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**METALICITY LIMITED**  
**ACN 086 839 992**  
**NOTICE OF ANNUAL GENERAL MEETING**

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Notice is given that the Meeting will be held at:

**TIME:** 2:00 pm (WST)  
**DATE:** Friday, 24 November 2023  
**PLACE:** Fellows Room  
Trinity Residential College  
230 Hampden Road  
CRAWLEY WA 6009

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

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

***The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 4:00 pm (WST) on 22 November 2023.***

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## BUSINESS OF THE MEETING

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### AGENDA

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#### 1. FINANCIAL STATEMENTS AND REPORTS

To receive and consider the annual financial report of the Company for the financial year ended 30 June 2023 together with the declaration of the Directors, the Director's report, the Remuneration Report and the auditor's report.

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#### 2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

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

*“That, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Company's annual financial report for the financial year ended 30 June 2023.”*

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

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

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#### 3. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – STEVEN WOOD

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

*“That, for the purposes of clause 15.4 of the Constitution, Listing Rule 14.4 and for all other purposes, Steven Wood, a Director who was appointed casually on 25 November 2022, retires, and being eligible, is elected as a Director.”*

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#### 4. RESOLUTION 3 – RE-ELECTION OF DIRECTOR – ROGER STEINEPREIS

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

*“That, for the purposes of clause 15.4 of the Constitution, Listing Rule 14.4 and for all other purposes, Roger Steinepreis, a Director who was appointed casually on 6 February 2023, retires, and being eligible, is elected as a Director.”*

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#### 5. RESOLUTION 4 – APPROVAL OF 7.1A MANDATE

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

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

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**6. RESOLUTION 5 – RELATED PARTY PARTICIPATION IN PLACEMENT – MR JUSTIN BARTON**

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

*“That, for the purposes of section 195(4) and section 208 of the Corporations Act, Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 25,000,000 Shares and 12,500,000 Options to Justin Barton (or his nominees) on the terms and conditions set out in the Explanatory Statement.”*

**A voting exclusion statement and voting prohibition statement apply to this Resolution. Please see below.**

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**7. RESOLUTION 6 – RELATED PARTY PARTICIPATION IN PLACEMENT – MR ROGER STEINEPREIS**

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

*“That, for the purposes of section 195(4) and section 208 of the Corporations Act, Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 150,000,000 Shares and 75,000,000 Options to Roger Steinepreis (or his nominees) on the terms and conditions set out in the Explanatory Statement.”*

**A voting exclusion statement and voting prohibition statement apply to this Resolution. Please see below.**

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**8. RESOLUTION 7 – RELATED PARTY PARTICIPATION IN PLACEMENT – MR STEVEN WOOD**

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

*“That, for the purposes of section 195(4) and section 208 of the Corporations Act, Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 10,000,000 Shares and 5,000,000 Options to Steven Wood (or his nominees) on the terms and conditions set out in the Explanatory Statement.”*

**A voting exclusion statement and voting prohibition statement apply to this Resolution. Please see below.**

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**9. RESOLUTION 8 – SECURITIES TO BE ISSUED TO RELATED PARTY IN LIEU OF FEES – JUSTIN BARTON**

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

*“That, for the purposes of section 195(4) and section 208 of the Corporations Act, Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 27,774,595 Shares and 13,887,298 Options to Justin Barton (or his nominees) on the terms and conditions set out in the Explanatory Statement.”*

**A voting exclusion statement and voting prohibition statement apply to this Resolution. Please see below.**

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**10. RESOLUTION 9 – SECURITIES TO BE ISSUED TO RELATED PARTY IN LIEU OF FEES - MR ROGER STEINEPREIS**

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

*"That, for the purposes of section 195(4) and section 208 of the Corporations Act, Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 17,498,295 Shares and 8,749,148 Options to Roger Steinepreis (or his nominees) on the terms and conditions set out in the Explanatory Statement."*

**A voting exclusion statement and voting prohibition statement apply to this Resolution. Please see below.**

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**11. RESOLUTION 10 – SECURITIES TO BE ISSUED TO RELATED PARTY IN LIEU OF FEES – MR STEVEN WOOD**

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

*"That, for the purposes of section 195(4) and section 208 of the Corporations Act, Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 16,195,098 Shares and 8,097,549 Options to Steven Wood (or his nominees) on the terms and conditions set out in the Explanatory Statement."*

**A voting exclusion statement and voting prohibition statement apply to this Resolution. Please see below.**

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**12. RESOLUTION 11 – AMENDMENT TO CONSTITUTION**

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

*"That, for the purposes of section 136(2) of the Corporations Act and for all other purposes, approval is given for the Company to amend its Constitution to modify clause 15.3 from requiring lodgement of nominations for proposed directors at least 30 days before a general meeting to at least 60 days before a general meeting."*

## Voting Prohibition Statement

<p><b>Resolution 1 – Adoption of Remuneration Report</b></p>	<p>A vote on this Resolution must not be cast (in any capacity) by or on behalf of either of the following persons:</p> <ul style="list-style-type: none"> <li>(a) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or</li> <li>(b) a Closely Related Party of such a member.</li> </ul> <p>However, a person (the <b>voter</b>) described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:</p> <ul style="list-style-type: none"> <li>(a) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or</li> <li>(b) the voter is the Chair and the appointment of the Chair as proxy: <ul style="list-style-type: none"> <li>(i) does not specify the way the proxy is to vote on this Resolution; and</li> <li>(ii) expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.</li> </ul> </li> </ul>
<p><b>Resolution 5 – Related Party Participation in Placement – Justin Barton</b></p>	<p>In accordance with section 224 of the Corporations Act, a vote on this Resolution must not be cast (in any capacity) by or on behalf of a related party of the Company to whom the Resolution would permit a financial benefit to be given, or an associate of such a related party (<b>Resolution 5 Excluded Party</b>). However, the above prohibition does not apply if the vote is cast by a person as proxy appointed by writing that specifies how the proxy is to vote on the Resolution and it is not cast on behalf of a Resolution 5 Excluded Party.</p>
<p><b>Resolution 6 – Related Party Participation in Placement – Roger Steinepreis</b></p>	<p>In accordance with section 224 of the Corporations Act, a vote on this Resolution must not be cast (in any capacity) by or on behalf of a related party of the Company to whom the Resolution would permit a financial benefit to be given, or an associate of such a related party (<b>Resolution 6 Excluded Party</b>). However, the above prohibition does not apply if the vote is cast by a person as proxy appointed by writing that specifies how the proxy is to vote on the Resolution and it is not cast on behalf of a Resolution 6 Excluded Party.</p>
<p><b>Resolution 7 – Related Party Participation in Placement – Steven Wood</b></p>	<p>In accordance with section 224 of the Corporations Act, a vote on this Resolution must not be cast (in any capacity) by or on behalf of a related party of the Company to whom the Resolution would permit a financial benefit to be given, or an associate of such a related party (<b>Resolution 7 Excluded Party</b>). However, the above prohibition does not apply if the vote is cast by a person as proxy appointed by writing that specifies how the proxy is to vote on the Resolution and it is not cast on behalf of a Resolution 7 Excluded Party.</p>
<p><b>Resolution 8 – Securities to be issued to Related Party in lieu of fees – Justin Barton</b></p>	<p>In accordance with section 224 of the Corporations Act, a vote on this Resolution must not be cast (in any capacity) by or on behalf of a related party of the Company to whom the Resolution would permit a financial benefit to be given, or an associate of such a related party (<b>Resolution 8 Excluded Party</b>). However, the above prohibition does not apply if the vote is cast by a person as proxy appointed by writing that specifies how the proxy is to vote on the</p>

	<p>Resolution and it is not cast on behalf of a Resolution 8 Excluded Party.</p> <p>In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:</p> <ul style="list-style-type: none"> <li>(a) the proxy is either: <ul style="list-style-type: none"> <li>(i) a member of the Key Management Personnel; or</li> <li>(ii) a Closely Related Party of such a member; and</li> </ul> </li> <li>(b) the appointment does not specify the way the proxy is to vote on this Resolution.</li> </ul> <p>Provided the Chair is not a Resolution 8 Excluded Party, the above prohibition does not apply if:</p> <ul style="list-style-type: none"> <li>(c) the proxy is the Chair; and</li> <li>(d) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.</li> </ul>
<p><b>Resolution 9 – Securities to be issued to Related Party in lieu of fees – Roger Steinepreis</b></p>	<p>In accordance with section 224 of the Corporations Act, a vote on this Resolution must not be cast (in any capacity) by or on behalf of a related party of the Company to whom the Resolution would permit a financial benefit to be given, or an associate of such a related party (<b>Resolution 9 Excluded Party</b>). However, the above prohibition does not apply if the vote is cast by a person as proxy appointed by writing that specifies how the proxy is to vote on the Resolution and it is not cast on behalf of a Resolution 9 Excluded Party.</p> <p>In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:</p> <ul style="list-style-type: none"> <li>(a) the proxy is either: <ul style="list-style-type: none"> <li>(i) a member of the Key Management Personnel; or</li> <li>(ii) a Closely Related Party of such a member; and</li> </ul> </li> <li>(b) the appointment does not specify the way the proxy is to vote on this Resolution.</li> </ul> <p>Provided the Chair is not a Resolution 9 Excluded Party, the above prohibition does not apply if:</p> <ul style="list-style-type: none"> <li>(a) the proxy is the Chair; and</li> <li>(b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.</li> </ul>
<p><b>Resolution 10 – Securities to be issued to Related Party in lieu of fees – Steven Wood</b></p>	<p>In accordance with section 224 of the Corporations Act, a vote on this Resolution must not be cast (in any capacity) by or on behalf of a related party of the Company to whom the Resolution would permit a financial benefit to be given, or an associate of such a related party (<b>Resolution 10 Excluded Party</b>). However, the above prohibition does not apply if the vote is cast by a person as proxy appointed by writing that specifies how the proxy is to vote on the Resolution and it is not cast on behalf of a Resolution 10 Excluded Party.</p>

	<p>In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:</p> <p>(a) the proxy is either:</p> <p style="padding-left: 40px;">(i) a member of the Key Management Personnel; or</p> <p style="padding-left: 40px;">(ii) a Closely Related Party of such a member; and</p> <p>(b) the appointment does not specify the way the proxy is to vote on this Resolution.</p> <p>Provided the Chair is not a Resolutions 10 Excluded Party, the above prohibition does not apply if:</p> <p>(a) the proxy is the Chair; and</p> <p>(b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.</p>
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### Voting Exclusion Statements

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

<b>Resolution 5 – Related Party participation in Placement – Justin Barton</b>	Justin Barton (or his nominees) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons.
<b>Resolution 6 – Related Party participation in Placement – Roger Steinepreis</b>	Roger Steinepreis (or his nominees) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons.
<b>Resolution 7 – Related Party participation in Placement – Steven Wood</b>	Steven Wood (or his nominees) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons.
<b>Resolution 8 – Securities to be issued to Related Party in lieu of fees – Justin Barton</b>	Justin Barton (or his nominees) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons.
<b>Resolution 9 – Securities to be issued to Related Party in lieu of fees – Roger Steinepreis</b>	Roger Steinepreis (or his nominees) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons.
<b>Resolution 10 – Securities to be issued to Related Party in lieu of fees – Steven Wood</b>	Steven Wood (or his nominees) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons.

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

- (a) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or

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



## **Voting by proxy**

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

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

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

Shareholders and their proxies should be aware that:

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

## **Voting in person**

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

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

Please bring your personalised Proxy Form with you as it will help you to register your attendance at the Meeting. If you do not bring your Proxy Form with you, you can still attend the Meeting but the Company will need to verify your identity. You can register from 1:30pm WST on the day of the Meeting.

***Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 8 6500 0202.***

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## EXPLANATORY STATEMENT

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

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### 1. FINANCIAL STATEMENTS AND REPORTS

In accordance with the Corporations Act, the business of the Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 30 June 2023 together with the declaration of the Directors, the Directors' report, the Remuneration Report and the auditor's report.

The Company will not provide a hard copy of the Company's annual financial report to Shareholders unless specifically requested to do so. The Company's annual financial report is available on its website at [www.metalicity.com.au](http://www.metalicity.com.au).

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### 2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

#### 2.1 General

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

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

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

#### 2.2 Voting consequences

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

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

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

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

## **2.3 Previous voting results**

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

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## **3. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – STEVEN WOOD**

### **3.1 General**

The Constitution allows the Directors to appoint at any time a person to be a Director either to fill a casual vacancy or as an addition to the existing Directors, but only where the total number of Directors does not at any time exceed the maximum number specified by the Constitution.

Pursuant to the Constitution and Listing Rule 14.4, any Director so appointed holds office only until the next annual general meeting and is then eligible for election by Shareholders but shall not be taken into account in determining the Directors who are to retire by rotation (if any) at that meeting.

Steven Wood, having been appointed by other Directors on 25 November 2022 in accordance with the Constitution, will retire in accordance with the Constitution and Listing Rule 14.4 and being eligible, seeks election from Shareholders.

### **3.2 Qualifications and other material directorships**

Mr Wood has over 15 years of corporate advisory, governance and financial compliance experience in the mining and resources sector. Mr Wood is a Director of Grange Consulting Group Pty Ltd and specialises in providing corporate advisory, governance, and financial compliance consulting services to a number of ASX listed and unlisted entities. Mr Wood is currently Chairman of Uvre Ltd (ASX:UVA) and Company Secretary for a number of ASX listed entities including Caspin Resources Ltd (ASX:CPN), Rumble Resources Ltd (ASX:RTR) and 92 Energy Ltd (ASX:92E).

### **3.3 Independence**

Steven Wood has no interests, position or relationship that might influence, or reasonably be perceived to influence, in a material respect his capacity to bring an independent judgement to bear on issues before the Board and to act in the best interests of the Company as a whole rather than in the interests of an individual security holder or other party.

If elected the Board considers Steven Wood will be an independent Director.

### **3.4 Other material information**

The Company conducts appropriate checks on the background and experience of candidates before their appointment to the Board. The Company undertook such checks prior to the appointment of Steven Wood.

Steven Wood has confirmed that he considers he will have sufficient time to fulfil his responsibilities as a Non-Executive Director of the Company and does not consider that any other commitment will interfere with his availability to perform his duties as a Non-Executive Director of the Company.

### **3.5 Board recommendation**

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

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## **4. RESOLUTION 3 – RE-ELECTION OF DIRECTOR – ROGER STEINEPREIS**

### **4.1 General**

The Constitution allows the Directors to appoint at any time a person to be a Director either to fill a casual vacancy or as an addition to the existing Directors, but only where the total number of Directors does not at any time exceed the maximum number specified by the Constitution.

Pursuant to the Constitution and Listing Rule 14.4, any Director so appointed holds office only until the next annual general meeting and is then eligible for election by Shareholders but shall not be taken into account in determining the Directors who are to retire by rotation (if any) at that meeting.

Roger Steinepreis, having been appointed by other Directors on 6 February 2023 in accordance with the Constitution, will retire in accordance with the Constitution and Listing Rule 14.4 and being eligible, seeks election from Shareholders.

### **4.2 Qualifications and other material directorships**

Mr Steinepreis is a lawyer and Executive Chairman of Perth based Steinepreis Paganin. He has practiced as a lawyer for over 35 years, acting as legal advisor to a number of public companies, particularly in the energy and resources sector, on a wide range of corporate matters. Mr Steinepreis brings with him a wealth of experience and expertise in highly performing and successful businesses and was recently Non-Executive Chairman of Apollo Consolidated Limited which was subject to a successful takeover by Ramelius Resources Limited in 2021.

Mr Steinepreis is a Non-Executive Director of ASX listed company Meeka Metals Limited (ASX:MEK) and was formerly Non-Executive Director of ClearVue Technologies Limited (ASX:CPV and OTC:CVUEF) and Apollo Consolidated Limited.

### **4.3 Independence**

If elected the Board does not consider Roger Steinepreis will be an independent Director.

### **4.4 Other material information**

The Company conducts appropriate checks on the background and experience of candidates before their appointment to the Board. The Company undertook such checks prior to the appointment of Roger Steinepreis.

Roger Steinepreis has confirmed that he considers he will have sufficient time to fulfil his responsibilities as a Non-Executive Director of the Company and does not consider that any other commitment will interfere with his availability to perform his duties as a Non-Executive Director of the Company.

## 4.5 Board recommendation

The Board has reviewed Roger Steinepreis' performance since his appointment to the Board and considers that his skills and experience will continue to enhance the Board's ability to perform its role. Accordingly, the Board supports the election of Roger Steinepreis and recommends that Shareholders vote in favour of Resolution 3.

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## 5. RESOLUTION 4 – APPROVAL OF 7.1A MANDATE

### 5.1 General

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of Equity Securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that period.

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

An 'eligible entity' means an entity which is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300,000,000 or less. The Company is an eligible entity for these purposes.

As at the date of this Notice, the Company is an eligible entity as it is not included in the S&P/ASX 300 Index and has a current market capitalisation of \$7,472,172 (based on the number of Shares on issue as at the date of this Notice and the closing price of Shares on the ASX on 3 October 2023).

Resolution 4 seeks Shareholder approval by way of special resolution for the Company to have the additional 10% placement capacity provided for in Listing Rule 7.1A to issue Equity Securities without Shareholder approval. To note, a special resolution is a resolution requiring at least 75% of votes cast by shareholders present and eligible to vote at the meeting in favour of the resolution.

If Resolution 4 is passed, the Company will be able to issue Equity Securities up to the combined 25% limit in Listing Rules 7.1 and 7.1A without any further Shareholder approval.

If Resolution 4 is not passed, the Company will not be able to access the additional 10% capacity to issue Equity Securities without Shareholder approval under Listing Rule 7.1A, and will remain subject to the 15% limit on issuing Equity Securities without Shareholder approval set out in Listing Rule 7.1.

### 5.2 Technical information required by Listing Rule 7.1A

Pursuant to and in accordance with Listing Rule 7.3A, the information below is provided in relation to Resolution 4:

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

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

- (i) the date that is 12 months after the date of this Meeting;

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

(b) **Minimum price**

Any Equity Securities issued under the 7.1A Mandate must be in an existing quoted class of Equity Securities and be issued for cash consideration at a minimum price of 75% of the volume weighted average price of Equity Securities in that class, calculated over the 15 trading days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed by the entity and the recipient of the Equity Securities; or
- (ii) if the Equity Securities are not issued within 10 trading days of the date in Section 5.2(b)(i), the date on which the Equity Securities are issued.

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

The Company intends to use funds raised from issues of Equity Securities under the 7.1A Mandate for exploration, drilling and development of the Kookynie Gold Project, the Yundamindra Gold Project, the Mt Surprise Project, the Georgetown Project and the overall development of the Company's current business, the acquisition of new assets and investments (including associated expenses with such acquisitions) and general working capital.

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

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

If Resolution 4 is approved by Shareholders and the Company issues the maximum number of Equity Securities available under the 7.1A Mandate, the economic and voting dilution of existing Shares would be as shown in the table below.

The table below shows the dilution of existing Shareholders calculated in accordance with the formula outlined in Listing Rule 7.1A.2, on the basis of the closing market price of Shares and the number of Equity Securities on issue or proposed to be issued as at 2 October 2023.

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

Number of Shares on Issue (Variable A in Listing Rule 7.1A.2)		Shares issued – 10% voting dilution	Dilution		
			Issue Price		
			\$0.001	\$0.002	\$0.003
			50% decrease	Issue Price	50% increase
		Funds Raised			
<b>Current</b>	3,736,085,806	373,608,580	373,608	747,217	1,120,825
<b>50% increase</b>	5,604,128,709	560,412,870	560,412	1,120,825	1,681,238
<b>100% increase</b>	7,472,171,612	747,217,161	747,217	1,494,434	2,241,651

**Notes:**

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

**The table above uses the following assumptions:**

1. There are a total of 3,736,085,806 Shares on issue.
2. The issue price set out above is the closing market price of the Shares on the ASX on 3 October 2023, being \$0.002.
3. The Company issues the maximum possible number of Equity Securities under the 7.1A Mandate.
4. The Company has not issued any Equity Securities in the 12 months prior to the Meeting that were not issued under an exception in Listing Rule 7.2 or with approval under Listing Rule 7.1.
5. The issue of Equity Securities under the 7.1A Mandate consists only of Shares. It is assumed that no Options are exercised into Shares before the date of issue of the Equity Securities. If the issue of Equity Securities includes quoted Options, it is assumed that those quoted Options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.
6. The calculations above do not show the dilution that any one particular Shareholder will be subject to. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.
7. This table does not set out any dilution pursuant to approvals under Listing Rule 7.1 unless otherwise disclosed.
8. The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
9. The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 7.1A Mandate, based on that Shareholder's holding at the date of the Meeting.

Shareholders should note that there is a risk that:

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

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

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

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

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

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

The Company previously obtained approval from its Shareholders pursuant to Listing Rule 7.1A at its annual general meeting held on 25 November 2022 (**Previous Approval**).

During the 12-month period preceding the date of this Meeting, the Company has not issued any Equity Securities pursuant to the Previous Approval.

### **5.3 Voting Exclusion Statement**

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

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## **6. RESOLUTIONS 5-7 – RELATED PARTY PARTICIPATION IN PLACEMENT**

### **6.1 General**

#### **Background**

As announced by the Company on 19 October 2023, the Company undertook a placement to sophisticated and professional investors of up to 700,000,000 Shares at an issue price of \$0.002 per Share to raise \$1,400,000, together with one (1) free attaching Option for every two (2) Shares subscribed for and issued (**Placement**).

The funds raised from the Placement will be put towards progressing current projects in Queensland, maintaining Kookynie and Yundamindra tenure, reviewing new potential projects and working capital.



Subject to Shareholder approval, each of Steven Wood, Justin Barton and Roger Steinepreis (the **Related Parties**), the current Directors, have agreed to participate in the Placement for an aggregate of up to \$370,000 (being 185,000,000 Shares and 92,500,000 Options) on the same terms as unrelated participants in the Placement (**Participation**).

On the basis that Shareholder approval is obtained, the Participation will be completed as follows:

<b>Related Party</b>	<b>Investment amount</b>	<b>Number of Shares to be issued</b>	<b>Number of Options to be issued</b>
Justin Barton	\$50,000	25,000,000	12,500,000
Roger Steinepreis	\$300,000	150,000,000	75,000,000
Steven Wood	\$20,000	10,000,000	5,000,000
<b>Total</b>	<b>\$370,000</b>	<b>185,000,000</b>	<b>92,500,000</b>

Resolutions 5 to 7 seek Shareholder approval for the Company to issue:

- (a) up to 185,000,000 Shares (**Placement Shares**); and
- (b) up to 92,500,000 Options (**Placement Options**),

(together, the **Placement Securities**) to the Related Parties (or their respective nominees) in accordance with the allocations set out above to raise up to \$370,000 pursuant to the Participation.

## 6.2 Directors' Recommendation

Each Director has a material personal interest in the outcome of Resolutions 5 to 7 on the basis that all of the Directors (or their respective nominees) are to be issued the Placement Securities should Resolutions 5 to 7 be passed. For this reason, the Directors do not believe that it is appropriate to make a recommendation on Resolutions 5 to 7 of this Notice.

## 6.3 Chapter 2E of the Corporations Act

A summary of Chapter 2E of the Corporations Act is set out below:

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

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

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

The issue of the Placement Securities to the Related Parties (or their respective nominees) pursuant to the Participation constitutes giving a financial benefit and each of the Related Parties is a related party of the Company by virtue of being a Director.

As all of the Directors are proposing to participate in the Placement, the Directors are unable to form a quorum to consider whether one of the exceptions set out

in sections 210 to 216 of the Corporations Act applies to the issue of the Placement Securities. Accordingly, Shareholder approval for the issue of the Placement Securities in respect of the Participation is sought in accordance with Chapter 2E of the Corporations Act.

#### **6.4 Listing Rule 10.11**

A summary of Listing Rule 10.11 is set out below:

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

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

unless it obtains the approval of its shareholders.

The Participation falls within Listing Rule 10.11.1 and does not fall within any of the exceptions in Listing Rule 10.12. The issue of the Placement Securities therefore requires the approval of Shareholders under Listing Rule 10.11.

Resolutions 5 to 7 seek the required Shareholder approval for the Participation under and for the purposes of Listing Rule 10.11.

#### **6.5 Technical information required by Listing Rule 14.1A**

If each of Resolutions 5 to 7 are passed, the Company will be able to proceed with the issue of the Placement Securities under the Participation within one month (or such later date as permitted by any further ASX waiver or modification of the Listing Rules). As approval pursuant to Listing Rule 7.1 is not required for the issue of the Placement Securities from the Participation (because approval is being obtained under Listing Rule 10.11), the issue of the Placement Securities will not use up any of the Company's 15% annual placement capacity.

If any or all of Resolutions 5 to 7 are not passed, the Company will not be able to proceed with the issue of the Placement Securities to fully complete the Placement as proposed. Accordingly, the Company will not be able to raise the full \$370,000 under the Placement.

## 6.6 Technical Information required by Listing Rule 10.13 and Section 219 of the Corporations Act

Pursuant to and in accordance with Listing Rule 10.13 and section 219 of the Corporations Act, the following information is provided in relation to Resolutions 5 to 7:

- (a) the Placement Securities will be issued to the Related Parties (or their respective nominees) and will be comprised of the following:
  - (i) up to 25,000,000 Shares and 12,500,000 Options to Mr Barton (or his nominees) pursuant to Resolution 5;
  - (ii) up to 150,000,000 Shares and 75,000,000 Options to Mr Steinepreis (or his nominees) pursuant to Resolution 6; and
  - (iii) up to 10,000,000 Shares and 5,000,000 Options to Mr Wood (or his nominees) pursuant to Resolution 7,

each of whom falls within the category set out in Listing Rule 10.11.1 by virtue of Messrs Wood, Barton and Steinepreis each being a Director.

- (b) the maximum number of Placement Securities to be issued is 185,000,000 Shares and 92,500,000 Options (being the nature of the financial benefit proposed to be given) and will be allocated in the proportions set out above;
- (c) the Placement Shares will be fully paid ordinary shares in the capital of the Company and be issued on the same terms and conditions as the Company's existing fully paid ordinary shares;
- (d) the terms and conditions of the Placement Options are set out in Schedule 1;
- (e) the Placement Securities will be issued no later than 1 month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that issue of the Placement Securities will occur on the same date;
- (f) the purpose of the issue of the Placement Securities is to allow the Related Parties to participate in the Placement as set out in Section 6.1 and enable the Company to raise up to \$370,000. The funds raised will be put towards progressing current projects in Queensland, maintaining Kookynie and Yundamindra tenure, reviewing new potential projects and working capital. The Placement Securities to be issued under the Placement are not intended as remuneration or equity incentives for the Related Parties;
- (g) the Company does not consider that there are any significant opportunity costs to the Company or benefits forgone by the Company in issuing the Placement Securities to the Related Parties (or their respective nominees) upon the terms proposed, noting the improved balance sheet position of the Company by completing the Participation and that the Participation further aligns the interests of the Related Parties (who are current Directors) with the interests of Shareholders;

- (h) the total remuneration package for each of the Directors in the previous financial year and the proposed total remuneration package for the current financial year are set out below:

Related Party	Current Financial Year FY2024	Previous Financial Year FY2023
Justin Barton	\$362,059 <sup>1,2</sup>	\$384,821 <sup>1,2</sup>
Roger Steinepreis	\$60,000 <sup>1</sup>	\$23,836 <sup>1,3</sup>
Steven Wood	\$60,000 <sup>1</sup>	\$35,836 <sup>1,4</sup>

**Notes:**

1. Includes director's fees and salaries and statutory superannuation.
  2. These figures in relation to Mr Barton include the value of equity-based remuneration issued to this Director (being, the issue of Performance Rights of \$58,845 – FY23 and \$34,609 – FY24). The Performance Rights were valued based on the hurdle price of the performance rights, discounted (as determined by the Board) by a probability factor of achieving the relevant hurdle. The value of the Performance Rights of \$58,845 relate to Performance Rights with hurdles of \$0.04 and \$0.06, which expired on 18 December 2022. The value of the Performance Rights of \$34,609 relate to \$10,592 in Performance Rights with hurdles of \$0.015 and \$0.025 which expire on 20 December 2025 and \$24,018 in Performance Rights with hurdles of \$0.01 and \$0.02, which expire on 31 May 2024 and 31 May 2025 respectively.
  3. Appointed as a Director 6 February 2023.
  4. Appointed as a Director on 25 November 2022.
- (i) the issue price of the Placement Shares will be \$0.002 per Share and the Placement Options are being issued free attaching in accordance with the terms of the Placement. The Company will not receive any other consideration in respect of the issue of the Placement Securities under the Participation (other than funds received on exercise of any of the Placement Options);
- (j) the value of the Placement Options and the pricing methodology is set out in Schedule 2;
- (k) the Placement Securities are not being issued under an agreement;
- (l) the relevant interests of the Related Parties in the Securities of the Company as at the date of this Notice and post-completion of the Meeting (assuming all Resolutions to be considered are passed and all Securities the subject of the Resolutions are issued) are set out below:

**As at the date of this Notice**

Related Party	Shares	Options	Performance Rights	Undiluted	Fully Diluted
Justin Barton <sup>1</sup>	64,599,510	46,219,409 <sup>2</sup>	50,000,000 <sup>3</sup>	1.73%	3.71%
Roger Steinepreis <sup>4</sup>	172,566,666	166,666,666 <sup>5</sup>	Nil	4.62%	7.83%
Steven Wood <sup>6</sup>	9,696,666	9,696,666 <sup>7</sup>	Nil	0.26%	0.45%

**Notes:**

1. Held indirectly by Coventina Holdings Pty Ltd ATF Coventina Family Trust, an entity associated with Mr Barton.
2. 1,470,409 exercisable at \$0.01 on or before 1 June 2024, 22,374,500 exercisable at \$0.006 on or before 23 May 2026 and 22,374,500 exercisable at \$0.009 on or before 23 May 2026.
3. 5,000,000 exercisable at \$0.015 on or before 20 December 2025, 5,000,000 exercisable at \$0.025 on or before 20 December 2025, 20,000,000 exercisable at \$0.01 on or before 31 May 2024 and 20,000,000 exercisable at \$0.02 on or before 31 May 2025.
4. Held indirectly by Ranchland Holdings Pty Ltd (controlled entity), Jacqueline Steinepreis (related party of Director) and Genteel Nominees Pty Ltd (controls a 50% interest).
5. 83,333,333 exercisable at \$0.006 and 83,333,333 exercisable at \$0.009, both on or before 23 May 2026.
6. Held indirectly by Nardie Group Pty Ltd <SD Wood Family A/C> (director controlled and beneficiary).
7. 4,848,333 exercisable at \$0.006 and 4,848,333 at \$0.009, both on or before 23 May 2026.

**Post-completion of the Meeting (assumes all Securities the subject of the Resolutions in the Notice are issued)**

Related Party	Shares	Options	Performance Rights	Undiluted	Fully Diluted
Justin Barton	117,374,105	72,606,707	50,000,000	2.61%	4.38%
Roger Steinepreis	340,064,961	250,415,814	Nil	7.56%	10.79%
Steven Wood	35,891,764	22,794,215	Nil	1.07%	1.07%

- (m) If all of the Placement Shares and Placement Options are issued under the Participation, this will increase the number of Shares on issue from 3,736,085,806 Shares (being the total number of Shares on issue as at the date of this Notice) to 3,921,085,806 Shares (assuming that no further Shares are issued and no Options are exercised) with the effect that the shareholding of existing Shareholders would be diluted by an aggregate of 4.95%. Further, if all of the Placement Options are subsequently exercised the total number of Shares on issue would increase by an additional 92,500,000 Shares (assuming that no further Shares are issued and no other Options are exercised, other than the Placement Options). This would result in the shareholding of existing Shareholders being diluted further by an aggregate of 2.35%. The market price for Shares during the term of the Placement Options would normally determine whether or not the Placement Options are exercised. If, at any time any of the Placement Options are exercised and the Shares are trading on ASX at a price that is higher than the exercise price of the Placement Options, there may be a perceived cost to the Company;
- (n) the trading history of the Shares on ASX in the 12 months before the date of this Notice is set out below:

	Price	Date(s)
Highest	\$0.005	21 and 22 September 2022
Lowest	\$0.001	2 June 2023 and various dates up to 17 August 2023
Last	\$0.002	3 October 2023

- (o) the Board is not aware of any other information that is reasonably required by Shareholders to allow them to decide whether it is in the best interests of the Company to pass Resolutions 5 to 7; and
- (p) a voting exclusion statement is included in Resolutions 5 to 7 to the Notice.

## 7. RESOLUTIONS 8-10 – SECURITIES TO BE ISSUED TO RELATED PARTIES IN LIEU OF FEES

### 7.1 General

#### Background

Current Directors, Justin Barton, Roger Steinepreis and Steven Wood, have agreed, subject to Shareholder approval being obtained, to convert an aggregate of \$122,936 in accrued directors' fees to equity, on the following terms:

- (a) The accrued directors' fees are to be converted to Shares at a price of \$0.002 per Share; and
- (b) Mr Barton, Mr Steinepreis and Mr Wood are to receive one (1) free attaching Option for every two (2) Shares issued as part of the conversion, (the **Conversion Agreement**).

The pricing of the above Conversion Agreement reflects the same terms as the Placement as set out in Section 6.1.

On the basis that Shareholder approval is obtained, the Company is to satisfy the Conversion Agreement as follows:

Related Party	Accrued directors' fees	Number of Shares to be issued	Number of Options to be issued
Justin Barton	\$55,549 <sup>1</sup>	27,774,595	13,887,298
Roger Steinepreis	\$34,997 <sup>2</sup>	17,498,295	8,749,148
Steven Wood	\$32,390 <sup>3</sup>	16,195,098	8,097,549
<b>Total</b>	<b>\$122,936</b>	<b>61,467,988</b>	<b>30,733,994</b>

#### Notes:

1. For the period June to September 2023.
2. For the period February to September 2023. Mr Steinepreis was appointed as a Director on 6 February 2023.
3. For the period March to September 2023. Mr Wood was appointed as a Director on 25 November 2022.

Resolutions 8 to 10 seek Shareholder approval for the Company to issue:

- (a) 61,467,988 Shares (**Related Party Shares**); and
- (b) 30,733,994 Options (**Related Party Options**),

to Messrs Barton, Steinepreis and Wood (or their respective nominees) in accordance with the allocations set out above, in lieu of the accrued directors' fees for the purposes of the Conversion Agreement.

#### Reasoning for Conversion Agreement

The terms of the Placement (detailed above at Section 6.1) were recommended by the Company's corporate advisor following consultation and strategic discussions with the Directors.

In consultation with the Company's corporate advisor, it was agreed to undertake the Conversion Agreement on the same terms and conditions as the Placement as a mechanism to preserve the Company's existing cash reserves and also as a show of commitment and support for the Company moving forward by Messrs Barton, Steinepreis and Wood.

Although the total value of the Related Party Securities to be received by each of Messrs Barton, Steinepreis and Wood exceeds the respective debts to be discharged under the Conversion Agreement (based on the values set out at Section 1(a)), it should be noted that:

- (a) the accrued directors' fees are being converted at the same Terms as the Placement (i.e. with the Options free attaching);
- (b) by agreeing to accept equity instead of cash to settle the accrued directors' fees, Messrs Barton, Steinepreis and Wood are taking on the risks associated with listed securities and financial markets generally instead of having the certainty of being paid these accrued directors' fees in full. The grant of the Related Party Options is intended to compensate Messrs Barton, Steinepreis and Wood for taking on these risks (noting that in order for them to realise a true benefit from the grant of the Related Party Options (noting they will not be quoted), they would need to exercise these Options by paying the respective Exercise Prices, which will provide a further cash injection to the Company if and when exercised);
- (c) by agreeing to accept equity instead of cash to settle the accrued directors' fees, Messrs Barton, Steinepreis and Wood are assisting the Company with capital management by allowing the Company to preserve existing cash reserves; and
- (d) it is considered that the grant of the Related Party Securities to Messrs Barton, Steinepreis and Wood further aligns their interests with the interests of Shareholders.

### ***Dilutionary impacts***

Shareholders should note that on the basis that Resolutions 8 to 10 are approved and that all of the Related Party Shares and Related Party Options are issued under the Conversion Agreement (and assuming that no other Securities are issued), the shareholding of existing Shareholders will be diluted by 1.62%. Further, on the basis that all of the Related Party Options are subsequently exercised (and assuming that no other Securities are issued), the shareholding of existing Shareholders will be diluted further by an aggregate of 0.79%. **The combined dilutionary impact that existing Shareholders may experience as a result of the Conversion Agreement is up to 2.41% (assuming no other Securities are issued).**

## **7.2 Directors' Recommendation**

Messrs Barton, Steinepreis and Wood have a material personal interest in the outcome of Resolutions 8 to 10 on the basis that these three Directors (or their respective nominees) are to be issued the Related Party Shares and the Related Party Options (together, the **Related Party Securities**) should Resolutions 8 to 10 be passed. For this reason, Messrs Barton, Steinepreis and Wood do not believe that it is appropriate to make a recommendation on Resolutions 8 to 10.



### **7.3 Chapter 2E of the Corporations Act**

A summary of Chapter 2E of the Corporations Act is set out above at Section 6.3.

The issue of the Related Party Securities constitutes giving a financial benefit and each of Messrs Barton, Steinepreis and Wood are related parties of the Company given that Messrs Barton, Steinepreis and Wood are current Directors.

As the Related Party Securities are proposed to be issued to all three current Directors, the Directors are unable to form a quorum to consider whether one of the exceptions set out in sections 210 to 216 of the Corporations Act applies to the issue of the Related Party Securities. Accordingly, Shareholder approval for the issue of the Related Party Securities to Messrs Barton, Steinepreis and Wood is sought in accordance with Chapter 2E of the Corporations Act.

### **7.4 Listing Rule 10.11**

A summary of Listing Rule 10.11 is set out above at Section 6.4.

The issue of the Related Party Securities to Messrs Barton, Steinepreis and Wood (or their respective nominees) falls within Listing Rule 10.11.1 and does not fall within any of the exceptions in Listing Rule 10.12. The issue therefore requires the approval of Shareholders under Listing Rule 10.11.

Resolutions 8 to 10 seek the required Shareholder approval for the issue of the Related Party Securities under and for the purposes of Listing Rule 10.11.

### **7.5 Technical information required by Listing Rule 14.1A**

If Resolutions 8 to 10 are passed, the Company will be able to proceed with the issue of the Related Party Securities to Messrs Barton, Steinepreis and Wood (or their respective nominees) within one month after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules). As approval pursuant to Listing Rule 7.1 is not required for the issue of the Related Party Securities (because approval is being obtained under Listing Rule 10.11), the issue of the Related Party Securities will not use up any of the Company's 15% annual placement capacity.

If Resolutions 8 to 10 are not passed, the Company will not be able to proceed with the issue of the Related Party Securities to Messrs Barton, Steinepreis and Wood (or their respective nominees). As a result, the Company will not be able to complete the Conversion Agreement and the accrued directors' fees will need to be satisfied in cash.

### **7.6 Technical Information required by Listing Rule 10.13 and section 219 of the Corporations Act**

Pursuant to and in accordance with Listing Rule 10.13 and section 219 of the Corporations Act, the following information is provided in relation to Resolutions 5 to 7:

- (a) the Related Party Securities will be issued to Messrs Barton, Steinepreis and Wood (or their respective nominees) and will be comprised of the following:
  - (i) 27,774,595 Shares and 13,887,298 Options to Mr Barton (or his nominees) (total value of \$63,882) pursuant to Resolution 8;

- (ii) 17,498,295 Shares and 8,749,148 Options to Mr Steinepreis (or his nominees) (total value of \$40,246) pursuant to Resolution 9; and
- (iii) 16,195,098 Shares to Mr Wood and 8,097,549 Options to Mr Wood (or his nominees) (total value of \$37,249) pursuant to Resolution 10,

each of whom falls within the category set out in Listing Rule 10.11.1 given that each of Messrs Barton, Steinepreis and Wood are current Directors. It should be noted that for the purposes of the above values the Shares will be issued at \$0.002 per Share, consistent with the Placement, and the free-attaching Options have been valued at \$0.0006 per Option;

- (b) the maximum number of Related Party Securities to be issued is 61,467,988 Shares and 30,733,994 Options (being the nature of the financial benefit proposed to be given) and will be allocated in the proportions set out above;
- (c) the Related Party Shares will be fully paid ordinary shares in the capital of the Company and be issued on the same terms and conditions as the Company's existing fully paid ordinary shares;
- (d) the terms and conditions of the Related Party Options are set out in Schedule 1;
- (e) the Related Party Securities will be issued no later than 1 month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that issue of the Related Party Securities will occur on the same date;
- (f) the purpose of the issue of the Related Party Securities is to facilitate completion of the Conversion Agreement and extinguish the accrued directors' fees owing respectively to Messrs Barton, Steinepreis and Wood;
- (g) the Company does not consider that there are any significant opportunity costs to the Company or benefits forgone by the Company in issuing the Related Party Securities to Messrs Barton, Steinepreis and Wood (or their respective nominees) upon the terms proposed, noting the improved balance sheet position of the Company by completing the Conversion Agreement, the grant of the Related Party Securities to Messrs Barton, Steinepreis and Wood further aligns their interests with the interests of Shareholders and that settlement of the accrued directors' fees under the Conversion Agreement alleviates any need for the Company to use its cash reserves to settle these accrued directors' fees, which can otherwise be utilised to advance the Company's business;
- (h) the total remuneration package for each of Messrs Barton, Steinepreis and Wood in the previous financial year and the proposed total remuneration package for the current financial year are set out below:

Related Party	Current Financial Year	Previous Financial Year
	FY2024	FY2023
Justin Barton	\$362,059 <sup>1,2</sup>	\$384,821 <sup>1,2</sup>
Roger Steinepreis	\$60,000 <sup>1</sup>	\$23,836 <sup>1,3</sup>
Steven Wood	\$60,000 <sup>1</sup>	\$35,836 <sup>1,4</sup>

**Notes:**

1. Includes director's fees and salaries and statutory superannuation.
  2. These figures in relation to Mr Barton include the value of equity-based remuneration issued to this Director (being, the issue of Performance Rights of \$58,845 – FY23 and \$34,609 – FY24). The Performance Rights were valued based on the hurdle price of the performance rights, discounted (as determined by the Board) by a probability factor of achieving the relevant hurdle. The value of the Performance Rights of \$58,845 relate to Performance Rights with hurdles of \$0.04 and \$0.06, which expired on 18 December 2022. The value of the Performance Rights of \$34,609 relate to \$10,592 in Performance Rights with hurdles of \$0.015 and \$0.025 which expire on 20 December 2025 and \$24,018 in Performance Rights with hurdles of \$0.01 and \$0.02, which expire on 31 May 2024 and 31 May 2025 respectively.
  3. Appointed as a Director 6 February 2023.
  4. Appointed as a Director on 25 November 2022.
- (i) the Related Party Securities are being issued at a nil issue price, as these Securities are being issued in lieu of accrued directors' fees in accordance with the Conversion Agreement. Accordingly, no funds will be raised pursuant to the issue of the Related Party Securities (other than funds received on exercise of any of the Related Party Options). Notwithstanding this, it should be noted that the deemed issue price being used under the Conversion Agreement for the purposes of calculating the number of Related Party Shares to be issued is \$0.002 per Share and the Related Party Options are being issued free attaching, consistent with the Placement;
- (j) the number of Related Party Options to be issued to Messrs Barton, Steinepreis and Wood are being issued on the same Terms as participants in the Placement (i.e. with the Options free attaching); ;
- (k) the value of the Related Party Options and the pricing methodology is set out in Schedule 2;
- (l) the Related Party Securities are being issued under the Conversion Agreement summarised at Section 7.1;
- (m) the relevant interests of Messrs Barton, Steinepreis and Wood in the Securities of the Company as at the date of this Notice and post-completion of the Meeting (assuming all Resolutions to be considered are passed and all Securities the subject of the Resolutions are issued) are set out below:

**As at the date of this Notice**

Related Party	Shares	Options	Performance Rights	Undiluted	Fully Diluted
Justin Barton <sup>1</sup>	64,599,510	46,219,409 <sup>2</sup>	50,000,000 <sup>3</sup>	1.73%	3.71%
Roger Steinepreis <sup>4</sup>	172,566,666	166,666,666 <sup>5</sup>	Nil	4.62%	7.83%
Steven Wood <sup>6</sup>	9,696,666	9,696,666 <sup>7</sup>	Nil	0.26%	0.45%

**Notes:**

1. Held indirectly by Coventina Holdings Pty Ltd ATF Coventina Family Trust, an entity associated with Mr Barton.
2. 1,470,409 exercisable at \$0.01 on or before 1 June 2024, 22,374,500 exercisable at \$0.006 on or before 23 May 2026 and 22,374,500 exercisable at \$0.009 on or before 23 May 2026.
3. 5,000,000 exercisable at \$0.015 on or before 20 December 2025, 5,000,000 exercisable at \$0.025 on or before 20 December 2025, 20,000,000 exercisable at \$0.01 on or before 31 May 2024 and 20,000,000 exercisable at \$0.02 on or before 31 May 2025.
4. Held indirectly by Ranchland Holdings Pty Ltd (controlled entity), Jacqueline Steinepreis (related party of Director) and Genteel Nominees Pty Ltd (controls a 50% interest).
5. 83,333,333 exercisable at \$0.006 and 83,333,333 exercisable at \$0.009, both on or before 23 May 2026.
6. Held indirectly by Nardie Group Pty Ltd <SD Wood Family A/C> (director controlled and beneficiary).
7. 4,848,333 exercisable at \$0.006 and 4,848,333 at \$0.009, both on or before 23 May 2026.

**Post-completion of the Meeting (assumes all Securities the subject of the Resolutions in the Notice are issued)**

Related Party	Shares	Options	Performance Rights	Undiluted	Fully Diluted
Justin Barton	117,374,105	72,606,707	50,000,000	2.61%	4.38%
Roger Steinepreis	340,064,961	250,415,814	Nil	7.56%	10.79%
Steven Wood	35,891,764	22,794,215	Nil	0.80%	1.07%

- (n) If all of the Related Party Shares and Related Party Options are issued under the Conversion Agreement, this will increase the number of Shares on issue from 3,736,085,806 Shares (being the total number of Shares on issue as at the date of this Notice) to 3,797,553,794 Shares (assuming that no further Shares are issued and no Options are exercised) with the effect that the shareholding of existing Shareholders would be diluted by an aggregate of 1.65%. Further, if all of the Related Party Options are subsequently exercised the total number of Shares on issue would increase by an additional 30,733,994 Shares (assuming that no further Shares are issued and no other Options are exercised, other than the Related Party Options). This would result in the shareholding of existing Shareholders being diluted further by an aggregate of 0.82%. The market price for Shares during the term of the Related Party Options would normally determine whether or not the Related Party Options are exercised. If, at any time any of the Related Party Options are exercised and the Shares are trading on ASX at a price that is higher than the exercise price of the Related Party Options, there may be a perceived cost to the Company;
- (o) the trading history of the Shares on ASX in the 12 months before the date of this Notice is set out below:

	Price	Date(s)
Highest	\$0.005	21 and 22 September 2022
Lowest	\$0.001	2 June 2023 and various dates up to 17 August 2023
Last	\$0.002	3 October 2023

- (p) the Board is not aware of any other information that is reasonably required by Shareholders to allow them to decide whether it is in the best interests of the Company to pass Resolutions 8 to 10; and
- (q) a voting exclusion statement is included in Resolutions 8 to 10 to the Notice.

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## 8. RESOLUTION 11 – AMENDMENT TO CONSTITUTION

A company may modify or repeat its constitution or a provision of its constitution by special resolution of shareholders.

Resolution 11 is a special resolution which will enable the Company to amend its existing Constitution (**Amended Constitution**) to modify clause 15.3 from requiring lodgement of nominations for proposed directors at least 30 days before a general meeting to at least 60 days before a general meeting, as set out below:

### **“15.3 Election of Directors**

*Subject to the provisions of this Constitution, the Company may elect a person as a Director by resolution passed in general meeting. 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. No person other than a Director seeking re-election shall be eligible for election to the office of Director at any general meeting unless the person or some Shareholder intending to propose his or her nomination has, at least 60 days before the meeting, left at the 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 every candidature for election as a Director shall be given to each Shareholder with or as part of the notice of the meeting at which the election is to take place. The Company shall observe the requirements of the Corporations Act with respect to the election of Directors. If the number of nominations exceeds the vacancies available having regard to clause 15.1, the order in which the candidates shall be put up for election shall be determined by the drawing of lots supervised by the Directors and once sufficient candidates have been elected to fill up the vacancies available, the remaining candidates shall be deemed defeated without the need for votes to be taken on their election.”*

A copy of the Amended Constitution is available for review by Shareholders at the office of the Company. A copy of the Amended Constitution can also be sent to Shareholders upon request to the Company Secretary. Shareholders are invited to contact the Company if they have any queries or concerns.

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## GLOSSARY

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**\$** means Australian dollars.

**7.1A Mandate** has the meaning given in Section 5.1.

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

**ASIC** means the Australian Securities & Investments Commission.

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

**Board** means the current board of directors of the Company.

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

**Chair** means the chair of the Meeting.

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

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

**Company** means Metalicity Limited (ACN 086 839 992).

**Constitution** means the Company's constitution.

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

**Directors** means the current directors of the Company.

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

**Explanatory Statement** means the explanatory statement accompanying the Notice.

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

**Listing Rules** means the Listing Rules of ASX.

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

**Option** means an option to acquire a Share.

**Proxy Form** means the proxy form accompanying the Notice.

**Remuneration Report** means the remuneration report set out in the Director's report section of the Company's annual financial report for the year ended 30 June 2023.

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

**Section** means a section of the Explanatory Statement.

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

**Shareholder** means a registered holder of a Share.

**Variable A** means "A" as set out in the formula in Listing Rule 7.1A.2.

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



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## SCHEDULE 1 – TERMS AND CONDITIONS OF OPTIONS

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(a) **Entitlement**

Each Option entitles the holder to subscribe for one (1) Share upon exercise of the Option.

(b) **Exercise Price**

Subject to paragraph (i), the amount payable upon exercise of each Option will be \$0.003 (**Exercise Price**).

(c) **Expiry Date**

Each Option will expire at 5:00 pm (WST) on the date that is two (2) years from the date of issue (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

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

(e) **Notice of Exercise**

The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(f) **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

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

Within five (5) Business Days after the Exercise Date, the Company will:

- (i) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under paragraph (g)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors,

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

(h) **Shares issued on exercise**

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

(i) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(j) **Participation in new issues**

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

(k) **Change in exercise price**

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

(l) **Adjustments for bonus issues**

If the Company makes a bonus issue of Shares or other securities to at least all Shareholders registered in Australia (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment):

- (i) the number of Shares or other securities which must be issued on the exercise of an Option will be increased by the number of Shares or other securities which the Optionholder would have received if the Optionholder had exercised the Option before the record date for the bonus issue; and
- (ii) no change will be made to the Exercise Price.

For the avoidance of doubt, if a bonus issue of Shares or other securities is also made to Shareholders registered outside of Australia, as well as all Shareholders registered in Australia, the provisions of this paragraph (l) will apply.

(m) **Transferability**

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

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## SCHEDULE 2 – VALUATION OF OPTIONS

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Using the Black & Scholes option model and based on the assumptions set out below, the Options were respectively ascribed the following value:

<b>Assumptions:</b>	<b>Options</b>
Valuation date	3 Oct 23
Market price of Shares	\$0.002
Exercise price	\$0.003
Expiry date (length of time from issue)	1 year
Risk free interest rate	4.08%
Volatility (discount)	100%
<b>Indicative value per Option</b>	\$0.0006
<b>Total value of Options</b>	\$73,940
- Justin Barton (Resolution 5)	\$7,500
- Roger Steinepreis (Resolution 6)	\$45,000
- Steven Wood (Resolution 7)	\$3,000
- Justin Barton (Resolution 8)	\$8,332
- Roger Steinepreis (Resolution 9)	\$5,249
- Steven Wood (Resolution 10)	\$4,859

**Note:** The valuation noted above is not necessarily the market price that the Options could be traded at and is not automatically the market price for taxation purposes.