointment specifies the way the proxy is to vote on the Resolution; or
 - (b) the proxy is the Chair of the Meeting and the appointment expressly authorises the Chair to exercise the proxy even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.
- Shareholders should note that the Chair intends to vote any undirected proxies in favour of the Resolution.

Shareholders may also choose to direct the Chair to vote against the Resolution or to abstain from voting.

If any of the persons named above purport to cast a vote other than as permitted above, that vote will be disregarded by the Company (as indicated above) and those persons may be liable for breaching the voting restrictions that apply to them under the Corporations Act.

If any of the persons named above purport to cast a vote other than as permitted above, that vote will be disregarded by the Company (as indicated above) and those persons may be liable for breaching the voting restrictions that apply to them under the Corporations Act.

21 Resolution 21 – Issue of Options to Mr Alec Pismiris (a Director) or his nominee(s)

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

*“That, subject to each of the other Essential Resolutions being passed or the inter-conditionality of the other Essential Resolutions being waived by the Board, for the purposes of Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of up to 8,000,000 Options (on a post-Consolidation basis) (**Incentive Options**) for no consideration, with each Incentive Option having an exercise price of \$0.03 and an expiry date of 30 September 2025 to Mr Alec Pismiris or his nominee(s) on the terms and conditions set out in the Explanatory Memorandum (including Annexure C to the Explanatory Memorandum).”*

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

- (a) the person who is to receive the securities in question 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 his nominee(s); or
- (b) an Associate of that person.

However, this does not apply to a vote cast in favour of the Resolution 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 of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the 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.

Further, a Restricted Voter who is appointed as a proxy will not vote on the Resolution unless:

- (a) the appointment specifies the way the proxy is to vote on the Resolution; or
 - (b) the proxy is the Chair of the Meeting and the appointment expressly authorises the Chair to exercise the proxy even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.
- Shareholders should note that the Chair intends to vote any undirected proxies in favour of the Resolution.

Shareholders may also choose to direct the Chair to vote against the Resolution or to abstain from voting.

If any of the persons named above purport to cast a vote other than as permitted above, that vote will be disregarded by the Company (as indicated above) and those persons may be liable for breaching the voting restrictions that apply to them under the Corporations Act.

If any of the persons named above purport to cast a vote other than as permitted above, that vote will be disregarded by the Company (as indicated above) and those persons may be liable for breaching the voting restrictions that apply to them under the Corporations Act.

22 Resolution 22 – Issue of Options to Mr Colin Chenu (a Director) or his nominee(s)

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

*“That, subject to each of the other Essential Resolutions being passed or the inter-conditionality of the other Essential Resolutions being waived by the Board, for the purposes of Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of up to 2,000,000 Options (on a post-Consolidation basis) (**Incentive Options**) for no consideration, with each Incentive Option having an exercise price of \$0.03 and an expiry date of 30 September 2025 to Mr Colin Chenu or his nominee(s) on the terms and conditions set out in the Explanatory Memorandum (including Annexure C to the Explanatory Memorandum).”*

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

- (a) the person who is to receive the securities in question 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 his nominee(s); or
- (b) an Associate of that person.

However, this does not apply to a vote cast in favour of the Resolution 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 of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the 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.

Further, a Restricted Voter who is appointed as a proxy will not vote on the Resolution unless:

- (a) the appointment specifies the way the proxy is to vote on the Resolution; or
 - (b) the proxy is the Chair of the Meeting and the appointment expressly authorises the Chair to exercise the proxy even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.
- Shareholders should note that the Chair intends to vote any undirected proxies in favour of the Resolution.

Shareholders may also choose to direct the Chair to vote against the Resolution or to abstain from voting.

If any of the persons named above purport to cast a vote other than as permitted above, that vote will be disregarded by the Company (as indicated above) and those persons may be liable for breaching the voting restrictions that apply to them under the Corporations Act.

If any of the persons named above purport to cast a vote other than as permitted above, that vote will be disregarded by the Company (as indicated above) and those persons may be liable for breaching the voting restrictions that apply to them under the Corporations Act.

23 Resolution 23 – Proposed Issue of Options to Mr Shaun Menezes

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

*“That, subject to each of the other Essential Resolutions being passed or the inter-conditionality of the other Essential Resolutions being waived by the Board, for the purposes of Listing Rule 7.1 and all other purposes, Shareholders approve the issue of up to 1,000,000 Options (on a post-Consolidation basis) (**Incentive Options**) for no consideration, with each Incentive Option having an exercise price of \$0.03 and an expiry date of 30 September 2025 to Mr Shaun Menezes or his nominee(s) on the terms and conditions set out in the Explanatory Memorandum (including Annexure C to the Explanatory Memorandum).”*

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

- (a) a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company); or

- (b) an Associate of that person.

However, this does not apply to a vote cast in favour of the Resolution 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 of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the 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.

24 Resolution 24 – Proposed Issue of Options to Mr Grant Jefferies

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

*"That, subject to each of the other Essential Resolutions being passed or the inter-conditionality of the other Essential Resolutions being waived by the Board, for the purposes of Listing Rule 7.1 and all other purposes, Shareholders approve the issue of up to 2,000,000 Options (on a post-Consolidation basis) (**Incentive Options**) for no consideration, with each Incentive Option having an exercise price of \$0.03 and an expiry date of 30 September 2025 to Mr Grant Jefferies or his nominee(s) on the terms and conditions set out in the Explanatory Memorandum (including Annexure C to the Explanatory Memorandum)."*

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

- (a) a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company); or
- (b) an Associate of that person.

However, this does not apply to a vote cast in favour of the Resolution 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 of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the 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.

25 Resolution 25 – Approval of Additional 10% Placement Capacity

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

"That, for the purpose of Listing Rule 7.1A and all other purposes, Shareholders approve the issue of Equity Securities up to 10% of the issued capital of the Company (at the time of the issue) calculated in accordance with Listing Rule 7.1A.2 and on the terms and conditions set out in the Explanatory Memorandum."

OTHER BUSINESS

To deal with any other business which may be brought forward in accordance with the Constitution and the Corporations Act.

Details of the definitions and abbreviations used in this Notice are set out in the Glossary to the Explanatory Memorandum.

By order of the Board



Alec Pismiris
Company Secretary

Dated: 25 September 2020

How to vote

Voting on all Resolutions at the Meeting will be conducted by poll.

Shareholders can vote by either:

- attending the Meeting and voting in person or by attorney or, in the case of corporate Shareholders, by appointing a corporate representative to attend and vote; or
- appointing a proxy to attend and vote on their behalf using the Proxy Form accompanying this Notice of Meeting and by submitting their proxy appointment and voting instructions as set out below.

Voting in person (or by attorney)

Shareholders, or their attorneys, who plan to attend the Meeting are asked to arrive at the venue 15 minutes prior to the time designated for the Meeting, if possible, so that their holding may be checked against the Company's share register and their attendance recorded. To be effective the original Power of Attorney, or a copy or facsimile which appears on its face to be an authentic copy of the Power of Attorney, must be received by the Company in the same manner, and by the same time as outlined for proxy forms below.

Voting by a Corporation

A Shareholder that is a corporation may appoint an individual to act as its representative and vote in person at the Meeting. The appointment must comply with the requirements of section 250D of the Corporations Act. The representative should bring to the Meeting evidence of his or her appointment, including any authority under which it is signed.

Voting by proxy

- A Shareholder entitled to attend and vote is entitled to appoint a proxy. If a Shareholder is entitled to cast 2 or more votes at the Meeting, it may appoint two proxies.
- Proxies appointed will have the right to vote on a poll and also to speak at the Meeting.
- The appointment of the proxy may specify the proportion or the number of votes that the proxy may exercise. Where more than one proxy is appointed and the appointment does not specify the proportion or number of the Shareholder's votes each proxy may exercise, the votes will be divided equally among the proxies (i.e. where there are two proxies, each proxy may exercise half of the votes).
- A proxy need not be a Shareholder.
- The proxy can be either an individual or a body corporate.
- If a proxy is not directed how to vote on an item of business, the proxy may generally vote, or abstain from voting, as they think fit. However, where a

Restricted Voter is appointed as a proxy, the proxy may only vote on Resolutions 1, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21 and 22 in accordance with a direction on how the proxy is to vote or, if the proxy is the Chair of the Meeting and the appointment expressly authorises the Chair to exercise the proxy even if the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

- Should any resolution, other than those specified in this Notice, be proposed at the Meeting, a proxy may vote on that resolution as they think fit.
- If a proxy is instructed to abstain from voting on an item of business, they are directed not to vote on the Shareholder's behalf on the poll and the Shares that are the subject of the proxy appointment will not be counted in calculating the required majority.
- Shareholders who return their Proxy Forms with a direction how to vote, but who do not nominate the identity of their proxy, will be taken to have appointed the Chair of the Meeting as their proxy to vote on their behalf. If a Proxy Form is returned but the nominated proxy does not attend the Meeting, the Chair of the Meeting will act in place of the nominated proxy and vote in accordance with any instructions. Proxy appointments in favour of the Chair of the Meeting, the secretary or any Director that do not contain a direction how to vote will be used, where possible, to support each of the Resolutions proposed in this Notice, provided they are entitled to cast votes as a proxy under the voting exclusion rules which apply to some of the proposed Resolutions. These rules are explained in this Notice.
- To be effective, proxies must be received by 2.00pm (AWST time) on 24 October 2020. Proxies received after this time will be invalid.
- Proxies (and any Powers of Attorney) may be lodged using any of the following methods:
 - Online at <https://investor.automic.com.au/#/loginsah>or
 - by returning a completed Proxy Form in by post to:
Automic
GPO Box 5193
Sydney NSW 2001or
 - by sending a completed Proxy Form by email to meetings@automicgroup.com.au.
- The Proxy Form must be signed by the Shareholder or the Shareholder's attorney. Proxies given by corporations must be executed in

accordance with the Corporations Act. Where the appointment of a proxy is signed by the appointer's attorney, the original Power of Attorney, or a copy or facsimile which appears on its face to be an authentic copy of the Power of Attorney, must be received by the Company at the above address, or by facsimile, and by 2.00pm (AWST) on 24 October 2020. If facsimile transmission is used, the Power of Attorney must be certified.

Shareholders who are entitled to vote

In accordance with paragraphs 7.11.37 and 7.11.38 of the Corporations Regulations, the Board has determined that a person's entitlement to vote at the Annual General Meeting will be the entitlement of that person set out in the Register of Shareholders as at 3:00pm (AWST) on 24 October 2020.

Competent Persons Statement

The information in this report that relates to Exploration Results is based on, and fairly represents, information compiled by Dr Damien Keys, a Competent Person who is a Member of the Australian Institute of Geoscientists (AIG). Dr Keys has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration, and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the JORC Code. Dr Keys consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Dr Keys is a director of XXXX Gold. In addition, Dr Keys and Amy Keys (Dr Keys' spouse) as trustees for <ADK Family Trust> are a 25% shareholder of XXXX Gold. If the Acquisition completes:

- Dr Keys and Amy Keys as trustees for <ADK Family Trust> will receive 22,000,000 Consideration Shares, 10,000,000 Consideration Options and may be issued 25,000,000 Deferred Shares provided the relevant hurdles are met;
- Dr Keys will be appointed the Managing Director of Pelican. The remuneration package to be given to Dr Keys is summarised in Annexure K to the Explanatory Memorandum; and
- Dr Keys will be issued 10,000,000 Performance Rights.

Pelican Resources Limited

ABN 12 063 388 821

EXPLANATORY MEMORANDUM

This Explanatory Memorandum is intended to provide Shareholders with sufficient information to assess the merits of the Resolutions contained in the accompanying Notice of Annual General Meeting of the Company.

Certain abbreviations and other defined terms are used throughout this Explanatory Memorandum. Defined terms are generally identifiable by the use of an upper case first letter. Details of the definitions and abbreviations are set out in the Glossary to the Explanatory Memorandum.

ASX takes no responsibility for the contents of this Notice.

Voting on all Resolutions at the Meeting will be conducted by poll.

1 Background to the Acquisition

1.1 Introduction

Pelican Resources Limited (**Pelican** or the **Company**) is a public company listed on the ASX with a historical focus on precious and base metals exploration. The Company was incorporated on 18 February 1994 and was admitted to the Official list of ASX on 25 January 2002.

The Company does not currently have any operations. Following completion of the sale of its interests in the Cockatoo Island assets on 16 January 2018, ASX advised the Company the sale constituted a disposal of its main undertaking and its Shares were suspended from official quotation on 30 October 2018.

The Company settled on the sale of the Romblon Nickel Project located on Sibuyan Island, Romblon Province, Philippines in December 2019. At the date of this Notice, the Company's key assets are 5,000,000 fully paid ordinary shares in Cockatoo Iron NL, a cash receivable of \$225,000¹ and approximately \$3.2 million cash.

On 21 September 2020, the Company announced it had entered into a memorandum of understanding (as varied) (**MOU**) with the shareholders of XXXX Gold Pty Ltd (**XXXX Gold**) (**Vendors**) to acquire all of the issued capital (shares and options) of XXXX Gold from the Vendors (**Acquisition**)..

The Company proposes to issue the Consideration Shares, Consideration Options and Deferred Shares (on a post-Consolidation basis) to the Vendors in consideration for the Acquisition. Details of the key terms of the MOU are set out in section 1.6 below.

1.2 Overview of XXXX Gold

XXXX Gold was established in June 2019 by mining industry executives, Mr Paul Chapman, Dr Damien Keys and Mr Leslie Davis.

XXXX Gold is focused on acquiring 100% owned, high quality gold and copper projects in Queensland. Typical acquisition drivers are:

¹ As noted in the Company's announcement dated 21 September 2020, Cockatoo Iron NL and the Company have agreed to terminate a revenue agreement between them for the payment of \$225,000 and subject to execution of Deed of Settlement and Termination (**Deed**). Execution of the Deed is anticipated prior to 30 September 2020 with payment to be received prior to 31 December 2020.

- near surface, high grade, historic goldfields;
- large-scale potential; and
- under explored.

In implementing this strategy, XXXX Gold has acquired or will acquire 100% of the Triumph Gold, Hodgkinson and Investigator projects, all located in North Queensland.

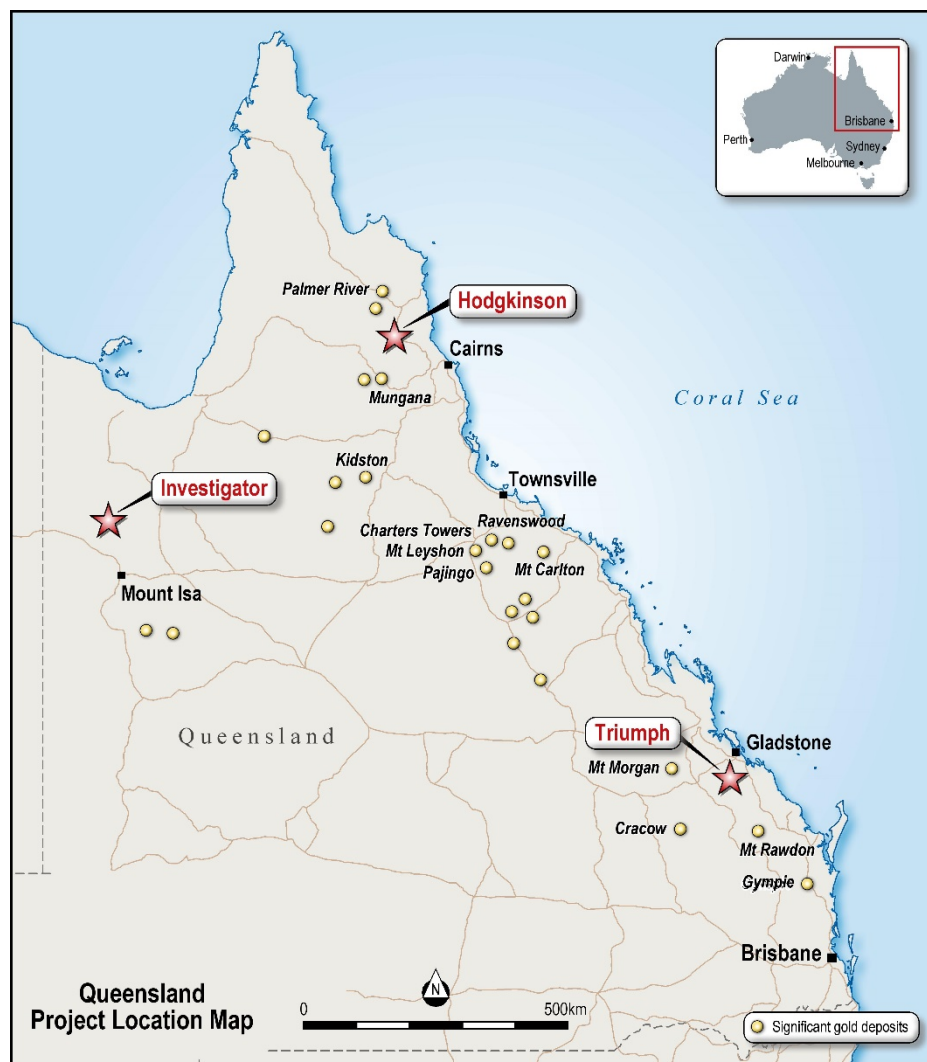


Figure 1: XXXX Gold project locations.

(a) Triumph Gold Project (100%)

Triumph comprises two EPMS (EPM 18486 and EPM 19343), which were acquired by XXXX Gold on 16 September 2020 from Roar Resources. The project is located between the Mt Rawdon gold mine (2.8 Moz Au²), the Cracow gold mine (2 Moz Au³) and the historical Mt Morgan mine (8 Moz Au and 0.4 Mt Cu⁴) in the Northern New England Orogen, in northern Queensland (Figure 2). Triumph is located 50km south of the city of Gladstone and is easily accessible from the Gladstone-Monto Road.

²Refer to Evolution Mining Ltd (ASX: EVN) Mt Rawdon factsheet 2020: (https://evolutionmining.com.au/wp-content/uploads/2020/04/Mt-Rawdon-fact-sheet-2020_LR.pdf)

³ Refer to Aeris Resources Ltd (ASX: AIS) presentation ASX 15 July 2020

⁴ Refer to Mt Morgan fact sheet: (<http://portergeo.com.au/database/mineinfo.asp?mineid=mn443>)

Historical production from the area produced approximately 16,000oz of gold from shallow sources between 1879 and 1941.

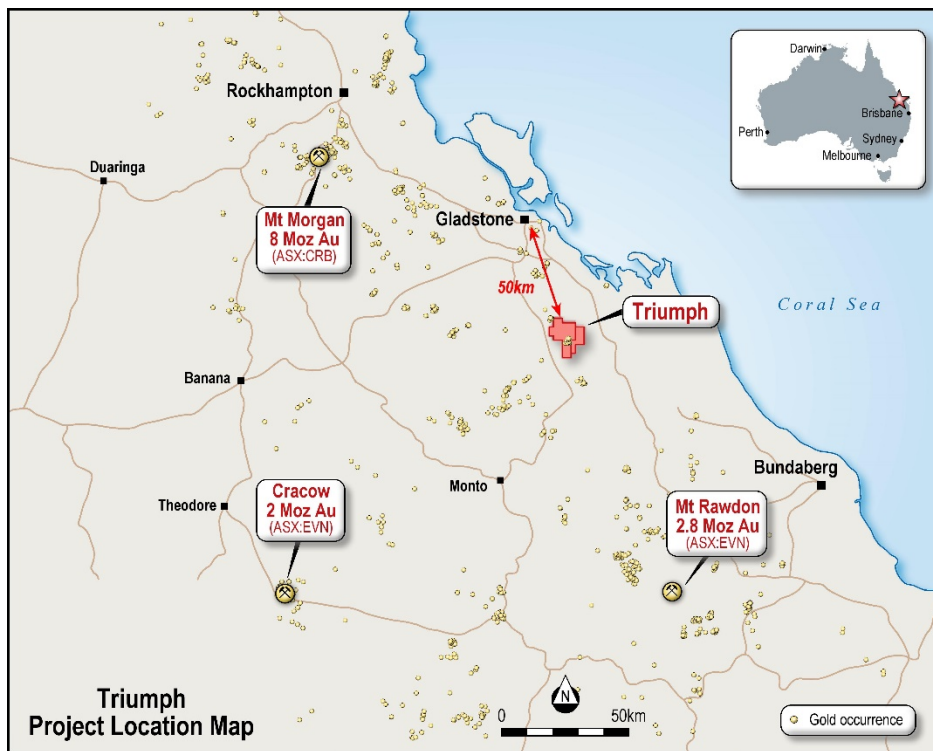


Figure 2: Triumph location map

The 15km² gold system is 90% concealed beneath shallow sediment cover (less than 5m thickness), which presents a unique opportunity and 'first mover' advantage to generate and drill test targets on this previously unrecognised large gold system. Systematic exploration over the outcropping areas has led to the discovery of high-grade gold mineralisation in drilling on five prospects.

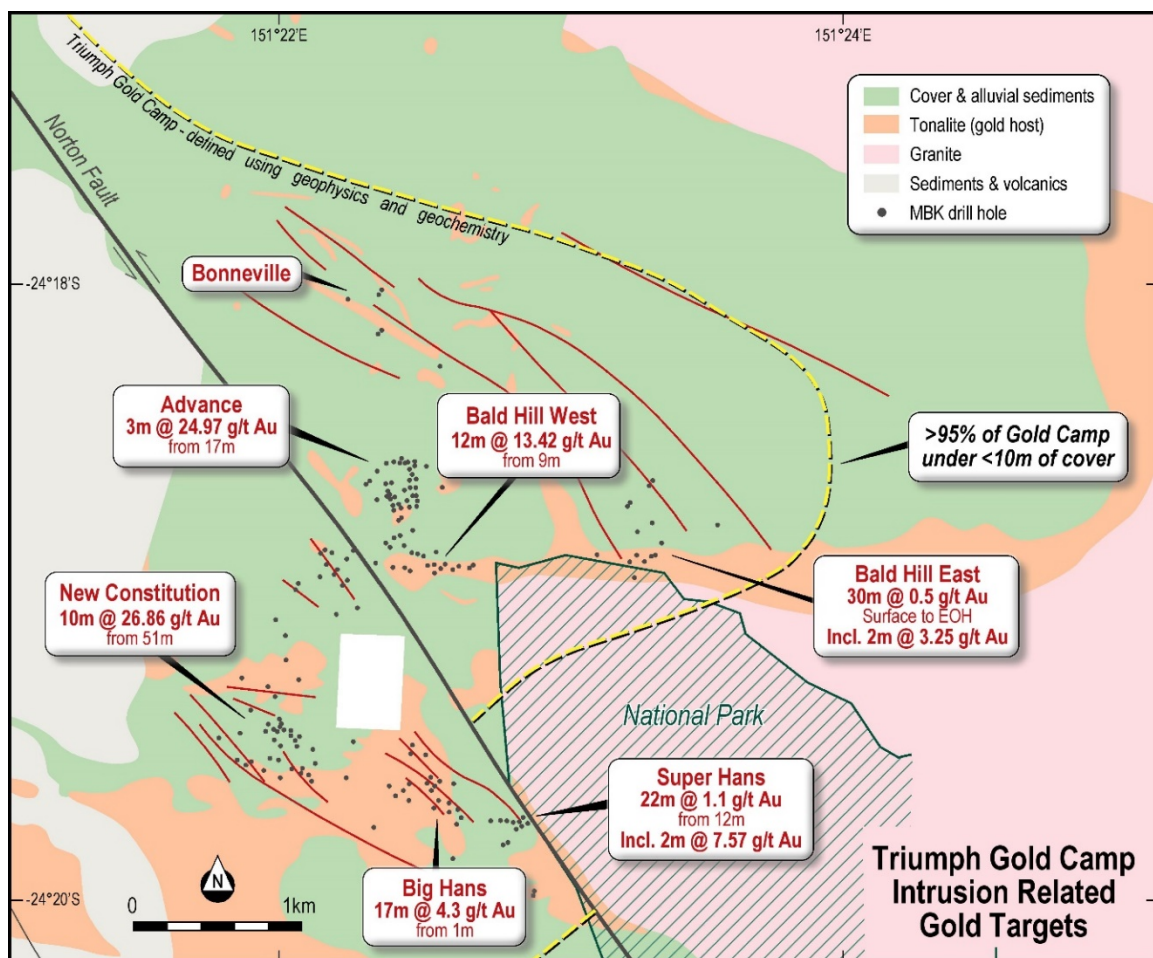


Figure 3: High priority prospects identified on the Triumph Project

The project has already demonstrated high-grade gold mineralisation in both discrete vein and shear hosted deposits. Triumph also has the potential to host large-scale intrusion-related gold deposits such as those at Mt Morgan and Mt Rawdon. Previous owners focussed on the collection of quality geochemical and geophysical data to vector toward the large-scale systems. Previous drilling intersected significant shallow, high-grade gold at Bald Hill, New Constitution, Super Hans, Big Hans and Advance. Rockchips to 255 g/t Au also provided encouragement at the Bonneville Prospect. Significant drill intersections from each of the prospects include:

- Bald Hill West – 15m @ 10.86 g/t Au (from 9m) (including 12m @ 13.42 g/t);
- Bald Hill East – 30m @ 0.5 g/t Au (surface to EOH) (including 2m @ 3.25 g/t Au);
- New Constitution – 10m @ 26.86 g/t Au (from 51m);
- Advance – 3m @ 24.97 g/t Au (from 17m);
- Super Hans – 22m @ 1.10 g/t Au (from 12m) (including 2m @ 7.57 g/t Au); and
- Big Hans – 17m @ 4.30 g/t Au (from 1m) (including 9m @ 6.19 g/t Au).

The project geology is dominated by the Norton Tonalite, a late Permian aged intrusion that has intruded through the Carboniferous sediments of the Wandilla Formation. The tonalite has been displaced by the late-stage, north-west oriented Norton Fault. Approximately 1.8 km of apparent sinistral, strike-slip displacement along the Norton Fault appears to have occurred post-mineralisation. The implications of this inferred late-stage deformation are significant when determining the likelihood

of offset lode positions. An example of this that the mineralisation identified at Super Hans is interpreted to be the offset extension of the Bald Hill mineralisation. Further interpretation of the magnetics indicates that the Bald Hill system extends for approximately 3 km on the east of the Norton Fault and the Super Hans system extends for a further 3 km to the west of the fault. The interpretation is supported by regular gold intersections greater than 1 g/t Au in wide spaced drilling.

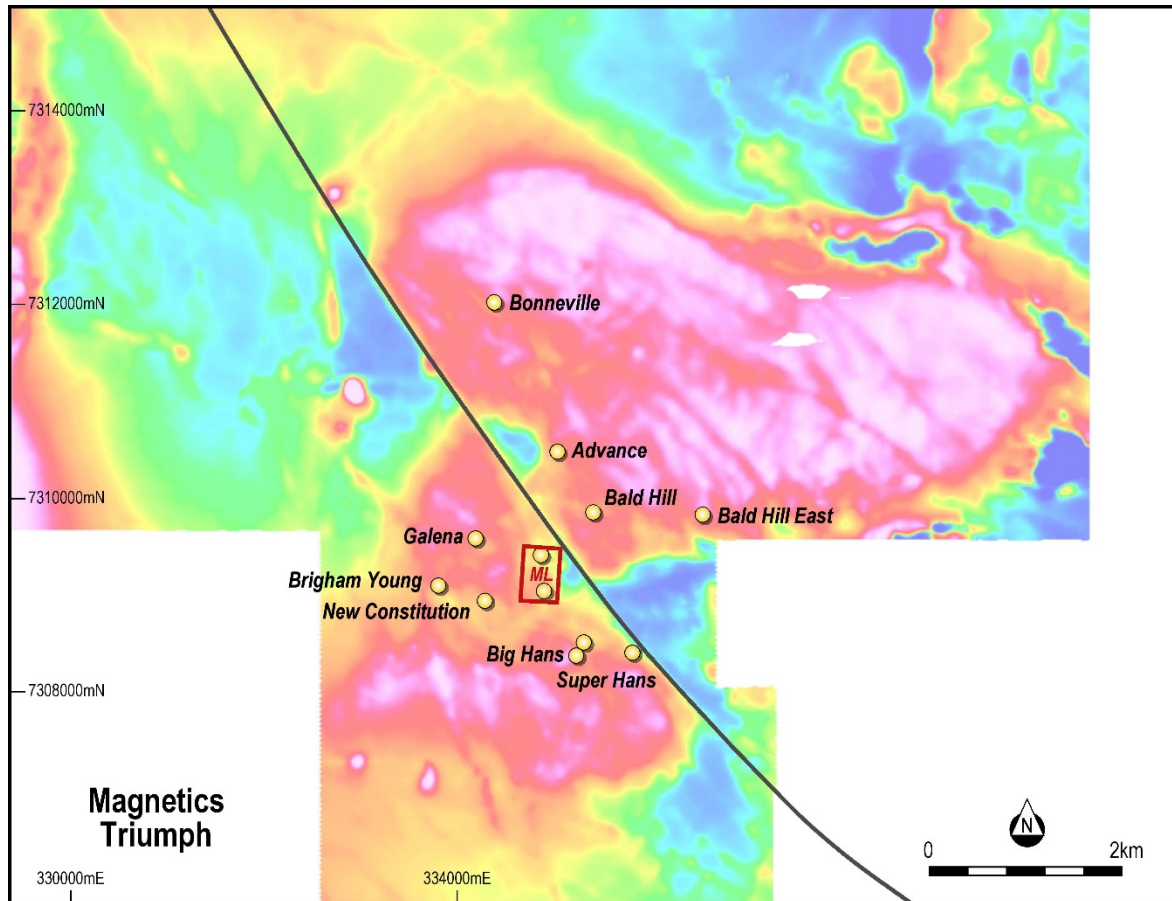


Figure 4: Present magnetic signature of the Norton Tonalite and associated prospects

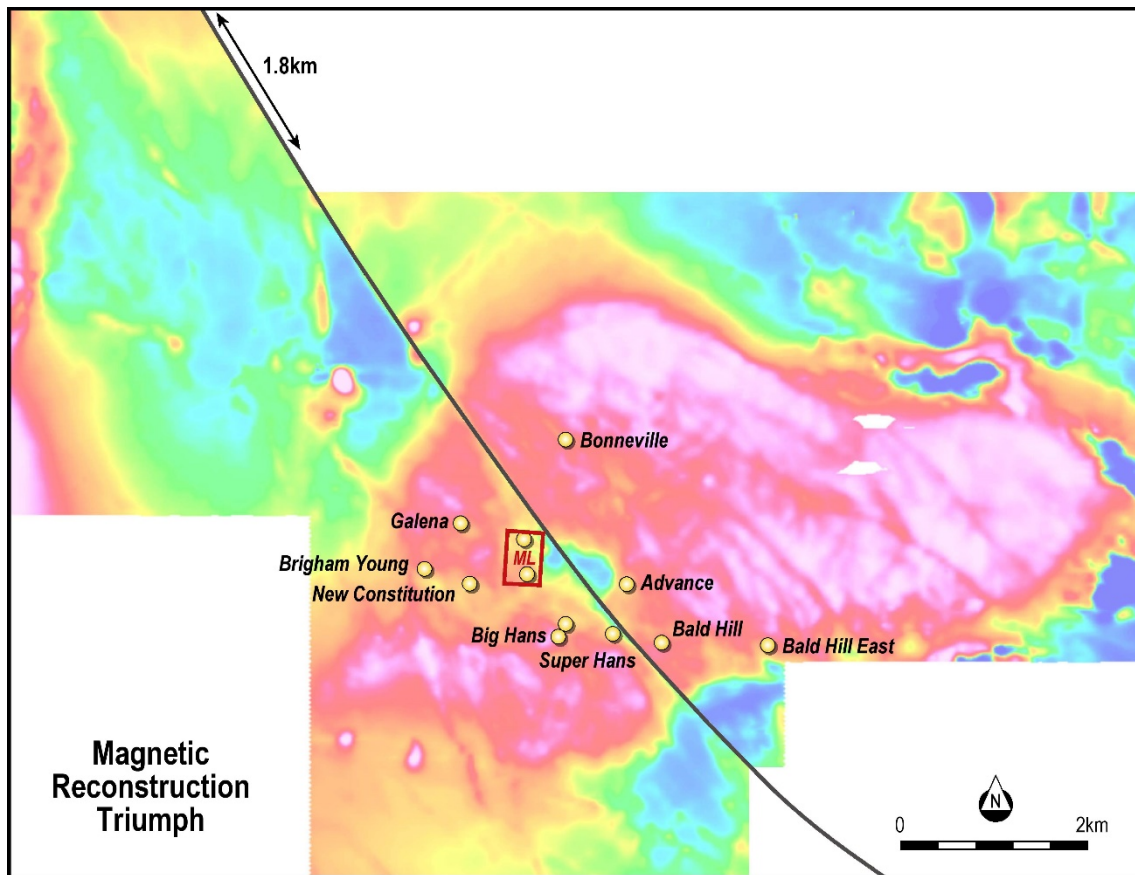


Figure 5: Reconstructed magnetic signature of the Norton Tonalite before 1.8km displacement on the Norton Fault

The delineated shallow high-grade prospects are manifest in the project magnetics as zones of magnetic depletion. A revised structural interpretation has been completed over the project area and integrated with the geochemical and other geophysical information. This work has already generated new high-priority targets at Brigham-Young and Galena.

The Bald Hill prospect is well defined by drilling over a strike length of 300m. Bald Hill shows continuity of economic grades and thicknesses along strike and down-dip and is open in all directions (Figure 6).

Four large scale targets have been delineated from extensive geochemical sampling and induced polarisation surveys (IP). The large-scale targets at Bonneville, Bald Hill East, Advance and Big Hans all display elevated Cu, Mo and Co signatures, indicative of vectoring toward a large-scale system.

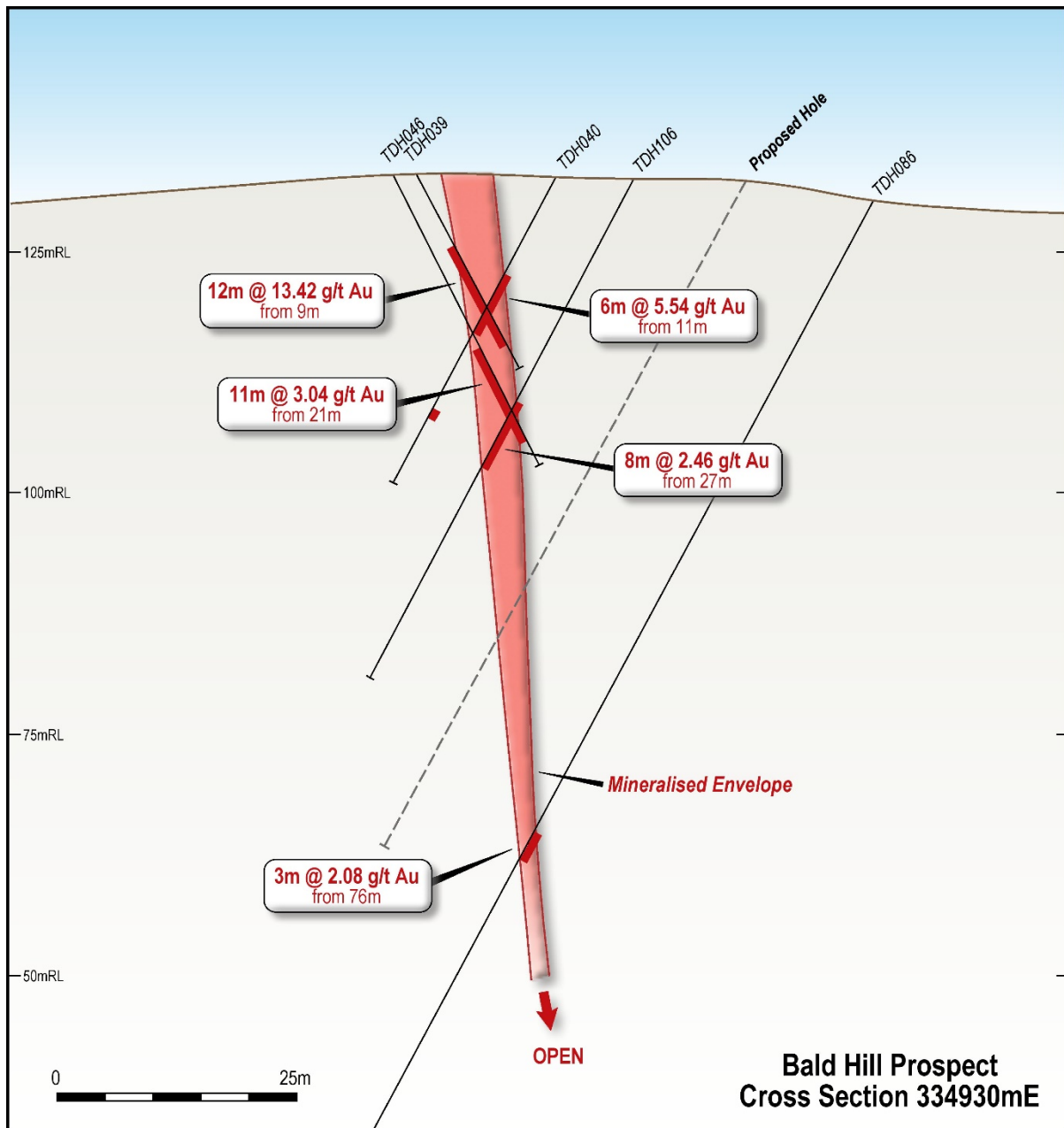


Figure 6. Cross section through 334930mE on the Bald Hill Prospect.

XXXX Gold has a dual strategy for Triumph of assessing the open-pit potential while testing for large-scale mineralisation.. Specifically, XXXX Gold plans to:

- (i) infill drill the known high-grade segments of Bald Hill:
 - Bald Hill infill – RC drilling – 6 sections, 40m apart – 20m spacing on section (1500m); and
 - Bald Hill extensional – RC drilling – 8 sections, 40m apart – 20m spacing on section (2500m);
- (ii) assess, rank and prioritise workflow on multiple other earlier stage targets:
 - Super Hans – RC drilling – building on first program drill success. 3 sections, 40m apart – 20m spacing on section (500m);

- Big Hans – RC drilling – 4 sections, 40m apart – 20m spacing on section (700m);
- New Constitution – RC drilling – 2 sections, 40m apart – 20m spacing on section (450m);
- Galena – RC drilling – 2 holes (240m) 80m apart; and
- Brigham Young – RC drilling – 2 sections, 40m apart – 20m spacing on section (480m); and

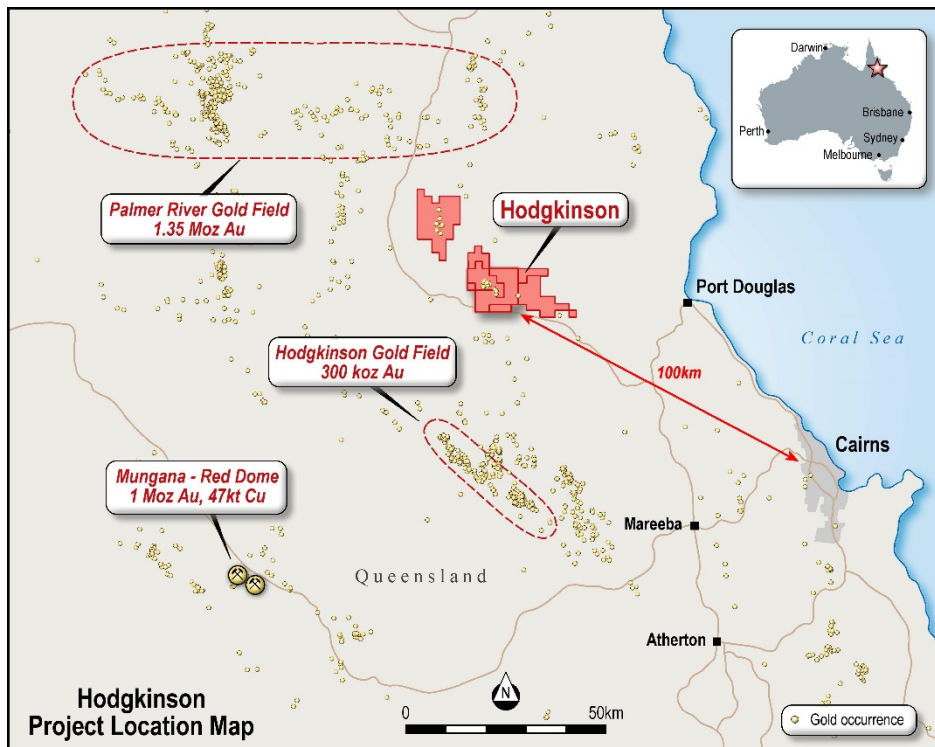
(iii) first-pass, deep drill test of large-scale targets:

- Bald Hill East and Advance, Bonneville and Big Hans.

(b) Hodgkinson Project (100%)⁵

Hodgkinson comprises five granted EPMS (EPM 19809, EPM 25139, EPM 18171 and EPM 27539) and one EPM application (ELA 27575) covering 365km², located 100km north west of Cairns. As at the date of the Notice, XXXX Gold is not the registered holder of EPM 19809, EPM25139 or EPM 18171. These EPMS will be acquired by NQT pursuant to the Sale and Licence Agreement prior to completion of the Acquisition. The project is situated between the Palmer River alluvial gold field (1.35 Moz Au) and the historic Hodgkinson gold field (0.3 Moz Au). The Hodgkinson Project incorporates:

- Elephant Creek Gold Prospect;
- Peninsula Gold Copper Prospect; and
- Campbell Creek Gold Prospect.



⁵ As at the date of this Notice, the transaction the subject of the sale and licence agreement between XXXX Gold and NQT (in relation to EPM 19809, EPM 25139 and EPM 18171) has not yet completed. It is a condition precedent to completion of the Acquisition that all of the Tenements (including the tenements to be acquired from NQT) are registered in the name of XXXX Gold.

Figure 7: Hodgkinson Project location

The project is situated between two significant tungsten deposits; Mt Carbine (62 kt WO₃) and Watershed (70 kt WO₃). Until acquired by XXXX Gold, both Peninsula and Elephant Creek were incorporated within the Watershed Tungsten Project. Tungsten has been the focus of most exploration in the region and as such is highly prospective but underexplored for gold.

The prospects lie within the Hodgkinson Formation of the mid-Palaeozoic Hodgkinson Province. The province is composed of turbiditic sedimentary rocks which include subordinate limestone, chert and basic volcanic rocks. The Hodgkinson Province is separated from the Proterozoic basement of the Etheridge Province by the north south striking Palmerville Fault. The rocks of the Hodgkinson Province form distinct, mainly fault bounded belts, parallel to the Palmerville Fault, each in turn disrupted extensively by numerous thrust faults. Two regionally significant Palmerville parallel faults pass through the tenements, the Baker Blue Fault and the Tullah Fault. These latter faults appear to be offset by a west-northwest striking fault.

The sediments of the Hodgkinson Formation have been intruded by a series of Early Carboniferous to Permian intrusives. In the project area two large plutons of the Whypalla Supersuite have intruded the metasediments; the Kelly Saint George Granite and the Desailly Granite.

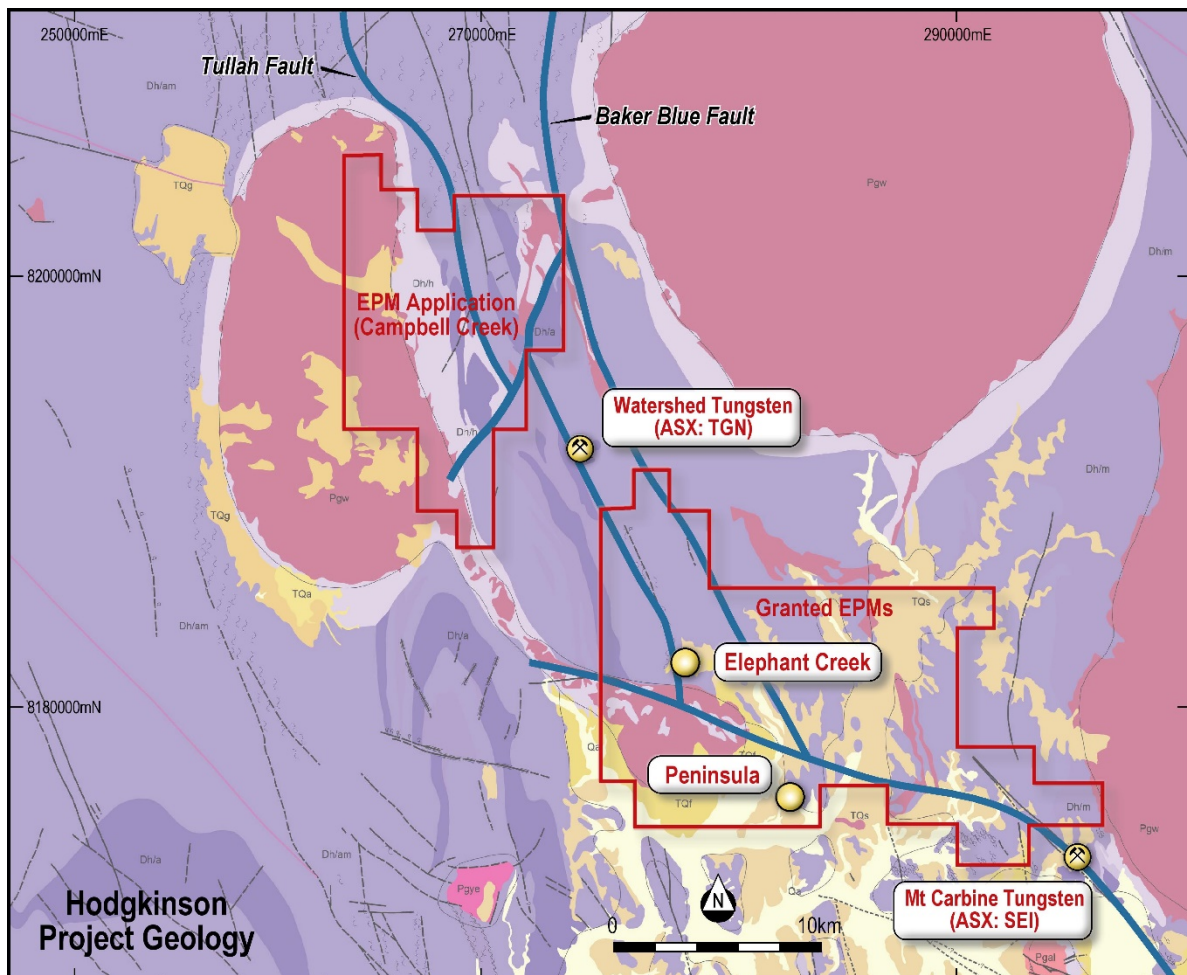


Figure 8: Hodgkinson Project Geology

Elephant Creek Gold Prospect

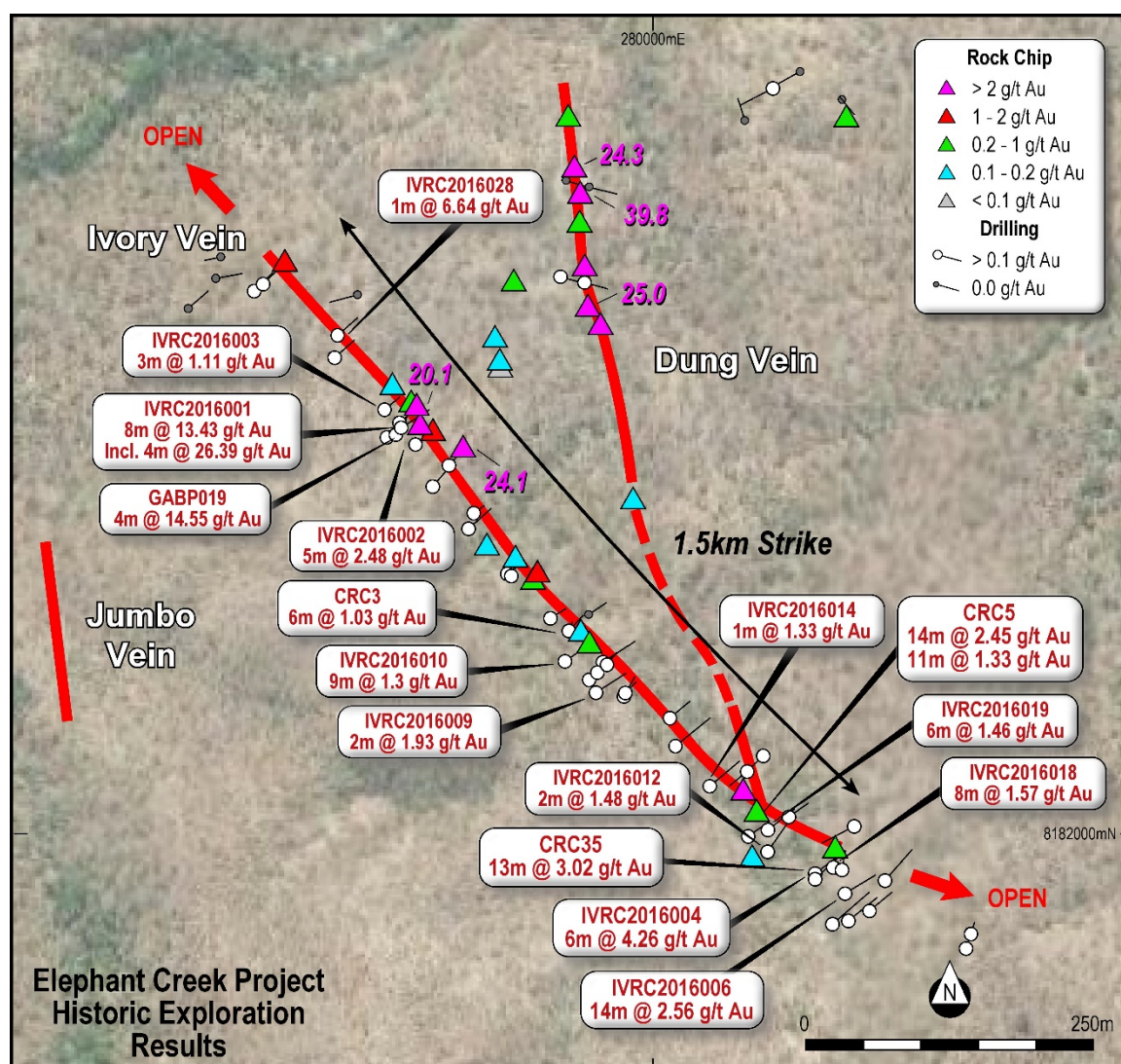
Elephant Creek is to the north of the Desailly Granite on the regional-scale, Tullah Fault. Alluvial mining occurred around Elephant Creek during 1987-88. Previous exploration has been undertaken at

Elephant Creek by BHP-Utah International (1987 to 1988), Cardia Mining (1995 to 1966) and Vital Metals (2016).

The field contains 11 mapped and sampled veins hosting gold mineralisation. Of these veins the Ivory Vein (over 1km of strike length) is the most advanced prospect having been shallowly drilled on a broad spacing. Two segments of the Ivory Vein are considered highly enriched and will be drilled on a tight spacing. The adjacent Dung Vein⁶ contains mineralisation to 39.8 g/t Au in rock chip sampling and is untested by drilling.

The best intercepts from the Ivory Vein include (see Figure 9):

- IVRC2016_01 – 8m @ 13.43 g/t Au (from 15m) (including 4m @ 26.39 g/t Au);
- IVRC2016_04 – 8m @ 3.37 g/t Au (from 42m);
- IVRC2016_06 – 14m @ 2.56 g/t Au (from 28m);
- GABP019 – 4m @ 14.55 g/t Au (from 12m); and
- CRC35 – 19m @ 2.14 g/t Au (from 27m) (including 14m @ 2.86 g/t Au).



⁶ Refer to ASX Announcement by Vital Metals Ltd (ASX: VML) on 29 December 2016.

Figure 9: Drilling and rock chip results on the Ivory Vein and Dung Vein, Elephant Creek.

Peninsula Gold Copper Prospect

Peninsula is located to the south of the Desailly Granite. Mapping over the prospect identified a cupriferous gossan. The only recorded work to date comprises 2 shallow RC drill holes and rock chip samples and broad spaced soil sampling:

- rock grab samples collected in 2014 graded between 15.2% Cu and 17.0% Cu;
- rock grab samples also contained 8.71 g/t Au and cobalt to 455 ppm; and
- both shallow RC holes drilled in late 2016 intersected mineralisation (average depth 38m): 2m @ 0.96 % Cu (from 14m), and 1m @ 1.08 g/t Au (from 14m).

Campbell Creek Gold Prospect

Campbell Creek comprises seven alluvial gold workings centred around Campbell Creek. The source of alluvial gold is not yet determined. The targets are undrilled.

An annual report lodged by the permit holder with Department Natural Resources, Mines and Energy⁷ in 2007, noted two discrete reefs mapped with several occurrences of gold in stone and alluvial gold. An EPM applied for by XXXX Gold is awaiting approval.

The strategy for Hodgkinson is summarised below:

- collect high resolution magnetic data over the Hodgkinson Project;
- infill drill the known high-grade segments of the Ivory Vein at Elephant Creek;
- conduct the first effective drilling beneath high-grade rock chip samples on the undrilled Dung Vein;
- complete an IP survey over Peninsula;
- assess, rank and prioritise workflow on multiple other early stage vein targets in the Campbell Creek area (soil sampling, geological mapping and vein sampling); and
- complete a heritage survey over Campbell Creek.

(c) Investigator Project (100%)

Investigator comprises two granted exploration leases EPMs (EPM 27343 and EPM 27344) covering 115km², located 110km north of Mt Isa and 12km south of the Mt Gordon Copper Mine.

⁷ Annual Report lodged to the Department Natural Resources, Mines and Energy 2007 "EPM 11945, ANNUAL REPORT FOR PERIOD ENDING 26 JULY 2007"

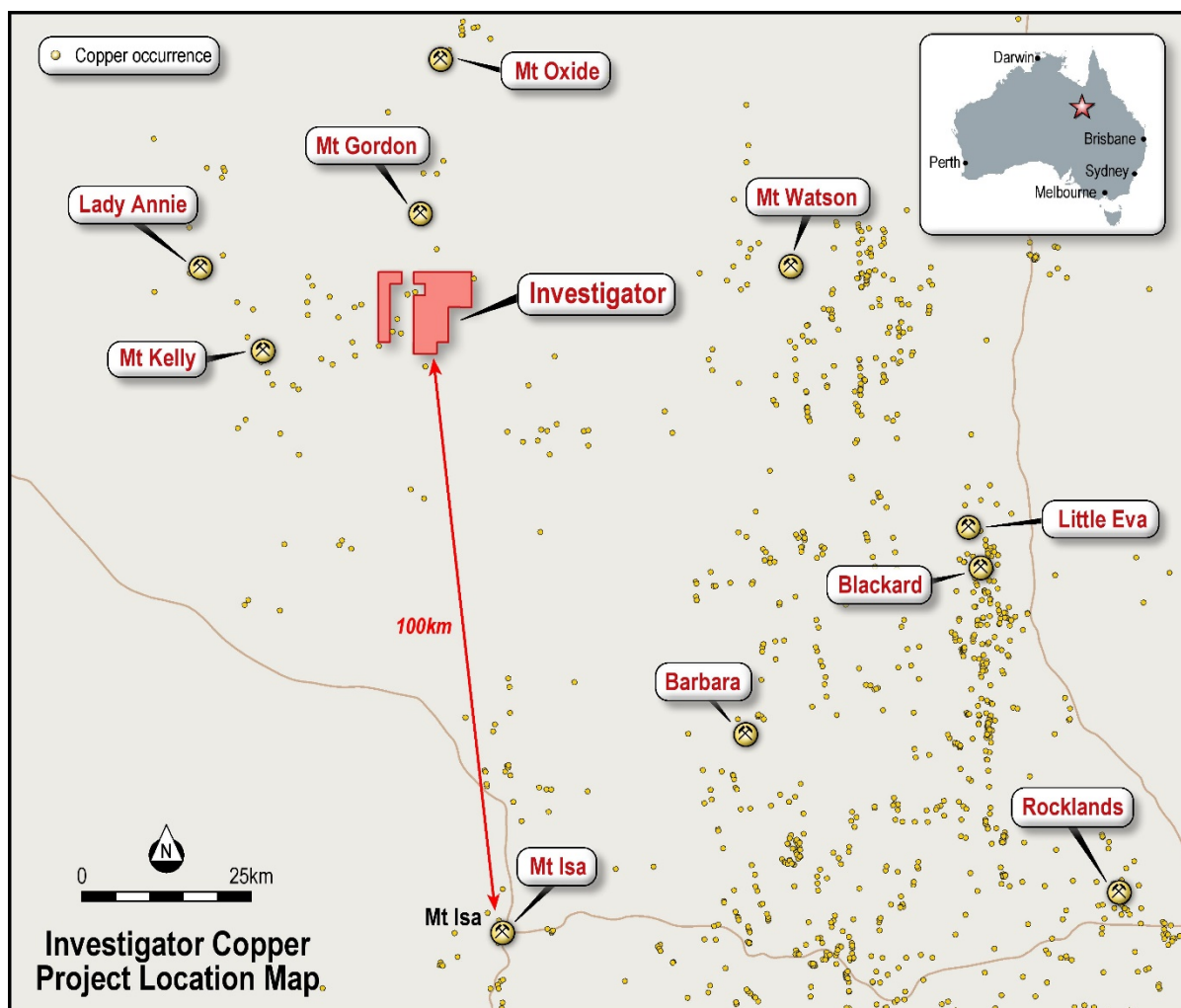


Figure 10: Investigator project location.

The Investigator Copper Project area is located in the Western Succession of the Proterozoic Mt Isa Inlier. The project covers a north-trending package of Haslingden Group and McNamara Group strata within the Mount Gordon Fault Zone. The Investigator Fault Zone is comprised of three main east-west striking faults; the South Investigator Fault, Mid Investigator Fault and North Investigator Fault. The faults merge into one on EPM 27353. The Investigator faults terminate to the west on the north-south striking Stockyard Creek Fault and the Esperanza Fault, which form part of the greater Mount Gordon Fault Zone.

Investigator is under explored and has seen no modern exploration. No holes have been drilled to target the most prospective stratigraphic and structural positions. Anaconda Australia (1980 to 1982) drilled 4 diamond holes in the south of the project area testing the shales of the Paradise Creek Formation. These holes intersected minor chalcopryite in quartz-carbonate veinets. Of significance, historic drilling showed indications of what is now recognised as Mount Isa-type copper mineralisation and alteration, including silica-dolomite alteration.

In addition, the previous drilling focussed solely on black shale hosted copper mineralisation. The Mammoth Gold Mine at the nearby Mt Gordon Copper Mine is hosted in the Whitworth Quartzite. Investigator is situated along a similarly oriented fault zone to Mt Gordon Copper Mine, contains the same stratigraphy. Mapping has revealed large chlorite hematite breccias situated along the Investigator Fault. Anaconda Australia noted “elevated geochemistry, notably Cu, Co, As and locally Zn, were encountered in several zones corresponding with brecciation along the Investigator Fault” (see Figure 11).

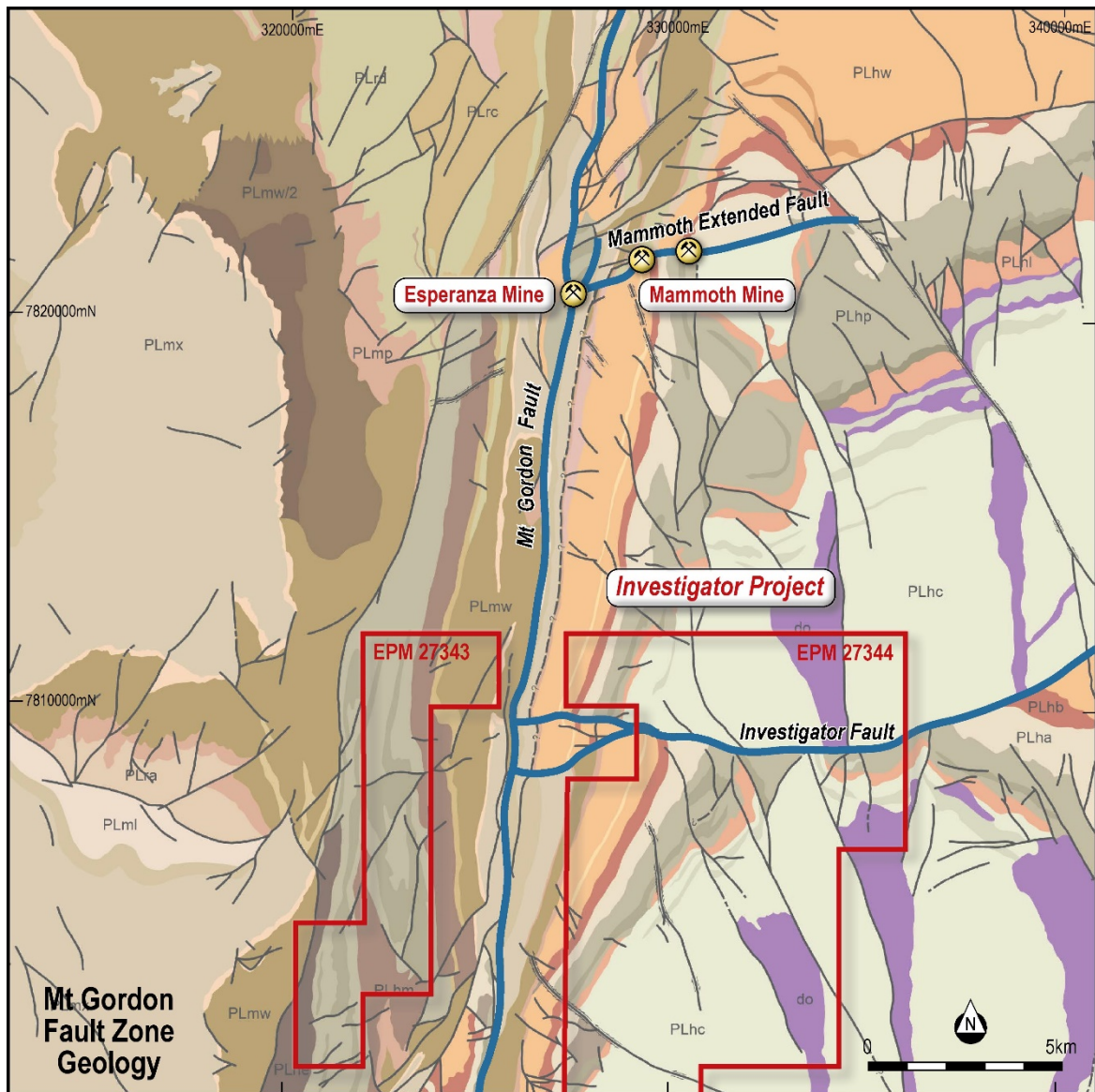


Figure 11. Geology of the Investigator Project

The Mt Gordon Copper Mine has re-opened with ore coming from the Esperanza South underground mine and being processed through the conventional sulphide floatation mill. Other mills near Investigator are at Lady Annie (approximately 50km) and at Mt Isa (approximately 110km).

XXXX Gold's strategy for Investigator is summarised below:

- complete a heritage survey over the northern strand of the Investigator Fault;
- complete mapping and sampling of chlorite – hematite breccias along the Investigator Fault; and
- complete a 3D IP survey over most prospective breccia positions to refine drill targets.

Proposed Work Plan

The following two year work plan is currently contemplated by XXXX Gold:

Year 1

Triumph Gold Project	Drill Bald Hill West (4,000m) RC drill shallow high-grade targets at Triumph (2,300m) RC drill four large-scale, deep targets (2,200m)
Hodgkinson Gold Copper Project	Collect high resolution magnetic data over the project RC drill shallow high-grade targets at Ivory and Dung Veins (4,800m) Map and sample Campbell Creek vein system Conduct heritage survey
Investigator Copper Project	Conduct 3DIP survey over Investigator Fault Conduct heritage surveys

Year 2

Triumph Gold Project	Follow up drilling of Super Hans and/or New Constitution (5,000m)
Hodgkinson Gold Copper Project	Further JORC Resource drilling at Ivory and Dung Veins (3,000m) First pass drilling at Campbell Creek (2,000m) Conduct IP survey at Peninsula
Investigator Copper Project	Diamond drilling of IP anomalies (3,000m)

1.3 XXXX Gold Board and key management

(a) Damien Keys

Dr Keys is a geologist with approximately 20 years' experience in mining and exploration. Dr Keys has led teams to exploration success with Gold Fields Australia Pty Ltd, Silver Lake Resources Ltd, Black Cat Syndicate Ltd and Spectrum Metals Ltd. Dr Keys has completed a PhD in Structural Geology, a Bachelor of Science (Hons) and is a member of the Australian Institute of Geoscientists.

Dr Keys is not currently a director of any public company.

(b) Paul Chapman

Mr Chapman is a chartered accountant with 30 plus years in the resource sector. Mr Chapman was a founding director of Reliance Mining Ltd, Encounter Resources Ltd, Rex Minerals Ltd, Silver Lake Resources Ltd, Black Cat Syndicate Ltd and Dreadnought Resources Ltd. Mr Chapman completed a Bachelor of Commerce at the University of Melbourne and is a member of the Institute of Chartered Accountants in Australia, the Australian Institute of Company Directors and the Australasian Institute of Mining & Metallurgy.

Mr Chapman is currently also a director of Black Cat Syndicate Limited, Dreadnought Resources Limited and Encounter Resources Limited.

(c) Leslie Davis

Mr Davis has 38 years' mining industry experience including 17 years' hands-on experience in mine development and narrow vein mining. Mr Davis was the founding Managing Director of Silver Lake Resources and a director of Black Cat Syndicate Ltd and Spectrum Metals Ltd. Mr Davis has completed a Masters of Science in mineral economics.

Mr Davis is currently also a director of Black Cat Syndicate Limited.

1.4 XXXX Gold financial information

Annexure G sets out the audited financial statements of the XXXX Gold Pty Ltd for the period 10 June 2019 to 30 June 2020.

1.5 XXXX Gold business model, strategy and key dependencies

(a) XXXX Gold business model

XXXX Gold is a private company which was incorporated on 10 June 2019. XXXX Gold has four founding shareholders, being the Vendors. Since its incorporation, the shareholders of XXXX Gold have contributed or committed to contribute funds of approximately \$1 million, comprised of both equity (\$805,000) and loan funds (\$200,000). The majority of the funds raised have, or will be, been utilised to acquire 100% ownership of Triumph, Hodgkinson and Investigator projects in North Queensland.

The board and management of XXXX Gold have secured a portfolio of highly prospective gold and copper projects located in North Queensland which will be subject to a systematic and thorough exploration program over the next two years with the objective of rapidly assessing the economic potential of the shallow ores. A summary of each of project and XXXX Gold's proposed strategies for the projects is set out in section 1.2.

XXXX Gold has adopted a business model that creates value in the exploration stage of the gold and copper asset lifecycle.

XXXX Gold is focussed on acquiring 100% owned, high quality gold and copper projects in Queensland. Typical acquisition drivers include:

- (i) near surface, high-grade, historic goldfields;
- (ii) large-scale potential; and
- (iii) under explored.

XXXX Gold's strategy is to transition into production, based on exploration success.

In implementing this strategy, XXXX Gold has acquired or will acquire 100% of the Triumph, Hodgkinson⁸ and Investigator projects, all located in North Queensland.

(b) XXXX Gold key dependencies

Key dependencies of XXXX Gold include:

- (i) engaging and retaining high quality personnel to drive XXXX Gold to success;
- (ii) engaging competent contractors as and when required on acceptable commercial terms;
- (iii) ongoing tenure access via government, indigenous or pastoral consent as required;
- (iv) access to sufficient funding to meet minimum statutory expenditure requirements and to complete planned exploration programs;
- (v) ongoing exploration success including defining JORC Resources and Reserves upon which equity funding is dependent;
- (vi) commodity price volatility and exchange rate risk to the extent that these matters influence investment in explorers such as XXXX Gold; and
- (vii) complying with and obtaining regulatory approvals particularly in relation to permitting and environmental matters.

1.6 Terms of the Acquisition

The key terms of the MOU are as follows:

(a) Acquisition of XXXX Gold and consideration

The Company agreed to purchase, and the Vendors agreed to sell, all of the issued capital in XXXX Gold, as detailed below. The Company agreed to issue the Consideration Shares, Consideration Options and Deferred Shares to the Vendors in their Respective Proportions as detailed below as consideration for the Acquisition.

Vendor	XXXX Gold Shares	XXXX Gold Options (each with an exercise price of \$0.03 expiring 30 June 2025)	Consideration		
			Consideration Shares ⁹	Consideration Options ¹⁰	Deferred Shares ¹¹
Pareto Nominees Pty Ltd as trustee	20,000,000	5,000,000	22,000,000	10,000,000	25,000,000

⁸ As at the date of this Notice, the transaction the subject of the sale and licence agreement between XXXX Gold and NQT (in relation to EPM 19809, EPM 25139 and EPM 18171) has not yet completed. It is a condition precedent to completion of the Acquisition that all of the Tenements (including the tenements to be acquired from NQT) are registered in the name of XXXX Gold.

⁹ A summary of the rights attaching to the Shares is set out in Annexure B.

¹⁰ The terms and conditions of the Options is set out in Annexure C.

¹¹ Assuming both of the performance hurdles are met and all Deferred Shares are issued. Once the performance hurdles are met and the Deferred Shares issued, the Deferred Shares carry the same rights as Shares, a summary of which is set out in Annexure B.

Vendor	XXXX Gold Shares	XXXX Gold Options (each with an exercise price of \$0.03 expiring 30 June 2025)	Consideration		
			Consideration Shares ⁹	Consideration Options ¹⁰	Deferred Shares ¹¹
for <The Damelle A/C>					
Stone Ponies Nominees Pty Ltd as trustee for <Chapman Superannuation Fund>	20,000,000	5,000,000	22,000,000	10,000,000	25,000,000
Damien Keys and Amy Keys as trustees for <ADK Family Trust>	20,000,000	5,000,000	22,000,000	10,000,000	25,000,000
Leslie Davis and Annette Davis as trustees for <LB & AF Davis Superannuation Fund>	20,000,000	5,000,000	22,000,000	10,000,000	25,000,000
TOTAL	80,000,000	20,000,000	88,000,000	40,000,000	100,000,000

(b) Conditions Precedent

Completion of the Acquisition is subject to satisfaction (or waiver) of the following Conditions Precedent:

- (i) **Due Diligence:** the Company completing commercial, legal and technical due diligence investigations in respect of the Tenements and XXXX Gold to its satisfaction and XXXX completing commercial, legal and technical due diligence investigations to its satisfaction in respect of the Company;
- (ii) **Tenements:** XXXX Gold becoming the registered holder of all granted Tenements or the applicant in respect of the Tenements which have not yet been granted;
- (iii) **Approvals:** the parties obtaining all necessary regulatory approvals and waivers pursuant to the *ASX Listing Rules*, *Corporations Act 2001 (Cth)*, and third party approvals to lawfully complete the Acquisition, including but not limited to:
 - (A) any approvals required under the *Mineral Resources Act 1989 (QLD)*;
 - (B) shareholder approval for the change of the Company's name to "Sunshine Gold Limited" pursuant to Resolution 5;

- (C) the issue of Consideration Shares, Consideration Options and Deferred Shares pursuant to Resolution 6;
 - (D) shareholder approval for the issue of securities under the Broker Offer pursuant to Resolution 7;
 - (E) shareholder approval for the issue of Underwriter Options pursuant to Resolution 8;
 - (F) shareholder approval for the implementation of the Plan pursuant to Resolution 12;
 - (G) shareholder approval for the issue of Performance Rights under the Plan pursuant to Resolutions 14, 16 and 18; and
 - (H) shareholder approval for the issue of Incentive Options pursuant to Resolutions 20 to 24;
- (iv) **ASX waiver and in-principle approval:** the Company obtaining from ASX:
- (A) a waiver in respect of Listing Rule 2.1 (condition 2) to undertake the Capital Raising at an issue price of \$0.02 per Share;
 - (B) a waiver in respect of Listing Rule 1.1 (condition 12) to permit Options to have an exercise price of less than \$0.20 per Option;
 - (C) a waiver in respect of Listing Rule 7.3.4 to permit the issue of Deferred Shares to each Vendor within 3 years of the approval of shareholders for the issue; and
 - (D) the ASX providing approval in principle to the Acquisition and the restructure and proposed reinstatement of the Company to the ASX¹²,
- (Fundamental Condition);**
- (v) **Capital Raising:** the Company raising approximately \$2,000,000 under the Capital Raising;
 - (vi) **ASX conditional approval:** the Company obtaining a letter from ASX confirming it will grant conditional re-quotation of its Shares, on conditions acceptable to the Company; and
 - (vii) **Loan Facility:** XXXX Gold entering into a loan agreement with one or more of the Vendors in order to be able to borrow an amount of up to \$200,000 for expenditure on the Tenements.

As at the date of this Notice, the Company has applied for and ASX has granted the waivers outlined at paragraph (iv) above, subject to the satisfaction of certain conditions outlined in Annexure L.

(c) Termination

The MOU may be terminated as follows:

- (i) by the Company if:

¹² On 28 August 2020, ASX granted the waivers noted above, subject to the satisfaction of certain conditions outlined in Annexure L. ASX has provided in principle advice that ASX is not aware of any reasons that would cause PEL not to have a structure and operations suitable for a listed entity for the purposes of Listing Rule 1.1 condition 1 or that would cause ASX to exercise its discretion to refuse re-admission to the official list under Listing Rule 1.19. The in principle advice is based solely on the facts known to ASX at the time of giving the in principle advice. Receipt of in principle advice is not a guarantee that Pelican will be re-admitted to the official list of ASX.

- (A) within 10 days of the date of the MOU, the Company forms the view that the condition precedent relating to its due diligence investigations in respect of the Tenements and XXXX Gold is not satisfied; and
- (B) before completion of the Acquisition, the Company determines that there is a material adverse change in XXXX Gold, an insolvency event occurs in relation to XXXX Gold, any Tenement is surrendered or expires or is liable to cancellation, or any new security interest is registered in respect of the Tenements;
- (ii) by XXXX Gold if within 10 days of the date of the MOU, XXXX Gold forms the view that the condition precedent relating to its due diligence investigations in respect of the Company is not satisfied;
- (iii) by either party if the remaining Conditions Precedent are not satisfied or waived on or before 30 October 2020; or
- (iv) by either party where a defaulting party does not complete within 10 business days of receipt of notice from the non-defaulting party.

1.7 Capital Raising and Consolidation

(a) Consolidation

To enable the Company to satisfy Chapters 1 and 2 of the ASX Listing Rules and obtain re-quotation of the Shares on ASX, and so the Company has a more appropriate capital structure moving forward, the Company is proposing to consolidate the Company's issued capital on an 8 to 5 basis (**Consolidation**). Further information in relation to the Consolidation is set out below with respect to Resolution 4.

(b) Capital Raising

As part of the Company's re-compliance with Chapters 1 and 2 of the ASX Listing Rules, the Company is proposing to undertake a capital raising of approximately \$2,000,000, comprising:

- an underwritten 1 for 4 entitlement offer to eligible Shareholders at an issue price of \$0.02 (on a post-Consolidation basis) to raise up to \$1,280,000 (**Entitlement Offer**); and
- an underwritten broker offer of 37,500,000 Shares at an issue price of \$0.02 (on a post-consolidated basis) to Australian retail investor clients of Shaw and Partners Limited (the Lead Manager and Underwriter to the Entitlement Offer and Broker Offer) to raise up to \$750,000 (**Broker Offer**),

(Capital Raising).

The Capital Raising will be conducted pursuant to a prospectus to be lodged by the Company with ASIC (**Prospectus**). Funds raised under the Capital Raising are intended to be used in the manner set out in Section 1.9 below.

1.8 Underwriter and Lead Manager

The Company has appointed Shaw and Partners Limited (**Underwriter**) as underwriter and lead manager of the Entitlement Offer and Broker Offer. The Company has entered into the Underwriting Agreement with the Underwriter, pursuant to which the Underwriter agrees to subscribe to up to 63,842,366 Shares under the Entitlement Offer and Placement, and the Company agrees to pay an underwriting fee of \$121,610 (being 6% of the funds to be raised under the Entitlement Offer and Broker Offer).

1.9 Source and use of funds

The Company intends to apply funds raised from the Capital Raising, together with existing cash reserves, as follows:

Source of Funds	\$000s	
Existing cash reserves ¹	3,294	
Funds raised from the Capital Raising	2,027	
Total Funds Available	5,321	
Use of Funds	\$	%
Exploration and evaluation of XXXX Gold projects	3,330	62.6%
Working capital and operating expenses	1,506	28.3%
Expenses of the Acquisition and the Capital Raising ²	485	9.1%
Total	5,321	100.00%

1. This is the Company's audited cash balance as at 30 June 2020. The cash balance at the date of this Notice of Meeting was approximately \$3.2 million with \$22,500 of the funds having been used to pay certain costs of the Acquisition and the Capital Raising (item 2 below).
2. Expenses of the Acquisition and the Capital Raising include accounting fees, legal fees, ASX listing fees, fees paid to the Underwriter, corporate advisory fees, brokerage commissions, stamp duty, auditing fees, share registry fees, printing fees and other miscellaneous expenses associated with the Capital Raising. As at the date of this Notice of Meeting, approximately \$22,500 of these costs had been met from the existing cash reserves of the Company. Further information on the expenses of the Acquisition and the Capital Raising is set out in note 2 to the pro forma statement of financial position in Annexure H to this Explanatory Memorandum.

The table above represents the Company's current intentions as at the date of this Notice of Meeting based on the current business plan of the Company and business conditions. The amount and timing of the actual expenditure may vary and will depend upon numerous factors, including the timing and success of the Company's activities and the risk factors outlined in Annexure A to this Explanatory Memorandum.

As with any work plan and budget, intervening events and new circumstances have the potential to affect the manner in which funds are ultimately applied. Accordingly, the actual expenditures may vary from the above estimates and the Board reserves the right to vary the expenditures dependent on circumstances and other opportunities.

1.10 Board of Directors

The Company's Board of Directors currently comprises:

- (a) Mr Antonio Torresan (Executive Director);
- (b) Mr Colin Chenu (Non-Executive Director); and
- (c) Mr Alec Pismiris (Non-Executive Director).

With effect from completion of the Acquisition, the Company will seek changes to the Board. Mr Colin Chenu will resign as Director, and Dr Damien Keys, Mr Paul Chapman and Mr Leslie Davis will be appointed as Directors.

Shareholder approval for these appointments is being sought pursuant to Resolutions 9 to 11. Refer to the discussion in relation to these Resolutions below for further information on the qualifications and experience of the Proposed Directors.

Subject to the passing of these Resolutions, the proposed Board of the Directors from completion of the Acquisition is expected to comprise:

- (a) Mr Antonio Torresan (Executive Director);
- (b) Dr Damien Keys (Managing Director);
- (c) Mr Alec Pismiris (Non-Executive Chairman);
- (d) Mr Paul Chapman (Non-Executive Director); and
- (e) Mr Leslie Davis (Non-Executive Director).

1.11 Impact of the passing of the Essential Resolutions on the Company's capital structure

(a) Capital structure

The effect of the Acquisition and the Capital Raising on the capital structure of the Company (on a post-Consolidation basis) is set out in the table below. This summary does not include the effect of the Deferred Shares on the capital structure of the Company given the Deferred Shares are contingent on certain performance hurdles as discussed in section 7 below.

Capital Structure	Number of Securities
Shares	
Existing Shares on issue as at the date of this Notice of Meeting (pre-Consolidation)	408,591,140
Shares on issue post-Consolidation (5:8 basis)	255,369,463
Consideration Shares to be issued under the MOU (on a post-Consolidation basis)	88,000,000
Shares to be issued under the Entitlement Offer (on a post-Consolidation basis)	63,842,366
Shares to be issued under the Broker Offer (on a post-Consolidation basis)	37,500,000
Total Shares on issue post-Consolidation, issue of the Consideration Shares and completion of the Capital Raising (undiluted)	444,711,828
Options	
Existing Options on issue	Nil
Consideration Options to be issued under the MOU (on a post-Consolidation basis)	40,000,000
Underwriter Options to be issued pursuant to Resolution 8 (on a post-Consolidation basis)	10,000,000
Incentive Options to be issued pursuant to Resolutions 20 to 24 (on a post-Consolidation basis)	21,000,000
Total Options on issue post-Consolidation and issue of the Consideration Options and Incentive Options	71,000,000

Performance Rights	
Existing Performance Rights on issue	Nil
Performance Rights to be issued pursuant to Resolutions 14, 16 and 18 (on a post-Consolidation basis)	17,000,000
Total Performance Rights on issue post-Consolidation and issue of the Performance Rights	17,000,000

(b) Impact on voting power

On the issue of the Consideration Shares and Consideration Options and completion of the Capital Raising, it is expected that the following persons will have a relevant interest in 5% or more of the issued Shares in the Company (on a post-Consolidation basis). This table does not consider the impact of the issue of the Deferred Shares on voting power given the Deferred Shares are contingent as discussed in section 7 below.

Shareholder	Number of Shares held	Percentage interest	
Antonio Torresan ¹³	60,492,091		13.60%

(c) Recent issues of Equity Securities

In the 6 months prior to the date of this Notice the Company has not issued any Shares. The Company has not issued any Options in the 6 months prior to the date of this Notice.

From incorporation to date, XXXX Gold issued via placement the following fully paid ordinary shares:

Date of Issue	Issue Price	Amount Raised	Number of Shares
10 June 2019	\$0.01	\$0.01	1
23 June 2019	\$0.01	\$999.99	99,999
31 August 2019	\$0.01	\$10,000.00	1,000,000
4 May 2020	\$0.01	\$5,000.00	500,000
4 May 2020	\$0.01	\$5,000.00	500,000
5 May 2020	\$0.01	\$5,000.00	500,000
26 June 2020	\$0.10	\$189,000.00	18,900,000
26 June 2020	\$0.10	\$195,000.00	19,500,000
26 June 2020	\$0.10	\$195,000.00	19,500,000
26 June 2020	\$0.05	\$97,500.00	19,500,000
Total		\$702,500.00	80,000,000

In addition to the issue of shares in the table above on 23 June 2020, 20,000,000 options over XXXX Gold shares (each option having an exercise price of \$0.01 and an expiry date of 30 June 2025) were issued via placement at an issue price of \$0.0001.

The above issue of securities were not underwritten and no fees were paid in respect of the issues.

Funds from the issues were applied in acquiring projects and for general working capital purposes.

¹³ Antonio Torresan holds these Shares through Snowball 3 Pty Ltd <Antonio Torresan Super A/C> and Monslit Pty Ltd <Antonio Torresan A/C>

All shares and options in the issued capital of XXXX Gold are held by the Vendors in equal portions.

1.12 Pro Forma Balance Sheet

Annexure H sets out the pro forma consolidated Statement of Financial Position of the Company at 30 June 2020 and supporting notes which includes the post reporting date transactions, the acquisition of XXXX Gold and other pro forma adjustments. The historical and pro forma information is presented in an abbreviated form, insofar as it does not include all of the disclosures required by Australian Accounting Standards applicable to annual financial reports prepared in accordance with the Corporations Act 2001.

The principal effects of the Acquisition on the Company's consolidated statement of financial position are as follows:

- consolidated total assets will increase by approximately \$4.0 million;
- consolidated total equity will increase by approximately \$4.0 million;

The principal effects of the Acquisition on the Company's consolidated statement of financial performance are as follows:

- the Company does not expect to generate revenues from operations of sale of assets during the relevant period;
- expenditure will increase by approximately \$0.5 - \$0.6 million, comprised principally of expenses related to the Acquisition and increased corporate and administration costs relating to the re-compliance; and
- Net loss before tax is expected to be in line with the increased expenditure outlined above.

1.13 The Company's rationale for the Acquisition

The purpose of the Entitlement Offer and the Broker Offer is to raise \$2,026,847, and to enable the Company to complete the Acquisition, facilitate an application by the Company for re-admission to the Official List, to assist the Company to re-comply with Chapters 1 and 2 of the Listing Rules therefore providing liquidity for Shareholders.

Through the acquisition of XXXX Gold, the Company will secure a portfolio of highly prospective gold and copper projects located in North Queensland which be subject to a systematic and thorough exploration program over the next two years with the objective of rapidly delineating JORC Resources.

Through the acquisition of XXXX Gold, the Company will secure a management team which possesses extensive mining and exploration experience, having been instrumental in the success of numerous ASX listed companies including Silver Lake Resources Limited, Black Cat Syndicate Limited and Spectrum Metals Limited.

If Resolution 3 is not passed and the Company cannot proceed with the Acquisition, the Company will be removed from the Official List on 2 November 2020 and will need to review its business strategy going forward. The MOU provides that if the Fundamental Condition is not satisfied or the Acquisition cannot otherwise be completed and the Company is not capable of being readmitted to the Official List by 30 October 2020, then the parties agree that until 30 December 2020 or such longer period as may be agreed, the parties will do all within their power to proceed with the intent of the MOU which is to use the Company structure to effectively list XXXX Gold and for that purpose, the Company will prepare a prospectus and make application to be admitted to the official list of the ASX as if the Company was undertaking an initial public offering instead of a reverse takeover.

1.14 Key risks

Shareholders should be aware that there are risks associated with the Acquisition and the Company post-Acquisition. These risks are set out at Annexure A to this Explanatory Memorandum.

1.15 Indicative timetable for the Acquisition

Event	Indicative date
Dispatch of Notice of Meeting	25 September 2020
Lodgement of Prospectus with ASIC and ASX	25 September 2020
Last day for lodgement of Proxy Form	2.00pm (WST) 24 October 2020
Annual General Meeting	26 October 2020
Effective Date for the Consolidation of Securities	26 October 2020
Record Date for the Consolidation of Securities	29 October 2020
Record Date for the Entitlement Offer	5 November 2020
Entitlement Offer and Broker Offer opens	10 November 2020
Entitlement Offer and Broker Offer closes	19 November 2020
Completion of the Acquisition	24 November 2020
Issue of Offer Shares, Consideration Shares and Consideration Options	24 November 2020
Appointment of the Proposed Directors as Directors of the Company	24 November 2020
Expected date for reinstatement of the Company's Securities to trading on ASX	4 December 2020

2 Resolution 1 – Non Binding Resolution to adopt Remuneration Report

2.1 Financial Reports

The first item of the Notice deals with the presentation of the consolidated annual financial report of the Company for the financial year ended 30 June 2020, together with the Directors' declaration and report in relation to that financial year and the Auditor's Report on the financial report. Shareholders should consider these documents and raise any matters of interest with the Directors when this item is being considered.

No resolution is required to be moved in respect of this item.

Shareholders will be given a reasonable opportunity at the Annual General Meeting to ask questions and make comments on the accounts and on the management of the Company.

The Chair will also give Shareholders a reasonable opportunity to ask the Auditor or the Auditor's representative questions relevant to:

- (a) the conduct of the audit;
- (b) the preparation and content of the independent audit report;
- (c) the accounting policies adopted by the Company in relation to the preparation of the financial statements; and
- (d) the independence of the Auditor by the Company in relation to the conduct of the audit.

The Chair will also allow a reasonable opportunity for the Auditor or their representative to answer any written questions submitted to the Auditor under section 250PA of the Corporations Act.

2.2 Remuneration Report

Section 250R(2) of the Corporations Act requires the Company to put to its Shareholders a resolution that the Remuneration Report as disclosed in the Annual Report be adopted. The Remuneration Report is set out in the Annual Report and is also available on the Company's website (www.pelicanresources.com.au).

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

However, if at least 25% of the votes cast are against adoption of the Remuneration Report at two consecutive annual general meetings, the Company will be required to put a resolution to the second Annual General Meeting (**Spill Resolution**) to approve calling a general meeting (**Spill Meeting**). If more than 50% of Shareholders vote in favour of the Spill Resolution, the Company must then convene a Spill Meeting within 90 days of the second Annual General Meeting. All of the Directors who were in office when the applicable Directors' Report was approved, other than the Managing Director, will need to stand for re-election at the Spill Meeting if they wish to continue as Directors.

The remuneration report for the financial year ended 30 June 2019 did not receive a vote of more than 25% against its adoption at the Company's last general meeting held on 11 November 2019. Accordingly, if at least 25% of the votes cast on this Resolution are against adoption of the Remuneration Report it will not result in the Company putting a Spill Resolution to Shareholders.

The Remuneration Report explains the Board policies in relation to the nature and level of remuneration paid to Directors, sets out remuneration details for each Director and any service agreements and sets out the details of any equity based compensation.

The Chair will give Shareholders a reasonable opportunity to ask questions about, or make comments on, the Remuneration Report.

2.3 Voting

Note that a voting exclusion applies to this Resolution in the terms set out in the Notice.

Shareholders are urged to carefully read the Proxy Form and provide a direction to the proxy on how to vote on this Resolution.

3 Resolution 2 – Re-election of Mr Alec Pismiris as a Director

Resolution 2 seeks approval for the election of Mr Alec Pismiris as a Director with effect from the end of the Meeting.

Pursuant to Clause 13.2 of the Company's Constitution, Mr Pismiris, being a Director, retires by way of rotation and, being eligible, offers himself for re-election as a Director.

Mr Pismiris was appointed to the Board on 24 March 2015.

Mr Pismiris is currently a director and company secretary for several ASX listed companies as well as a number of unlisted public and private companies. Mr Pismiris is a director of Pacton Gold Inc., a company listed on the TSX Venture Exchange, where he is engaged as Interim President and Chief Executive Officer.

Mr Pismiris completed a Bachelor of Commerce degree at the University of Western Australia, is a member of the Australian Institute of Company Directors and a Fellow of The Governance Institute of Australia. Mr Pismiris has over 30 years' experience in the securities, finance and mining industries and has participated numerous times in the processes by which boards have assessed the acquisition and financing of a diverse range of assets and has participated in and become familiar with the range of evaluation criteria used and the due diligence processes commonly adopted in the commercial assessment of corporate opportunities.

Currently, Mr Pismiris is also a director of Agrimin Limited, The Market Herald Limited, Frontier Resources Limited, Victory Mines Limited and Pacton Gold Inc.

Based on Mr Pismiris' relevant experience and qualifications, the members of the Board (in the absence of Mr Pismiris) support the re-election of Mr Pismiris as a Director of the Company.

4 Resolution 3 – Change in nature and scale of activities

Resolution 3 seeks Shareholder approval for a change in the nature and scale of the Company's activities as a result of the Acquisition. A detailed description of the Acquisition is outlined in section 1 above.

4.1 Listing Rule 11.1

Listing Rule 11.1 provides that where a company proposed to make a significant change, either directly or indirectly, to the nature or scale of its activities, it must provide full details to ASX as soon as practicable (and before making the change) and comply with the following:

- (a) provide to ASX information regarding the change and its effect on future potential earnings, and any information that ASX requests;
- (b) if ASX requires, obtain the approval of shareholders and comply with any requirements of ASX in relation to the notice of meeting; and
- (c) if ASX requires, meet the requirements of Chapters 1 and 2 of the Listing Rules as if the company were applying for admission to the Official List.

ASX has indicated to the Company that the change in the nature and scale of the Company's activities as a result of the Acquisition requires the Company, in accordance with Listing Rule 11.1.2, to obtain Shareholder approval and the Company must comply with any requirements of ASX in relation to this Notice.

4.2 Re-compliance with Chapters 1 and 2 of the Listing Rules

Listing Rule 11.1.2 empowers ASX to require a listed company to obtain the approval of its shareholders to a significant change to the nature or scale of its activities. The Acquisition will involve a significant change to the nature or scale of the Company's activities for these purposes and, as is its usual practice, ASX has imposed a requirement under Listing Rule 11.1.2 that the Company obtain Shareholder approval to the Acquisition.

Resolution 3 seeks the required Shareholder approval to the Acquisition under and for the purposes of Listing Rule 11.1.2.

If Resolution 3 is passed, subject to the passing of Resolutions 4, 6 and 7, the Company will be able to proceed with the Acquisition on the terms and conditions set out in this Explanatory Memorandum.

If Resolution 3 is not passed:

- (a) the Company will not be able to proceed with the Acquisition;
- (b) the Company will not proceed with the other Essential Resolutions;
- (c) the Company will be removed from the Official List on 2 November 2020; and
- (d) the Company will need to review its business strategy going forward.

The MOU provides that if the Fundamental Condition is not satisfied or the Acquisition cannot otherwise be completed and the Company is not capable of being readmitted to the Official List by 30 October 2020, then the parties agree that until 30 December 2020 or such longer period as may be agreed, the parties will do all within their power to proceed with the intent of the MOU which is to use the Company structure to effectively list XXXX Gold and for that purpose, the Company will prepare a prospectus and make application to be admitted to the official list of the ASX as if the Company was undertaking an initial public offering instead of a reverse takeover.

Pursuant to Listing Rule 11.1.3, the Company is also re-complying with ASX's requirements for admission and quotation under Chapters 1 and 2 of the Listing Rules for re-admission to the Official List. If those requirements are not met, the Acquisition will not proceed.

ASX has absolute discretion in deciding whether or not to re-admit the Company to the Official List and to quote its Securities. If ASX exercises that discretion, the Acquisition will not proceed.

In addition to the key risks set out in Annexure A to this Explanatory Memorandum, Shareholders should take account of these uncertainties in deciding whether or not to vote in favour of Resolution 3.

4.3 Suspension until re-compliance with Chapters 1 and 2 of the Listing Rules

The Company's Securities have been suspended from quotation since 30 October 2018 and, subject to Shareholder approval being obtained, will remain suspended from quotation until the Company has acquired the issued capital of XXXX Gold pursuant to the Acquisition and re-complied with Chapters 1 and 2 of the Listing Rules, including by satisfaction of ASX's conditions precedent to reinstatement.

4.4 Waiver of 20 cent rule

As set out above, the Acquisition will require the Company to meet the requirements of Chapters 1 and 2 of the Listing Rules as if the Company were applying for admission of the Official List. These requirements include that:

- (a) the main class of a company's securities for which a company seeks quotation must have an issue price of at least 20 cents in cash (pursuant to Listing Rule 2.1 (condition 2)); and
- (b) the exercise price for any options on issue must be at least 20 cents in cash (pursuant to Listing Rule 1.1 (condition 11)).

The terms of the proposed Consideration Shares pursuant to Resolution 6 and the Shares to be issued under the proposed Capital Raising pursuant to Resolution 7 will not meet the requirements set out in Listing Rule 2.1 (condition 2) as the deemed issue price of the Consideration Shares is \$0.02 per Share and the Capital Raising is proposed to be completed at an issue price of \$0.02 per Share (on a post-Consolidation basis), each being an issue price of less than 20 cents.

Following the issue of the Consideration Options, Underwriter Options and Incentive Options, the Company will have Options on issue with an exercise price of \$0.03 (on a post-Consolidation basis). The exercise price is less than the 20 cents exercise price required by Listing Rule 1.1 (condition 11).

Following the issue of the Performance Rights, the Company will have Performance Rights on issue with a nil exercise price. The exercise price is less than the 20 cents exercise price required by Listing Rule 1.1 (condition 11).

On 28 August 2020 ASX, subject to satisfaction of the conditions outlined in Annexure L, granted the Company a waiver of ASX Listing Rule 2.1 (condition 2) together with a waiver from ASX Listing Rule 1.1 (condition 11) to allow the Company to issue:

- (a) the Consideration Shares and Shares under the Capital Raising at \$0.02 per Share;
- (b) the Consideration Options, Underwriter Options and Incentive Options each having an exercise price of less than 20 cents; and
- (c) the Performance Rights having a nil exercise price.

4.5 Directors' Recommendation

The Directors have undertaken appropriate enquiries into the assets and liabilities, financial position and performance, profits and losses, and prospects of XXXX Gold for the Board to be satisfied that the Acquisition is in the interests of the Company and the Shareholders.

Accordingly, the Directors unanimously recommend that Shareholders vote in favour of Resolution 3.

5 Resolution 4 – Consolidation of Capital

5.1 Background

This Resolution seeks Shareholder approval to consolidate the Company's issued capital by consolidating (ie converting) every 8 existing Shares into 5 new Shares (**Consolidation**) for the purposes of section 254H of the Corporations Act, the Company's Constitution and for all other purposes. The Consolidation is proposed by the Company for the purposes of achieving a market value for its Securities of not less than 2 cents each and seeking a "2 cent waiver".

As at the date of this Notice, the Company has 408,591,140 Shares on issue. Accordingly, if this Resolution is passed, the number of Shares on issue will be reduced from 408,591,140 to approximately 255,369,463.

The Company does not currently have any Options on issue.

The Consolidation will not affect the Consideration Shares, Consideration Options, the Deferred Shares, the Shares issued under the Capital Raising, the Underwriter Options or the Incentive Options, which will all be issued after the Consolidation has taken place.

5.2 Implementation of Consolidation

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

If Resolution 4 is passed, subject to the passing of Resolution 3 and from completion of the Acquisition:

- (a) every 8 existing Shares will be consolidated into 5 Shares; and

- (b) subject to the passing of Resolutions 3, 6 and 7, the Company will be able to proceed with the Acquisition.

As the Consolidation applies equally to all Shareholders, individual holdings will be reduced in the same ratio as the total number of the Company's Shares (subject only to rounding). It follows that the Consolidation will have no material effect on the percentage interest of each individual Shareholder in the Company. Therefore, if a Shareholder currently holds 4,000,000 Shares representing approximately 1% of the Company's issued capital, then if the Consolidation is approved and implemented, the Shareholder will have 2,500,000 Shares following the Consolidation, still representing the same 1% of the Company's issued capital.

Similarly, the aggregate value of each Shareholder's holding (and the Company's market capitalisation) should not materially change – other than minor changes as a result of rounding – as a result of the Consolidation alone (and assuming no other market movements occur). However, the price per Share can be expected to increase to reflect the reduced number of Shares on issue. Theoretically, in the absence of market or other events, the post-Consolidation Share price should be approximately 1.6 times its pre-Consolidation price. The actual effect of the Consolidation on the Share price will depend on a number of factors outside the control of the Company, and the market price following the Consolidation may be higher or lower than the theoretical post-Consolidation price.

As from completion of the Acquisition all holding statements for Shares will cease to have any effect except as evidence of entitlement to a certain number of post-Consolidation Shares.

After the Consolidation becomes effective on completion of the passing of Resolution 4, the Company will issue a notice to Shareholders advising them of the number of Shares held by each Shareholder both before and after the Consolidation. The Company will, no later than 5 business days after the record date (as defined in the Listing Rules) arrange for new holding statements to be issued to Shareholders.

If Resolution 4 is not passed:

- (a) the Company will not be able to proceed with the Consolidation;
- (b) the Company will not be able to proceed with the Acquisition;
- (c) the Company will not proceed with the other Essential Resolutions;
- (d) the Company will be removed from the Official List on 2 November 2020; and
- (e) the Company will need to review its business strategy going forward.

The MOU provides that if the Fundamental Condition is not satisfied or the Acquisition cannot otherwise be completed and the Company is not capable of being readmitted to the Official List by 30 October 2020, then the parties agree that until 30 December 2020 or such longer period as may be agreed, the parties will do all within their power to proceed with the intent of the MOU which is to use the Company structure to effectively list XXXX Gold and for that purpose, the Company will prepare a prospectus and make application to be admitted to the official list of the ASX as if the Company was undertaking an initial public offering instead of a reverse takeover.

5.3 Fractional Entitlements

The Consolidation will result in any Shareholder whose existing holding is not a multiple of 8 receiving a fraction of a Share. These fractional entitlements will be rounded down as part of the Consolidation, so that the consolidated holding will be rounded up to the nearest whole number. If the Company reasonably believes that a Shareholder has been a party to the division of a shareholding in an attempt to obtain an advantage from this treatment of fractions, the Company may take appropriate action, having regard to the Company's Constitution and the Listing Rules. In particular, the Company reserves the right to disregard the division of the Shareholder for the purposes of dealing

with fractions so as to round up any fraction to the nearest whole number of Shares that would have been received but for the division.

5.4 Capital structure of the Company

The table in section 1.11 above sets out the impact of the Consolidation on the capital structure of the Company.

5.5 Tax implications for Shareholders

Shareholders are encouraged to seek professional advice in relation to any tax implications which may arise as a result of the Consolidation. Neither the Company nor any of its officers, employees or advisors assumes any liability or responsibility for advising Shareholders about the tax consequences for them from the proposed Consolidation.

5.6 Timing of Consolidation

The Consolidation will take effect in accordance with the following proposed timetable (as set out in Appendix 7A of the Listing Rules):

Date	Event
26 October 2020	Shareholder approval of the Essential Resolutions.
26 October 2020	Effective Date.
27 October 2020	Last day for trading in pre-organised securities. ¹⁴
29 October 2020	Record Date - last day for Company to register transfers on a pre-Consolidation basis. ¹
30 October 2020	First day for the Company to update its register and to send a notice to each Shareholder reflecting the change to the number of Shares they hold.
30 October 2020	Last day for the Company to update its register and to send a notice to each Shareholder reflecting the change to the number of Shares they hold.

6 Resolution 5 – Change of Company name

Since admission to the Official List in 2002, the Company's name has been "Pelican Resources Limited", and during that time the Company's main undertakings and principal focus have been mineral exploration in Australia and the Philippines.

The Company does not have any current operations. In January 2018, the Company completed the sale of its interests in the Cockatoo Island Project. In December 2019, the Company sold the Romblon Nickel Project located in the Philippines.

If Resolution 3 is passed, the Company will proceed with the Acquisition pursuant to which it will acquire all of the issued capital of XXXX Gold, a gold exploration company. The Company is seeking

¹⁴ This date is theoretical only given the Company's Securities are suspended and will continue to be suspended until the Company re-complies with Chapters 1 and 2 of the Listing Rules.

to change its name to “Sunshine Gold Limited” to reflect the gold exploration business of the Company as a result of the Acquisition.

The Board will then request that ASX changes the Company's ASX listing code from “PEL” to “SHN” after the change of name takes effect.

Section 157(1)(a) of the Corporations Act provides that a company may change its name if the company passes a special resolution adopting a new name. For a special resolution to be passed, at least 75% of the votes validly cast on the resolution by shareholders present and eligible to vote (in person, by proxy, by attorney, or in the case of a Member which is a corporation, by representative) (by the number of shares) must be in favour of the resolution.

Subject to the passing of Resolutions 3, if Resolution 5 is passed, the Company will lodge a copy of that special resolution with ASIC in order to effect the change. The change of name will take effect when ASIC alters the details of the Company's registration.

The Company also seeks approval under section 136(2) of the Corporations Act to amend the Company's Constitution to reflect the change of name.

If Resolution 5 is not passed, the Company will retain its name.

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

The Chair of the Meeting intends to vote all available proxies in favour of the Resolution.

7 Resolution 6 – Proposed Issue of Consideration Shares, Consideration Options and Deferred Shares to Vendors

7.1 General

As detailed above, the Company has entered into the MOU with the Vendors pursuant to which the Company will acquire the issued capital of XXXX Gold from the Vendors. Under the MOU, subject to the passing of this Resolution, the Company has agreed to issue to the Vendors in their Respective Proportions the following Securities on a post-Consolidation basis:

- (a) 88,000,000 Shares at a deemed issue price of \$0.02 per Share (**Consideration Shares**); and
- (b) 40,000,000 Options having an exercise price of \$0.03 and an expiry date of 30 September 2025 (**Consideration Options**);
- (c) subject to receipt of waivers relating to the Deferred Shares the subject of the Fundamental Condition:
 - (i) 50,000,000 Shares at a deemed issue price of \$0.02 per Share on the Company announcing to ASX within 3 years of completion of the Acquisition that it has a JORC 2012 compliant resource of 100,000 ounces of gold or gold equivalent at a minimum 1 gram per tonne cut off on Tenements owned or being acquired or applied for by XXXX Gold at the time of completion of the Acquisition; and
 - (ii) 50,000,000 Shares at a deemed issue price of \$0.02 per Share on the Company announcing to ASX within 3 years of completion of the Acquisition that it has a JORC 2012 compliant resource of 200,000 ounces of gold or gold equivalent at a minimum 1 gram per tonne cut off on the Tenements owned or being acquired or applied for by XXXX Gold at the time of completion of the Acquisition,

(Deferred Shares).

The current shareholders of XXXX Gold, and therefore the Vendors, are:

- (a) Pareto Nominees Pty Ltd (ACN 110 618 927) as trustee for <The Damelle A/C> (**Pareto Nominees**). Pareto Nominees is controlled by Melissa Bosio;
- (b) Stone Poneys Nominees Pty Ltd (ACN 113 583 743) as trustee for <Chapman Superannuation Fund> (**Stone Poneys**). Mr Chapman is one of four directors and one of four shareholders who each hold 25% of the issued capital of Stone Poneys;
- (c) Leslie Brian & Annette Fay Davis as trustee for <LB & AF Davis Superannuation Fund> (**Leslie & Annette Davis**); and
- (d) Damien Leslie Keys & Amy Dawn Keys as trustee for <ADK Family Trust> (**Damien & Amy Keys**).

As set out in section 1.6 above, each Vendor holds 25% of the issued shares and options in XXXX Gold.

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of Equity Securities that the Company can issue without the approval of its Shareholders over any 12-month period to 15% of the Shares it had on issue at the start of that period.

The proposed issue of Consideration Shares, Consideration Options and Deferred Shares pursuant to the MOU does not fall within any of the exceptions set out in Listing Rule 7.2 and exceeds the 15% limit in Listing Rule 7.1. It therefore requires the approval of the Shareholders under Listing Rule 7.1.

Resolution 6 seeks the required Shareholder approval for the proposed issue of Consideration Shares, Consideration Options and Deferred Shares under and for the purposes of Listing Rule 7.1.

Subject to each of the other Essential Resolutions being passed or the inter-conditionality of the other Essential Resolutions being waived by the Board, if Resolution 6 is passed:

- (a) the Company will be able to issue the Consideration Shares, Consideration Options and Deferred Shares to the Vendors;
- (b) the Company will be able to proceed with the Acquisition; and
- (c) based on the issue of Consideration Shares and Consideration Options on completion of the Acquisition, the total number of Securities on issue on a post-Consolidation basis will increase from 255,369,463 to 343,369,463 and the existing Shareholders holdings will be diluted by 25.6%¹⁵ on an undiluted basis and 33.4% on a fully diluted basis.¹⁶ These calculations do not take into consideration the impact of the issue of the Deferred Shares given these are contingent on meeting certain performance hurdles.

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

If Resolution 6 is not passed:

- (a) the Company will not be able to issue the Consideration Shares, Consideration Options or the Deferred Shares;

¹⁵ If all of the Consideration Shares are issued to the Vendors, this would increase the number of Shares on issue from 255,369,463 to 343,369,463 (assuming that no other Shares are issued), with the effect that the shareholding of existing shareholders would be diluted by 25.6%.

¹⁶ If all of the Consideration Options are issued to the Vendors and converted, this combined with the issue of the Consideration Shares would increase the number of Shares on issue from 255,369,463 to 383,369,463 (assuming that no other Shares are issued), with the effect that the shareholding of existing shareholders would be diluted by 33.4%.

- (b) the Company will not be able to proceed with the Acquisition;
- (c) the Company will not proceed with the other Essential Resolutions;
- (d) the Company will be removed from the Official List on 2 November 2020; and
- (e) the Company will need to review its business strategy going forward.

The MOU provides that if the Fundamental Condition is not satisfied or the Acquisition cannot otherwise be completed and the Company is not capable of being readmitted to the Official List by 30 October 2020, then the parties agree that until 30 December 2020 or such longer period as may be agreed, the parties will do all within their power to proceed with the intent of the MOU which is to use the Company structure to effectively list XXXX Gold and for that purpose, the Company will prepare a prospectus and make application to be admitted to the official list of the ASX as if the Company was undertaking an initial public offering instead of a reverse takeover.

7.2 Listing Rule 7.3

The following further information is provided to Shareholders for the purposes of Listing Rule 7.3 with respect to the proposed issue of Consideration Shares, Consideration Options and Deferred Shares to the Vendors.

- (a) a total of 88,000,000 Consideration Shares, 40,000,000 Consideration Options and 100,000,000 Deferred Shares will be issued to the Vendors as follows:

Vendor	Securities Issued
Pareto Nominees	22,000,000 Consideration Shares 10,000,000 Consideration Options 25,000,000 Deferred Shares (assuming the performance hurdles are met and all Deferred Shares are issued)
Stone Poneys	22,000,000 Consideration Shares 10,000,000 Consideration Options 25,000,000 Deferred Shares (assuming the performance hurdles are met and all Deferred Shares are issued)
Leslie & Annette Davis	22,000,000 Consideration Shares 10,000,000 Consideration Options 25,000,000 Deferred Shares (assuming the performance hurdles are met and all Deferred Shares are issued)
Damien & Amy Keys	22,000,000 Consideration Shares 10,000,000 Consideration Options 25,000,000 Deferred Shares (assuming the performance hurdles are met and all Deferred Shares are issued)

- (b) a summary of the rights attaching to Shares (and the Deferred Shares, which will be issued if the performance hurdles are met) is set out in Annexure B to this Explanatory Memorandum;
- (c) the terms and conditions of the Consideration Options are set out in Annexure C to this Explanatory Memorandum;
- (d) the dates on which the Consideration Shares, Consideration Options and Deferred Shares will be issued are as follows:
 - (i) the Consideration Shares and Consideration Options will be issued on completion of the Acquisition, being no later than 3 months after the date of this Meeting;
 - (ii) ASX has granted a waiver to Listing Rule 7.3.4 to permit the Deferred Shares to be issued no later than 3 years after the date of this Meeting on the conditions set out in Annexure L;
- (e) the Consideration Shares, Consideration Options and the Deferred Shares are being issued as consideration for the Acquisition;
- (f) the issue price of the Consideration Shares, Consideration Options and Deferred Shares is as follows:
 - (i) the Consideration Shares have a deemed issue price of \$0.02 per Share;
 - (ii) the Consideration Options have a nil issue price, and an exercise price of \$0.03 per Option; and
 - (iii) the Deferred Shares have a deemed issue price of \$0.02 per Share;
- (g) a summary of the material terms of the MOU, under which the Consideration Shares, Consideration Options and Deferred Shares are issued, is set out in section 1; and
- (h) a voting exclusion statement applies to this Resolution as set out in the Notice.

8 Resolution 7 – Proposed Issue of Shares under the Broker Offer

The Company is proposing to issue 37,500,000 Shares on a post-Consolidation basis at an issue price of \$0.02 per Share to raise up to \$750,000 (Broker Offer). Shares under the Broker Offer are proposed to be issued Australian retail investor clients of Shaw and Partners Limited (the Lead Manager and Underwriter to the Entitlement Offer and Broker Offer)

The Broker Offer is being undertaken to raise capital to assist the Company to explore and develop the Triumph, Hodgkinson and Investigator projects, the detailed use of funds is set out in section 1.9 above.

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of Equity Securities that the Company can issue without the approval of its Shareholders over any 12-month period to 15% of the Shares it had on issue at the start of that period.

The proposed issue of Shares pursuant to the Broker Offer does not fall within any of the exceptions set out in Listing Rule 7.2. While the proposed issue of Shares does not exceed the 15% limit in Listing Rule 7.1 and can therefore be made without breaching 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 under Listing Rule 7.1. To do this, the Company is asking Shareholders to approve the proposed issue of Shares pursuant to the Broker Offer under Listing Rule 7.1 so that it does not use up any of the 15% limit on issuing Equity Securities without Shareholder approval as set out in Listing Rule 7.1.

To this end, Resolution 7 seeks Shareholder approval to the proposed issue of Shares under and for the purposes of Listing Rule 7.1.

Subject to the other Essential Resolutions being passed or the inter-conditionality of the Essential Resolutions being waived, if this Resolution is passed:

- (a) the Broker Offer can proceed without using up any of the Company's 15% limit on issuing Equity Securities without Shareholder approval under Listing Rule 7.1;
- (b) the Company will issue 37,500,000 Shares to Australian investor clients of Shaw and Partners Limited;
- (c) the Company's cash reserves will increase by \$750,000 (before expenses);
- (d) the total number of Shares on issue will increase from 255,369,463 to 292,869,463 and the existing Shareholders holdings will be diluted by 12.8%¹⁷
- (e) the Shares issued pursuant to the Broker Offer will be excluded from the calculation of the number of Equity Securities that the Company can issue without Shareholder approval under Listing Rule 7.1; and
- (f) the Company will be able to proceed with the Acquisition.

If Resolution 7 is not passed:

- (a) the Company will not be able to issue shares pursuant to the Broker Offer;
- (b) the Company will not be able to proceed with the Acquisition;
- (c) the Company will not proceed with the other Essential Resolutions;
- (d) the Company will be removed from the Official List on 2 November 2020; and
- (e) the Company will need to review its business strategy going forward.

The MOU provides that if the Fundamental Condition is not satisfied or the Acquisition cannot otherwise be completed and the Company is not capable of being readmitted to the Official List by 30 October 2020, then the parties agree that until 30 December 2020 or such longer period as may be agreed, the parties will do all within their power to proceed with the intent of the MOU which is to use the Company structure to effectively list XXXX Gold and for that purpose, the Company will prepare a prospectus and make application to be admitted to the official list of the ASX as if the Company was undertaking an initial public offering instead of a reverse takeover.

The following information in relation to the Shares to be issued is provided to Shareholders for the purposes of Listing Rule 7.3:

- (a) the Shares under the Broker Offer are proposed to be issued to Australian retail investor clients of Shaw and Partners Limited pursuant to a prospectus. None of the participants in the Broker Offer will be related parties of the Company;
- (b) the Company will issue 37,500,000 Shares under the Broker Offer;

¹⁷ If all of the Shares pursuant to the Broker Offer are issued, this would increase the number of Shares on issue from 255,369,463 to 292,869,463 (assuming that no other Shares are issued), with the effect that the shareholding of existing shareholders would be diluted by 12.8%.

- (c) the Shares will be fully paid ordinary shares in the capital of the Company and rank equally in all respects with the existing fully paid ordinary shares on issue;
- (d) the Shares will be issued no later than 3 months after the date of the Meeting;
- (e) the Company will receive \$0.02 for each Share issued under the Broker Offer to raise \$750,000;
- (f) the intended use of the funds raised from the issue of Shares pursuant to the Broker Offer is detailed in section 1.9 above; and
- (g) a voting exclusion applies in respect of this Resolution as set out in the Notice of Meeting.

9 Resolution 8 – Proposed Issue of Underwriter Options to the Underwriter

9.1 Underwriter Options

The Company has entered into an underwriting agreement with the Underwriter (**Underwriting Agreement**) pursuant to which the Company will compensate the Underwriter as follows:

- (a) \$121,610 (being 6% of the funds to be raised under the Entitlement Offer and Broker Offer); and
- (b) issue 10,000,000 Options (on a post-Consolidation basis), each Option having an exercise price of \$0.03 and an expiry date of 30 September 2025 (**Underwriter Options**).

9.2 Key terms of the Underwriting Agreement

On 25 September 2020, the Company entered into the Underwriting Agreement with the Underwriter. The key terms of the Underwriting Agreement are as follows:

Underwriting

Subject to satisfaction of the conditions summarised below, the Underwriter has agreed to underwrite the Capital Raising.

The Underwriter may at any time appoint sub-underwriters to the Capital Raising. The Underwriter must pay all fees and commissions due to sub-underwriters of the Capital Raising.

Fees

The Company will pay the fees outlined in section 9.1. The Company has also agreed it will pay and will indemnify and keep indemnified the Underwriter against and in relation to, all costs and expenses of and incidental to the Capital Raising provided that the aggregate of all costs and expenses referred to above does not exceed \$10,000 (without the prior written consent of the Company).

Conditions

The obligations of the Underwriter under the Underwriting Agreement are subject to and conditional upon satisfaction of certain conditions, including:

- (a) on or before the date of lodgement of the Prospectus, the Underwriter being satisfied with the due diligence program and due diligence results conducted for the purposes of preparing the offer materials for the Capital Raising and receiving a copy of the due diligence report;
- (b) the Company receiving all required Shareholder approvals for the Acquisition;
- (c) Shareholder approve the issue of the Underwriter Options;

- (d) ASX providing conditional approval for the re-admission of the Company to the official list of ASX upon the completion of the Transaction and not having withdrawn that approval¹⁸;
- (e) the Underwriter being satisfied (in its sole and absolute discretion) with the form of the Prospectus and having given its consent to be named in the Prospectus prior to the date of lodgement of the Prospectus as evidence thereof;
- (f) on or before the date of lodgement of the Prospectus, the Company's solicitors providing a legal sign off to the due diligence committee established for the purposes the Capital Raising; and
- (g) the Prospectus being lodged on the date agreed between the Company and the Underwriter.

Termination Events

The Underwriting Agreement contains termination events customary for agreements of this nature including but not limited to:

- (a) S&P ASX 200 Index falls by 10% or more than the level on the business day prior to the date of the Underwriting Agreement;
- (b) the Company fails to lodge an Appendix 1A in the required timeframe or ASX does not approve the Company's application for re-instatement to trading on the completion of the Acquisition pursuant to its Appendix 1A or, having given that approval, withdraws its approval;
- (c) the Company does not lodge the Prospectus on the date agreed between the Company and the Underwriter or the Capital Raising is withdrawn by the Company;
- (d) ASIC or any other person proposes to conduct any enquiry, investigation or proceedings, or to take any regulatory action or to seek any remedy, in connection with the Capital Raising or the Prospectus;
- (e) any of the following events occur and in the reasonable opinion of the Underwriter reached in good faith, it has or is likely to have, or those events together have, or could reasonably be expected to have, a material adverse effect or could give rise to a liability of the Underwriter under the Corporations Act:
 - (i) there is a default or breach by the Company under the Underwriting Agreement;
 - (ii) there is a material contravention by the Company or any of its subsidiaries (which may include XXXX Gold) of any provision of its constitution, the Corporations Act, the Listing Rules or any other applicable legislation or any policy or requirement of ASIC or ASX;
 - (iii) there is a material adverse change in assets, liabilities, financial position, trading results, profits, forecasts, losses, prospects, business or operations of the Company or any of its subsidiaries (which may include XXXX Gold);
 - (iv) there is an error in the due diligence results conducted for the purposes of preparing the offer materials for the Capital Raising;
 - (v) a "new circumstance" as referred to in Section 719(1) of the Corporations Act arises that is materially adverse from the point of view of an investor;

¹⁸ A reference to grant of "official quotation" includes a reference to unconditional approval (or conditional approval, provided such condition(s) would not, in the reasonable opinion of the Underwriter, have a material adverse effect) by ASX in writing for all the underwritten Shares to be officially quoted on ASX. Without limitation, granting of official quotation must be taken to have been refused if any prior approval is withdrawn or if a statement to the effect that official quotation will be refused or withdrawn is made to the Company, the Underwriter or to the public by ASX before the closing date of the Capital Raising.

- (vi) an insolvency event occurs in relation to the Company or its subsidiaries (which may include XXXX Gold);
- (vii) litigation, arbitration, administrative or industrial proceedings are after the date of the Underwriting Agreement commenced against any the Company or any of its subsidiaries (which may include XXXX Gold) except as disclosed in the Prospectus;
- (viii) a force majeure affecting the Company's business or any obligation under the Underwriting Agreement lasting in excess of 7 days occurs;
- (ix) there is a delay in any specified date in the timetable agreed between the Company and the Underwriter which is greater than 5 Business Days
- (x) there is a breach or termination of a material contract to which the Company is a party; and
- (xi) there is a suspension or material limitation in trading generally on ASX occurs or any material adverse change or disruption occurs in the existing financial markets, political or economic conditions of Australia, Japan, the United Kingdom, the United States of America or other international financial markets.

Conditions, warranties, undertakings and other terms

The Underwriting Agreement contains certain standard representations, warranties and undertakings by the Company to the Underwriter. The warranties relate to matters such as conduct by the Company and information provided by the Company, financial information, material contracts, information in the Prospectus and the conduct of the Capital Raising.

Indemnity

Subject to certain exclusions relating to, amongst other things, negligence, fraud, or wilful misconduct of an indemnified party, the Company agrees to keep the Underwriter and certain affiliated parties indemnified from losses suffered in connection with the Offer.

9.3 Information required by the Listing Rules

Funds raised pursuant to the exercise of the Underwriter Options (if exercised) will be used for exploration and evaluation of XXXX Gold projects and working capital.

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of Equity Securities that the Company can issue without the approval of its Shareholders over any 12-month period to 15% of the Equity Securities it had on issue at the start of that period.

The proposed issue of Underwriter Options under Resolution 8 does not fall within any of the exceptions set out in Listing Rule 7.2 and exceeds the 15% limit in Listing Rule 7.1. It therefore requires the approval of the Shareholders under Listing Rule 7.1.

Resolution 8 seeks the required Shareholder approval for the proposed issue of the Underwriter Options under and for the purposes of Listing Rule 7.1.

Subject to the passing of the other Essential Resolutions or the inter-conditionality of the other Essential Resolutions being waived by the Board, if Resolution 8 is passed:

- (a) the Company will be able to proceed with the Acquisition;
- (b) the Company will issue 10,000,000 Options on a post-Consolidation basis to the Underwriter; and

- (c) the total number of Options on issue will increase from nil to 10,000,000 on a post-Consolidation basis and the existing Shareholders holdings will not be diluted until such time as the Options are exercised, at which time existing Shareholders holdings will be diluted by 3.8%¹⁹ on a fully diluted basis.

In addition, the Underwriter Options issued will be excluded from the calculation of the number of Equity Securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolution 8 is not passed:

- (a) the Company will not be able to issue the Underwriter Options;
- (b) the Company will not be able to proceed with the Acquisition;
- (c) the Company will not proceed with the other Essential Resolutions;
- (d) the Company will be removed from the Official List on 2 November 2020; and
- (e) the Company will need to review its business strategy going forward.

The MOU provides that if the Fundamental Condition is not satisfied or the Acquisition cannot otherwise be completed and the Company is not capable of being readmitted to the Official List by 30 October 2020, then the parties agree that until 30 December 2020 or such longer period as may be agreed, the parties will do all within their power to proceed with the intent of the MOU which is to use the Company structure to effectively list XXXX Gold and for that purpose, the Company will prepare a prospectus and make application to be admitted to the official list of the ASX as if the Company was undertaking an initial public offering instead of a reverse takeover.

The following information in relation to the Underwriter Options to be issued is provided to Shareholders for the purposes of Listing Rule 7.3:

- (a) the Underwriter Options will be issued to the Underwriter;
- (b) the Company will issue 10,000,000 Underwriter Options on a post-Consolidation basis;
- (c) the Underwriter Options will be issued no later than 3 months after the date of the Meeting;
- (d) the Underwriter Options each have an exercise price of \$0.03 and an expiry date of 30 September 2025. The full terms of the Underwriter Options are set out at Annexure C to this Explanatory Memorandum;
- (e) the Underwriter Options are being issued in part consideration of fees for the underwriting of the Broker Offer;
- (f) the material terms of the Underwriting Agreement are set out below; and
- (g) a voting exclusion applies in respect of this Resolution as set out in the Notice of Meeting.

10 Resolutions 9 to 11 – Election of Dr Damien Keys, Mr Paul Chapman and Mr Leslie Davis as Directors

Resolutions 9 to 11 seek approval for the election of Dr Damien Keys, Mr Paul Chapman and Mr Leslie Davis respectively as Directors of the Company with effect on and from completion of the Acquisition.

¹⁹ If all of the Underwriter Options are issued to the Underwriter and converted, this would increase the number of Shares on issue from 255,369,463 to 265,369,463 (assuming that no other Shares are issued), with the effect that the shareholding of existing shareholders would be diluted by 3.8%.

Clause 13.3 of the Constitution provides that the Company may elect a person with Shareholder approval. A Director elected at a general meeting is taken to have been elected with effect immediately after the end of that general meeting unless the resolution by which the Director was appointed or elected specifies a different time. Pursuant to Resolution 9, Dr Keys' election will take effect from completion of the Acquisition. Pursuant to Resolution 10, Mr Chapman's election will take effect from completion of the Acquisition. Pursuant to Resolution 11, Mr Davis' election will take effect from completion of the Acquisition.

Clause 13.3 of the Constitution also provides that no person other than a Director seeking re-election shall be eligible for election as Director unless that person or some Shareholder intending to propose his or her nomination has, at least 30 Business Days before the meeting, left at the Company's registered office a notice in writing duly signed by the nominee giving his or her consent to the nomination and signifying his or her candidature for the office or the intention of the Shareholder to propose the person (**Notice of Candidature**). The Notices of Candidature for each of the Proposed Directors are included at Annexure I to this Explanatory Memorandum.

Subject to the passing of the other Essential Resolutions or the inter-conditionality of the Essential Resolutions being waived by the Board:

- (a) each of the Proposed Directors submits themselves for election as Directors of the Company in accordance with clause 13.3 of the Constitution. A copy of the notices of candidature for each of the Proposed Directors can be found at Annexure I to this Explanatory Memorandum; and
- (b) the Proposed Directors will be appointed by the Directors with effect from completion of the Acquisition subject to meeting the good fame and character requirements of the ASX. In order for the ASX to assess whether the Proposed Directors are of good fame and character, the Proposed Directors must provide to the ASX a criminal history check, a bankruptcy check and a statutory declaration providing specific confirmations relating to the Proposed Directors' history.

10.2 Dr Damien Keys

Dr Keys is a geologist with 19 years' experience in mining and exploration. Dr Keys has led teams to exploration success with Gold Fields Australia Pty Ltd, Silver Lake Resources Ltd, Black Cat Syndicate Ltd and Spectrum Metals Ltd. Dr Keys has completed a PhD in Structural Geology, a Bachelor of Science (Hons) and is a member of the Australian Institute of Geoscientists.

Currently, Dr Keys is not a director of any public company.

A summary of Dr Keys' employment contract is set out in Annexure K to this Explanatory Memorandum.

The Company confirms it has conducted appropriate checks into Dr Keys' background and experience and those checks have not revealed any information of concern.

Based on Dr Keys' relevant experience and qualifications and his knowledge of the Triumph, Hodgkinson and Investigator projects, the members of the Board support the election of Dr Keys as a Director of the Company.

10.3 Mr Paul Chapman

Mr Chapman is a chartered accountant with 30 plus years in the resource sector. Mr Chapman was a founding director of Reliance Mining Ltd, Encounter Resources Ltd, Rex Minerals Ltd, Silver Lake Resources Ltd, Black Cat Syndicate Ltd and Dreadnought Resources Ltd. Mr Chapman completed a Bachelor of Commerce at the University of Melbourne and is a member of the Institute of Chartered Accountants in Australia, the Australian Institute of Company Directors and the Australasian Institute of Mining & Metallurgy.

Currently, Mr Chapman is also a director of Black Cat Syndicate Limited, Dreadnought Resources Limited and Encounter Resources Limited.

The Company confirms it has conducted appropriate checks into Mr Chapman's background and experience and those checks have not revealed any information of concern.

Based on Mr Chapman's relevant experience and qualifications and his knowledge of the resources sector across a range of commodities in Australia and the United States the members of the Board support the election of Mr Chapman as a Director of the Company.

10.4 Mr Leslie Davis

Mr Davis has 38 years' mining industry experience including 17 years' hands-on experience in mine development and narrow vein mining. Mr Davis was the founding Managing Director of Silver Lake Resources and a director of Black Cat Syndicate Ltd and Spectrum Metals Ltd. Mr Davis has completed a Masters of Science in mineral economics.

Currently, Mr Davis is also a director of Black Cat Syndicate Limited.

The Company confirms it has conducted appropriate checks into Mr Davis' background and experience and those checks have not revealed any information of concern.

Based on Mr Davis' relevant experience and qualifications and his hands on experience in mine development and narrow vein mining the members of the Board support the election of Mr Davis as a Director of the Company.

11 Resolution 12 – Performance Rights Plan

11.1 Approval of the Plan

The Directors have considered it is desirable to establish an employee incentive scheme pursuant to which the employees and Directors may be offered the opportunity to be granted convertible securities (including options and performance rights) (**Convertible Securities**) in order to increase the range of potential incentives available to them and to strengthen links between the Company and its employees and Directors. Accordingly, the Company has adopted an Employee Securities Incentive Plan (**Plan**), a summary of which is set out below, and a full copy of the Plan is contained in Annexure D of this Explanatory Memorandum.

The Plan is designed to provide incentives to employees and Directors of the Company and to recognise their contribution to the Company's success. Under the Company's current circumstances, the Company considers that the incentives to employees and Directors is a cost effective and efficient means for the Company to provide a reward and an incentive, as opposed to alternative forms of incentives such as cash bonuses or increased remuneration. To enable the Company to secure employees and Directors who can assist the Company in achieving its objectives, it is necessary to provide remuneration and incentives to such personnel. The Plan is designed to achieve this objective, by encouraging continued improvement in performance over time and by encouraging personnel to acquire and retain significant shareholdings in the Company.

11.2 Listing Rule 7.2 Exception 13(b)

Shareholder approval is required if any issue of Convertible Securities pursuant to the Plan is to fall within the exception to the calculation of the 25% limit imposed by Listing Rule 7.1 and Listing Rule 7.1A (assuming Resolution 25 is approved by Shareholders) on the number of Equity Securities which may be issued without Shareholder approval. Accordingly, Shareholder approval is sought under Resolution 12 for the purposes of Listing Rule 7.2 Exception 13(b), which provides that Listing Rule 7.1 and Listing Rule 7.1A does not apply to an issue of securities under an employee incentive scheme that has been approved by the holders of ordinary securities within three years of the date of issue.

Prior Shareholder approval will be required before any Director or related party of the Company can participate in the Plan.

The maximum number of Convertible Securities proposed to be issued under the Plan following Shareholder approval is expected to be 34,000,000. Once this number is reached the Company will need to seek fresh approval from Shareholders if the subsequent issue of Convertible Securities is to fall within Listing Rule 7.2 Exception 13.

Subject to the other Essential Resolutions being passed or the inter-conditionality of the Essential Resolutions being waived by the Board, if Resolution 12 is passed, the Company will be able to issue Convertible Securities under the Plan up to the maximum number set out in this Notice. In addition, those issues of Convertible Securities will be excluded from the calculation of the number of Equity Securities that the Company can issue without Shareholder approval under Listing Rule 7.1 and Listing Rule 7.1A if Resolution 25 is approved.

If Resolution 12 is not passed:

- (a) the Company will not be able to grant Convertible Securities under the Plan;
- (b) the Company will not be able to proceed with the Acquisition;
- (c) the Company will not proceed with the other Essential Resolutions;
- (d) the Company will be removed from the Official List on 2 November 2020; and
- (e) the Company will need to review its business strategy going forward.

The MOU provides that if the Fundamental Condition is not satisfied or the Acquisition cannot otherwise be completed and the Company is not capable of being readmitted to the Official List by 30 October 2020, then the parties agree that until 30 December 2020 or such longer period as may be agreed, the parties will do all within their power to proceed with the intent of the MOU which is to use the Company structure to effectively list XXXX Gold and for that purpose, the Company will prepare a prospectus and make application to be admitted to the official list of the ASX as if the Company was undertaking an initial public offering instead of a reverse takeover.

11.3 Summary of the Plan

- (a) **Eligibility:** The Board may from time to time provide an invitation to Eligible Participant to participate in the Plan. Where such person applies in response to the invitation (**Application**), and the Application is accepted by the Board, he or she will become a participant under the Plan (**Participant**).
- (b) **Invitation:** Following determination that an Eligible Participant may participate in the Plan, the Board may make an invitation at any time (**Invitation**). The Invitation must be accompanied by an application form, and may be made on such terms and conditions as the Board decides, including as to:
 - (i) the number of Convertible Securities for which the Eligible Participant may apply;
 - (ii) the grant date;
 - (iii) the amount payable (if any) for the grant of each Convertible Security;
 - (iv) the exercise price (or whether cashless exercise is permitted);
 - (v) the vesting conditions;
 - (vi) disposal restrictions (if any); and

- (vii) the method by which Shares will be delivered to the Participant after the valid exercise of a Convertible Security.
- (c) Application: An Eligible Participant may apply for the Performance Rights the subject of an Invitation. The Board may accept an Application from an Eligible Participant in whole or in part.
- (d) Nomination: An Eligible Participant may nominate a party to be granted the Convertible Securities the subject of an Invitation if the Invitation permits such nomination. The proposed nominee must be a nominee permitted by ASIC Class Order 14/1000 (or other exemption or modification granted by ASIC). The Board will determine whether to grant the Convertible Securities to the nominee.
- (e) Transferability of Convertible Security: A Participant may not sell, assign, transfer, grant a security interest over or otherwise deal with a Convertible Security unless otherwise determined by the Board or where the relevant dealing is effected by force of law on death or legal incapacity to the Participant's legal personal representative.
- (f) Vesting: A Convertible Security will vest when notice is given by the Company to a Participant informing him or her that the Convertible Security may be exercised in accordance with the terms of the Plan (**Vesting Notice**). A vesting condition for a Convertible Security may be waived by the Board by written notice to the Participant and on such terms and conditions as determined by the Board and set out in that notice.
- (g) Exercise of Convertible Security: To exercise a Convertible Security, the Participant must deliver a signed notice of exercise and pay the exercise price as specified in the Invitation at any time prior to the earlier of the date specified in the Vesting Notice and the expiry date specified in the Invitation.
- (h) Cashless exercise of Convertible Security: An Invitation may specify that at the time of exercise of the Convertible Security the subject of the Invitation, the Participant may elect not to be required to provide payment of the exercise price for the Convertible Securities, but that on exercise of those Convertible Securities the Company will transfer or allot to the Participant that number of Shares equal in value to the positive difference between the then 5-day volume weighted average price (unless otherwise specified) of the Shares at the time of exercise and the exercise price that would otherwise be payable to exercise those Convertible Securities.
- (i) Forfeiture of Convertible Security: A Convertible Security will not vest and will be forfeited if:
 - (i) a Participant ceases to be an Eligible Participant, unless the Board otherwise determines in its discretion to permit some or all of the Convertible Securities to vest;
 - (ii) the Board determines that a Participant has acted fraudulently or dishonestly, or wilfully breached his or her duties to the Company and each of its associated bodies corporate and deems that all unvested Convertible Securities held by that Participant have been forfeited;
 - (iii) a vesting condition has not been met or cannot be met by the relevant date, unless otherwise stated in the Invitation or determined by the Board;
 - (iv) a Participant becomes insolvent,
 - (v) a Participant does not deliver a signed notice of exercise and pay the exercise price within the time specified in the Vesting Notice;

unless otherwise determined by the Board.

- (j) Change of control: If a Change of Control Event occurs, or the board determines that such an event is likely to occur, the Board may in its discretion determine the manner in which any or all of the Participant's Convertible Securities will be dealt with. A "Change in Control" includes:
 - (i) a change in Control (as defined in section 50AA of the Corporations Act);
 - (ii) a member approved scheme of arrangement resulting in any person (alone or with its associates) owning more than 50% of the Company's issued capital;
 - (iii) a person has a Relevant Interest (as defined in the Corporations Act); and
 - (iv) a takeover bid becomes unconditional and the bidder (together with its associates) has a Relevant Interest (as defined in the Corporations Act) in more than 50% of the Company's issued capital.
- (k) Issue of Shares on exercise of Convertible Security: As soon as practicable after the valid exercise of a Convertible Security, the Company will issue to the Participant the number of Shares to which he or she is entitled.
- (l) Ranking of Shares: Shares issued upon exercise of the Convertible Security will rank equally in all respects with existing Shares. If Shares issued upon exercise are in the same class as Shares which are listed on ASX, the Company will apply for quotation of those Shares issued within the time required by the Listing Rules.
- (m) Transferability of Shares: An Invitation may impose restrictions as to the disposal or other dealing of Shares by a Participant, including but not limited to a Holding Lock.
- (n) Reorganisation of issued capital: If, prior to the vesting of a Convertible Security, there is a reorganisation of the issued share capital of the Company (including any subdivision, consolidation, reduction, return or cancellation of the issued capital of the Company), the rights of each Participant holding Convertible Security will be changed to the extent necessary to comply with the Listing Rules applicable to the reorganisation.
- (o) Bonus issue: If Shares are issued by the Company pro rata to Shareholders by way of bonus issue (other than in lieu of dividends or by way of dividend reinvestment), a Participant holding Convertible Securities is entitled, upon exercise of the Convertible Securities, to receive an allotment of as many additional Shares as would have been issued to a Shareholder who held an equal number of Shares, in addition to the Shares in respect of which the Convertible Securities are exercised and without payment of any further consideration.
- (p) Amendments to Plan: The Plan may be amended by the Board, but amendments may not be made which materially reduce the rights of any Participant as they existed before the date of the amendment, except where:
 - (i) the amendment is introduced primarily for the purposes of complying with law, correcting any manifest error or mistake, allowing the implementation of an employee share trust arrangement or taking into consideration possible adverse taxation implications in respect of the Plan; or
 - (ii) agreed to in writing by all Participants.

11.4 Information requirements of Listing Rule 7.2 Exception 13(b)

In accordance with the requirements of Listing Rule 7.2 Exception 13(b), the following information is provided to Shareholders:

- (a) a summary of the terms of the Plan is set out above and a full copy of the Plan contained in Annexure D of this Explanatory Memorandum;

- (b) this is the first approval sought under Listing Rule 7.2 Exception 13(b) with respect to the Plan;
- (c) the maximum number of Convertible Securities proposed to be issued under the Plan following approval of this Resolution is 34,000,000 Convertible Securities; and
- (d) a voting exclusion statement has been included in the Notice for the purposes of this Resolution.

12 Resolutions 14, 16 and 18– Grant of Performance Rights to Dr Damien Keys, Mr Paul Chapman and Mr Leslie Davis or their nominee(s)

The Company proposes to grant a total of 17,000,000 Performance Rights (each with an expiry date of 3 years from the date of issue) on a post-Consolidation basis to the Proposed Directors.

12.1 Related Party Transactions Generally

Chapter 2E of the Corporations Act 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 benefits falls within one of the nominated exceptions to the provision; or
- (b) Shareholder approval is obtained prior to the giving of the financial benefit and the benefit is given within 15 months after obtaining such approval.

For the purposes of Chapter 2E of the Corporations Act, each of the Proposed Directors are a related party of the Company.

In relation to Resolutions 14, 16 and 18, the Board has formed the view that Shareholder approval under section 208 of the Corporations Act is not required for the proposed issue of Performance Rights to the Proposed Directors as the issue will constitute reasonable remuneration upon election of the Proposed Directors pursuant to Resolutions 9 to 11. Section 211 of the Corporations Act provides that Shareholder approval is not required for the purposes of section 208 in circumstances where the benefit constitutes remuneration which would be reasonable given the Company's and the related party's circumstances.

12.2 Information Requirements – Listing Rules 10.14 and 10.15

Listing Rule 10.14 provides that the Company must not permit any of the following persons to acquire Equity Securities under an employee incentive scheme:

- (a) a director of the Company (Listing Rule 10.14.1);
- (b) an Associate of a director of the Company (Listing Rule 10.14.12); or
- (c) a person whose relationship with the Company or a person referred to in Listing Rule 10.14.1 or 10.14.2 is such that, in ASX's opinion, the acquisition should be approved by its Shareholders (Listing Rule 10.14.3),

unless it obtains the approval of its Shareholders.

If Resolutions 9 to 11 are passed, the Proposed Directors will be elected Directors of the Company, and therefore the issue of Performance Rights under Resolutions 14, 16 and 18 should be approved by Shareholders pursuant to Listing Rule 10.14.1.

Subject to each of the other Essential Resolutions being passed or the inter-conditionality of each of the Essential Resolutions being waived by the Board, if Resolutions 14, 16 and 18 are passed, the Company will grant Performance Rights to the Proposed Directors as noted above.

If Resolutions 14, 6 or 18 are not passed:

- (a) the Company will not grant the Performance Rights to the Proposed Directors;
- (b) the Company will not be able to proceed with the Acquisition;
- (c) the Company will not proceed with the other Essential Resolutions;
- (d) the Company will be removed from the Official List on 2 November 2020; and
- (e) the Company will need to review its business strategy going forward.

The MOU provides that if the Fundamental Condition is not satisfied or the Acquisition cannot otherwise be completed and the Company is not capable of being readmitted to the Official List by 30 October 2020, then the parties agree that until 30 December 2020 or such longer period as may be agreed, the parties will do all within their power to proceed with the intent of the MOU which is to use the Company structure to effectively list XXXX Gold and for that purpose, the Company will prepare a prospectus and make application to be admitted to the official list of the ASX as if the Company was undertaking an initial public offering instead of a reverse takeover.

The following further information is provided to Shareholders for the purposes of Listing Rule 10.15:

- (a) the Performance Rights will be granted as follows:
 - (i) Resolution 14 - 10,000,000 Performance Rights to be granted to Dr Keys or his nominee(s) on a post-Consolidation basis;
 - (ii) Resolution 16 – 4,000,000 Performance Rights to be granted to Mr Chapman or his nominee(s) on a post-Consolidation basis; and
 - (iii) Resolution 18 – 3,000,000 Performance Rights to be granted to Mr Davis or his nominee(s) on a post-Consolidation basis;
- (b) the proposed grantees fall within the following categories of Listing Rule 10.14:
 - (i) Resolution 14 – Listing Rule 10.14.1 because, subject to the passing of Resolution 9, Dr Keys will be elected a Director of the Company;
 - (ii) Resolution 16 – Listing Rule 10.14.1 because, subject to the passing of Resolution 10, Mr Chapman will be elected a Director of the Company;
 - (iii) Resolution 18 – Listing Rule 10.14.1 because, subject to the passing of Resolution 11, Mr Davis will be elected a Director of the Company;
- (c) subject to the passing of Resolution 9, Dr Keys will be elected a Director of the Company, and the grant of Performance Rights the subject of Resolution 14 is intended to remunerate or incentivise Dr Keys, whose total remuneration package is summarised in Annexure K to this Explanatory Memorandum;
- (d) subject to the passing of Resolution 10, Mr Chapman will be elected a Director of the Company, and the grant of Performance Rights the subject of Resolution 16 is intended to remunerate or incentivise Mr Chapman, who will receive \$36,000 per annum in Director fees inclusive of statutory superannuation;
- (e) subject to the passing of Resolution 11, Mr Davis will be elected a Director of the Company, and the grant of Performance Rights the subject of Resolution 18 is intended to remunerate or incentivise Dr Keys, who will receive \$36,000 per annum in Director fees inclusive of statutory superannuation;

- (f) no Securities have been previously issued under the Plan;
- (g) the terms and conditions of the Performance Rights are set out in Annexure E to this Explanatory Memorandum;
- (h) the Performance Rights have been selected to motivate the Proposed Directors to exceed expectations and grow the Company. In addition, the Performance Rights encourage Company loyalty and attract potential new employees. The issue of the Performance Rights to the Proposed Directors is considered an equity based payment and the Company will recognise a share based payment expense during the current financial year;
- (i) as noted above, the Company's advisors have valued the Performance Rights using the Black Scholes method. Based on the assumptions set out in Annexure F to this Explanatory Memorandum, it is considered that the estimated average value of the Performance Rights to be granted to the Proposed Directors is \$0.02 per Performance Right;
- (j) the Performance Rights will be granted on a date which will be no later than 3 years after the date of this Meeting, unless otherwise extended by way of ASX granting a waiver to the Listing Rules;
- (k) the Performance Rights will be granted for no consideration;
- (l) a summary of the material terms of the Plan is set out on pages 61 to 63 of this Explanatory Memorandum;
- (m) details of any securities issued under the Plan will be published in the annual report of the Company relating to a period in which they were issued, along with a statement that approval for the issue was obtained under Listing Rule 10.14;
- (n) any additional persons covered by Listing Rule 10.14 who become entitled to participate in the scheme after the Resolutions are approved and who were not named in this Notice will not participate until approval is obtained under that rule; and
- (o) a voting exclusion statement applies to Resolutions 14, 16 and 18 as set out in the Notice of Meeting.

12.3 Additional information in relation to the Performance Rights

The vesting conditions applicable to the Performance Rights are set out in Annexure E.

The Company will make a public announcement immediately:

- (a) upon the occurrence of an event referred to in paragraphs (c) and (d) of these terms and conditions;
- (b) the exercise of any of the Performance Rights; and
- (c) the expiry of any of the Performance Rights.

The Company will disclose the following information in each annual report, annual audited financial accounts, half-yearly report and quarterly cash flow report issued by the Company in respect of any period during which any of the Performance Rights remain on issue or were converted or cancelled:

- (a) the number of Performance Rights on issue during the relevant period;
- (b) a summary of the terms and conditions of the Performance Rights, including without limitation the number of ordinary shares into which they are convertible and the relevant vesting conditions;

- (c) whether any of the Performance Rights were exercised or cancelled during that period; and
- (d) whether any vesting conditions were met during the period.

The Company will disclose the following information in Part 5 of each Appendix 2A lodged by the Company while any of the Performance Rights remain on issue:

- (a) the number of Performance Rights on issue at the time of lodgement of the Appendix 2A; and
- (b) the conversion ratio of the Performance Rights into ordinary shares upon achievement of a vesting condition.

12.4 Voting

Shareholders are urged to carefully read the Proxy Form and provide a direction to the proxy on how to vote on the Resolutions.

13 Resolutions 13, 15, 17 and 19 – Approval of potential termination benefits in relation to Performance Rights issued pursuant to the Plan

Subject to the other Essential Resolutions being passed or the inter-conditionality of the other Essential Resolutions being waived by the Board, Shareholder approval is also sought for all purposes of Part 2D.2 of the Corporations Act and ASX Listing Rule 10.19 to approve the giving of benefits under the Plan to a person by the Company in connection with that person ceasing to be an officer of, or ceasing to hold a managerial or executive office in, the Company (or subsidiary of the Company) on the terms and conditions in this Explanatory Memorandum.

The relevant vesting conditions for the Performance Rights are set out in full in Annexure E to this Explanatory Memorandum.

Under the Plan, where a Participant who holds Convertible Securities (which includes the Performance Rights) ceases to be an Eligible Participant, all unvested Convertible Securities will automatically be forfeited by the Participant unless the Board otherwise determines in its discretion to permit some or all of the Convertible Securities to vest.

The benefits noted above are in addition to statutory entitlements, any payment in lieu of notice and accrued contractual entitlements, comprised of any outstanding remuneration and any accrued leave entitlements as at the date of termination.

The exercise of this discretion by the Board may constitute a “benefit” for the purposes of section 200B of the Corporations Act and ASX Listing Rule 10.19. The Company is therefore seeking Shareholder approval for the exercise of the Board’s discretion in respect of the Proposed Directors and any current or future participant in the Plan who holds:

- (a) a managerial or executive office in, or is an officer of, the Company (or subsidiary of the Company) at the time of their leaving or at any time in the three years prior to their leaving; and
- (b) Performance Rights under the Plan at the time of their leaving.

If Dr Keys, Mr Chapman or Mr Davis are granted Performance Rights pursuant to Resolutions 14, 16 and 18 respectively, they may be entitled to the above termination benefits, should the Board choose to exercise its discretion if any of Messrs Keys, Chapman or Davis become a “Leaver” as noted above.

If any of the other Essential Resolutions are not approved at the Meeting, Resolutions 13, 15, 17 and 19 will not be put to the Meeting.

13.1 Section 200B and 200E of the Corporations Act

Part 2D.2 of the Corporations Act restricts the benefits that can be given to persons who hold a "managerial or executive office" (as defined in the Corporations Act) on leaving their employment with the Company or any of its related bodies corporate, unless an exception applies.

Under section 200B of the Corporations Act, a company may only give a person a benefit in connection with their ceasing to hold a managerial or executive office in the company or a related body corporate if it is approved by shareholders under section 200E of the Corporations Act or an exemption applies.

Section 200B of the Corporations Act applies to managerial or executive officers of the Company or any of its subsidiaries, which will include the Proposed Directors.

The term "benefit" has a wide operation and would include any automatic or accelerated vesting of the Convertible Securities upon termination or cessation of employment or office in accordance with the Plan, including as a result of a determination by the Board that:

- (a) all or a portion of the unvested Convertible Securities will vest; and/or
- (b) some or all vesting conditions reduced or waived.

Provided Shareholder approval is given, the value of the termination benefits may be disregarded when applying Section 200F(2)(b) or Section 200G(1)(c) of the Corporations Act (i.e. the approved benefit will not count towards the statutory cap under the legislation).

In addition, Shareholder approval is sought under Resolutions 15, 17 and 19 for the purposes of section 200E of the Corporations Act to allow the Company to deal with the Performance Rights upon termination or cessation of employment or office of the Proposed Directors in accordance with the terms and conditions of the Performance Rights and the Plan, where to do so would involve giving a "benefit" to the Proposed Directors in connection with them ceasing to hold a managerial or executive office.

The approval is sought in relation to the Performance Rights proposed to be granted to Dr Keys, Mr Chapman and Mr Davis under Resolutions 14, 16 and 18 respectively.

The value of any benefit relating to the Performance Rights given in connection with the Proposed Directors ceasing to hold managerial or executive office cannot presently be ascertained. However, matters, events and circumstances that will, or are likely to, affect the calculation of that value are:

- (a) the number of Performance Rights held by each of the Proposed Directors prior to ceasing to hold office or termination or cessation of their employment;
- (b) whether the vesting conditions are waived or (if not waived) met, and the number of Performance Rights (which could be a portion of or all of the Performance Rights) held by each Proposed Director; and
- (c) the market price of the Company's Shares on ASX on the date Shares are issued to each Proposed Director upon exercise of the Performance Rights.

13.2 Listing Rule 10.19

Shareholder approval is sought under Listing Rule 10.19 for the potential termination benefits that may be given to:

- (f) the Proposed Directors; and

- (g) any current or future participant in the Plan who holds a managerial or executive office in, or is an officer of, the Company (or subsidiary of the Company) at the time of their leaving or at any time in the three years prior to their leaving,

by virtue of the accelerated vesting of the Performance Rights (or in the case of a future participant in the Plan, Convertible Securities) upon termination or cessation of their employment.

Listing Rule 10.19 provides that without shareholder approval, an entity must ensure that no officer of the entity or any of its child entities will be, or may be, entitled to termination benefits if the value of those benefits and the termination benefits that are or may become payable to all officers together exceed 5% of the equity interests of the entity as set out in the latest accounts given to ASX under the Listing Rules (**5% Threshold**).

Depending upon the value of the termination benefits (see above), and the equity interests of the Company at the time such benefits may crystallise, it is uncertain if such payment would exceed the 5% Threshold. In the event of such termination benefits crystallising, the Company will comply with Listing Rule 10.19.

Subject to the passing of the other Essential Resolutions or the inter-conditionality of the Essential Resolutions being waived by the Board:

- (a) if Resolution 13 is passed, the Company will be able to give termination benefits as a result of the Board exercising its discretion to accelerate vesting of the Convertible Securities which may exceed the 5% Threshold to any current or future person holding a managerial or executive office in the Company or a related body corporate in connection with that person ceasing to hold that managerial or executive office in accordance with the rules of the Plan;
- (b) if Resolution 15 is passed, the Company will be able to give termination benefits as a result of the Board exercising its discretion to accelerate vesting of the Performance Rights which may exceed the 5% Threshold to Dr Keys in connection with Dr Keys ceasing to hold that managerial or executive office in accordance with the rules of the Plan;
- (c) if Resolution 17 is passed, the Company will be able to give termination benefits as a result of the Board exercising its discretion to accelerate vesting of the Performance Rights which may exceed the 5% Threshold to Mr Chapman in connection with Mr Chapman ceasing to hold that managerial or executive office in accordance with the rules of the Plan; and
- (d) if Resolution 19 is passed, the Company will be able to give termination benefits as a result of the Board exercising its discretion to accelerate vesting of the Performance Rights which may exceed the 5% Threshold to Mr Davis in connection with Mr Davis ceasing to hold that managerial or executive office in accordance with the rules of the Plan.

If any of Resolutions 15, 17 or 19 is not passed:

- (a) the Company will not be able to give termination benefits to the Proposed Directors where those termination benefits along with termination benefits payable to all officers together exceed the 5% Threshold;
- (b) the Company will not be able to proceed with the Acquisition;
- (c) the Company will not proceed with the other Essential Resolutions;
- (d) the Company will be removed from the Official List on 2 November 2020; and
- (e) the Company will need to review its business strategy going forward.

The MOU provides that if the Fundamental Condition is not satisfied or the Acquisition cannot otherwise be completed and the Company is not capable of being readmitted to the Official List by 30

October 2020, then the parties agree that until 30 December 2020 or such longer period as may be agreed, the parties will do all within their power to proceed with the intent of the MOU which is to use the Company structure to effectively list XXXX Gold and for that purpose, the Company will prepare a prospectus and make application to be admitted to the official list of the ASX as if the Company was undertaking an initial public offering instead of a reverse takeover.

The Chairman intends to vote all available proxies in favour of this Resolution.

Provided Shareholder approval is given, the value of the termination benefits may be disregarded when applying Section 200F(2)(b) or Section 200G(1)(c) of the Corporations Act (i.e. the approved benefit will not count towards the statutory cap under the legislation).

14 Resolutions 20 to 22 – Issue of Incentive Options to Directors (or their nominee(s))

As announced on 21 September 2020, the Company has agreed to issue Mr Antonio Torresan, Mr Alec Pismiris and Mr Colin Chenu (or their nominee(s)) (**Directors**) Incentive Options to the Directors on a post-Consolidation basis in consideration for past services and reduction in the Directors' fees for the financial year ended 30 June 2020.

14.1 Related Party Transactions Generally

Chapter 2E of the Corporations Act 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 benefits falls within one of the nominated exceptions to the provision; or
- (b) Shareholder approval is obtained prior to the giving of the financial benefit and the benefit is given within 15 months after obtaining such approval.

For the purposes of Chapter 2E of the Corporations Act, the Directors are related parties of the Company. Resolutions 20, 21 and 22 relate to a proposed issued of Incentive Options to the Directors, which is a financial benefit that requires Shareholder approval for the purposes of section 208 of the Corporations Act.

Under section 208 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; 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.

Shareholder approval is not being sought for the purposes of section 208 of the Corporations Act on the basis that the benefit is considered by the Board (in the absence of Mr Torresan, Mr Pismiris and Mr Chenu (as relevant for their respective Resolutions)) to constitute reasonable remuneration and, therefore, the exception in section 211 of the Corporations Act applies. Section 211 provides that Shareholder approval is not required for the purposes of section 208 in circumstances where the benefit constitutes remuneration which would be reasonable given the Company's and the related party's circumstances.

Having considered the Company's circumstances and each of the Directors' position with the Company, the Board (in the absence of Mr Torresan, Mr Pismiris and Mr Chenu (as relevant for their respective Resolutions)) considers that the financial benefit conferred by the issue of Incentive Options to each of the Directors is reasonable given they constitute reasonable compensation for the

reduction in the Directors' fees for the financial year ended 30 June 2020 and reward the Directors for their identification, negotiation and implementation of the Acquisition, and therefore the exception in section 211 applies.

14.2 Section 195(4) of the Corporations Act

Section 195(1) of the Corporations Act prohibits a director of a public company who has a material personal interest in a matter that is being considered at a directors' meeting from being present while the matter is being considered at the meeting or voting on the matter. If there is not a quorum of directors who are eligible to vote on a matter because of the operation of section 195(1) of the Corporations Act, one or more directors may call a general meeting and the general meeting may deal with the matter.

A Director does not have a material personal interest in the issue of Incentive Options to another Director (or their nominee(s)). However, given that it is proposed that all current Directors are proposed to be issued Incentive Options pursuant to Resolutions 20 to 22, they may be considered to have a material personal interest in the outcome of the other Resolutions in relation to the issue of Incentive Options, in which case the Directors may be unable to form a quorum. Accordingly, the Board considers it prudent to exercise their right under section 195(4) of the Corporations Act and put the matters to Shareholders to resolve.

14.3 Directors' recommendation

Mr Torresan declines to make a recommendation about Resolution 20 as he has a material personal interest in the outcome of the Resolution as it relates to the proposed issue of Incentive Options to him or his nominee(s).

Mr Pismiris declines to make a recommendation about Resolution 21 as he has a material personal interest in the outcome of the Resolution as it relates to the proposed issue of Incentive Options to him or his nominee(s).

Mr Chenu declines to make a recommendation about Resolution 22 as he has a material personal interest in the outcome of the Resolution as it relates to the proposed issue of Incentive Options to him or his nominee(s).

ASIC Regulatory Guide 76: Related Party Transactions notes at paragraph 76.103 that it is good practice for directors to avoid making a recommendation for resolutions about each other's remuneration as there may be a conflict of interest. Accordingly, each of the Directors decline to make a recommendation with respect to Resolutions 20 to 22.

The Directors are not aware of any other information that would reasonably be required by the Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass Resolutions 20, 21 and 22.

14.4 Information Requirements - Listing Rules 10.11 and 10.13

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

- (a) a related party (Listing Rule 10.11.1);
- (b) a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (30%+) holder in the Company (Listing Rule 10.11.2);
- (c) a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (10%+) holder in the Company and who has nominated a Director to the Board pursuant to a relevant agreement which gives them a right or expectation to do so (Listing Rule 10.11.3);

- (d) an associate of a person referred to in Listing Rules 10.11.1 to 10.11.3 (Listing Rule 10.11.4); or
- (e) a person whose 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 Shareholders (Listing Rule 10.11.5),

unless it obtains the approval of its Shareholders.

The proposed issue of Incentive Options to the Directors 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.

Resolution 20 seeks Shareholder approval for the purposes of Listing Rule 10.11 and for all other purposes to allow the Company to issue 8,000,000 Incentive Options (on a post-Consolidation basis) to Mr Torresan (or his nominee(s)).

Resolution 21 seeks Shareholder approval for the purposes of Listing Rule 10.11 and for all other purposes to allow the Company to issue 8,000,000 Incentive Options (on a post-Consolidation basis) to Mr Pismiris (or his nominee(s)).

Resolution 22 seeks Shareholder approval for the purposes of Listing Rule 10.11 and for all other purposes to allow the Company to issue 2,000,000 Options (on a post-Consolidation basis) to Mr Chenu (or his nominee(s)).

Subject to the other Essential Resolutions being passed or the inter-conditionality of the Essential Resolutions being waived by the Board:

- (a) if Resolution 20 is passed, the Company will be able to proceed with the issue of Incentive Options to Mr Torresan;
- (b) if Resolution 21 is passed, the Company will be able to proceed with the issue of Incentive Options to Mr Pismiris;
- (c) if Resolution 22 is passed, the Company will be able to proceed with the issue of Incentive Options to Mr Chenu; and
- (d) the total number of Equity Securities on issue will increase from 255,369,463 to 273,369,463 and the existing Shareholders holdings will not be diluted until such time as the Incentive Options are exercised, at which time existing Shareholders holdings will be diluted by 6.2% on a fully diluted basis.²⁰

If Resolution 20, 21 or 22 are not passed:

- (a) the Company will not be able to issue Incentive Options to the Directors;
- (b) the Company will not be able to proceed with the Acquisition;
- (c) the Company will not proceed with the other Essential Resolutions;
- (d) the Company will be removed from the Official List on 2 November 2020; and
- (e) the Company will need to review its business strategy going forward.

²⁰ If all of the Incentive Options are issued to Directors and converted, would increase the number of Shares on issue from 255,369,463 to 273,369,463 (assuming that no other Shares are issued), with the effect that the shareholding of existing shareholders would be diluted by 6.6%.

Additionally, if Resolutions 20, 21 and 22 are not passed, the Company will not proceed with the issue of the Incentive Options to the Directors.

The following further information is provided to Shareholders for the purposes of Listing Rule 10.13:

- (a) the Incentive Options will be issued as follows:
 - (i) Resolution 20 - 8,000,000 Incentive Options to Mr Torresan (or his nominee(s));
 - (ii) Resolution 21 - 8,000,000 Incentive Options to Mr Pismiris (or his nominee(s)); and
 - (iii) Resolution 22 - 2,000,000 Incentive Options to Mr Chenu (or his nominee(s));
- (b) the proposed places fall within the following categories of Listing Rule 10.11:
 - (i) Resolution 20 – Listing Rule 10.11.1 because Mr Torresan is a Director;
 - (ii) Resolution 21 – Listing Rule 10.11.1 because Mr Pismiris is a Director; and
 - (iii) Resolution 22 – Listing Rule 10.11.1 because Mr Chenu is a Director;
- (c) the Incentive Options will have an exercise price of \$0.03 and an expiry date of 30 September 2025;
- (d) the terms and conditions of the Incentive Options are set out in Annexure C to this Explanatory Memorandum;
- (e) the Incentive will be issued on a date which will be no later than 1 month after the date of this Meeting, unless otherwise extended by way of ASX granting a waiver to the Listing Rules;
- (f) the Incentive Options are being issued to compensate the Directors for their past services and a reduction in fees for the period from 1 January 2020 to the date of completion of the Acquisition²¹; and
- (g) a voting exclusion statement applies to Resolutions 20, 21 and 22 as set out in the Notice of Meeting.

If approval is given for the grant of the Shares under Listing Rule 10.11, approval is not required under Listing Rule 7.1.

The MOU provides that if the Fundamental Condition is not satisfied or the Acquisition cannot otherwise be completed and the Company is not capable of being readmitted to the Official List by 30 October 2020, then the parties agree that until 30 December 2020 or such longer period as may be agreed, the parties will do all within their power to proceed with the intent of the MOU which is to use the Company structure to effectively list XXXX Gold and for that purpose, the Company will prepare a prospectus and make application to be admitted to the official list of the ASX as if the Company was undertaking an initial public offering instead of a reverse takeover.

²¹ Effective 1 January 2020, Mr Torresan's consulting fee reduced from \$120,000 per annum to \$84,000 per annum, Mr Chenu's non-executive director fee reduced from \$36,000 per annum to \$24,000 per annum and Mr Pismiris' non-executive and company secretary fee reduced from \$72,000 per annum to \$48,000 per annum. On completion of the Acquisition the fees paid to Messrs Torresan and Pismiris will be reinstated to levels in effect prior to 1 January 2020.

15 Resolutions 23 and 24 – Proposed Issue of Incentive Options to Mr Shaun Menezes and Mr Grant Jefferies

The Company has entered into an agreement with Mr Shaun Menezes and Mr Grant Jefferies pursuant to which the Company will issue Incentive Options (on a post-Consolidation basis) having an exercise price of \$0.03 and an expiry date of 30 September 2025 to Mr Menezes and Mr Jefferies.

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of Equity Securities that the Company can issue without the approval of its Shareholders over any 12-month period to 15% of the Shares it had on issue at the start of that period.

The proposed issue of Incentive Options to the does not fall within any of the exceptions set out in Listing Rule 7.2 and exceeds the 15% limit in Listing Rule 7.1. It therefore requires the approval of the Shareholders under Listing Rule 7.1.

Resolutions 23 and 24 seek the required Shareholder approval for the proposed issue of Incentive Options under and for the purposes of Listing Rule 7.1.

Subject to the other Essential Resolutions being passed or the inter-conditionality of the Essential Resolutions being waived by the Board, if Resolutions 23 and 24 are passed:

- (a) the Company will issue 1,000,000 Incentive Options to Mr Menezes and 2,000,000 Incentive Options to Mr Jefferies; and
- (b) the total number of Equity Securities on issue will increase from 255,369,463 to 258,369,463 and the existing Shareholders holdings will be not diluted until such time as the Incentive Options are exercised, at which time existing Shareholders holdings will be diluted by 1.2% on a fully diluted basis.²²

In addition, the Incentive Options issued will be excluded from the calculation of the number of Equity Securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolutions 23 or 24 are not passed:

- (a) the Company will not be able to issue the Incentive Options to Mr Menezes or Mr Jefferies;
- (b) the Company will not be able to proceed with the Acquisition;
- (c) the Company will not proceed with the other Essential Resolutions;
- (d) the Company will be removed from the Official List on 2 November 2020; and
- (e) the Company will need to review its business strategy going forward.

The MOU provides that if the Fundamental Condition is not satisfied or the Acquisition cannot otherwise be completed and the Company is not capable of being readmitted to the Official List by 30 October 2020, then the parties agree that until 30 December 2020 or such longer period as may be agreed, the parties will do all within their power to proceed with the intent of the MOU which is to use the Company structure to effectively list XXXX Gold and for that purpose, the Company will prepare a prospectus and make application to be admitted to the official list of the ASX as if the Company was undertaking an initial public offering instead of a reverse takeover.

²² If all of the Incentive Options are issued to Messrs Jefferies and Menezes and converted, would increase the number of Shares on issue from 255,369,463 to 258,369,463 (assuming that no other Shares are issued), with the effect that the shareholding of existing shareholders would be diluted by 1.2%.

Additionally, if Resolutions 23 and 24 are not passed, the Company will not proceed with the issue of Incentive Options to Messrs Menezes and Jefferies.

The following information in relation to the Shares to be issued is provided to Shareholders for the purposes of Listing Rule 7.3:

- (a) the Incentive Options will be issued as follows:
 - (i) Resolution 23 – 1,000,000 Incentive Options issued to Mr Menezes; and
 - (ii) Resolution 24 – 2,000,000 Incentive Options issued to Mr Jefferies;
- (b) the Incentive Options will have an exercise price of \$0.03 and an expiry date of 30 September 2025;
- (c) the Incentive Options will be issued no later than 3 months after the date of the Meeting;
- (d) the Incentive Options are being issued in consideration for past services provided by Messrs Menezes and Jefferies; and
- (e) a voting exclusion applies in respect of Resolutions 23 and 24 as set out in the Notice of Meeting.

16 Resolution 25 – Approval of Additional 10% Placement Capacity

Background

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.

Under Listing Rule 7.1A, however, 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% (**Listing Rule 7.1A Mandate**).

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

This Resolution 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 this Resolution 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 this Resolution is not passed, the Company will not be able to access the additional 10% capacity to issue Equity Securities without Shareholder approval provided for in 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.

The number of Equity Securities which may be issued pursuant to the Listing Rule 7.1A Mandate

Based on the number of Shares on issue at the date of this Notice, the Company will have approximately 255,369,463 Shares on issue (on a post Consolidation basis) and therefore, subject to Shareholder approval being obtained under this Resolution, approximately 25,536,946 Equity Securities will be permitted to be issued in accordance with Listing Rule 7.1A. Shareholders should note that the calculation of the number of Equity Securities permitted to be issued under the Listing

Rule 7.1A Mandate is a moving calculation and will be based the formula set out in Listing Rule 7.1A.2 at the time of issue of the Equity Securities. That formula is:

$$(A \times D) - E$$

- A** is the number of Shares on issue 12 months immediately preceding the date of issue or agreement (**Relevant Period**):
- (a) plus the number of fully paid Shares issued in the Relevant Period under an exception in Listing Rule 7.2 other than exception 9, 16 or 17;
 - (i) plus the number of fully paid Shares issued in the Relevant Period on the conversion of convertible securities within Listing Rule 7.2 exception 9 where:
 - (ii) the convertible securities were issued or agreed to be issued before the commencement of the relevant period; or
 - (iii) the issue of, or agreement to issue, the convertible securities was approved or taken under the Listing Rules to have been approved, under Listing Rules 7.1 or 7.4;
 - (b) plus the number of Shares issued in the Relevant Period under an agreement to issue securities within Listing Rule 7.2 exception 16 where:
 - (i) the agreement was entered into before the commencement of the Relevant Period; or
 - (ii) the agreement or issue was approved, or taken under these rules to have been approved, under Listing Rules 7.1 or 7.4;
 - (c) plus the number of fully paid Shares issued in the Relevant Period with approval of holders of Shares under Listing Rules 7.1 and 7.4;
 - (d) plus the number of partly paid Shares that become fully paid in the Relevant Period;
 - (e) less the number of fully paid Shares cancelled in the Relevant Period.

Note that 'A' is has the same meaning in Listing Rule 7.1 when calculating an entity's 15% placement capacity.

D is 10%

E is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the Relevant Period where the issue or agreement to issue has not been subsequently approved by Shareholders under Listing Rule 7.4.

Specific information required by Listing Rule 7.3A

- (a) If the Resolution is passed, the Listing Rule 7.1A Mandate will be valid during the period from the date of the Annual General Meeting and will expire on the earlier of:
 - (i) the date that is 12 months after the date of the Annual General Meeting;
 - (ii) the time and date of the Company's next Annual General Meeting; and
 - (iii) the time and date on which the Company receives approval by Shareholders for a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking) (**Approval Period**).

- (b) The Equity Securities to be issued will be in an existing class of quoted securities and will be issued for cash consideration at an issue price per Equity Security of not less than 75% of the volume weighted average price for the Company's Equity Securities over the 15 Trading Days on which trades in the 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 Company and the recipient of the Equity Securities; or
 - (ii) if the Equity Securities are not issued within ten Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.
- (c) If completion of the Acquisition occurs and this Resolution is approved, any funds raised from the issue of Equity Securities under Listing Rule 7.1A will be used for exploration and evaluation of the XXXX Gold's projects and working capital;
- (d) If this Resolution is approved by Shareholders and the Company issues Equity Securities under the Listing Rule 7.1A Mandate, the existing Shareholders' economic and voting interests in the Company will be diluted. There is also a risk that:
- (i) the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date the Listing Rule 7.1A Mandate was approved; and
 - (ii) the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date or the Equity Securities; or

The table below demonstrates the potential dilution of existing Shareholders in three differing scenarios. The table is prepared on a post-Consolidation basis. The "market price" of Share is, for the purposes of the table, assumed to be \$0.02, being the offer price under the Entitlement Offer and Broker Offer.

Variable 'A' (refer above for calculation)		Dilution		
		\$0.01 Issue Price at half the market price	\$0.02 Issue Price at the market price	\$0.04 Issue Price at double the market price
Current Variable 'A' 255,369,463 Shares	Shares issued	25,536,946	25,536,946	25,536,946
	Funds raised	\$255,369	\$510,739	\$1,021,478
	Dilution	10%	10%	10%
50% increase in current Variable 'A' 383,054,194 Shares	Shares issued	38,305,419	38,305,419	38,305,419
	Funds raised	\$383,054	\$766,108	\$1,532,217
	Dilution	10%	10%	10%
	Shares issued	51,073,892	51,073,892	51,073,892

100% increase in current variable 'A' 510,738,926 Shares	Funds raised	\$510,739	\$1,021,478	\$2,042,956
	Dilution	10%	10%	10%

Note: *This table assumes:*

No Options are exercised before the date of the issue of the Equity Securities.

- The issue of Equity Securities under the Listing Rule 7.1A Mandate consists only of Shares. If the issue of Equity Securities includes quoted Options, for the purposes of the above table, it is assumed that those quoted Options are exercised into Shares for the purposes of calculating the voting dilution effect on existing Shareholders.
- The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the Listing Rule 7.1A Mandate, based on that Shareholder's holding at the date of the Meeting.
- 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, with approval under Listing Rule 7.1 or ratified under Listing Rule 7.4.

The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.

- (e) The identity of the persons to whom Shares will be issued is not yet known and will be determined on a case by case basis having regard to market conditions at the time of the proposed issue of Equity Securities and the Company's allocation policy, which involves consideration of matters including, but not limited to:
- (i) the ability of the Company to raise funds at the time of the proposed issue of Equity Securities and whether the raising of any funds under such placement could be carried out by means of an entitlement offer, or a placement and an entitlements offer;
 - (ii) the dilutionary effect of the proposed issue of the Equity Securities on existing Shareholders at the time of proposed issued of Equity Securities;
 - (iii) the financial situation and solvency of the Company; and
 - (iv) advice from its professional advisers, including corporate, financial and broking advisers (if applicable).

The persons to whom Shares will be issued under the Listing Rule 7.1A Mandate have not been determined as at the date of this Notice, but will not include related parties (or their Associates) of the Company.

- (e) The Company has not previously issued or agreed to issue Equity Securities under Listing Rule 7.1A2 in the 12 months preceding the date of the Meeting.

GLOSSARY

5% Threshold has the meaning set out on page 68.

\$ means Australian dollars.

Accounting Standards has the meaning given to that term in the Corporations Act.

Acquisition has the meaning set out in page 18.

Annual Report means the annual report of the Company for the year ended 30 June 2020.

Application has the meaning set out in Annexure D to the Explanatory Memorandum.

AEST means Australian eastern standard time.

As is the chemical symbol for arsenic.

Associate has the meaning given to that term in the Listing Rules.

ASX means ASX Limited ABN 98 008 624 691 and, where the context permits, the Australian Securities Exchange operated by ASX Limited.

Au is the chemical symbol for gold.

Auditor means the Company's auditor from time to time (if any).

Auditor's Report means the report of the Auditor contained in the Annual Report for the year ended 30 June 2020.

AWST means western standard time as recognised in Perth, Western Australia.

Board means the Directors.

Broker Offer has the meaning set out on page 36.

Capital Raising has the meaning set out in page 36.

Chair or Chairman means the individual appointed under clause 15.9 of the Constitution /elected to chair any meeting of the Company from time to time.

Child Entity has the meaning given to that term in the Listing Rules.

Closely Related Party has the meaning given to that term in the Corporations Act.

Co is the chemical symbol for cobalt.

Company or **Pelican** means Pelican Resources Limited ABN 12 063 388 821.

Conditions Precedent means the conditions precedent set out in the MOU.

Consideration Shares has the meaning set out on page 3.

Consideration Options has the meaning set out on page 4.

Consolidation has the meaning set out on page 36.

Constitution means the Company's constitution, as amended from time to time.

Convertible Securities has the meaning set out on page 60.

Corporations Act means Corporations Act 2001 (Cth).

Cu is the chemical symbol for copper.

Damien & Amy Keys means Damien Leslie Keys and Amy Dawn Keys as trustees for <ADK Family Trust>.

Deferred Shares has the meaning set out on page 4.

Directors means the directors of the Company.

Dispose has the meaning given to that term in the Listing Rules and **Disposal** has a corresponding meaning.

Eligible Participant means a person that:

- (a) is a full-time or part-time employee (including an executive director), a non-executive director, a contractor, a casual employee or a prospective participant; and
- (b) has been determined by the Board to be eligible to participate in the Plan from time to time.

Employee Option means an Option issued under the Plan.

Entitlement Offer has the meaning set out on page 36.

EPM means exploration permit for minerals.

Equity Securities has the meaning given to that term in the Listing Rules.

Essential Resolutions means Resolutions 3, 4, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23 and 24.

Exercise Price has the meaning set out in Annexure C to the Explanatory Memorandum.

Expiry Date has the meaning set out in Annexure C to the Explanatory Memorandum.

Explanatory Memorandum means the explanatory memorandum accompanying this Notice.

Fundamental Condition has the meaning set out on page 35.

g/t means grams per tonne.

Holding Lock has the meaning given to that term in the Listing Rules.

Incentive Options has the meaning set out on page 11.

Insolvent has the meaning set out in the Plan.

Invitation has the meaning set out in Annexure D to the Explanatory Memorandum.

IP means induced polarisation.

JORC Code means the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves, 2012.

k means thousand.

k/t means kilograms per tonne.

Key Management Personnel has the meaning given to that term in the Accounting Standards.

km means kilometres.

Leslie & Annette Davis means Leslie Brian Davis and Annette Fay Davis as trustees for <LB & AF Davis Superannuation Fund >.

Listing Rule 7.1A Mandate has the meaning set out on page 75.

Listing Rules means the ASX Listing Rules.

m means metres.

M means million.

Meeting means the Annual General Meeting convened by the Notice.

Mineral Resource has the meaning given to that term in the JORC Code.

Minister means the Minister for Natural Resources, Mines and Energy.

Mo means molybdenum.

MOU has the meaning set out on page 18.

Moz means million ounces.

Notice means this Notice of Annual General Meeting.

Notice of Candidature has the meaning set out on page 58.

Notice of Exercise has the meaning set out in Annexure D to the Explanatory Memorandum.

Notice of Meeting means this Notice of Annual General Meeting.

NQT means North Queensland Tungsten (ACN 113 586 440).

Option means an option to acquire a Share.

Option Exercise Notice has the meaning set out in Annexure C to the Explanatory Memorandum.

Option Exercise Price has the meaning set out in Annexure C to the Explanatory Memorandum.

Option Expiry Date has the meaning set out in Annexure C to the Explanatory Memorandum.

Optionholder means a holder of an Option.

Ore Reserve has the meaning given to that term in the JORC Code.

oz means ounces.

Pareto Nominees means Pareto Nominees Pty Ltd (ACN 110 618 927) as trustee for <The Damelle A/C>.

Participant has the meaning set out in Annexure D to the Explanatory Memorandum.

Performance Rights means the performance rights granted under the Plan.

Plan has the meaning set out on page 60.

ppm means parts per million.

Proposed Directors means Messrs Damien Keys, Paul Chapman and Leslie Davis.

Prospectus means the prospectus to be issued by the Company for the purposes of re-complying with Chapters 1 and 2 of the Listing Rules and conducting the Capital Raising.

Proxy Form means the proxy form accompanying the Notice.

Roar Resources means Roar Resources Pty Ltd (ACN 134 544 111)

RC drilling means reverse circulation drilling.

Relevant Period has the meaning set out on page 75.

Remuneration Report means the remuneration report set out in the Annual Report for the year ended 30 June 2020.

Resolution means a resolution contained in the Notice.

Respective Proportions means, in relation to each Vendor, 25%,

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

Sale and Licence Agreement means the sale and licence agreement between XXXX Gold and NQT dated 26 July 2020.

Shareholder means a member of the Company from time to time.

Shares means fully paid ordinary shares in the capital of the Company.

Spill Meeting has the meaning set out on page 42.

Spill Resolution has the meaning set out on page 42.

Stone Poneys means Stone Poneys Nominees Pty Ltd (ACN 113 583 743) as trustee for <Chapman Superannuation Fund>.

Tenements means the tenements set out in Annexure J to the Explanatory Memorandum.

Trading Day means a day determined by ASX to be a trading day in accordance with the Listing Rules.

Underwriter means Shaw and Partners Limited.

Underwriter Options has the meaning set out on page 5.

Underwriting Agreement means the agreement between the Company and Shaw and Partners Limited dated 25 September 2020.

Vendors means the Shareholders under the MOU, being Pareto Nominees, Stone Poneys Nominees Pty Ltd, Leslie & Annette Davis and Damien & Amy Keys.

Vesting Notice has the meaning set out in Annexure D to the Explanatory Memorandum.

WO₃ means tungsten trioxide.

XXXX Gold means XXXX Gold Pty Ltd (ABN 28 634 004 274).

Zn is the chemical symbol for zinc.

Annexure A – Key Risks of the Acquisition

In this Annexure A, a reference to Company, includes Pelican and XXXX Gold where applicable.

1 Conditional acquisition

As part of the Company's change in nature and scale of activities, ASX will require the Company to re-comply with Chapters 1 and 2 of the Listing Rules. The Company's Shares are currently suspended from trading, and it is anticipated that the Shares will remain suspended until completion of the Acquisition and the Capital Raising, re-compliance by the Company with Chapters 1 and 2 of the Listing Rules and compliance with any further conditions ASX imposes on such reinstatement.

There is a risk that the Company will not be able to satisfy one or more of those requirements and that its Shares will consequently remain suspended from quotation and the Company will be removed from the Official List of ASX.

2 Completion of acquisition of tenements by XXXX Gold

As at the date of this Notice, XXXX Gold is yet to complete the acquisition of EPM 18171, EPM 19809 and EPM 25139 from NQT. In order to completion the acquisition of tenements from NQT, XXXX Gold and NQT must seek indicative approval from the Minister to confirm that the Minister will not object to the transfer of the tenements to XXXX Gold.

It is a condition precedent of the MOU that XXXX Gold become the registered holder of the Tenements, including the tenements it is in the process of acquiring from NQT pursuant to the Sale and Licence Agreement. In addition, it is a condition of the Offer that all of the conditions precedent of the MOU are either satisfied or waived (refer to Section 6.2 for further information on the conditions to the Offer).

There is no guarantee the Minister will not object to the transfer of tenements from NQT to XXXX Gold. If the Minister objects to the transfer of the tenements, the transfer of tenements from NQT to XXXX Gold will not proceed and in turn, the relevant condition precedent under the MOU will not be satisfied and the Company will not be able to complete the Acquisition unless it agrees to waive the relevant condition precedent of the MOU.

If the relevant condition precedent under the MOU is not satisfied or waived, the conditions of the Offer will not be satisfied and the Offer will not complete.

3 Tenement applications and title

One Tenement is still in application. There is no guarantee that this, or any other future tenement applications, will be granted or, if it are granted, that it will be granted over the entirety of the area applied for. Further, mining tenements are subject to periodic renewal. There is no guarantee that applications for renewal will be granted.

More generally, the Tenements are subject to the Mineral Resources Act 1989 (QLD) (**Mineral Resources Act**) and other applicable regulations. The tenement holder has certain obligations under the Mineral Resources Act in relation to the Tenements, including payment of annual rents, meeting prescribed expenditure commitments (or obtaining exemptions from them), and satisfying other conditions imposed on the Tenements.

It is the Company's intention to satisfy the conditions that apply to the Tenements. However there are no guarantees that, in the future, the minimum expenditure and other conditions that apply to the Tenements will be satisfied. If the conditions that apply to a Tenement are not satisfied, the Company may be subject to penalties or forfeiture applications. Additional conditions may also be imposed on the Tenements in the future. Any of these events could have a materially adverse effect on the Company's prospects and the value of its assets.

All of the Tenements are Exploration Permits or Exploration Permit Applications and accordingly the Company's rights are limited to the exploration rights granted by such tenements. There can be no assurance that applications for future mining leases, if applied for, will be granted on satisfactory terms, or at all.

4 Change of control of Tenement holder

On completion of the Acquisition there will be a change of control event under the *Mineral and Energy Resources (Common Provisions) Act 2014* (Qld) (MERCPC). Under MERCPC, where a change of control occurs, the Department Natural Resources, Mines and Energy (Department) will undertake an assessment to confirm that the new controlling party (ie: Pelican) has the financial, technical and personnel expertise to satisfy the tenement

conditions. If the Department finds the new controlling entity is not suitably qualified they may amend the conditions of the tenements. The Department does not have the power to reverse the transfer or to strip the tenement, merely the power to impose additional or amended conditions. Therefore there is a risk the Tenements may be subject to additional conditions which are not currently contemplated by Pelican.

5 Private landholders consent needed to access Tenements

While the Company has been successful in obtaining agreements with some of the owners and occupiers, there is no guarantee that it will obtain the necessary consent in respect of all other areas of interest to it, either on terms agreeable to the Company or at all. There is also no guarantee that the further consent necessary for a future mining lease and mining activities will be obtained, including from the persons that have consented to date.

Failure to obtain the necessary consent and/or agree compensation with the relevant owners and occupiers will prevent the Company from being granted rights to, or carrying out any activities on the surface of the private land areas. Depending on the areas affected this may have a material adverse impact on the Company and its operations.

The need for negotiations to obtain further access for both exploration and for future mining activities may also cause delays and adversely impact on the Company's proposed activities. The need to pay compensation will also deplete the Company's cash reserves although these amounts are not expected to be material.

6 Other access issues

In addition to the risks associated with access to areas of private land noted above, some other areas of the Tenements are the subject of other land uses (including reserves) or environmental restrictions. The terms of grant of Tenements over these types of land contain sometimes stringent conditions relating to access and ground disturbing activities that the Company will need to comply with and may require additional regulatory consents being obtained prior to access.

The Company will experience delays and cost overruns in the event it is unable to access the land required for its operations for other reasons. This may be as a result of weather, environmental restraints, native title or aboriginal heritage issues, the need for regulatory approvals and consents or other factors.

7 Restricted securities reducing liquidity

Subject to the Company being admitted to the Official List, the company expects certain securities on issue prior to the Offer will be classified by ASX as restricted securities and will be required to be held in escrow for up to 24 months from the date of re-admission to the Official List of ASX. During the period in which these securities are prohibited from being transferred, trading in Shares may be less liquid which may impact on the ability of a Shareholder to dispose of his or her Shares in a timely manner. The Company will announce to the ASX full details (including quantity and duration) of the securities required to be held in escrow prior to the Shares commencing trading on ASX.

8 Limited history

XXXX Gold was incorporated on 10 June 2019 and therefore has limited operating and financial history. Some exploration has previously been conducted on the area of land the subject of the Tenements, however, the Company has only recently commenced its own review and assessment of the exploration activities on the Tenements. In addition, for the Tenements at the application stage only, the Company has not yet commenced its own exploration activities on those areas. The prospects of the Company must be considered in light of the risks, expenses and difficulties frequently encountered by companies in the early stages of their development, particularly in the mineral exploration sector, which has a high level of inherent risk and uncertainty. No assurance can be given that the Company will achieve commercial viability through successful exploration on, or mining of, its projects. Until the Company is able to realise value from its projects, it is likely to incur operational losses.

9 Exploration and study risks

The business of mineral (including gold) exploration is a high risk business. The Company's projects are still at a very early stage and no Mineral Resources have as yet been identified on the Tenements. There is no guarantee that the exploration of these Tenements or any mining tenements that may be acquired in the future, will be successful and result in the discovery of an economically viable deposit of gold or other minerals.

The Company's future exploration activities may be affected by a range of factors including geological conditions, limitations on activities by seasonal or adverse weather conditions, unanticipated operations or technical difficulties, availability of suitable equipment and personnel, land access and environmental issues.

In the future the Company may undertake various studies on the Company's projects depending on results of exploration and testing programs, including scoping, pre-feasibility, definitive feasibility and bankable feasibility studies.

These studies will be completed within parameters designed to determine the economic feasibility of the Company's projects within certain limits. There can be no guarantee that any of the studies will confirm the economic viability of the Company's projects or the results of other studies undertaken by the Company (e.g. the results of a feasibility study may materially differ to the results of a scoping study).

Further even if a study determines the economics of the Company's projects, there can be no guarantee that the project will be successfully brought into production. In addition, the ability of the Company to complete a study may be dependent on the Company's ability to raise further funds to complete the study if required.

In the event that the Company's exploration programmes and/or studies prove to be unsuccessful this could lead to a diminution in value of its projects, a reduction in the cash reserves of the Company and the possible relinquishment of one or more of its Tenements.

10 Exploration costs

The exploration costs of the Company have been estimated based on certain assumptions including with respect to the method and timing of exploration and these assumptions are subject to significant uncertainties. Actual exploration costs may differ materially from these estimates. As such, no assurance can be given that the cost estimates and the underlying assumptions will be realised. The Company may be materially and adversely affected if the actual costs are substantially greater than the estimated costs.

11 Exploration targets, resources and reserves

In the future, the Company may identify exploration targets based on geological interpretations and limited geophysical data, geochemical sampling and historical drilling. In that case, insufficient data may exist to provide certainty over the extent of the mineralisation. Accordingly, no assurances can be given that any additional exploration will result in the determination of a Mineral Resource on any of the exploration targets identified. Even if a Mineral Resource is identified no assurance can be provided that this can be economically extracted and an Ore Reserve identified.

Even if Mineral Resource or Ore Reserve estimates are made in the future, these estimates are expressions of judgement based on knowledge, experience and industry practice. Estimates which were valid when initially calculated may alter significantly when new information or techniques become available. In addition, by their very nature resource and reserve estimates are imprecise and depend to some extent on interpretations which may prove to be inaccurate.

12 Development and operational risks

By its very nature, mine development contains significant risk with no guarantee of success. Therefore, even if a potentially economic mineral deposit is identified by the Company in the future, there is no guarantee that it can be developed and economically exploited. The ultimate economic development of a mineral deposit is dependent on many factors such as:

- (a) the delineation of economically recoverable Ore Reserves;
- (b) access to adequate capital for project development;
- (c) design and construction of efficient development and production infrastructure within capital expenditure budgets;
- (d) securing and maintaining title to appropriate mining tenements;
- (e) obtaining regulatory consents and approvals necessary for the conduct of development and production;
- (f) securing plant and equipment; and

- (g) access to competent operational management and prudent financial administration, including the availability and reliability of appropriately skilled and experienced employees, contractors and consultants.

In particular, any mineral deposits identified by the Company may not produce sufficient quantities or qualities of gold or other minerals to be profitable or commercially viable and may result in a total loss of the investments by the Company.

Further, once established, mining operations can be impacted by a number of factors, including geological and weather conditions causing delays and interference to operations, access to necessary funding, metallurgical issues, mechanical failure of plant and equipment, shortages or increases in price of consumables and plant and equipment, environmental hazards, fires, explosions and other accidents.

These factors affect the Company's ability to establish mining operations, continue with its projects and earn income from its operations and will affect the Company's share price.

Similarly, all production costs, particularly labour, fuel and power, are a key risk and have the potential to adversely affect the Company's profitability. If the Company develops mining operations and these are subject to cost overruns and/or higher than anticipated operating costs, this would adversely affect the Company's profitability, the value of the Company's projects and in turn, the value of the Company's securities.

13 Additional requirements for capital and dilution

The future capital requirements of the Company will depend on many factors. The Directors believe that funds raised from the Capital Raising together with existing cash reserves, will provide the Company with sufficient working capital to carry out its stated objectives over two years following the date of the Prospectus. However changes to operational requirements, market conditions and the identification of other opportunities may mean further funding is required by the Company at an earlier stage than is currently anticipated.

Should the Company require additional funding, there can be no assurance that the Company will be able to secure any additional funding or be able to secure funding on terms favourable to the Company. Any additional equity financing will dilute shareholdings and the voting power of existing Shareholders. Any increase in the number of Shares issued may have a depressive effect on the price of Shares. Any debt financing, if available, may involve restrictions on financing and operating activities. Any inability to obtain additional funding, may have a material adverse effect on the Company's operations, its financial condition and performance and its ability to continue as a going concern.

14 Infectious diseases risk

Outbreaks of pandemics or diseases, including, for example, the recent outbreak of the coronavirus disease (**COVID-19**), may have a material adverse effect on Pelican's business. The global economic outlook remains uncertain due to the COVID-19 pandemic, which has had and may continue to have a significant impact on capital markets and share price. The Company's share price may be adversely affected by this economic uncertainty caused by COVID-19. Further measures to limit the transmission of the virus implemented by governments around the world (such as travel bans and quarantining) may adversely impact the Company's operations. Examples of possible implications include delays to regulatory mining-related approvals, construction delays, site access restrictions, limited or no access to funding on commercially acceptable terms, delayed payments or cancelled orders from counterparties or termination of distribution arrangements and loss of revenue.

15 Climate change risk

There has been increasing concern by regulators globally on climate change issues. As a minerals explorer, the Company is exposed to risks associated with climate change regulation. Transitioning to a lower-carbon economy may entail extensive policy, legal, technology and market changes and, the Company may find it difficult to commercialise any resources it discovers. The risks associated with climate change (including also regulatory responses to such issues and associated costs) may significantly affect the Company's operating and financial performance.

16 Commodity price risk and exchange rate risk

The Company's possible future revenues will mainly be derived from the sale of gold or other minerals. Accordingly, the Company's future ability to generate revenue or attract funding will be closely related to the price of such commodities. Commodity prices fluctuate and are affected by a range of factors outside of the Company's control, including the relationship between global supply and demand for such commodities, forward selling by producers, the cost of production and general global economic conditions.

Commodity prices are also affected by the outlook for inflation, interest rates, currency exchange rates and supply and demand issues. These factors may have an adverse effect on the Company's exploration, development and production activities as well as its ability to fund those activities.

Furthermore, international prices of various commodities are denominated in United States dollars, whereas the income and expenditure of the Company are and will be taken into account in Australian currency, exposing the Company to the fluctuations and volatility of the rate of exchange between the United States dollar and the Australian dollar as determined in international markets.

17 Environmental and approvals risk

The Company's operations are subject to environmental regulations at both a State and Federal level. As with most exploration projects and mining operations, the Company's activities are expected to have an impact on the environment, particularly if advanced exploration or mine development proceeds.

Mining operations have inherent risks and liabilities associated with safety and damage to the environment and the disposal of waste products occurring as a result of mineral exploration and production. The occurrence of any such safety or environmental incident could delay production or increase production costs. Events, such as unpredictable rainfall or bushfires may impact on the Company's ongoing compliance with environmental legislation, regulations and licences. Significant liabilities could be imposed on the Company for damages, clean-up costs or penalties in the event of certain discharges into the environment, environmental damage caused by previous operations or non-compliance with environmental laws or regulations. Insurance against environmental risk (including potential liability for pollution or other hazards as a result of the disposal of waste products occurring from exploration and production) may not be available to the Company (or to other companies in the minerals industry) at a reasonable price. To the extent that the Company becomes subject to environmental liabilities, the satisfaction of any such liabilities would reduce funds otherwise available to the Company and could have a material adverse effect on the Company.

Laws and regulations intended to ensure the protection of the environment are constantly changing, and are generally becoming more restrictive. There is a risk that environmental laws and regulations could become more onerous making the Company's operations more expensive. There is no assurance that future changes in environmental regulation, if any, will not adversely affect the Company's operations.

Government approvals and permits will be required in connection with the Company's operations, including for operating on any environmentally sensitive areas and for such activities as any land clearing and ground disturbing activities. To the extent such approvals are required and there are delays in obtaining them or they are not obtained or maintained on acceptable conditions, the Company may be delayed or prohibited from proceeding with planned exploration or development of its projects.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions (including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed) and may include corrective measures requiring capital expenditures, installation of additional equipment or remedial actions.

18 Government regulation

In addition to environmental regulation, the activities of the Company are subject to various laws and regulations including in those governing exploration and mining, taxes, labour standards and occupational health, mine safety, toxic substances, land use, water use, Aboriginal heritage and native title and other matters. Any material adverse changes in government policies or legislation that affect the Company's activities may affect the viability and profitability of the Company's current and future projects.

Furthermore, no assurance can be given that new laws or regulations will not be enacted or that existing laws and regulations will not be applied in a manner which could limit or curtail the Company's activities and ultimate development or operation of its projects.

Amendments to current laws and regulations governing operations and activities of mining or more stringent implementation of them could have a substantial adverse impact on the current and any future project and therefore the Company.

19 Equipment and availability

The Company's ability to undertake mining and exploration activities is dependent upon its ability to source and acquire appropriate exploration and mining equipment. Equipment is not always available and the market for exploration and mining equipment experiences fluctuations in supply and demand. If the Company is unable to

source appropriate equipment economically or at all then this would have a material adverse effect on the Company's financial or trading position.

20 Land rehabilitation requirements

Although variable, depending on location and the governing authority, land rehabilitation requirements are generally imposed on mineral exploration companies, as well as companies with mining operations, in order to minimise long term effects of land disturbance. Rehabilitation may include requirements to control dispersion of potentially deleterious effluents and to reasonably re-establish pre-disturbance land forms and vegetation. In order to carry out rehabilitation obligations imposed on the Company in connection with its mineral exploration, the Company must allocate financial resources that might otherwise be spent on further exploration and/or development programs.

As part of its acquisition of Nugold Hill Mines in 2002, the Company has an obligation to rehabilitate the Xanadu tenement area. The Company has a security bond of \$108,000 in place with the Department of Mines, Industry Regulation and Safety which is expected to cover the majority of the cost. There is no guarantee the security bond will be sufficient for these purposes. The Department of Mines, Industry Regulation and Safety has not currently insisted on rehabilitating the site as there is the potential for future operations.

21 Litigation risk

The Company is subject to litigation risks. All industries, including the minerals exploration industry, are subject to legal claims, with and without merit. Defence and settlement costs of legal claims can be substantial, even with respect to claims that have no merit.

Due to the inherent uncertainty of the litigation process, the resolution of any particular legal proceeding to which the Company is or may become subject could have a material effect on its financial position, results of operations or the Company's activities.

22 Unforeseen expenses

The Company may be subject to significant unforeseen expenses or actions.

This may include unplanned operating expenses, future legal actions or expenses in relation to future unforeseen events. The Directors expect that the Company will have adequate working capital to carry out its stated objectives however there is the risk that additional funds may be required to fund the Company's future objectives.

23 Native Title and Aboriginal heritage

The effect of present laws in respect of native title that apply in Australia is that mining tenements (including applications for mining tenements) may be affected by native title claims or procedures, which may prevent or delay the granting of mining tenements, or affect the ability of the Company to explore and develop the mining tenements.

Commonwealth and State legislation obliges the Company to identify and protect sites of significance to Aboriginal custom and tradition. Some sites of significance may be identified within the areas of the Tenements. It is therefore possible that one or more sites of significance will exist in an area which the Company considers to be prospective.

24 Reliance on key personnel

The Company's prospects depend in part on the ability of its executive officers, senior management and key consultants to operate effectively, both independently and as a group. The loss of the services of one or more of such key management personnel could have a material adverse effect on the Company. The Company's ability to manage its exploration and development activities, and hence its success, will depend in large part on the efforts of these individuals. Investors must be willing to rely to a significant extent on management's discretion and judgement, as well as the expertise and competence of outside contractors.

25 Industrial risk

Industrial disruptions, work stoppages and accidents in the course of the Company's operations could result in losses and delays, which may adversely affect Tenement development and profitability.

26 Counter party risk

The Company has entered into a number of commercial agreements with third parties (including land access agreements) and may enter into further contracts. There is a risk that the counterparties may not meet their obligations under those agreements.

The ability of the Company to achieve its stated objectives will depend on the performance by the counterparties, with whom the Company has contracted with, or will contract with, of their obligations under the relevant agreements. If any party defaults in the performance of its obligations, it may be necessary for the Company to approach a court to seek a legal remedy, which can be costly.

Annexure B – Summary of the rights attaching to Shares

1 General

The rights attaching to ownership of the Shares are detailed in the Constitution of the Company and, in certain circumstances, regulated by the Corporations Act, the ASX Listing Rules, the ASX Settlement Operating Rules and the general law. A copy of the Constitution is available on the Company's website.

The following is a broad summary of the more significant rights, privileges and restrictions attaching to the Company's Shares. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders in the Company. To obtain such a statement, persons should seek independent legal advice.

All Shares issued pursuant to this Prospectus will, from the time of issue, rank equally with the Company's existing issued Shares.

2 General meetings and notices

Subject to the Constitution and to the rights or restrictions attached to any shares or class of shares, each member is entitled to receive notice of and to attend and vote at general meetings of the Company and receive all documents required to be sent to members under the Constitution or the Corporations Act. However, a Shareholder is not entitled to vote unless all calls presently payable by him or her in respect of their Shares have been paid. Shareholders may requisition meetings in accordance with the Corporations Act and the Constitution.

3 Voting

At a general meeting, every member present in person or by proxy, attorney or representative has one vote on a show of hands and on a poll, one vote for each fully paid Share held. On a poll, partly paid Shares confer a fraction of a vote pro-rata to the amount paid up on the Share.

A poll may be demanded before or immediately upon the declaration of the result of the show of hands by the chair of the meeting, by at least five Shareholders present and entitled to vote on the resolution or by any one or more Shareholders representing at least 5% of the votes that may be cast on the resolution.

4 Dividends

Subject to and in accordance with the Corporations Act, the ASX Listing Rules, the rights of preference shareholders and the rights of holders of any shares created or raised under special arrangement as to dividends, the Directors may pay a dividend to Shareholders. The Directors may rescind a decision to pay a dividend if they decide before the payment date that the Company's financial position no longer justifies the payment.

Dividends are payable on all Shares according to the proportion that the amount paid (not credited) is of the total amounts paid and payable (excluding amounts credited) in respect of such Shares. Interest is not payable by the Company in respect of any dividend.

5 Issue of shares

Subject to the Constitution and the ASX Listing Rules, the Directors have the right to issue Shares or options to any person and they may do so at such time and on such conditions as they think fit. Shares may have preferred, deferred or other special rights or restrictions, whether with regard to dividends, voting, return of capital or otherwise, as the Directors think fit.

6 Preference shares

The Company may issue preference shares. The rights attaching to preference shares are those set out in the Constitution.

7 Transfer of Shares

Subject to the Constitution, holders of Shares may transfer them by an ASX Settlement Transfer or any other method of transferring or dealing in Shares introduced by ASX or operated in accordance with the ASX Settlement Operating Rules or an instrument in writing in any usual form or in any other form that the Directors approve.

The Directors may decline to register a transfer of Shares where the ASX Listing Rules permit or require the Company to do so. If the Directors decline to register a transfer the Company must give the party lodging the transfer, written notice of the refusal and the reason for refusal.

8 Variation of class rights

The rights attached to any class of shares may, unless their terms of issue state otherwise, be varied:

- a) with the written consent of the holders of 75% of the shares of the class; or
- b) by a special resolution passed at a separate meeting of the holders of shares of the class.

9 Small holdings

The Directors may sell the Shares of a Shareholder if that Shareholder holds less than a marketable parcel of Shares, provided that the procedures set out in the Constitution are followed. A non-marketable parcel of Shares is defined in the ASX Listing Rules and is, generally, a holding of shares with a market value of less than \$500.

10 Restricted Securities

In the event of a breach of the ASX Listing Rules relating to Restricted Securities or a breach of a restriction agreement entered into by the Company under the ASX Listing Rules relating to Restricted Securities (as defined in the ASX Listing Rules), the Shareholder holding the Restricted Securities in question shall cease to be entitled to any dividends, distribution or any voting rights in respect of those Restricted Securities during the period of such breach.

11 Calls on Shares

The Directors may by resolution make calls on Shareholders of partly paid Shares. Calls not met by Shareholders of partly paid Shares by the due date will accrue interest and may be liable to forfeiture. The Directors have the discretion to waive or compromise all or part of any payment due to the Company on partly paid Shares.

12 Winding up

Subject to any special or preferential rights attaching to any class or classes of shares, members will be entitled in a winding up to share in any surplus assets of the Company in proportion to the shares held by them, irrespective of the amount paid-up or credited as paid-up on the shares.

13 Alteration of share capital

Subject to the ASX Listing Rules, the Constitution and the Corporations Act, the Company by ordinary resolution may alter its share capital.

14 Variation of the Constitution

In accordance with the Corporations Act, the Constitution can only be amended by a special resolution passed by at least three quarters of members present and voting at a general meeting of the Company.

15 Share buy-backs

The Company may buy back shares in accordance with the provisions of the Corporations Act.

16 Dividend plan

The Constitution contains a provision allowing Directors to implement a dividend reinvestment plan.

17 ASX Listing Rules

While the Company is listed on ASX, the Constitution provides that notwithstanding anything in the Constitution, if the ASX Listing Rules prohibit an act being done, the act must not be done. Nothing in the Constitution prevents an act being done that the ASX Listing Rules require to be done. If the ASX Listing Rules require an act to be done or not to be done, authority is given for that act to be done or not to be done (as the case may be). If the ASX Listing Rules require the Constitution to contain a provision or not to contain a provision the Constitution is deemed to contain that provision or not to contain that provision (as the case may be). If a provision of the Constitution is or becomes inconsistent with the ASX Listing Rules, the Constitution is deemed not to contain that provision to the extent of the inconsistency.

Annexure C- Terms of the Options

The terms and conditions of the Options are set out as follows:

- (a) Each Option entitles the holder to subscribe for one Share upon exercise of the Option.
- (b) The Options will expire at 5.00pm (WST) on 30 September 2025 (**Option Expiry Date**). Any Option not exercised before the Expiry date will automatically lapse.
- (c) The amount payable upon exercise price of each Option is \$0.03 (**Option Exercise Price**).
- (d) The Options are exercisable at any time on or prior to the Expiry Date and can be exercised in whole or in part.
- (e) The Options may be exercised by notice in writing to the Company (**Option Exercise Notice**) and payment of the Exercise Price for each Option being exercised. Any Option Exercise Notice received by the Company will be deemed to be a notice of the exercise of that Option as at the date of receipt.
- (f) Shares issued on exercise of the Options will rank equally with the then issued Shares of the Company.
- (g) Application will be made by the Company to ASX for quotation of the Shares issued upon the exercise of the Options.
- (h) After an Option is validly exercised, the Company must, within, 15 Business Days of the Option Exercise Notice and receipt of cleared funds equal to the sum payable on the exercise of the Option:
 - (i) issue the Share; and
 - (ii) do all such acts, matters and things to obtain the grant of official quotation of the Share on ASX no later than 5 Business Days after issuing the Shares.
- (i) 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. However, the Company will give the holders of Options notice of the proposed issue prior to the date for determining entitlements to participate in any such issue.
- (j) 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 which must be issued on the exercise of an Option will be increased by the number of Shares which the holder would have received if the holder had exercised the Option before the record date for the bonus issue; and
 - (ii) no change will be made to the Option Exercise Price.
- (k) If there is any reconstruction of the issued share capital of the Company, the rights of the holder may be varied to comply with the Listing Rules which apply to the reconstruction at the time of the reconstruction.
- (l) The Company will not apply to ASX for quotation of the Options.
- (m) The Options are only transferable with consent of the Board of the Company.
- (n) Cheques shall be in Australian currency made payable to the Company and crossed "Not Negotiable". The application for shares on exercise of the Options with the appropriate remittance should be lodged at the Company's share registry.

Annexure D – Plan

**Pelican Resources Limited
Employee Securities Incentive Plan**

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Pelican Resources Limited - Employee Securities Incentive Plan

1. Definitions and interpretation

1.1 Definitions

In these Rules, unless the context otherwise requires, the following terms and expressions will have the following meanings:

Ancillary Documentation means all documentation which the Board specifies in an Invitation that an Eligible Participant must enter into and/or provide in connection with an Application for Securities.

Applicable Law means any one or more or all, as the context requires of:

- (a) the Corporations Act;
- (b) the Listing Rules;
- (c) the Constitution;
- (d) the *Income Tax Assessment Act 1936* (Cth) and the *Income Tax Assessment Act 1997* (Cth);
- (e) any relevant practice note, policy statement, regulatory guide, class order, declaration, guideline, policy, procedure, ruling, judicial interpretation or other guidance note made to clarify, expand or amend (a), (b), or (d) above;
- (f) any other legal requirement (including, without limitation, the rules of the general law, including common law and equity, and any judgment, order, decree, declaration or ruling of a court of competent jurisdiction or government agency binding on a person or the assets of that person) that applies to the Plan; and
- (g) in respect of acquisition or disposals of any Shares, any formal policy relating to dealings in Shares adopted by the Board from time to time, including the Share Trading Policy.

Application means, in respect of a Security, an application for that Security made by an Eligible Participant in response to an Invitation.

Application Form means an application form attached to, or enclosed with, an Invitation.

ASIC means the Australian Securities and Investments Commission.

ASIC Class Order 14/1000 means ASIC Class Order [CO 14/1000] which provides relief for employee incentive scheme offers from disclosure, licensing, advertising, hawking and on-sale in relation to listed bodies.

Associate has the same meaning as in section 12 of the Corporations Act.

Associated Body Corporate has the meaning given to that term in ASIC Class Order 14/1000.

ASX means the ASX Limited (ABN 98 008 624 691) trading as the Australian Securities Exchange or the securities exchange operated by that entity, as appropriate.

ASX Holding Lock has the same meaning as "Holding Lock" in Chapter 19 of the Listing Rules.

Board means the board of directors of the Company, a committee appointed by the board of directors of the Company as constituted from time to time, or, in respect of a particular matter, any person who is provided with delegated authority by the board of directors of the Company in respect of that particular matter from time to time.

Business Day means a day (other than a Saturday, Sunday or public holiday) on which banks are open for general banking business in Perth, Australia.

Certificate means a certificate evidencing the grant of a Security.

Change of Control Event means:

- (a) a change in Control of the Company;
- (b) where members of the Company approve any compromise or arrangement for the purpose of, or in connection with, a scheme for the reconstruction of the Company or its amalgamation with any other body corporate or bodies corporate (other than a scheme that does not involve a change in the ultimate beneficial ownership of the Company), which will, upon becoming effective, result in any person (either alone or together with its Associates) owning more than fifty per cent (50%) of Issued Capital;
- (c) where a person becomes the legal or the beneficial owner of, or has a Relevant Interest in, more than fifty per cent (50%) of Issued Capital;
- (d) where a person becomes entitled to acquire, hold or has an equitable interest in more than fifty per cent (50%) of Issued Capital; and
- (e) where a Takeover Bid is made to acquire more than fifty per cent (50%) of Issued Capital (or such lesser number of Shares that when combined with the Shares that the bidder (together with its Associates) already owns will amount to more than 50% of Issued Capital) and the Takeover Bid becomes unconditional and the bidder (together with its Associates) has a Relevant Interest in more than 50% of Issued Capital,

but, for the avoidance of doubt, does not include any internal reorganisation of the structure, business and/or assets of the Group.

Company means Pelican Resources Limited (ACN 063 398 821).

Constitution means the constitution of the Company.

Control has the same meaning as in section 50AA of the Corporations Act.

Convertible Security means a Security exercisable for Plan Share(s) in accordance with these Rules, including an Option or Performance Right.

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

Eligible Participant means a person that:

- (a) is an "eligible participant" (as that term is defined in ASIC Class Order 14/1000) in relation to the Company or an Associated Body Corporate; and
- (b) has been determined by the Board to be eligible to participate in the Plan from time to time.

Engagement Arrangement means in respect of:

- (a) an employee of a member of the Group, the terms under which the relevant member of the Group has employed that person;
- (b) a director of a member of the Group that is not also an employee, the terms under which the relevant member of the Group has appointed that director to their office; or
- (c) a contractor or consultant to a member of the Group, the terms under which the relevant member of the Group has engaged that contractor or consultant.

Exercise Price means, in respect of a Convertible Security, the price to be paid by the Participant (if any) when exercising that Security as specified in the relevant Invitation. For the avoidance of doubt, the Exercise Price for a Security may be nil.

Expiry Date means, in relation to a Convertible Security, the 'expiry date' which is specified in the Invitation or Vesting Notice (if any).

Grant Date means, in relation to a Security, the date on which that Security is granted to a Participant, as set out on the relevant Certificate.

Group means the Company and each of its Associated Bodies Corporate from time to time.

A person is **Insolvent** if:

- (a) it is (or states that it is) an insolvent under administration or insolvent (each as defined in the Corporations Act);
- (b) it has had a controller appointed or is in liquidation, in provisional liquidation, under administration, wound up or has had a receiver appointed to any part of its property;
- (c) it is subject to any arrangement, assignment, moratorium or composition, protected from creditors under any statute or dissolved (in each case, other than to carry out a reconstruction or amalgamation while solvent on terms approved by the Company);
- (d) an application or order has been made (and in the case of the application, it is not stayed, withdrawn or dismissed within 30 days), resolution passed, proposal put forward, or any other action taken, in each case in connection with that person, which is likely to result in any of (a), (b) or (c) above;
- (e) it is taken (under s.459F(1) of the Corporations Act) to have failed to comply with a statutory demand;
- (f) it is subject to an event described in section 459C(2)(b) or section 585 of the Corporations Act;

- (g) it is otherwise unable to pay its debts when they fall due; or
- (h) something having a substantially similar effect to (a) to (g) happens in connection with that person under the law of any jurisdiction.

Invitation means an invitation to an Eligible Participant to apply for the grant of one or more Securities made in accordance with clause 3.2 of these Rules.

Issued Capital means issued Shares from time to time.

Leaver means a Participant who ceases to be an Eligible Participant.

Listing Rules means the listing rules, market rules and operating rules of a financial market in respect of which the Company's shares are quoted or are the subject of an application for quotation, including but not limited to, the official listing rules of the ASX.

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, unless otherwise specified in an Invitation.

Nominated Party means, in respect of an Eligible Participant:

- (a) that person's spouse;
- (b) that person's biological or legally adopted child of at least 18 years of age;
- (c) a trustee or trustees of a trust set up wholly for the benefit of that Eligible Participant and/or a person mentioned in sub-clauses (a) or (b) above (but not including any trust established by the Company under clause 17); or
- (d) a company in which all of the issued shares are beneficially held by, and all of the voting rights are beneficially held by:
 - (i) the Eligible Participant; and/or
 - (ii) a person or persons mentioned in sub-clauses (a), (b) or (c) above.

Notice of Exercise means a notice given by or on behalf of the Participant (in the form set out in Annexure determined by the Board from time to time) to exercise a Convertible Security in accordance with clause 7.1.

Option means an option granted under these Rules to acquire one or more Shares by transfer or allotment, as set out in the relevant Invitation.

Participant means an Eligible Participant who has been granted any Security under this Plan.

Performance Right means a right granted under these Rules to acquire one or more shares by transfer or allotment as set out in the relevant Invitation.

Plan means the Pelican Resources Limited Employee Incentive Plan.

Plan Shares means all Shares issued or transferred to a Participant under these Rules, including upon the valid exercise of a Security.

Rules means the rules of the Plan which are set out in this document.

Security means a security in the capital of the Company granted under these Rules, including a Plan Share, Option, Performance Right or other Convertible Security.

Security Interest means a mortgage, charge, pledge, lien, encumbrance or other third party interest of any nature.

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

Shareholder means a holder of a Share.

Share Trading Policy means any share trading policy of the Company, as amended from time to time.

Takeover Bid has the meaning given to that term in the Corporations Act.

Terms means any specific terms and conditions of a Convertible Security as set out in an Invitation.

Trustee means the trustee, from time to time, of any employee share trust used by the Company to deliver any Plan Shares arising from the exercise of a Convertible Security under these Rules.

Vesting Condition means, in relation to a Convertible Security, any conditions to vesting of that Convertible Security that are set out in the Invitation for that Convertible Security.

Vesting Notice means, in relation to a Convertible Security, the notice given by or on behalf of the Company to a Participant informing him or her that the Convertible Security may be exercised in accordance with the terms of these Rules.

1.2 Interpretation

In these Rules, unless otherwise stated or the contrary intention appears:

- (a) the singular includes the plural and vice versa;
- (b) a gender includes all genders;
- (c) a reference to a document, agreement, plan or rules includes that document, agreement, plan or rules as novated, amended, varied, supplemented or replaced from time to time;
- (d) headings are for convenience only and do not affect the interpretation of these Rules;
- (e) a reference to any thing (including any amount) includes any part of that thing and a reference to a group of things or persons includes each thing or person in that group;
- (f) a reference to any legislation includes any modification or replacement of it and all regulations and statutory instruments issued under it and a reference to any provision of any legislation includes any modification or substitution of it;
- (g) a reference to these Rules includes all recitals, annexures, addendums and schedules to these Rules;

- (h) a reference to a person includes a reference to the person's executors, legal personal representatives, administrators and successors or a body corporate including any person taking by way of novation and, in the case of a trustee, includes any substituted or additional trustee;
- (i) the expression "person" includes an individual, the estate of an individual, the legal personal representative of an individual, a corporation, an authority, an association or a joint venture (whether incorporated or unincorporated), a partnership and a trust;
- (j) in these Rules any reference to "include" means to include without limitation;
- (k) a reference to "including" (or any similar term) is not to be construed as implying any limitation;
- (l) a monetary amount is a reference to Australian dollars;
- (m) where any word is given a defined meaning, any other part of speech or other grammatical form in respect of such word or phrase has a corresponding meaning; and
- (n) any capitalised terms in these Rules that are not defined in clause 1.1 have the meaning given to them in the Corporations Act.

1.3 Inconsistencies

- (a) Notwithstanding anything to the contrary in any Engagement Arrangement with a Participant, but subject at all times to these Rules, if there is any inconsistency between these Rules and an Engagement Arrangement, these Rules prevail.
- (b) If there is any inconsistency between these Rules and the **Terms**, the Terms prevail.

1.4 Income Tax Assessment Act

This Plan is a plan to which Subdivision 83A-C of the *Income Tax Assessment Act 1997* (Cth) applies (subject to the conditions in that Act).

1.5 Construed against a party

No provision or expression in these Rules is to be construed against a party on the basis that the party (or its advisers) was responsible for the drafting of these Rules.

1.6 Applicable Law

These Rules, the offering and granting of any Security and the rights attaching to or interests in any Security will at all times be subject to Applicable Law.

1.7 Rounding

Where any calculation or adjustment to be made pursuant to these Rules produces a fraction of a cent or a fraction of a Security, the fraction will be eliminated by rounding to the nearest whole number.

1.8 Constitution

The entitlements of Eligible Participants under these Rules are subject to the Constitution. In the event of any inconsistency between these Rules and the Constitution, the terms of the Constitution will prevail.

2. Introduction

2.1 Purpose

The purpose of the Plan is to:

- (a) assist in the reward, retention and motivation of Eligible Participants;
- (b) link the reward of Eligible Participants to Shareholder value creation; and
- (c) align the interests of Eligible Participants with shareholders of the Group by providing an opportunity to Eligible Participants to receive an equity interest in the Company in the form of Securities.

2.2 Commencement

The Plan will commence on a date determined by the Board.

2.3 Rules are binding

The Company and each Participant are bound by these Rules.

3. Eligibility, Invitation and Application

3.1 Eligibility

The Board may from time to time determine that an Eligible Participant may participate in the Plan.

3.2 Invitation

- (a) Following determination that an Eligible Participant may participate in the Plan, the Board may at any time and from time to time make an Invitation to that Eligible Participant.
- (b) An Invitation to an Eligible Participant to apply for Securities may be made on such terms and conditions as the Board decides from time to time, including as to:
 - (i) the number of Securities for which that Eligible Participant may apply;
 - (ii) the Grant Date;
 - (iii) the amount payable (if any) for the grant of each Security or how such amount is calculated;
 - (iv) the Exercise Price (if any);
 - (v) the Vesting Conditions (if any);

- (vi) disposal restrictions attaching to the Plan Shares (if any);
- (vii) whether cashless exercise of the Securities is permitted under clause 7.2;
- (viii) the method by which Shares will be delivered to the Participant under clause 8 after the valid exercise of the Convertible Security (if relevant); and
- (ix) any other supplementary terms and conditions.

3.3 Form of Application

An Invitation to an Eligible Participant must be accompanied by an Application Form and the Ancillary Documentation (if any).

3.4 Eligible Participant agrees to be bound

Each Eligible Participant is, by submitting a completed Application Form, deemed to have agreed to be bound by:

- (a) the terms of the Invitation and the Application Form;
- (b) the Ancillary Documentation (if any);
- (c) these Rules; and
- (d) the Constitution.

3.5 Who may apply

On receipt of an Invitation, an Eligible Participant may apply for the Securities the subject of the Invitation by sending the completed Application Form to the Company (or its designated officer as set out in the Application Form) by the time and date specified in the Invitation, unless otherwise determined by the Board.

3.6 Acceptance of Application

- (a) The Board may accept an Application from an Eligible Participant in whole or in part.
- (b) The Company may not grant a Security to an Eligible Participant unless it has received a duly signed and completed Application Form together with all applicable Ancillary Documentation from that Eligible Participant. The Application Form and, where applicable, the Ancillary Documentation must be in the form included with the Invitation, and may not be made on the basis that it is subject to any terms and conditions other than those specified in the Invitation.

3.7 When an Application will not be accepted

Unless otherwise determined by the Board, an Application will not be accepted if at the time the Company received the duly signed and completed Application Form together with all Ancillary Documentation:

- (a) the applicant is not an Eligible Participant;

- (b) notice of termination of the applicant's Engagement Arrangement has been given (whether by the applicant or by one or more members of the Group); or
- (c) the Board has determined that the applicant is no longer eligible to participate in the Plan.

3.8 Right to nominate

- (a) Unless otherwise expressly permitted in the Invitation, an Eligible Participant may only submit an Application in the Eligible Participant's name and not on behalf of any other person.
- (b) If an Eligible Participant is permitted in the Invitation, the Eligible Participant may, by notice in writing to the Board, nominate a Nominated Party in whose favour the Eligible Participant wishes to renounce the Invitation in order for the Nominated Party to be granted the Securities the subject of the Invitation.
- (c) The Board may in its discretion resolve not to allow a renunciation of an Invitation in favour of a Nominated Party without giving any reason for that decision. For the avoidance of doubt, the Board will not facilitate the renunciation of the Invitation as set out in clause 3.8(b) in favour of the Nominated Party where to do so would be inconsistent with:
 - (i) ASIC Class Order 14/1000; or
 - (ii) any covenant or other provision set out in an exemption or modification granted from time to time by ASIC in respect of the Plan or which applies to the Plan pursuant to ASIC's power to exempt or modify the Corporations Act.
- (d) If the Board resolves to allow a renunciation of an Invitation in favour of a Nominated Party:
 - (i) the Board may impose any such conditions that it thinks fit in respect of that renunciation; and
 - (ii) the Eligible Participant must procure that the permitted Nominated Party accepts the Invitation made to the Eligible Participant and that both the Eligible Participant and the Nominated Party agree to be bound by the Rules and execute any documents required by the Company in order to receive the grant and to give effect to these Rules.
- (e) If Securities are granted to a Nominated Party nominated by an Eligible Participant, then to the extent necessary to give effect to the intent of these Rules, the Eligible Participant will continue to be treated as the Participant.

3.9 Multiple Invitations

The Board may invite an Eligible Participant to apply for any number and type of Security, notwithstanding that the Eligible Participant has previously been invited to apply for Securities.

4. Grant of Securities

4.1 Company to grant Securities

Following receipt of a duly completed and signed Application Form together with all applicable Ancillary Documentation, the Company will, to the extent that it has accepted such Application, grant the Participant the relevant number and type of Securities, subject to the terms and conditions set out in the Invitation, these Rules and the Ancillary Documentation.

4.2 Certificate of Security

Following the grant of a Security, the Company will issue to the Participant a Certificate.

5. Terms of Convertible Securities

5.1 Participant's rights

Prior to a Convertible Security being exercised in accordance with clause 7:

- (a) a Participant does not have any interest (legal, equitable or otherwise) in any Share the subject of the Convertible Security other than those expressly set out in these Rules; and
- (b) a Participant is not entitled to:
 - (i) notice of, or to vote or attend at, a meeting of the shareholders of the Company; and
 - (ii) receive any dividends declared by the Company,

by virtue of holding the Convertible Security.

5.2 Restriction of dealing

Unless determined otherwise by the Board in its absolute discretion, or the relevant dealing is effected by force of law on death or legal incapacity to the Participant's legal personal representative, a Participant may not sell, assign, transfer, grant a Security Interest over or otherwise deal with a Convertible Security that has been granted to them. The Convertible Security is forfeited immediately on purported sale, assignment, transfer, dealing or grant of a Security Interest other than in accordance with these Rules.

5.3 Prohibition on hedging

A Participant must not enter into any arrangement for the purpose of hedging their economic exposure to a Convertible Security that has been granted to them.

5.4 Register of Convertible Securities

Each Convertible Security granted under these Rules will be registered in the appropriate register of the Company.

5.5 Listing

Unless determined otherwise by the Board in its absolute discretion, a Convertible Security granted under the Plan will not be quoted on the ASX or any other recognised exchange.

6. Vesting of Convertible Securities

6.1 Vesting

A Convertible Security will vest when a Vesting Notice in respect of that Convertible Security is given to the Participant.

6.2 Waiver of Vesting Condition

A Vesting Condition for a Convertible Security may, subject to Applicable Laws, be waived by the Board by written notice to the relevant Participant and on such terms and conditions as determined by the Board and set out in that notice.

7. Exercise of Convertible Securities

7.1 Exercise of Convertible Securities

(a) A Convertible Security may not be exercised unless and until that Convertible Security has vested in accordance with clause 6, or such earlier date on which the Participant is entitled to exercise that Convertible Security in accordance with these Rules.

(b) To exercise a Convertible Security, the Participant must:

- (i) deliver a signed Notice of Exercise; and
- (ii) subject to clause 7.2, pay the Exercise Price (if any) to or as directed by the Company,

at any time prior to the earlier of:

- (iii) any date specified in the Vesting Notice; and
- (iv) the Expiry Date.

For the avoidance of doubt and subject to clause 7.2, the total Exercise Price payable by the Participant on exercise of their Convertible Securities is the Exercise Price multiplied by the number of Convertible Securities being exercised by that Participant, rounded up to the nearest cent.

(c) If the Participant does not deliver a signed Notice of Exercise and (subject to clause 7.2) pay the Exercise Price to or as directed by the Company in relation to a Convertible Security by the requisite date, that Convertible Security will automatically be forfeited.

7.2 Cashless exercise of Convertible Securities

An Invitation may specify that at the time of exercise of the Convertible Securities subject of the Invitation, the Participant may elect not to be required to provide payment of the Exercise Price for the number of Convertible Securities specified in a

Notice of Exercise but that on exercise of those Convertible Securities the Company will transfer or allot to the Participant that number of Shares equal in value to the positive difference between the then Market Value of the Shares at the time of exercise and the Exercise Price that would otherwise be payable to exercise those Convertible Securities (with the number of Shares rounded down to the nearest whole Share).

8. Delivery of Shares on exercise of Convertible Securities

As soon as practicable after the valid exercise of a Convertible Security by a Participant in accordance with clause 7, the Company will:

- (a) issue, allocate or cause to be transferred to that Participant the number of Shares to which the Participant is entitled under these Rules; and
- (b) issue a substitute Certificate for any remaining unexercised Convertible Securities held by that Participant.

9. Forfeiture of Convertible Securities

9.1 Leaver

Where a Participant who holds Convertible Securities becomes a Leaver, all unvested Convertible Securities will automatically be forfeited by the Participant, unless the Board otherwise determines in its discretion to permit some or all of the Convertible Securities to vest.

[Note: Examples of the circumstances when the Board may decide to exercise its discretion to permit some or all of the Convertible Securities to vest include where a Participant becomes a Leaver due to death, redundancy, permanent disability, mental incapacity or retirement. These examples are not exhaustive.]

9.2 Fraudulent or dishonest actions

Where the Board determines that a Participant has:

- (a) acted fraudulently or dishonestly; or
- (b) wilfully breached his or her duties to the Group,

the Board may in its discretion deem all unvested Convertible Securities held by that Participant to have been forfeited.

9.3 Failure to satisfy Vesting Conditions

Unless otherwise stated in the Invitation or determined by the Board, a Convertible Security which has not yet vested will be forfeited immediately on the date that the Board determines (acting reasonably and in good faith) that any applicable Vesting Conditions have not been met or cannot be met by the relevant date.

9.4 Insolvency

Unless otherwise stated in the Invitation or determined by the Board, a Convertible Security held by a Participant in accordance with these Rules will be forfeited immediately on the date that the Participant becomes Insolvent.

9.5 Other forfeiture events

Unless the Board otherwise determines, or as otherwise set out in these Rules, any Convertible Securities which have not yet vested will be automatically forfeited on the Expiry Date.

9.6 Discretion to determine that the Convertible Securities are not forfeited

Notwithstanding clauses 9.1 to 9.5 (inclusive), the Board may decide (on any conditions which it thinks fit) that some or all of the Participant's Convertible Securities will not be forfeited at that time, but will be forfeited at the time and subject to the conditions it may specify by written notice to the Participant.

9.7 Voluntary forfeiture

A Participant may by written notice to the Company voluntarily forfeit their Convertible Securities for no consideration.

9.8 Application of Part 2D.2 Division 2 of the Corporations Act

- (a) This clause 9.8 applies to all termination payments to which Part 2D.2 Division 2 of the Corporations Act applies.
- (b) Notwithstanding any other provision of these Rules, in the absence of shareholder approval, the Company is not required to provide, or procure the provision, of any benefit under these Rules which is not permitted by Part 2D.2 Division 2 of the Corporations Act.
- (c) Any benefits required to be provided to a Participant in accordance with these Rules will, by operation of this clause, be reduced to ensure compliance with Part 2D.2 of the Corporations Act and the provision of such reduced benefit shall constitute full satisfaction of the obligations of each member of the Group. In the event of overpayment to a Participant, the Participant must, on receiving written notice from the Board, immediately repay any monies or benefits specified in such notice to ensure compliance with Part 2D.2 of the Corporations Act.
- (d) Where clause 9.8(b) applies, the Company may seek or not seek shareholder approval in its discretion.

10. Effect of Forfeiture of Convertible Securities

Where a Convertible Security has been forfeited in accordance with these Rules:

- (a) the Convertible Security will automatically lapse;
- (b) the Participant or the Participant's agent or attorney must sign any transfer documents required by the Company to effect the forfeiture of that Convertible Security; and
- (c) the Company will not be liable for any damages or other amounts to the Participant in respect of that Convertible Security.

11. Change of Control

Notwithstanding any other provisions of the Rules, if a Change of Control Event occurs, or the Board determines that such an event is likely to occur, the Board may in its discretion determine the manner in which any or all of the Participant's Convertible Securities will be dealt with, including, without limitation, in a manner that allows the Participant to participate in and/or benefit from any transaction arising from or in connection with the Change of Control Event.

12. Rights attaching to Plan Shares

12.1 Plan Shares to rank equally

All Plan Shares will rank pari passu in all respects with the Shares of the same class for the time being on issue except for any rights attaching to the Shares by reference to a record date prior to the date of the allotment or transfer of the Plan Shares.

12.2 Listing

If Plan Shares are in the same class as Shares which are listed on the ASX, the Company will apply for quotation of the Plan Shares issued (or any unquoted Plan Shares transferred) within the time required by the Listing Rules after the date of allotment.

12.3 Dividends

A Participant will be entitled to any dividends declared and distributed by the Company on the Plan Shares which, at the closing date for determining entitlement to such dividends, are standing to the account of the Participant (or a Trustee for and on behalf of the Participant).

12.4 Dividend reinvestment plan

A Participant may participate in any dividend reinvestment plan operated by the Company in respect of Plan Shares held by the Participant (or a Trustee for and on behalf of the Participant). Shares issued under any dividend reinvestment plan operated by the Company will be subject to the same terms and conditions as the Plan Shares held by the Participant (or a Trustee for and on behalf of the Participant) unless the Board determines otherwise.

12.5 Voting rights

A Participant may exercise any voting rights attaching to Plan Shares held by the Participant (or a Trustee for and on behalf of the Participant).

13. Disposal Restrictions on Plan Shares

13.1 Disposal restriction

If the Invitation provides that any Plan Shares are subject to any restrictions as to the disposal or other dealing by a Participant for a period, the Board may implement any procedure it deems appropriate to ensure the compliance by the Participant with this restriction, including but not limited to imposing an ASX Holding Lock (where applicable) on the Plan Shares or using an employee share trust to hold the Plan Shares during the relevant restriction period.

13.2 Participant's undertaking

For so long as a Plan Share is subject to any disposal restrictions under this Plan, the Participant will not:

- (a) transfer, encumber or otherwise dispose of, or have a Security Interest granted over that Plan Share; or
- (b) take any action or permit another person to take any action to remove or circumvent the disposal restrictions without the express written consent of the Company.

13.3 Expiry of restriction

Subject at all times to the Share Trading Policy, upon the expiry of any disposal restrictions over a Plan Share, the Company will take all action necessary to ensure that the Participant can deal with that Plan Share.

13.4 Share entitlements

For the avoidance of doubt, the imposition of a disposal restriction on a Plan Share held by a Participant will not affect the Participant's entitlement to receive a notice of, or to vote or attend at, a meeting of the members of the Company, and to receive any dividends declared by the Company during the relevant disposal restriction period on that Plan Share. If an employee share trust arrangement is implemented in respect of this Plan, the Board may implement such procedures it deems appropriate to give effect to the intent of this clause 13.4.

14. Irrevocable Power of Attorney

In order to ensure compliance with these Rules, each Participant must grant an irrevocable power of attorney (in the form set out in the Invitation or such other form determined by the Board) to any person nominated from time to time by the Board.

15. Adjustment of Convertible Securities

15.1 Reorganisation

If there is a reorganisation of the issued share capital of the Company (including any subdivision, consolidation, reduction, return or cancellation of such issued capital of the Company), the rights of each Participant holding Convertible Securities will be changed to the extent necessary to comply with the Listing Rules applicable to a reorganisation of capital at the time of the reorganisation.

15.2 Bonus Issue

- (a) If Shares are issued by the Company pro rata to shareholders generally by way of bonus issue (other than an issue in lieu of dividends or by way of dividend reinvestment), the holder of Convertible Securities is entitled, upon exercise of the Convertible Securities, to receive, in addition to the Shares in respect of which the Convertible Securities are exercised and without the payment of any further consideration, an allotment of as many additional Shares as would have been issued to a shareholder who, on the date for determining entitlements under the bonus issue, held Shares equal in number to the Shares in respect of which the Convertible Securities are exercised.

- (b) Additional Shares to which the holder of Convertible Securities becomes so entitled will, as from the time Shares are issued pursuant to the bonus issue and until those additional Shares are allotted, be regarded as Shares in respect of which the Convertible Securities are exercised for the purposes of subsequent applications of clause 15.2(a), and any adjustments which, after the time just mentioned, are made under clause 15.1 to the number of Shares will also be made to the additional Shares.

15.3 Rights Issue

Unless otherwise determined by the Board, a holder of Convertible Securities does not have the right to participate in a pro rata issue of Shares made by the Company or sell renounceable rights.

15.4 No other participation

Subject to clauses 15.1 to 15.3 (inclusive), during the currency of any Convertible Securities and prior to their exercise, the holders of Convertible Securities are not entitled to participate in any new issue of Shares of the Company as a result of their holding of Convertible Securities.

15.5 Rounding

Until a Convertible Security is exercised, all calculations adjusting the number of Shares must be carried out to include all fractions, but when a Convertible Security is exercised and is settled in Shares the number of Shares to be issued or transferred to the Participant is rounded down to the next lowest whole number.

15.6 Application of adjustment

- (a) In the application of this clause 15, the Board may (as far as possible) make whatever adjustments it deems necessary or desirable to ensure that the consequences of that application are fair as between the Participants and the holders of other securities in the Company, subject to the Listing Rules and other Applicable Laws.
- (b) Unless otherwise provided in these Rules, a Participant has no right to:
 - (i) change the Exercise Price; or
 - (ii) change the number of Shares over which the Convertible Security can be exercised.

16. Administration of the Plan

16.1 Board administration

The Plan will be administered by the Board. For the avoidance of doubt, the Board may make further provisions for the operation of the Plan which are consistent with these Rules.

16.2 Board powers and discretions

Any power or discretion which is conferred on the Board by these Rules may be exercised in its sole and absolute discretion. The Board does not, in exercising any

power or discretion under these Rules, owe any fiduciary or other obligations to any Eligible Participant or Participant.

16.3 Delegation of Board powers and discretions

Any power or discretion which is conferred on the Board by these Rules (including, without limitation, the power to invite Eligible Participants to participate in the Plan and to determine the terms and conditions of the Securities) may be delegated by the Board to:

- (a) a committee consisting of such directors, other officers or employees of the Group, or any combination of such persons as the Board thinks fit;
- (b) a member of the Group; or
- (c) a third party,

for such periods and on such conditions as the Board thinks fit.

16.4 Documents

The Company may from time to time require an Eligible Participant invited to participate in the Plan or a Participant or a person nominated by an Eligible Participant under clause 3.8 to complete and return such other documents as may be required by law to be completed by that person or entity, or such other documents which the Company considers should, for legal, taxation and/or administrative reasons, be completed by that Eligible Participant, Participant or person in order to give effect to the intent of the Plan.

16.5 Decisions final

Every exercise of a discretion by the Board (or its delegates) and any decision by the Board (or its delegates) regarding the interpretation, effect or application of these Rules and all calculations and determination made by the Board under these Rules are final, conclusive and binding in the absence of manifest error.

17. Trust

The Board may, in its discretion, use an employee share trust or other mechanism for the purposes of holding Shares and Plan Shares before or after the exercise of a Convertible Security or delivering any Plan Shares arising from exercise of a Convertible Security under these Rules on such terms and conditions as determined by the Board. For the avoidance of doubt, the Board may do all things necessary for the establishment, administration, operation and funding of an employee share trust.

18. Restrictions on and amendments to the Plan

18.1 Compliance with Applicable Laws

- (a) Notwithstanding these Rules or any terms of a Security, no Security may be offered, granted, vested or exercised, and no Share may be issued or transferred, if to do so would contravene any Applicable Laws.
- (b) In particular, the Company must have reasonable grounds to believe, when making an Invitation, that the total number of Plan Shares that may be issued,

or acquired upon exercise of Convertible Securities offered, under an Invitation, when aggregated with the number of Shares issued or that may be issued as a result of offers made in reliance on ASIC Class Order 14/1000 at any time during the previous 3 year period under:

- (i) an employee incentive scheme covered by ASIC Class Order 14/1000; or
- (ii) an ASIC exempt arrangement of a similar kind to an employee incentive scheme,

but disregarding any offer made or securities issued in the capital of the Company by way of or as a result of:

- (iii) an offer to a person situated at the time of receipt of the offer outside Australia;
- (iv) an offer that did not need disclosure to investors because of section 708 of the Corporations Act (exempts the requirement for a disclosure document for the issue of securities in certain circumstances to investors who are deemed to have sufficient investment knowledge to make informed decisions, including professional investors, sophisticated investors and senior managers of the Company); or
- (v) an offer made under a disclosure document,

would exceed 5% (or such other maximum permitted under any Applicable Law) of the total number of Shares on issue at the date of the Invitation.

18.2 Amendment of Plan

- (a) Subject to clause 18.2(b), the Board may:
 - (i) at any time amend any provisions of these Rules, including (without limitation) the terms and conditions upon which any Securities have been granted under the Plan; and
 - (ii) determine that any amendments to these Rules be given retrospective effect, immediate effect or future effect.
- (b) No amendment to any provision of these Rules may be made if the amendment materially reduces the rights of any Participant as they existed before the date of the amendment, other than an amendment:
 - (i) introduced primarily:
 - (A) for the purposes of complying with or conforming to present or future legislation governing or regulating the Plan or like plans;
 - (B) to correct any manifest error or mistake;
 - (C) to allow the implementation of an employee share trust arrangement pursuant to clause 17;

- (D) to enable the Plan or any member of the Group to comply with its constituent documents, and any other Applicable Laws; and/or
 - (E) to take into consideration possible adverse taxation implications in respect of the Plan including changes to applicable taxation legislation or the interpretation of that legislation by a court of competent jurisdiction or any rulings from taxation authorities administering such legislation; or
- (ii) agreed to in writing by all Participant(s).
- (c) As soon as reasonably practicable after making any amendment to any provision of these Rules, the Board will give notice of the amendment to each Participant affected by the amendment. Failure by the Board to notify a Participant of any amendment will not invalidate the amendment as it applies to that Participant.

19. Duration

19.1 Termination

The Plan Continues in operation until the Board decides to end it.

19.2 Suspension

The Board may from time to time suspend the operation of the Plan for a fixed period or indefinitely, and may end any suspension.

19.3 Effect of termination / suspension

If the Plan is terminated or suspended for any reason, that termination or suspension must not prejudice the accrued rights of the Participants.

19.4 Cancellation of Convertible Securities

Notwithstanding any other provisions of these Rules, but subject at all times to any Applicable Laws and regulations, if a Participant and the Company (acting by the Board) agree in writing that some or all of the Securities granted to that Participant are to be cancelled on a specified date or on the occurrence of a particular event, then those Securities may be cancelled in the manner agreed between the Company and the Participant.

20. Miscellaneous

20.1 Rights of Participants

Nothing in these Rules:

- (a) confers on any person any right or expectation to become a Participant, or the right to be invited to apply for, or be offered or to receive any Securities;
- (b) confers on any person the right to continue as an employee or officer of any member of the Group (as the case may be);

- (c) affects the rights of any member of the Group to terminate the Engagement Arrangement of an Eligible Participant;
- (d) forms part of any contract of service between an Eligible Participant and any member of the Group;
- (e) may be used to increase rights of compensation or damages in any action brought against a member of the Group in respect of an Engagement Arrangement;
- (f) confers any legal or equitable right on an Eligible Participant whatsoever to take action against any member of the Group in respect of their Engagement Arrangement; or
- (g) confers on an Eligible Participant any rights to compensation or damages in consequence of the termination of their Engagement Arrangement by any member of the Group for any reason whatsoever including ceasing to have rights under the Plan as a result of such termination.

20.2 Non-exclusivity

- (a) This Plan is not the sole means by which all members of the Group intend to provide incentives to Eligible Participants. Nothing in this Plan is intended to restrict any member of the Group from remunerating or otherwise rewarding employees or directors of any member of the Group outside the Plan.
- (b) Participation in the Plan does not affect, and is not affected by, participation in any other incentive or other scheme operated by any member of the Group unless the terms of that other scheme provide otherwise.

20.3 Notice

- (a) Any notice or other communication under or concerning the Plan is validly given:
 - (i) to a Participant, if delivered personally to the addressee or sent by prepaid post to the Participant's last known residential address, or sent to the Participant by facsimile or email at the Participant's place of work; and
 - (ii) to the Company, if delivered or sent by prepaid post addressed to the company secretary at the Company's registered office (or any other address the Board specifies), or as otherwise notified by the Company from time to time.

- (b) Delivery of notices

Subject to clause 20.3(a), a notice or other communication will be deemed to have been served:

- (i) if delivered by hand, at the time of delivery;
- (ii) if sent by facsimile or electronic mail, on receipt of a successful transmission notice, return receipt or such other confirmation by which the sender can reasonably verify delivery; or

- (iii) if posted, and provided it is properly addressed and stamped, 48 hours after mailing in Australia and 7 days after mailing outside Australia.

20.4 Further assurances

All parties that have agreed to be bound by these Rules must do all things reasonably necessary to give full effect to this Plan and the transactions contemplated by this Plan.

20.5 Costs and charges

- (a) The Company will be responsible for any brokerage, commission, stamp duty or other costs payable in relation to the issue or transfer of Plan Shares to or on behalf of a Participant.
- (b) Each Participant will be responsible for all costs associated with the disposal of a Plan Share by that Participant.

20.6 No representation or warranty

- (a) The Company makes no representation or warranty as to the value of Securities or with respect to any tax matters affecting any Eligible Participant or Participant in connection with the Plan.
- (b) Neither the Company, nor any of its directors, officers or employees are liable for anything done or omitted to be done by such person or any other person with respect to price, time, quantity or other conditions and circumstances of the issue or acquisition of Shares hereunder, with respect of any fluctuations in the market price of Shares, or in any other manner related to the Plan.

20.7 Data protection

By participating in the Plan, the Participant consents to the holding and processing of personal data provided by the Participant for the purposes of the Plan. These purposes include, but are not limited to:

- (a) administering and maintaining records held in respect to a Participant;
- (b) providing information to members of the Group, registrars, brokers or third party administrators of the Plan (if any) or advisers of the Board; and
- (c) providing information to corporate advisers or potential future third party purchasers in connection with a sale of shares in a member of the Group, or the business and assets of a member of the Group.

20.8 Governing law

- (a) This Plan is governed by the laws of Western Australia, Australia.
- (b) Each Participant submits to the non-exclusive jurisdiction of the courts of Western Australia, Australia, and the courts competent to determine appeals from those courts, with respect to any proceedings that may be brought in connection with these Rules.

20.9 Waiver of rights

- (a) A waiver of any right, power, authority, discretion or remedy arising upon a breach of or default under these Rules must be in writing and signed by the party granting the waiver, and may be subject to such terms and conditions as determined by the party granting the waiver.
- (b) A failure or delay in the exercise, or partial exercise, of a right, power, authority, discretion or remedy arising from a breach of or default under these Rules, does not prevent the exercise of or result in a waiver of that right, power, authority, discretion or remedy.
- (c) A party is not entitled to rely on a delay in the exercise or non-exercise of a right, power, authority, discretion or remedy arising from a breach of these Rules or default under these Rules as constituting a waiver of that right, power, authority, discretion or remedy.
- (d) A party may not rely on any conduct of another party as a defence to the exercise of a right, power, authority, discretion or remedy by that other party.
- (e) A waiver is only effective in the specific instance and for the specific purpose for which it is given and subject to any specific terms and conditions as specified in the waiver.
- (f) This clause may not itself be waived except in writing.

Annexure E – Terms of the Performance Rights

The terms and conditions of the tranche 1 and tranche 2 Performance Rights are set out below:

- (a) Each Performance Right entitles the holder to be issued one fully paid ordinary share (**Share**), subject to the satisfaction of vesting conditions on or before the Expiry Date and on the terms and conditions below.
- (b) Each performance Right will lapse and expire on 30 September 2023 (**Expiry Date**).
- (c) The tranche 1 the Performance Rights will vest on the Company announcing to the ASX within 3 years of completion of the acquisition of all of the issued capital of XXXX Gold Pty Ltd (**Completion**) that it has JORC 2012 Resources of 100,000 ounces of gold or gold equivalent at a minimum 1 gram per tonne cut off on tenements owned or being acquired or applied for by XXXX Gold Pty Ltd at Completion.
- (d) The tranche 2 Performance Rights will vest on the Company announcing to the ASX within 3 years of Completion that it has JORC 2012 Resources of 200,000 ounces of gold or gold equivalent at a minimum 1 gram per tonne cut off on tenements owned or being acquired or applied for by XXXX Gold Pty Ltd at Completion.
- (e) The Board shall promptly determine whether the vesting conditions attaching to the Performance Rights have been met after the occurrence of an event referred to in paragraphs (c) and (d) of these terms and conditions, and shall provide written notice to the holder as to that determination.
- (f) The Performance Rights can be exercised in accordance with the requirements set out in Clause 7 of the Company's Employee Securities Incentive Plan (**Plan**).
- (g) The Performance Rights:
 - (1) will not be transferrable;
 - (2) will not be quoted on ASX or any other exchange;
 - (3) do not confer any right to vote, except as otherwise required by law;
 - (4) do not confer any entitlement to a dividend;
 - (5) do not permit the holder to participate in new issues of capital such as bonus issues and entitlement issues;
 - (6) do not confer any right to a return of capital, whether in a winding up, upon a reduction of capital or otherwise;
 - (7) do not confer any right to participate in the surplus profit or assets of the entity upon a winding up; and
 - (8) do not confer any right to participate in new issues of securities such as bonus issues or entitlement issues.
- (h) Upon exercise of the Performance Rights, the Company will apply for quotation of the resultant Shares within the requisite time period as required by the ASX Listing Rules.
- (i) The Performance Rights are issued pursuant to the Plan.

In the event of any inconsistency between the Plan and these terms and conditions, these terms and conditions shall prevail.

Annexure F – Valuation of the Performance Rights

The Company's advisers have valued the Performance Rights using the Black Scholes method as set out below.

Performance Rights	Tranche 1	Tranche 2
Underlying security spot price	\$0.020	\$0.020
Exercise price	Nil	Nil
Valuation date	27-Aug-20	27-Aug-20
Commencement of performance period	27-Aug-20	27-Aug-20
End of performance period	30-Sep-23	30-Sep-23
Performance period (years)	3.09	3.09
Expiry date	30-Sep-23	30-Sep-23
Life of the Options/Rights (years)	3.09	3.09
Volatility	100%	100%
Risk-free rate	0.27%	0.27%
Dividend yield	Nil	Nil
Number of Rights	8,500,000	8,500,000
Valuation per Right	\$0.020	\$0.020
Valuation per Tranche	\$170,000	\$170,000

Notes and assumptions:

1. *Vesting condition – tranche 1*

The tranche 1 the Performance Rights will vest on the Company announcing to the ASX within 3 years of completion of the acquisition of all of the issued capital of XXXX Gold Pty Ltd (Completion) that it has JORC 2012 Resources of 100,000 ounces of gold or gold equivalent at a minimum 1 gram per tonne cut off on tenements owned or being acquired or applied for by XXXX Gold Pty Ltd at Completion.

2. *Vesting condition – tranche 2*

The tranche 2 Performance Rights will vest on the Company announcing to the ASX within 3 years of Completion that it has JORC 2012 Resources of 200,000 ounces of gold or gold equivalent at a minimum 1 gram per tonne cut off on tenements owned or being acquired or applied for by XXXX Gold Pty Ltd at Completion.

3. *Valuation Date*

The Performance Rights were valued on 27 August 2020.

4. *Current Price of the Underlying Shares*

Given the Shares are currently suspended, the Company's advisers have adopted an underlying share price of \$0.02 for their valuation, being the share price on recapitalisation.

5. *Exercise Price*

There is no consideration payable upon exercising the Rights, therefore the Company's advisers have used an exercise price of nil in valuing the Rights.

6. *Life of the Performance Rights*

The Company's advisers have estimated the life of the Performance Rights for the purpose of the valuation. The minimum life of the Performance Rights is the length of any vesting period. The performance period for the Performance Rights ends three years post Completion, however, the vesting conditions are assessed at any point prior to this date. The maximum life is based on the expiry date, which is 30 September 2023.

Under AASB 2 "Share Based Payments", the expected life of the Performance Rights needs to reflect the potential for early exercise. The potential for early exercise tends to reduce the effective life, and consequently the value of instruments.

With consideration for this, there are many factors that determine the rationale for exercising instruments, and therefore, the effective life of those instruments.

There is a limited track record of instruments being exercised early. Generally, early exercise occurs

- if the instruments are deep in the money as it is profitable for the holder to exercise the rights;
- if the stock pays a dividend as the opportunity cost of holding the instrument is high;
- if the volatility of the underlying share price is low as the probability of the instruments becoming deeper in the money is low relative to a highly volatile stock; and
- when the instruments are held by junior level employees, as senior employees are more likely to continue their employment with the company and therefore there is no incentive to exercise their instruments.

For the purpose of valuing the Performance Rights, the Company's advisers have estimated an exercise date as the expiry date giving an effective life of 5.309 years for the Performance Rights as at the Valuation Date, which has been used as an input to the option pricing model. It is noted that the assumed effective life of the Performance Rights will not impact the value of the Performance Rights.

7. *Expected Volatility of the Share Price*

Expected volatility is a measure of the amount by which a price is expected to fluctuate during a period. The measure of volatility used in option pricing models is the annualised standard deviation of the continuously compounded rates of return on the share over a period of time.

Many techniques can be applied in determining volatility, with a summary of the methods we use below:

- the square root of the mean of the squared deviations of closing prices from a sample. This can be calculated using a combination of the opening, high, low, and closing share prices each day the underlying security trades for all days in the sample time period chosen;
- the exponential weighted moving average model adopts the closing share price of the Company in a given time period. The model estimates a smoothing constant using the maximum likelihood method, which estimates volatility assuming that volatility is not a constant measure and is predicted to change in the future; and
- the generalised autoregressive conditional heteroscedasticity model. This model takes into account periods of time where volatility may be higher than normal and/or lower than normal, as well as the tendency for the volatility to run at its long run average level after such periods of abnormality. The model will calculate the rate at which this is likely to occur from the sample of prices thereby enabling estimates of future volatility by time to be made.

The shares of Pelican have been suspended from trading since October 2018, as such, the Company's advisers have based their assessment of the expected volatility, on the share price volatility of comparable ASX listed companies. The volatility of the share price of companies comparable to Pelican was calculated over a historical one, two and three-year periods, using data extracted from Bloomberg. For the purpose of the valuation, a future estimated volatility of 100% for Pelican in the pricing model as used when valuing the Performance Rights.

8. *Risk-free Rate of Interest*

In valuing the Performance Rights, the 3-year Australian Government bond rate as at the Valuation Date was used. The Australian Government 3-year bond rate as at 27 August 2020 was 0.27%.

9. *Dividends Expected on the Shares*

Pelican is currently unlikely to pay a dividend during the life of the Performance Rights. Therefore, a dividend yield of nil in the option pricing model was assumed.



XXXX Gold Pty Ltd.

ABN 28 634 004 274

Annual Financial Report

**For the Period from Incorporation to
30 June 2020**

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Directors' Report

The Directors present their report of XXXX Gold Pty. Ltd. ("Company") for the period from incorporation to 30 June 2020.

Directors

The following persons were directors of XXXX Gold Pty. Ltd. during the whole of the period and up to the date of this report, unless otherwise stated):

Paul Chapman (appointed 10 June 2019)

Damien Keys (appointed 20 July 2019)

Les Davis (appointed 4 May 2020)

Company Secretary

Paul Chapman

Principal Activities

The principal activity of the Company during the financial period was acquiring mineral exploration projects in Queensland. There were no significant changes in these activities during the financial period.

Review of Operations

The net loss after income tax for the period was \$34,421.

At the end of the period the Company had \$660,712 in cash and at call deposits. Capitalised mineral exploration and evaluation expenditure is \$11,723.

Operations during the reporting period were primarily focused on acquiring gold and base metals projects in Queensland.

Matters Subsequent to the End of the Financial Period

Roar Resources Pty. Ltd. - Option and Licence Agreement

On 6 July 2020, the Company entered into the above agreement and simultaneously exercised its option to acquire the Triumph Gold Project from Roar Resources Pty. Ltd.

The consideration payable by the Company for the purchase of the relevant tenements is follows:

1. a payment of \$400,000 to be paid at settlement; and
2. a gross royalty of 1%.

In addition, in the event that the Company identifies JORC Resources on the tenements, the following bonus payments are payable:

1. a once-off payment of \$1,500,000 upon a JORC Resource of 500,000oz;
2. a once-off payment of \$2,000,000 upon a JORC Resource of 1,000,000oz; and
3. a once-off payment of \$2,500,000 upon a JORC Resource of 2,000,000oz.

The relevant tenement transfers have been submitted for stamp duty assessment. There are differing opinions of the amount of stamp duty payable ranging from \$20,000 to \$300,000. At present, the Company has been conservative and is allowing for \$300,000 of stamp duty.

Settlement of the transaction is subject to a number of conditions precedent of which the following remain outstanding at the date of this report:

- obtaining indicative approval from the relevant Minister for the transfer of the tenements upon conditions satisfactory to the Company; and
- the Company assuming the obligations of Roar Resources Pty. Ltd. under the Cultural Heritage Management Agreement between Roar Resources and the Port Curtis Coral Coast Registered Native Title Claimants.

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North Queensland Tungsten Pty. Ltd. - Option and Licence Agreement

On 29 July 2020, the Company entered into the above agreement and simultaneously exercised its option to acquire the Elephant Creek-Peninsula Project from North Queensland Tungsten Pty. Ltd.

The consideration payable by the Company for the purchase of the relevant tenements is follows:

1. a payment of \$70,000 to be paid at Settlement; and
2. a gross royalty payable in respect of all minerals of 1.0 % capped at \$500,000.

The relevant tenement transfers have been submitted for stamp duty assessment. There are differing opinions of the amount of stamp duty payable ranging from \$3,500 to \$28,500. At present, the Company has been conservative and is allowing for \$28,500 of stamp duty.

In addition, Macquarie Bank Limited is the holder of a gross royalty of 1.5% payable in relation to tungsten and which is secured by a Mining Royalty Security over the tenements. Both the royalty and the Mining Royalty Security will be assumed by the Company upon completion.

Settlement of the transaction is subject to a number of conditions precedent of which the following remain outstanding at the date of this financial report:

1. Macquarie Bank Limited consenting to the transfer of the tenements to the Company;
2. Macquarie Bank Limited obtaining a security interest over the tenements; and
3. obtaining indicative approval from the relevant Minister for the transfer of the tenements upon conditions satisfactory to the Company.

Non-Binding Memorandum of Understanding with Pelican Resources Limited

On 30 July 2020, the Company's shareholders entered into a non-binding Memorandum of Understanding in which the shareholders agreed to sell a 100% interest in the Company to Pelican Resources Limited.

Completion of the transaction is conditional upon the satisfaction (or waiver) of the following conditions precedent:

- (a) completion of satisfactory mutual due diligence by Pelican Resources Limited and the Company;
- (b) the Company being the registered holder of all of its granted tenements including those acquired from Roar Resources Pty. Ltd. and North Queensland Tungsten Pty. Ltd.;
- (c) the Parties obtaining all necessary regulatory approvals or waivers pursuant to the ASX Listing Rules, Corporations Act 2001 (Cth), or any other law and all third party approvals, consents and necessary documentation required to lawfully complete the matters set out in the non-binding Memorandum of Understanding;
- (d) Pelican Resources Limited obtaining from ASX specified waivers and in principle approval to the transaction and the proposed reinstatement of Pelican Resources Limited to the ASX;
- (e) Pelican Resources Limited raising approximately \$2 million under a prospectus; and
- (f) Pelican Resources Limited obtaining a letter from ASX confirming it will grant conditional re-quotation of the its Shares on conditions acceptable to Pelican Resources Limited.

If the transaction cannot be completed as contemplated in the non-binding Memorandum of Understanding by 30 October 2020, then the parties have agreed that for a period of 60 days after 30 October 2020 they will proceed with the intent of the non-binding Memorandum of Understanding. In this event, the parties will look to use Pelican Resources Limited to effectively list the Company on the ASX by way of an initial public offering.

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Electro-Training Institute Pty. Ltd. - Commercial Tenancy Agreement

On 23 June 2020, the Company entered into the above agreement in relation to commercial premises at 3/50 Tully Street, South Townsville Queensland 4810. The agreement is for a two year term commencing on 1 July 2020 with a 1 year option to extend. Annual rent is \$17,040.

Tenement Applications

On 1 July 2020, the Company applied for additional tenements adjacent to its Hodgkinson Gold Project being EPM 27574 and EPM 27575

Other than the above, there has not arisen in the interval between the end of the financial period and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of the Company to affect substantially the operations of the Company, the results of those operations or the state of affairs of the Company in subsequent financial periods.

Significant Changes in the State of Affairs of the Company

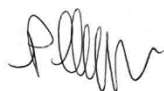
Other than as stated in this report there has not arisen during or since the end of the financial period any changes in the state of affairs of the Company.

Auditor's Independence Declaration

A copy of the Auditor's Independence Declaration is set out on the following page.

This report is made in accordance with a resolution of the Directors.

DATED at Perth this 24 August 2020.



Paul Chapman
Director

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of XXXX Gold Pty Ltd for the period ended 30 June 2020, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- a) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- b) any applicable code of professional conduct in relation to the audit.

Perth, Western Australia
24 August 2020



N G Neill
Partner

hlb.com.au

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Statement of Profit or Loss and Other Comprehensive Income
For the Period from Incorporation to 30 June 2020

	Note	Period from Incorporation to 30 June 2020 \$
Interest income		-
Total revenue		-
Corporate expenses		(20,943)
Exploration costs written off and expensed	3	(13,478)
Loss before income tax		(34,421)
Income tax benefit/(expense)	4	-
Loss for the year	5	(34,421)
Other comprehensive Income		-
Total comprehensive loss for the period		(34,421)

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

XXXX Gold Pty. Ltd.
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Statement of Financial Position
As At 30 June 2020

	Note	30 June 2020 \$
Current assets		
Cash and cash equivalents	8	660,712
Other current assets		4,335
Total current assets		665,047
Non-current assets		
Property, plant and equipment		4,388
Deferred exploration and evaluation expenditure	9	11,723
Total non-current assets		16,111
Total assets		681,158
Current liabilities		
Trade and other payables	10	11,079
Total current liabilities		11,079
Total liabilities		11,079
Net assets		670,079
Equity		
Issued capital	12	702,500
Reserves	13	2,000
Accumulated losses		(34,421)
Total equity		670,079

The above statement of financial position should be read in conjunction with the accompanying notes.

XXXX Gold Pty. Ltd.
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Statement of Changes in Equity
For the Period from Incorporation to 30 June 2020

	Issued Capital \$	Option Reserve	Accumulated Losses \$	Total \$
<u>Period from Incorporation to 30 June 2020</u>				
Balance at the date of Incorporation	-	-	-	-
Comprehensive loss for the financial period	-	-	(34,421)	(34,421)
Options issued (net of costs)	-	2,000	-	2,000
Shares issued (net of costs)	702,500	-	-	702,500
Balance at the end of the financial period	702,500	2,000	(34,421)	672,079

The above statement of changes in equity should be read in conjunction with the accompanying notes.

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Statement of Cash Flows
For the Period from Incorporation to 30 June 2020

	Note	Period from Incorporation to 30 June 2020 \$
Cash flows from operating activities		
Payments for security bonds		(1,500)
Payments to suppliers and employees	4	(29,842)
Net cash used in operating activities		(31,342)
Cash flows from investing activities		
Payments for exploration and evaluation		(8,058)
Payments for plant and equipment		(4,388)
Net cash used in investing activities		(12,446)
Cash flows from financing activities		
Proceeds from the issue of shares and options	12,13	704,500
Net cash from financing activities		704,500
Net increase/(decrease) in cash held		660,712
Cash at the beginning of the period		-
Cash at the end of the period		660,712

The above statement of cash flows should be read in conjunction with the
accompanying notes.

Notes to the Financial Statements
For the Period from Incorporation to 30 June 2020

Note 1 Basis of preparation of financial report

(a) Statement of compliance

The financial report was authorised for issue on 24 August 2020.

The Company was incorporated on 10 June 2019. As such, this is the first financial report of the Company. In accordance with the Corporations Act, this financial report covers the period from Incorporation (10 June 2019) to 30 June 2020.

The financial report complies with Australian Accounting Standards, which include Australian equivalents to International Financial Reporting Standards (AIFRS). Compliance with AIFRS ensures that the financial report, comprising the financial statements and notes thereto, complies with International Financial Reporting Standards (IFRS).

(b) Basis of preparation

The financial statements are general purpose financial statements, which have been prepared in accordance with the requirements of the Corporations Act 2001, Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board.

The financial statements comprise the financial statements for the Company. For the purposes of preparing the financial statements, the Company is a for-profit entity.

The accounting policies detailed below have been consistently applied to all of the periods presented unless otherwise stated.

The financial statements have been prepared on a historical cost basis, except for selected non-current assets, financial assets and financial liabilities, which have been measured at fair value as explained in the relevant accounting policies. Historical cost is based on the fair values of the consideration given in exchange for goods and services.

The financial statements are presented in Australian dollars which is the Company's functional currency.

(c) New Standards and Interpretations applicable for the period from incorporation to 30 June 2020

For the period from incorporation to 30 June 2020, the Directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to the Company and effective for the current reporting period. The Directors have determined that there is no material impact of the new and revised Standards and Interpretations on the Company and, therefore, no material change is necessary to Company accounting policies.

Notes to the Financial Statements
For the Period from Incorporation to 30 June 2020

Note 1 Basis of preparation of financial report (continued)

(d) Standards and Interpretations in issue not yet adopted

The Directors have also reviewed all of the new and revised Standards and Interpretations in issue not yet adopted for the period from incorporation to 30 June 2020. As a result of this review the Directors have determined that there is no material impact of the Standards and Interpretations in issue not yet adopted on the Company and, therefore, no change is necessary to Company accounting policies.

As at 30 June 2020, the Company had no commitments pursuant to operating or finance leases, therefore the impact on the accounting policies, financial performance and financial position of the Company from the adoption of AASB 16 is considered to be immaterial and no lease liability or right to use asset has been recognised as at 30 June 2020. However, on 23 June 2020, the Company entered into a commercial tenancy agreement in relation to commercial premises at 3/50 Tully Street, South Townsville Queensland 4810. The commercial tenancy agreement is for a two year term commencing on 1 July 2020 with a 1 year option to extend. Annual rent is \$17,040.

(e) Going concern

The financial report has been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and settlements of liabilities in the ordinary course of business.

As stated in Note 15 (Events occurring after the reporting date) there has been a number of significant events involving the Company occurring after the reporting date, including:

- a. Roar Resources Pty. Ltd. - Option and Licence Agreement regarding the acquisition of the Triumph Gold Project from Roar Resources Pty. Ltd.
- b. North Queensland Tungsten Pty. Ltd. - Option and Licence Agreement regarding the acquisition of the Elephant Creek-Peninsula Project from North Queensland Tungsten Pty. Ltd.
- c. Electro-Training Institute Pty. Ltd. - Commercial Tenancy Agreement regarding the lease of commercial premises at 3/50 Tully Street, South Townsville Queensland 4810.
- d. Tenement Applications – regarding the application for additional tenements adjacent to the Company's Hodgkinson Gold Project.
- e. Non-Binding Memorandum of Understanding with Pelican Resources Limited whereby the Company's shareholders have entered into a non-binding Memorandum of Understanding in which the shareholders agreed to sell a 100% interest in the Company to Pelican Resources Limited.

Notes to the Financial Statements
For the Period from Incorporation to 30 June 2020

Note 1 Basis of preparation of financial report (continued)

If the transaction with Pelican Resources Limited does not complete, the Directors are confident that the Company will be able to complete a fund raising, initial public offering or similar transaction to meet the Company's funding requirements, including those resulting from the post-balance date acquisitions. The Company's directors therefore believe that it is appropriate to prepare the financial report on a going concern basis.

In the event that the Company is not able to successfully complete a capital raising as referred to above, a material uncertainty would exist as to whether the Company will continue as a going concern and, therefore, whether the Company will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report. The financial report does not include adjustments relating to the recoverability and classification of recorded asset amounts, nor to the amounts and classification of liabilities that might be necessary should the Company not continue as a going concern.

(f) Income Tax Expense

The income tax expense or benefit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary difference and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. Provisions are established where appropriate on the basis of amounts expected to be paid to the tax authorities.

Current tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance date.

Deferred income tax is provided on all temporary differences at the balance date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Currently, the Company does not recognise any deferred tax balances.

Other taxes

Revenues, expenses and assets are recognised net of the amount of GST except:

- when the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables, which are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

Cash flows are included in the statement of cash flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority are classified as operating cash flows. In addition, commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

Notes to the Financial Statements
For the Period from Incorporation to 30 June 2020

Note 1 Basis of preparation of financial report (continued)

(g) Cash and cash equivalents

Cash comprises cash at bank and in hand.

Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Bank overdrafts are shown within borrowings in current liabilities in the statement of financial position.

For the purposes of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

(h) Financial Instruments

Recognition and derecognition

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred.

A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Classification and initial measurement of financial assets

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with AASB 15, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

For the purpose of subsequent measurement, financial assets, other than those designated and effective as hedging instruments, are classified into the following categories:

- amortised cost;
- fair value through profit or loss (FVTPL);
- equity instruments at fair value through other comprehensive income (FVOCI); and
- debt instruments at fair value through other comprehensive income (FVOCI).

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables which is presented within other expenses.

The classification is determined by both:

- the entity's business model for managing the financial asset; and
- the contractual cash flow characteristics of the financial asset.

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables which is presented within other expenses.

Notes to the Financial Statements
For the Period from Incorporation to 30 June 2020

Note 1 Basis of preparation of financial report (continued)

Subsequent measurement of financial assets

Financial assets at amortised cost

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVTPL):

- they are held within a business model whose objective is to hold the financial assets to collect its contractual cash flows; and
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial recognition, these are measured at amortised cost using the effective interest method.

Discounting is omitted where the effect of discounting is immaterial. The Company's cash and cash equivalents, trade and most other payables fall into this category of financial instruments.

(i) Deferred Exploration and Evaluation Expenditure

Exploration and evaluation expenditures in relation to each separate area of interest are recognised as an exploration and evaluation asset in the period in which they are incurred where the following conditions are satisfied:

- (a) the rights to tenure of the area of interest are current; and
- (b) at least one of the following conditions is also met:
 - (i) the exploration and evaluation expenditures are expected to be recouped through successful development and exploitation of the area of interest, or alternatively, by its sale; or
 - (ii) exploration and evaluation activities in the area of interest have not at the balance date reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves and active and significant operations in, or in relation to, the area of interest are continuing.

Exploration and evaluation assets are initially measured at cost and include the acquisition of rights to explore, studies, exploratory drilling, trenching and sampling and associated activities and an allocation of depreciation and amortised of assets used in exploration and evaluation activities. General and administrative costs are only included in the measurement of exploration and evaluation costs where they are related directly to operational activities in a particular area of interest.

Exploration and evaluation assets are assessed for impairment when facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount. The recoverable amount of the exploration and evaluation asset (for the cash generating unit(s) to which it has been allocated being no larger than the relevant area of interest) is estimated to determine the extent of the impairment loss (if any). Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in previous years.

Where a decision has been made to proceed with development in respect of a particular area of interest, the relevant exploration and evaluation asset is tested for impairment and the balance is then reclassified to development.

Notes to the Financial Statements
For the Period from Incorporation to 30 June 2020

Note 1 Basis of preparation of financial report (continued)

(j) Trade and other payables

Trade payables and other payables are carried at amortised cost and represent liabilities for goods and services provided to the Company prior to the end of the financial period that are unpaid and arise when the Company becomes obliged to make future payments in respect of the purchase of these goods and services. Trade and other payables are presented as current liabilities unless payment is not due within 12 months.

(k) Significant accounting estimates

Exploration and evaluation expenditure

The application of the Company's accounting policy for exploration and evaluation expenditure requires judgment in determining whether it is likely that future economic benefits are likely either from future exploitation or sale or where activities have not reached a stage which permits a reasonable assessment of the existence of reserves.

The determination of a Joint Ore Reserves Committee (JORC) resource is itself an estimation process that requires varying degrees of uncertainty depending on sub-classification and these estimates directly impact the point of deferral of exploration and evaluation expenditure. The deferral policy requires management to make certain estimates and assumptions about future events or circumstances, in particular, whether an economically viable extraction operation can be established. Estimates and assumptions made may change if new information becomes available.

Note 2 Segment information

The Company has identified its operating segments based on the internal reports that are reviewed and used by the board of directors in assessing performance and determining the allocation of resources. Reportable segments disclosed are based on aggregating operating segments, where the segments have similar characteristics. The Company's sole activity is mineral exploration and resource development wholly within Australia, therefore it has aggregated all operating segments into the one reportable segment being mineral exploration.

The reportable segment is represented by the primary statements forming these financial statements.

Note 3 Loss for the Period from Incorporation to 30 June 2020

Loss before income tax includes the following specific income/(expenses):

	Period from Incorporation to 30 June 2020 \$
Exploration costs	
Exploration costs written off and expensed	13,478
Exploration expenditure written off and expensed	13,478

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Notes to the Financial Statements
For the Period from Incorporation to 30 June 2020

Note 4 Income tax recognised in profit or loss

	Period from Incorporation to 30 June 2020 \$
The major components of tax expense are:	
Loss for the period	(34,421)
Current tax benefit @ 30%	10,326
Tax effect of temporary differences not brought to account as they do not meet the recognition criteria	10,326
	-

Note 5 Reconciliation of Loss for the period to net cashflows used in operating activities

	Period from Incorporation to 30 June 2020 \$
Net loss for the period	(34,421)
(Increase) / decrease in assets:	
Trade and other receivables	(4,334)
Increase / (decrease) in liabilities:	
Trade and other payables	7,413
Net cash used in operating activities	(31,342)

Note 6 Auditor's Remuneration

The auditor of XXXX Gold Pty Ltd is HLB Mann Judd. No audit fees were payable at 30 June 2020.

Note 7 Dividends

No dividends were paid or proposed during the period. The Company had no franking credits available as at 30 June 2020.

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Notes to the Financial Statements
For the Period from Incorporation to 30 June 2020

Note 8 Cash and cash equivalents

	30 June 2020 \$
Cash at bank and on hand	660,712

Note 9 Deferred exploration and evaluation expenditure

Carrying value

	30 June 2020 \$
Exploration and evaluation costs	11,723

Reconciliation

	30 June 2020 \$
Opening balance	-
Expenditure incurred	11,723
Closing balance	11,723

The recoupment of costs carried forward in relation to areas of interest in the exploration and evaluation phases is dependent on the successful development and commercial exploitation or sale of the respective areas.

Note 10 Trade and other payables

	30 June 2020 \$
Trade payables	11,078
	11,078

Note 11 Contingencies

(i) Contingent liabilities

There were no contingent liabilities at 30 June 2020.

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Notes to the Financial Statements
For the Period from Incorporation to 30 June 2020

Note 12 Issued capital

At Incorporation, the Company issued 1 ordinary fully paid share at \$0.01. During the period from Incorporation to 30 June 2020, the Company issued 60,499,999 ordinary fully paid shares at \$0.01 per share pursuant to share placements.

In addition, during the period from Incorporation to 30 June 2020 the Company issued 19,500,000 ordinary fully paid shares at \$0.005 per share pursuant to a share placement.

	Issue price	2020 No.	2020 \$
<u>Share movements during the period</u>			
Balance at Incorporation	\$0.010	1	-
Share placement	\$0.010	60,499,999	605,000
Share placement	\$0.005	19,500,000	97,500
Balance at 30 June 2020		80,000,000	702,500

Note 13 Options

During the period from incorporation to 30 June 2020, the Company issued 20,000,000 options over unissued shares at \$0.0001 per option. The options are exercisable at a price of \$0.01 at any time until 30 June 2025.

	Issue price	2020 No.	2020 \$
<u>Option movements during the period</u>			
Balance at Incorporation		-	-
Option issue	\$0.0001	20,000,000	2,000
Balance at 30 June 2020		20,000,000	2,000

Notes to the Financial Statements
For the Period from Incorporation to 30 June 2020

Note 14 Financial Risk

Capital risk management

The Company manages its capital to ensure that the Company will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The capital structure of the Company consists of cash and cash equivalents, trade payables and equity, comprising issued capital, reserves and retained earnings/accumulated losses.

The Company's is not subject to externally imposed capital requirements.

Operating cash flows are used to maintain and expand operations, as well as to make routine expenditures such as tax, dividends and general administrative outgoings where relevant.

Financial risk management objectives

The Company is exposed to, (i) market risk (which includes interest rate risk and commodity price risk), (ii) credit risk and (iii) liquidity risk.

Interest rate risk sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to interest rates at balance date and the stipulated change taking place at the beginning of the financial period and held constant throughout the reporting period.

A 100 basis point increase or decrease is used when reporting interest rate risk internally to management and represents management's assessment of the change in interest rates.

At balance date, if interest rates had been 100 basis points higher or lower and all other variables were held constant, the Company's:

- Profit or loss would increase by \$6,612; and
- Equity reserves would increase by \$6,612.

Credit risk management

Credit risk is the risk that a counterparty fails to discharge an obligation to the Company. The Company is exposed to credit risk from financial assets including cash and cash equivalents held at banks and trade and other receivables.

The credit risk is managed on a Company basis based on the Company's credit risk management policies and procedures.

The credit risk in respect of cash balances held with banks and deposits with banks are managed via a deposit with only one major reputable financial bank.

The Company has no trade debtors as at 30 June 2020.

Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the board of directors, who have built an appropriate liquidity risk management framework for the management of the Company's short, medium and long-term funding and liquidity management requirements.

The Company manages liquidity risk by maintaining adequate cash reserves and by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

Notes to the Financial Statements
For the Period from Incorporation to 30 June 2020

Note 15 Events occurring after the reporting date

Roar Resources Pty. Ltd. - Option and Licence Agreement

On 6 July 2020, the Company entered into the above agreement and simultaneously exercised its option to acquire the Triumph Gold Project from Roar Resources Pty. Ltd.

The consideration payable by the Company for the purchase of the relevant tenements is follows:

1. a payment of \$400,000 to be paid at Settlement; and
2. a gross royalty of 1%.

In addition, in the event that the Company identifies JORC Resources on the tenements, the following bonus payments are payable:

1. a once-off payment of \$1,500,000 upon a JORC Resource of 500,000oz;
2. a once-off payment of \$2,000,000 upon a JORC Resource of 1,000,000oz; and
3. a once-off payment of \$2,500,000 upon a JORC Resource of 2,000,000oz.

The relevant tenement transfers have been submitted for stamp duty assessment. There are differing opinions of the amount of stamp duty payable ranging from \$20,000 to \$300,000. At present, the Company has been conservative and is allowing for \$300,000 of stamp duty.

Settlement of the transaction is subject to a number of conditions precedent of which the following remain outstanding at the date of this financial report:

- obtaining indicative approval from the relevant Minister for the transfer of the tenements upon conditions satisfactory to the Company; and
- the Company assuming the obligations of Roar Resources Pty. Ltd. under the Cultural Heritage Management Agreement between Roar Resources and the Port Curtis Coral Coast Registered Native Title Claimants.

North Queensland Tungsten Pty. Ltd. - Option and Licence Agreement

On 29 July 2020, the Company entered into the above agreement and simultaneously exercised its option to acquire the Elephant Creek-Peninsula Project from North Queensland Tungsten Pty. Ltd.

The consideration payable by the Company for the purchase of the relevant tenements is follows:

1. a payment of \$70,000 to be paid at Settlement; and
2. a gross royalty payable in respect of all minerals of 1.0 % capped at \$500,000.

The relevant tenement transfers have been submitted for stamp duty assessment. There are differing opinions of the amount of stamp duty payable ranging from \$3,500 to \$28,500. At present, the Company has been conservative and is allowing for \$28,500 of stamp duty.

In addition, Macquarie Bank Limited is the holder of a gross royalty of 1.5% payable in relation to tungsten and which is secured by a Mining Royalty Security over the tenements. Both the royalty and the Mining Royalty Security will be assumed by the Company upon completion. Settlement of the transaction is subject to a number of conditions precedent of which the following remain outstanding at the date of this financial report:

1. Macquarie Bank Limited consenting to the transfer of the tenements to the Company;
2. Macquarie Bank Limited obtaining a security interest over the tenements; and
3. obtaining indicative approval from the relevant Minister for the transfer of the tenements upon conditions satisfactory to the Company.

Notes to the Financial Statements
For the Period from Incorporation to 30 June 2020

Note 15 Events occurring after the reporting date (continued)

Electro-Training Institute Pty. Ltd. - Commercial Tenancy Agreement

On 23 June 2020, the Company entered into the above agreement in relation to commercial premises at 3/50 Tully Street, South Townsville Queensland 4810. The agreement is for a two year term commencing on 1 July 2020 with a 1 year option to extend. Annual rent is \$17,040.

Tenement Applications

On 1 July 2020, the Company applied for additional tenements adjacent to its Hodgkinson Gold Project being EPM 27574 and EPM 27575

Non-Binding Memorandum of Understanding with Pelican Resources Limited

On 30 July 2020, the Company's shareholders entered into a non-binding Memorandum of Understanding in which the shareholders agreed to sell a 100% interest in the Company to Pelican Resources Limited.

Completion of the transaction is conditional upon the satisfaction (or waiver) of the following conditions precedent:

- (a) completion of satisfactory mutual due diligence by Pelican Resources Limited and the Company;
- (b) the Company is the registered holder of all of its granted tenements including those acquired from Roar Resources Pty. Ltd. and North Queensland Tungsten Pty. Ltd.;
- (c) the Parties obtaining all necessary regulatory approvals or waivers pursuant to the ASX Listing Rules, Corporations Act 2001 (Cth), or any other law and all third party approvals, consents and necessary documentation required to lawfully complete the matters set out in the non-binding Memorandum of Understanding;
- (d) Pelican Resources Limited obtaining from ASX specified waivers and in principle approval to the transaction and the proposed reinstatement of Pelican Resources Limited to the ASX;
- (e) Pelican Resources Limited raising approximately \$2 million under a prospectus; and
- (f) Pelican Resources Limited obtaining a letter from ASX confirming it will grant conditional re-quotation of the its Shares on conditions acceptable to the Company.

If the transaction cannot be completed as contemplated in the non-binding Memorandum of Understanding by 30 October 2020, then the parties have agreed that for a period of 60 days after 30 October 2020 will proceed with the intent of the non-binding Memorandum of Understanding. In this event, the parties will look to use Pelican Resources Limited to effectively list the Company on the ASX by way of an initial public offering.

Other than the above, there has not arisen in the interval between the end of the financial period and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of the Company to affect substantially the operations of the Company, the results of those operations or the state of affairs of the Company in subsequent financial periods.

Note 16 Transactions with Key Management Personnel

No member of Key Management Personnel appointed during the period received a payment as part of his or her consideration for agreeing to hold the position.

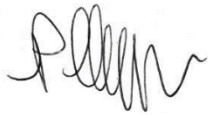
Directors' Declaration

The Directors of XXXX Gold Pty. Ltd. ("the Company") declare that:

- (a) the financial statements and notes set out on pages 7 to 22 are in accordance with the Corporations Act 2001, including:
 - (i) complying with Australian Accounting Standards and the Corporations Regulations 2001; and
 - (ii) give a true and fair view of the financial position as at 30 June 2020 and of the performance for the period from incorporation to that date of the Company.
- (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Directors.

Signed at Perth this 24 of August 2020.



Paul Chapman
Director

INDEPENDENT AUDITOR'S REPORT

To the members of XXXX Gold Pty. Ltd.

Report on the Audit of the Financial Report*Opinion*

We have audited the financial report of XXXX Gold Pty Ltd ("the Company") which comprises the statement of financial position as at 30 June 2020, the statement of profit and loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the period then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Company is in accordance with the *Corporations Act 2001*, including:

- a) giving a true and fair view of the Company's financial position as at 30 June 2020 and of its financial performance for the period then ended; and
- b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* ("the Code") that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to Note 1(e) in the financial report, which indicates that a material uncertainty exists that may cast significant doubt on the entity's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Information other than the financial report and auditor's report thereon

The directors are responsible for the other information. The other information comprises the information included in the Company's annual report for the period ended 30 June 2020, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

hlb.com.au**HLB Mann Judd (WA Partnership) ABN 22 193 232 714**

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HLB Mann Judd (WA Partnership) is a member of HLB International, the global advisory and accounting network.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the financial report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



HLB Mann Judd
Chartered Accountants

Perth, Western Australia
24 August 2020



N G Neil
Partner

Annexure H – Pro Forma Statement of Financial Position

The unaudited pro-forma statement of financial position at 30 June 2020 shown below has been prepared based on the accounting policies normally adopted by the Company and reflects changes to its financial position.

The pro-forma statement of financial position has been prepared to reflect the capital raised pursuant to the Entitlement Offer and Broker Offer, the initial consideration for the acquisition of XXXX Gold and material post reporting date transactions.

The pro-forma financial information is presented in an abbreviated form, insofar as it does not include all the disclosures required by Australian Accounting Standards applicable to annual financial reports prepared in accordance with the Corporations Act 2001.

CONSOLIDATED

	Pelican 30 June 2020	Post reporting date transactions	Pro forma adjustments	Pro forma 30 June 2020
	\$	\$	\$	\$
ASSETS				
CURRENT ASSETS				
Cash and cash equivalents	2,094,411	(470,000)	2,242,717	3,867,128
Term deposit	1,200,000	-	-	1,200,000
Security deposits	114,000	-	-	114,000
Trade and other receivables	12,897	225,000	-	237,897
Prepayments	18,288	-	-	18,288
Other current assets	-	-	4,335	4,335
TOTAL CURRENT ASSETS	3,439,596	(245,000)	2,247,052	5,441,648
NON-CURRENT ASSETS				
Plant and equipment	-	-	4,388	4,388
Exploration and evaluation expenditure	-	510,925	1,661,644	2,172,569
Other financial assets	200,000	-	-	200,000
TOTAL NON-CURRENT ASSETS	200,000	510,925	1,666,032	2,376,957
TOTAL ASSETS	3,639,596	265,925	3,913,084	7,818,605
LIABILITIES				
CURRENT LIABILITIES				
Trade and other payables	74,186	40,925	11,079	126,190
TOTAL CURRENT LIABILITIES	74,186	40,925	11,079	126,190
TOTAL LIABILITIES	74,186	40,925	11,079	126,190
NET ASSETS	3,565,410	225,000	3,902,005	7,692,415
EQUITY				
Issued capital	14,096,796	-	3,525,236	17,622,032
Reserves	1,937,083	-	994,000	2,931,083
Accumulated losses	(12,468,469)	225,000	(617,231)	(12,860,700)
TOTAL EQUITY	3,565,410	225,000	3,902,005	7,692,415

1. Post reporting date transactions

- (a) Roar Resources Pty Ltd – Option and Licence Agreement

On 6 July 2020, XXXX Gold entered into the above agreement and simultaneously exercised its option to acquire the Triumph Gold Project from Roar Resources Pty Ltd (**Roar**) for a cash consideration of \$400,000, a gross royalty of 1% and bonus payments on achieving certain milestones (refer footnote 20 in Annexure J for additional information).

The relevant tenement transfers have been assessed for stamp duty with an amount payable of \$12,425.

(b) North Queensland Tungsten Pty Ltd – Sale and Licence Agreement

On 29 July 2020, XXXX entered into the above agreement and simultaneously exercised its option to acquire the Elephant-Creek Peninsula Project from North Queensland Tungsten Pty Ltd for a cash consideration of \$70,000 and a gross royalty of 1.0% capped at \$500,000.

The relevant tenement transfers are in for stamp duty assessment. There are differing opinions of the amount of stamp duty payable ranging from \$3,500 to \$28,500. At present, XXXX has been conservative and is allowing for \$28,500 of stamp duty.

As at the date of this Notice, the transaction the subject of the sale and licence agreement between XXXX Gold and NQT has not yet completed. It is a condition precedent of the MOU that all of the Tenements (including the tenements to be acquired from NQT) are registered in the name of XXXX Gold.

- (c) On 4 September 2020, the Company executed a Deed of Settlement and Termination with Cockatoo Iron NL and its subsidiary Pearl Gull Pty Ltd which terminates the Revenue Sharing Agreement between the parties. In consideration for terminating the Revenue Sharing Agreement, Cockatoo Iron NL has agreed to pay Pelican \$225,000. The consideration shall be payable by or on behalf of Cockatoo Iron prior to 31 December 2020, and has been included as a receivable in the Pro Forma Statement of Financial Position.

2. Pro forma adjustments

- (a) The issue by the Company of 88,000,000 Consideration Shares with a fair value of \$0.02 per share (total fair value of \$1,760,000) and 40,000,000 Consideration Options exercisable at \$0.03 per option expiring 30/09/25 (total fair value of \$560,000) to acquire 100% of the issued capital of XXXX. The acquisition has been accounted for as an asset acquisition and a share-based payment transaction using the principles of AASB 3 Business Combinations and AASB 2 Share-Based Payment.
- (b) The issue by the Company of 63,842,366 Shares issued at \$0.02 each raising \$1,276,847 (before expenses) pursuant to the underwritten Entitlement Offer.
- (c) The issue by the Company of 37,500,000 Shares issued at \$0.02 each raising \$750,000 (before expenses) pursuant to the underwritten Broker Offer.
- (d) The write off against issued capital of the estimated cash expenses of the offer of \$121,611.
- (e) The cash payment of re-compliance expenses of \$323,231.
- (f) The write off against issued capital of the grant of 10,000,000 Underwriter Options, with and exercise price of \$0.03 and expiring 30/09/25, to the Underwriter (or its nominees) of the capital raising with a total fair value of \$140,000.
- (g) The issue by the Company of 21,000,000 Incentive Options, with and exercise price of \$0.03 and expiring 30/09/25, to current Board, Management and Consultants in consideration for past services and a reduction of fees for the period 1 January 2020 to completion of the Acquisition with a total fair value of \$294,000.
- (h) The consolidation of the Company's capital on the basis that every 8 shares be consolidated into 5 shares.
- (i) The issue of 17,000,000 Performance Rights to the Proposed Directors.

Annexure I – Notice of Proposed Directors' candidature

NOTICE OF CANDIDATURE

NOMINATION AS A DIRECTOR OF PELICAN RESOURCES LIMITED

I, Damien Leslie Keys, being a candidate for election as a director of Pelican Resources Limited (Pelican):

- consent to be a director of Pelican; and
- agree, that if I am elected as director, I will support the aims and objects of Pelican.

My relevant experience is as follows:

I am a geologist with approximately 20 years' experience in mining and exploration. I have led teams to exploration success with Gold Fields Australia Pty Ltd, Silver Lake Resources Ltd, Black Cat Syndicate Ltd and Spectrum Metals Ltd. I have completed a PhD in Structural Geology, a Bachelor of Science (Hons) and am a member of the Australian Institute of Geoscientists.

I am currently a director of XXXX Gold Pty Ltd. I am not currently a director of any public company.



Signature

28/08/2020

Date

NOTICE OF CANDIDATURE

NOMINATION AS A DIRECTOR OF PELICAN RESOURCES LIMITED

I, Paul Ian Chapman, being a candidate for election as a director of Pelican Resources Limited (Pelican):

- consent to be a director of Pelican; and
- agree, that if I am elected as director, I will support the aims and objects of Pelican.

My relevant experience is as follows:

I am a chartered accountant with 30 plus years in the resource sector. I was a founding director of Reliance Mining Ltd, Encounter Resources Ltd, Rex Minerals Ltd, Silver Lake Resources Ltd, Black Cat Syndicate Ltd and Dreadnought Resources Ltd. I completed a Bachelor of Commerce at the University of Melbourne and a Graduate Diploma of Taxation at RMIT University. I am a member of Chartered Accountants Australia & New Zealand, the Australian Institute of Company Directors and the Australasian Institute of Mining & Metallurgy.

I am currently also a director of Black Cat Syndicate Limited, Dreadnought Resources Limited, Encounter Resources Limited and XXXX Gold Pty Ltd.



Signature

29/08/2020

Date

NOTICE OF CANDIDATURE

NOMINATION AS A DIRECTOR OF PELICAN RESOURCES LIMITED

I, Leslie Brian Davis, being a candidate for election as a director of Pelican Resources Limited (Pelican):

- consent to be a director of Pelican; and
- agree, that if I am elected as director, I will support the aims and objects of Pelican.

My relevant experience is as follows:

I have 38 years' mining industry experience including 17 years' hands-on experience in mine development and narrow vein mining. I was the founding Managing Director of Silver Lake Resources and a director of Black Cat Syndicate Ltd and Spectrum Metals Ltd. I have completed a Masters of Science in mineral economics.

I am currently also a director of Black Cat Syndicate Limited and XXXX Gold Pty Ltd.



Signature

28/08/2020

Date

Annexure J – Tenements

Triumph ²³	EPM 18486	11/10/2020	32 BL
Triumph ²¹	EPM 19343	29/01/2022	11 BL
Hodgkinson ²⁴	EPM 19809	15/10/2023	13 BL
Hodgkinson ²²	EPM 25139	05/01/2024	3 BL
Hodgkinson ²²	EPM 18171	19/07/2021	22 BL
Hodgkinson	EPM 27539	01/06/2025	23 BL
Hodgkinson	EPM 27574	09/08/2025	11 BL
Hodgkinson	EPM 27575 (APPLICATION)	N/A	39 BL
Investigator	EPM 27343	29/07/2025	8 BL
Investigator	EPM 27344	29/07/2025	28 BL

²³ XXXX Gold has agreed to pay Roar Resources Pty Ltd (**Roar**) (the vendor of EPM 18486 and EPM 19343 (the **Triumph Tenements**)) a 1% royalty on the gross revenue from the sale or other disposal of gold found on the Triumph Tenements.

XXXX Gold is obliged to make certain bonus payments to Roar upon satisfaction of certain milestones. The bonus payments are due within 60 days of XXXX Gold giving notice it has identified specified Mineral Resources (on an Au Equivalent basis, being the gold Mineral Resource plus a quantity of non-gold metal(s) in Mineral Resource having an economic value expressed in ounces of gold and calculated by multiplying the quantity of non-gold metal(s) in Mineral Resource by the average 30 day LME spot price for the metal(s) immediately preceding the time of reporting the Mineral Resource and dividing the product by the average 30 day LME spot gold price immediately preceding the time of reporting the gold Mineral Resource or such other method as XXXX Gold and Roar agree both acting reasonably) as follows:

- a once-off payment of \$1,500,000 in the event that and when XXXX Gold identifies a JORC Code Mineral Resource of 500,000oz or more (calculated on an Au Equivalent basis) in aggregate on the Triumph Tenements;
- a once-off payment of \$2,000,000 in the event that and when XXXX Gold identifies a gold equivalent Mineral Resource of 1,000,000oz or more (calculated on an Au Equivalent basis) in aggregate on the Triumph Tenements; and
- a once-off payment of \$2,500,000 in the event that and when XXXX Gold identifies a gold equivalent Mineral Resource of 2,000,000oz or more (calculated on an Au Equivalent basis) in aggregate on the Triumph Tenements.

If the first JORC Code equivalent Mineral Resource identified is either 1,000,000oz or more in aggregate or 2,000,000oz or more in aggregate, then the bonus payments noted above are in addition to the bonus payment due under the previous milestone. By way of example, if the first Mineral Resource identified is 1,000,000oz or more in aggregate, a total of \$3,500,000 will be payable.

²⁴ XXXX Gold has agreed to pay North Queensland Tungsten (**NQT**) (the vendor of EPM 18171, EPM 19809 and EPM 25139 (the **Hodgkinson Tenements**)):

- (a) a 2.5% royalty on the gross proceeds received from the sale or other disposal of tungsten products found of the Hodgkinson Tenements; and
- (b) a 1% royalty on the gross proceeds received from the sale or other disposal of any mineral other than tungsten found on the Hodgkinson Tenements, up to the capped amount of \$500,000.

XXXX Gold has agreed to pay Macquarie Bank Limited (ACN 008 583 532) (**Macquarie**) a 1.5% royalty on the gross proceeds received by XXXX Gold from the sale or other disposal of tungsten found on the Hodgkinson Tenements.

XXXX Gold may elect to discharge its royalty obligations under the agreement by giving notice to Macquarie and paying Macquarie in cash the sum of the amount determined as the net present value of the expected future royalty payments discounted at 10% using a standard valuation method.

Annexure K – Summary of Dr Keys' employment agreement

Parties	The Company Damien Keys
Position	Managing Director
Remuneration	\$220,000 per annum
Commencement date	The Company will employ Dr Keys on completion of the Acquisition.
Term	2 years from the commencement date.
Discretionary benefits	The Company may at any time during the term pay to Dr Keys a performance-based bonus over and above his salary.
Leave	Dr Keys is entitled to leave (personal, parental, long service leave and community service leave) in accordance with the relevant legislation.
Expenses	The Company will reimburse Dr Keys for all reasonable travelling, accommodation and general expenses incurred in the performance of all duties in connection to the business of the Company and its related bodies corporate.
Termination	Termination by the Company <i>Termination with reason</i> The Company may terminate the agreement by giving not less than one months' written notice if Dr Keys: (a) becomes incapacitated by illness or injury which prevents him from performing duties under the agreement for two consecutive months, or any period aggregating two months in any period of 12 months; or (b) is or becomes of unsound mind. The Company may terminate the agreement summarily without notice if Dr Keys: (a) commits any serious or persistent breach of the agreement; (b) in the reasonable opinion of the Board, is absent in, or demonstrates an incompetence with regard to the performance of his duties, is neglectful of his duties or does not perform all duties in a satisfactory manner, provided that Mr Keys has been counselled on at least three separate occasions and after each such occasion has been provided with a reasonable opportunity of at least one month to remedy the specific matters; (c) commits or becomes guilty of any gross misconduct; (d) refuses or neglects to comply with any lawful reasonable direction or order, which he has failed to rectify within 21 business days after receipt of notice; (e) is convicted of any major criminal offence which brings the Company into lasting disrepute (by giving notice immediately and without payment of any salary other than that accrued);

	(f) commits a material breach of the Company's internet policy; (g) commits a breach of the Company's email policy; or (h) discloses, communicates, uses or misuses price sensitive information without the Board's prior written consent. <i>Termination without reason</i> The Company may terminate the agreement by giving three months' notice, or may elect to pay Dr Keys in lieu of notice. <i>Termination without notice</i> The Company may dispose of the written notice period and immediately terminate Dr Keys' employment by making a payment equal to the salary payable for the relevant notice period to Dr Keys. Termination by Dr Keys Dr Keys may terminate the agreement: (i) immediately if the Company commits any serious or persistent breach of the agreement, and the breach is not remedied within 28 days of receipt of written notice; or (j) by giving three months' written notice to the Company.
Termination payments for material diminution	None.
Post-employment restraints	Without prior consent of the Company, for a period up to 2 years after the termination of Dr Keys' employment, Dr Keys must not: (k) engage in or be connected or interested directly or indirectly in any business or person that supplies similar products or services to those of the Company, is entitled to any business which is similar to the business of the Company or could be reasonably regarded as a market competitor to the Company or its related bodies corporate; (l) solicit, canvass, induce or encourage anyone who was a director, employee or agent of the Company within the six months prior to the termination of Dr Keys' employment to leave employment or agency of the Company or its related bodies corporate; (m) solicit, canvass, approach or accept any approach from any person who was a customer of the Company or its related bodies corporate within the six months prior to the termination of Dr Keys' employment with a view to obtaining the custom of such person in a similar business; or (n) interfere with the relationship between the Company or its related bodies corporate and its clients, employees or suppliers.

Annexure L – ASX Waiver Conditions

On 28 August 202 ASX granted waivers to Listing Rule 2.1 (condition 2), Listing Rule 1.1 (condition 12) and Listing Rule 7.3.4 on the conditions set out below.

Listing Rule 2.1 (condition 2)

ASX has granted a waiver in respect of Listing Rule 2.1 (condition 2) to undertake the Capital Raising at an issue price of A\$0.02 per share on the following conditions:

- The issue price of the Capital Raising shares is not less than \$0.02 per share.
- The terms of the waiver are disclosed to the market and, along with the terms and conditions of the Capital Raising shares, are clearly disclosed in the Notice of Meeting and the Prospectus.
- The Company's shareholders approve the issue price of the Broker Offer shares in conjunction with the approval obtained under Listing Rule 11.1.2 in respect of the Acquisition.
- The Company completes a consolidation of its capital structure in conjunction with the Acquisition such that its securities are consolidated at a ratio that will be sufficient, based on the lowest price at which the Company's securities traded over the 20 trading days preceding the date of the suspension of the Company's securities from official quotation, to achieve a market value for its securities of not less than two cents each.

Listing Rule 1.1 (condition 12)

ASX has granted a waiver in respect of Listing Rule 1.1 (condition 12) to permit Options²⁵ and Performance Rights to have an exercise price of less than A\$0.20 on the following conditions:

- The exercise price of the Options is not less than \$0.03 each.
- The terms of the waiver are disclosed to the market and, along with the terms and conditions of the Options and Performance Rights, are clearly disclosed in the Notice of Meeting and in the Prospectus.
- The Company's shareholders approve the exercise price of the Options in conjunction with the approval obtained under listing rule 11.1.2 for the Proposed Transaction.
- The Company's shareholder approve the issue of the Performance Rights in conjunction with the approval obtained under listing rule 11.1.2 for the Acquisition.

Listing Rule 7.3.4

ASX has granted a waiver in respect of Listing Rule 7.3.4 to permit the issue of a Deferred Shares to the Vendors within 3 years of the approval of shareholders for the issue on the following conditions:

- The Deferred Shares are issued no later than three years from the date of completion of the Acquisition and are only issued on the achievement of the following milestones:
 - 50,000,000 Shares on announcing to the ASX within 3 years of Completion that it has a JORC 2012 compliant inferred resource of 100,000 ounces of gold or gold equivalent at a minimum 1 gram per tonne cut off tenements owned by or being acquired or applied for by XXXX Gold at Completion; and

²⁵ "Options" includes the Consideration Options, the Incentive Options and Underwriter Options.

- a further 50,000,000 Shares on announcing to the ASX within 3 years of Completion that it has a JORC 2012 compliant inferred resource of 200,000 ounces of gold or gold equivalent at a minimum 1 gram per tonne cut off tenements owned by or being acquired or applied for by XXXX Gold at Completion.
- The relevant terms and conditions of the Deferred Shares are clearly set out in the Notice.
- The Notice states that the maximum number of Deferred Shares to be issued is 100,000,000.
- The circumstances of the Company, as determined by the ASX, have not materially changed since the Shareholders approved the issue of the Deferred Shares.
- The terms of the waiver are clearly disclosed in the Notice of Meeting and in the Prospectus.
- If the milestones are achieved, the achievement of the milestones is announced to the market and the basis for the Directors determining that the milestone has been achieved, along with the number of Deferred Shares to be issued.
- For any annual reporting period during which the Deferred Shares are issued or any of them remain to be issued, the Company's annual report sets out in detail the number of Deferred Shares issued during the reporting period, the number that remain to be issued and the basis on which they may be issued.
- In any half year or quarterly report for a period during which the Deferred Shares are issued or remain to be issued, the Company includes a summary statement of the number issued during the reporting period, and the number that remain to be issued and the basis on which they may be issued.

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

Holder Number:

Your proxy voting instruction must be received by **2.00pm (WST) on Saturday, 24 October 2020**, being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

SUBMIT YOUR PROXY

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

YOUR NAME AND ADDRESS

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

STEP 1 – APPOINT A PROXY

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

DEFAULT TO THE CHAIRMAN OF THE MEETING

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

STEP 2 - VOTES ON ITEMS OF BUSINESS

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

APPOINTMENT OF SECOND PROXY

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

SIGNING INSTRUCTIONS

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

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

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

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

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

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

CORPORATE REPRESENTATIVES

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

Lodging your Proxy Voting Form:

Online:

Use your computer or smartphone to appoint a proxy at <https://investor.automic.com.au/#/login> or scan the QR code below using your smartphone

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



BY MAIL:

Automic
GPO Box 5193
Sydney NSW 2001

IN PERSON:

Automic
Level 5, 126 Phillip Street
Sydney NSW 2000

BY EMAIL:

meetings@automicgroup.com.au

BY FACSIMILE:

+61 2 8583 3040

All enquiries to Automic:

WEBCHAT: <https://automicgroup.com.au/>

PHONE: 1300 288 664 (Within Australia)
+61 2 9698 5414 (Overseas)

I/We being a Shareholder entitled to attend and vote at the Annual General Meeting of Pelican Resources Limited, to be held at the Wandoo Room, Holiday Inn, 778 – 788 Hay Street, Perth, Western Australia at **2.00pm (WST) on Monday, 26 October 2020** hereby:

[illegible]

Unless indicated otherwise by ticking the “for,” “against” or “abstain” box you will be authorising the Chair to vote in accordance with the Chair’s voting intention.

Where I/we have appointed the Chair as my/our proxy (or where the Chair becomes my/our proxy by default), I/we expressly authorise the Chair to exercise my/our proxy on Resolutions 1, and 13 - 22 (except where I/we have indicated a different voting intention below) even though Resolutions 1, and 13 - 22 are connected directly or indirectly with the remuneration of a member of the Keu Management Personnel, which includes the Chair.

Resolutions		For	Against	Abstain	Resolutions		For	Against	Abstain
1.	Non Binding Resolution to adopt Remuneration Report	☐	☐	☐	14.	Grant of Performance Rights to Dr Damien Keys or his nominee(s)	☐	☐	☐
2.	Re-election of Mr Alec Pismiris as a Director	☐	☐	☐	15.	Approval of potential termination benefit to Dr Damien Keys or his nominee(s) in relation to Performance Rights	☐	☐	☐
3.	Approval of the Acquisition	☐	☐	☐	16.	Grant of Performance Rights to Mr Paul Chapman or his nominee(s)	☐	☐	☐
4.	Consolidation of Capital	☐	☐	☐	17.	Approval of potential termination benefit to Mr Paul Chapman or his nominee(s) in relation to Performance Rights	☐	☐	☐
5.	Change of Company name	☐	☐	☐	18.	Grant of Performance Rights to Mr Leslie Davis or his nominee(s)	☐	☐	☐
6.	Proposed Issue of Consideration Shares, Consideration Options and Deferred Shares to Vendors	☐	☐	☐	19.	Approval of potential termination benefits to Mr Leslie Davis or his nominee(s) in relation to Performance Rights	☐	☐	☐
7.	Proposed Issue of Shares under the Broker Offer	☐	☐	☐	20.	Issue of Options to Mr Antonio Torresan (a Director) or his nominee(s)	☐	☐	☐
8.	Proposed Issue of Underwriter Options to Underwriter	☐	☐	☐	21.	Issue of Options to Mr Alec Pismiris (a Director) or his nominee(s)	☐	☐	☐
9.	Election of Dr Damien Keys as a Director	☐	☐	☐	22.	Issue of Options to Mr Colin Chenu (a Director) or his nominee(s)	☐	☐	☐
10.	Election of Mr Paul Chapman as a Director	☐	☐	☐	23.	Proposed Issue of Options to Mr Shaun Menezes	☐	☐	☐
11.	Election of Mr Leslie Davis as a Director	☐	☐	☐	24.	Proposed Issue of Options to Mr Grant Jefferies	☐	☐	☐
12.	Performance Rights Plan	☐	☐	☐	25.	Approval of Additional 10% Placement Capacity	☐	☐	☐
13.	Approval of potential termination benefit in relation to securities issued pursuant to the Plan	☐	☐	☐					

Please note: If you mark the abstain box for a particular Resolution, you are directing your proxy not to vote on that Resolution on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

Individual or Securityholder 1	Securityholder 2	Securityholder 3
Sole Director and Sole Company Secretary	Director	Director / Company Secretary
Contact Name:		
Email Address:		
Contact Daytime Telephone		Date (DD/MM/YY)
		/ /

By providing your email address, you elect to receive all of your communications despatched by the Company electronically (where legally permissible).