

**DE GREY MINING LTD
ACN 094 206 292**

NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Meeting will be held at:

TIME: 1:00PM (WST)

DATE: Thursday, 24 November 2022

PLACE: Four Points Sheraton
707 Wellington Street
PERTH WA 6000

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

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

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 4:00pm (WST) on 22 November 2022.

BUSINESS OF THE MEETING

AGENDA

1. FINANCIAL STATEMENTS AND REPORTS

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

2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

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

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

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

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

3. RESOLUTION 2 – ELECTION OF DIRECTOR – PAUL HARVEY

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

"That, for the purpose of clause 14.4 of the Constitution, Listing Rule 14.4 and for all other purposes, Paul Harvey, a Director who was appointed as an additional Director on 5 July 2022, retires, and being eligible, is elected as a Director."

4. RESOLUTION 3 – RE-ELECTION OF DIRECTOR – ANDREW BECKWITH

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

"That, for the purpose of clause 14.2 of the Constitution and for all other purposes, Andrew Beckwith, a Director, retires by rotation, and being eligible, is re-elected as a Director."

5. RESOLUTION 4 – APPROVAL OF ISSUE OF SHARE RIGHTS TO NON-EXECUTIVE DIRECTOR – PAUL HARVEY UNDER THE NON-EXECUTIVE DIRECTOR SHARE PLAN

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

"That, for the purposes of ASX Listing Rule 10.14 and for all other purposes, approval is given for the Company to issue to Non-Executive Director – Paul Harvey an aggregate of \$150,000 worth of Share Rights under the Non-Executive Director Share Plan on the terms and conditions set out in the Explanatory Statement."

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

6. RESOLUTION 5 – APPROVAL TO ISSUE ZERO EXERCISE PRICE OPTIONS TO DIRECTOR – GLENN JARDINE

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

“That, for the purposes of Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue an aggregate \$95,000 worth of Zero Exercise Price Options to Glenn Jardine (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

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

7. RESOLUTION 6 – APPROVAL TO ISSUE ZERO EXERCISE PRICE OPTIONS TO DIRECTOR – ANDREW BECKWITH

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

“That, for the purposes of Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue an aggregate \$20,000 worth of Zero Exercise Price Options to Andrew Beckwith (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

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

8. RESOLUTION 7 – RATIFICATION OF PRIOR ISSUE OF SHARES – LISTING RULE 7.1

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

“That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 130,000,000 Shares on the terms and conditions set out in the Explanatory Statement.”

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

9. RESOLUTION 8 – PLACEMENT PARTICIPATION – SIMON LILL

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

“That, for the purposes of Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 50,000 Shares to Simon Lill (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

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

10. RESOLUTION 9 – PLACEMENT PARTICIPATION – PETER HOOD

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

“That, for the purposes of Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 150,000 Shares to Peter Hood (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

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

11. RESOLUTION 10 – VESTING OF TRANCHE FOUR PERFORMANCE RIGHTS – SIMON LILL

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

“That, for the purposes of ASX Listing Rule 6.23.3 and for all other purposes, approval is given for the Company to vest 500,000 Tranche Four Performance Rights in favour of Mr Simon Lill, approved for issue by shareholders at the Company’s 2017 AGM.”

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

12. RESOLUTION 11 – VESTING OF TRANCHE FOUR PERFORMANCE RIGHTS – ANDREW BECKWITH

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

“That, for the purposes of ASX Listing Rule 6.23.3 and for all other purposes, approval is given for the Company to vest 400,000 Tranche Four Performance Rights in favour of Mr Andrew Beckwith, approved for issue by shareholders at the Company’s 2017 AGM.”

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

13. RESOLUTION 12 – VESTING OF TRANCHE FOUR PERFORMANCE RIGHTS – CRAIG NELMES

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

“That, for the purposes of ASX Listing Rule 6.23.3 and for all other purposes, approval is given for the Company to vest 300,000 Tranche Four Performance Rights in favour of Mr Craig Nelmes, issued under the Company’s Performance Rights Plan.”

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

14. RESOLUTION 13 – VESTING OF TRANCHE FOUR PERFORMANCE RIGHTS – BRETT LAMBERT

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

“That, for the purposes of ASX Listing Rule 6.23.3 and for all other purposes, approval is given for the Company to vest 50,000 Tranche Four Performance Rights in favour of Mr Brett Lambert, approved for issue by shareholders at the Company’s 2017 AGM.”

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

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15. RESOLUTION 14 – VESTING OF TRANCHE FOUR PERFORMANCE RIGHTS – STEVE MORRIS

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

"That, for the purposes of ASX Listing Rule 6.23.3 and for all other purposes, approval is given for the Company to vest 75,000 Tranche Four Performance Rights in favour of Mr Steve Morris, approved for issue by shareholders at the Company's 2017 AGM."

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

Dated: 21 October 2022

By order of the Board



Simon Lill
Non-executive Chairman

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Voting Prohibition Statements

Resolution 1 – Adoption of Remuneration Report	<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"> (a) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or (b) a Closely Related Party of such a member. <p>However, a person (the voter) described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:</p> <ul style="list-style-type: none"> (a) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or (b) the voter is the Chair and the appointment of the Chair as proxy: <ul style="list-style-type: none"> (i) does not specify the way the proxy is to vote on this Resolution; and <p>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.</p>
Resolution 4 – Approval of Issue of Share Rights to Non-Executive Director – Paul Harvey Under the Non-Executive Director Share Plan	<p>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"> (a) the proxy is either: <ul style="list-style-type: none"> (i) a member of the Key Management Personnel; or (ii) a Closely Related Party of such a member; and (b) the appointment does not specify the way the proxy is to vote on this Resolution. <p>However, the above prohibition does not apply if:</p> <ul style="list-style-type: none"> (a) the proxy is the Chair; and (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.
Resolution 5 – Approval to Issue Zero Exercise Price Options to Director – Glenn Jardine	<p>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"> (a) the proxy is either: <ul style="list-style-type: none"> (i) a member of the Key Management Personnel; or (ii) a Closely Related Party of such a member; and (b) the appointment does not specify the way the proxy is to vote on this Resolution. <p>However, the above prohibition does not apply if:</p> <ul style="list-style-type: none"> (a) the proxy is the Chair; and (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.
Resolution 6 – Approval to Issue Zero Exercise Price Options to Director – Andrew Beckwith	<p>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"> (a) the proxy is either: <ul style="list-style-type: none"> (i) a member of the Key Management Personnel; or (ii) a Closely Related Party of such a member; and (b) the appointment does not specify the way the proxy is to vote on this Resolution. <p>However, the above prohibition does not apply if:</p> <ul style="list-style-type: none"> (a) the proxy is the Chair; and (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

Voting Exclusion Statements

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

Resolution 4 – Approval of Issue of Share Rights to Non-Executive Director – Paul Harvey Under the Non-Executive Director Share Plan	<p>Any 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 (including Mr Harvey) or an associate of that person or those persons.</p>
Resolution 5 – Approval to Issue Zero Exercise Price Options to Director – Glenn Jardine	<p>Mr Glenn Jardine (or his nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit</p>

	solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons.
Resolution 6 – Approval to Issue Zero Exercise Price Options to Director – Andrew Beckwith	Mr Andrew Beckwith (or his nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons.
Resolution 7 – Ratification of prior issue of Shares	A person who participated in the issue or is a counterparty to the agreement being approved (namely the Placement participants) or an associate of that person or those persons.
Resolution 8 – Placement Participation – Simon Lill	Mr Simon Lill (or his nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons.
Resolution 9 – Placement Participation – Peter Hood	Mr Peter Hood (or his nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons.
Resolutions 10 – 14 – Approval of Vesting of Tranche Four Performance Rights	Any of the holders of the Tranche Four Performance Rights (namely Mr Lill, Mr Beckwith, Mr Nelmes, Mr Lambert and Mr Morris) or any of their respective associates.

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

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

Voting by proxy

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

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

- each Shareholder has a right to appoint a proxy;
- the proxy need not be a Shareholder of the Company; and
- a Shareholder who is entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the Shareholder appoints two proxies and the appointment does not specify the proportion or number of the 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.

Submit your Proxy Vote Online

Vote online at <https://investor.automic.com.au/#/loginsah>, and simply follow the instructions on the enclosed proxy form.

Or alternatively, submit your Proxy Vote by Paper.

Submit your Proxy Vote by Paper

If you do not wish to vote online, then it is necessary to complete the Proxy Form in accordance with the detailed instructions set out on the enclosed Proxy Form.

The return of your completed form (ONLY if you do NOT vote online) can be done by one of the following ways;

BY MAIL	IN PERSON	BY EMAIL
Automic GPO Box 5193 Sydney NSW 2001	Automic Level 5, 126 Phillip Street Sydney NSW 2000	meetings@automicgroup.com.au

Voting in person

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

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

Please bring your personalised Proxy Form with you as it will help you to register your attendance at the Meeting. If you do not bring your Proxy Form with you, you can still attend the Meeting but representatives from Automic Group will need to verify your identity. You can register from 12.30pm (WST) on the day of the Meeting.

Should you wish to discuss the matters in this Notice please do not hesitate to contact the Company Secretary on +61 8 6117 9328.

EXPLANATORY STATEMENT

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

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 2022 together with the declaration of the Directors, the Directors' report, the Remuneration Report and the auditor's report.

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

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 Meeting.

3. RESOLUTION 2 – ELECTION OF DIRECTOR – MR PAUL HARVEY

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.

Mr Paul Harvey, having been appointed by other Directors on 5 July 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 pursuant to Resolution 2.

3.2 Qualifications and other material directorships

Mr Harvey holds a Bachelor of Engineering (Mining) from the Western Australian School of Mines, is a fellow of the Australasian Institute of Mining and Metallurgy and is a graduate and member of the Australian Institute of Company Directors.

Mr. Harvey is an experienced resource executive with operational and projects leadership, with over 35 years of global experience in the resources sector, including significant executive roles across global multi-commodity portfolios (including gold) with a strong focus and accountability on operations, major capital project development and construction as Chair and Director of a number of international Joint Ventures.

His recent roles include leadership positions at South32 (2015 – 2020) including four years as Chief Operating Officer with accountability for global manganese, base metals, coal for steel operations and all supporting technical and project functions. Prior to that he held the position of Chief Transformation Officer, a founding Executive Committee role established as part of the South32 demerger from BHP. Senior executive roles at BHP included President Nickel West and President and COO BHP Billiton Diamonds.

Mr Harvey has since 2021 held the role of Senior Operating Partner with London based Appian Capital Advisory, providing operational oversight to Appian's portfolio companies and advice with the analysis and evaluation of potential investments.

In 2022, Mr Harvey was also appointed to Wyloo Metals Pty Ltd Advisory Committee.

3.3 Independence

Mr Harvey has no interests, position or relationship that might influence, or reasonably be perceived to influence, in a material respect his capacity to bring

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an independent judgement to bear on issues before the Board and to act in the best interest of the Company as a whole rather than in the interests of an individual security holder or other party.

If elected the Board considers Mr Harvey will be an independent Director.

3.4 Other material information

The Company conducts appropriate checks on the background and experiences of candidates before their appointment to the Board. The Company undertook such checks prior to the appointment of Mr Harvey.

Mr Harvey has confirmed that he considers he will have sufficient time to fulfil his responsibilities as 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 Mr Harvey's performance since he was appointed to the Board and considers that Mr Harvey's skills and experience will continue to enhance the Board's ability to perform its role. Accordingly, the Board supports the election of Mr Harvey and recommends that Shareholders vote in favour of Resolution 2.

4. RESOLUTION 3 – RE-ELECTION OF DIRECTOR – MR ANDREW BECKWITH

4.1 General

The Constitution sets out the requirements for determining which Directors are to retire by rotation at an annual general meeting.

At the forthcoming AGM there are only three Directors eligible for re-election, with the constitution requiring that one third of those eligible to seek re-election.

Mr Andrew Beckwith, who has served as a Director since November 2017 and was last re-elected on 4 December 2020, retires by rotation and seeks re-election.

4.2 Qualifications and other material directorships

Mr Beckwith is a successful and experienced exploration geologist whom has had oversight/managed De Grey's exploration programs since 2016, including the recruitment of an exceptionally strong exploration team. Mr Beckwith's efforts were subsequently rewarded – as were all De Grey shareholders - through the world class Hemi discovery made in early 2020, and forming part of the Tier 1 quality Mallina Gold Project.

His ongoing role in providing his geological and operational know how remains integral in supporting ongoing studies efforts, the transition to development and ultimately production of a Tier 1 quality asset, as well as with other Business Development initiatives.

Mr Beckwith has previously held senior technical roles with AngloGold Ashanti, Acacia Resources, Helix Resources, Normandy NFM, North Flinders Mines, BP Minerals Australia and Westgold Resources. At Westgold, Mr Beckwith initially held the role of exploration manager before appointment as Managing Director.

Mr Beckwith is also a non-executive director for Carnavale Resources Limited.

4.3 Independence

If re-elected the Board considers that Mr Beckwith will not be an independent Director.

4.4 Board recommendation

The Board has reviewed Mr Beckwith's performance since his appointment to the Board and considers that his background with the Hemi Project, his skills and his experience will continue to enhance the Board's ability to perform its role. Accordingly, the Board supports the re-election of Mr Beckwith and recommends that Shareholders vote in favour of Resolution 3.

5. RESOLUTION 4 – APPROVAL OF ISSUE OF SHARE RIGHTS TO NON-EXECUTIVE DIRECTOR PAUL HARVEY UNDER THE NON-EXECUTIVE DIRECTOR SHARE PLAN

5.1 General

Mr Harvey was appointed in the intervening period since the 2021 Annual General Meeting (Resolution 2).

The Company has agreed, subject to obtaining Shareholder approval, to issue \$150,000 worth of Share Rights to Mr Harvey (or his nominee) pursuant to the Non-executive Director Share Plan and on the terms and conditions set out below (**Share Rights**) and for each of the respective financial years will comprise:

- (a) Share Rights to a value of \$50,000, to be issued on or about 1 December 2022, having already accepted the offer, subject to shareholder approval, at the beginning of July 2022 (for the financial year 1 July 22 to 30 June 23);
- (b) Share Rights to a value of \$50,000, to be issued on his acceptance of the offer at the beginning of July 2023 (for the financial year 1 July 23 to 30 June 24); and
- (c) Share Rights to a value of \$50,000, to be issued on his acceptance of the offer at the beginning of July 2024 (for the financial year 1 July 24 to 30 June 25).

5.2 Chapter 2E of the Corporations Act

Chapter 2E of the Corporations Act requires that 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 Share Rights to Mr Harvey (or his nominee) constitutes giving a financial benefit and Mr Harvey is a related party of the Company by virtue of being a Director.

The Directors (other than Mr Harvey) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue of Share Rights, because the issue of Share Rights constitutes reasonable remuneration payable to Mr Harvey.

5.3 Listing Rule 10.14

Listing Rule 10.14 provides that an entity must not permit any of the following persons to acquire equity securities under an employee incentive scheme without the approval of the holders of its ordinary securities:

- 10.14.1 a director of the entity;
- 10.14.2 an associate of a director of the entity; or
- 10.14.3 a person whose relationship with the entity or a person referred to in Listing Rules 10.14.1 to 10.14.2 is such that, in ASX's opinion, the acquisition should be approved by security holders.

The issue of Share Rights to Mr Harvey falls within Listing Rule 10.14.1 and therefore requires the approval of Shareholders under Listing Rule 10.14.

Resolution 4 seeks the required Shareholder approval for the issue of the Share Rights under and for the purposes of Listing Rule 10.14.

5.4 Technical information required by Listing Rule 14.1A

If Resolution 4 is passed, the Company will be able to proceed with the issue of the Share Rights to Mr Harvey under the Non-Executive Director Share Plan within three years 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 Share Rights (because approval is being obtained under Listing Rule 10.14), the issue of the Share Rights will not use up any of the Company's 15% annual placement capacity.

If Resolution 4 is not passed, the Company will not be able to proceed with the issue of the Share Rights to Mr Harvey under the Non-executive Director Share Plan.

5.5 Technical information required by Listing Rule 10.15

Pursuant to and in accordance with the requirements of Listing Rule 10.15, the following information is provided in relation to Resolution 4:

- (a) the Share Rights will be issued to Mr Harvey (or his nominee), who falls within the category set out in Listing Rule 10.14.1, by virtue of Mr Harvey being a Director;
- (b) the maximum number of Share Rights that will be granted each financial year to Mr Harvey (or his nominee) will be calculated in accordance with the following formula:

$$\text{Number of Share Rights} = \frac{\text{Relevant Fees}}{\text{Relevant VWAP}}$$

Where:

Relevant Fees means the amount of director fees, up to \$50,000, that Mr Harvey has elected to receive in the form of Share Rights in the relevant financial year; and

Relevant VWAP means the amount equal to the 1 month VWAP for the month ended 30 June 2022 immediately preceding shareholder approval and then 30 June for each of the full financial year immediately preceding the relevant financial year.

Some worked examples as to the number of Share Rights to be issued under different assumed VWAPs is provided below:

Value of Share Rights	\$0.95	\$1.00	\$1.05	\$1.10	\$1.20
\$50,000	52,632	50,000	47,619	45,455	41,667

- (c) the current total remuneration package for Mr Harvey is \$150,000 per annum, comprising:

Composition	2022-2023 ² \$
Director fees	90,498
Superannuation	9,502
Share rights ¹	50,000
Total remuneration package	150,000

Notes:

1. The subject of this resolution and obtaining shareholder approval.
 2. Mr. Harvey was appointed 4 July 2022.
- (d) 21,816 Share Rights have been previously issued under the Non-executive Director Share Plan to Mr Peter Hood. The average acquisition price per Share Right was \$1.15, based on the 30-day VWAP at the time of issue;
- (e) a summary of the material terms and conditions of the Share Rights is set out in Schedule 1;
- (f) the Share Rights are unquoted. The Company has chosen to grant the Share Rights to Mr Harvey for the following reasons:
- (i) the Share Rights are unlisted, therefore the grant of the Share Rights has no immediate dilutionary impact on Shareholders;
 - (ii) the issue of Share Rights to Mr Harvey will align the interests of Mr Harvey with those of Shareholders;
 - (iii) the issue of the Share Rights is a reasonable and appropriate method to provide cost effective remuneration as the non-cash form of this benefit will allow the Company to spend a greater proportion of its cash reserves on its operations than it would if alternative cash forms of remuneration were given to Mr Harvey; and

- (iv) it is not considered that there are any significant opportunity costs to the Company or benefits foregone by the Company in granting the Share Rights on the terms proposed;
- (g) the Company values the Share Rights at up to \$50,000 based on the formulae methodology outlined in 5.5(b);
- (h) the Share Rights that will be issued are as follows:
- (i) Share Rights to a value of \$50,000, to be issued on or about 1 December 2022;
 - (ii) Share Rights to a value of \$50,000, to be issued on or about 1 July 2023; and
 - (iii) Share Rights to a value of \$50,000, to be issued on or about 1 July 2024,

each issue date being no later than 3 years after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules) and it is anticipated the Share Rights will be issued on the abovementioned dates;

- (i) the issue price of the Share Rights will be nil, as such no funds will be raised from the issue of the Share Rights;
- (j) a summary of the material terms and conditions of the Non-executive Director Share Plan is set out in Schedule 3;
- (k) no loan is being made to Mr Harvey in connection with the acquisition of the Share Rights;
- (l) details of any Share Rights issued under the Non-executive Director Share Plan will be published in the annual report of the Company relating to the period in which they were issued, along with a statement that approval for the issue was obtained under Listing Rule 10.14; and
- (m) any additional persons covered by Listing Rule 10.14 who become entitled to participate in an issue of Share Rights under the Non-executive Director Share Plan after Resolution 4 is approved and who were not named in this Notice will not participate until approval is obtained under Listing Rule 10.14.

6. RESOLUTIONS 5 AND 6 – APPROVAL TO ISSUE ZERO EXERCISE PRICE OPTIONS TO DIRECTORS GLENN JARDINE AND ANDREW BECKWITH

6.1 General

The Company has agreed to issue:

- (a) up to an aggregate of \$95,000 worth of additional zero exercise price Options (**Additional ZEPOs**) (calculated based on a 10 day VWAP immediately prior to the Meeting) to Director Glenn Jardine (or his nominee), on the terms and conditions set out in Schedule 4 (subject to obtaining Shareholder approval sought pursuant to Resolution 5); and
- (b) up to an aggregate of \$20,000 worth of Additional ZEPOs (calculated based on a 10 day VWAP immediately prior to the Meeting) to Director

Andrew Beckwith (or his nominee), on the terms and conditions set out in Schedule 4 (subject to obtaining Shareholder approval sought pursuant to Resolution 6).

Resolutions 5 and 6 seek Shareholder approval for the issue of the Additional ZEPOs to Messrs Jardine and Beckwith.

6.2 Rationale behind the issue

Glenn Jardine

Mr Jardine commenced employment with the Company on 1 May 2020.

Mr Jardine's current remuneration package is as follows:

	\$
Total Fixed Remuneration	\$500,000
Short Term Incentives (STI)	\$175,000
Long Term Incentives (LTI)	
Performance rights ¹	\$100,000
Zero price options (LTI ZEPOs)	\$225,000
Total Annual Package¹	\$1,000,000¹

¹ Mr Jardine's current total annual package was announced to the ASX within the 2021 AGM Notice of Meeting, dated 27 October 2021.

Andrew Beckwith

Mr Beckwith commenced employment with the Company on 26 October 2017.

Mr Beckwith's current remuneration package is as follows:

	\$
Total Fixed Remuneration	\$325,000
Short Term Incentives (STI)	\$150,000
Long Term Incentives (LTI)	
Zero price options (LTI ZEPOs) ¹	\$175,000 ¹
Total Annual Package	\$650,000

¹ These annual LTI components have been previously approved by shareholders, have vesting conditions and expire on 3 December 2024.

The Company's remuneration committee (**REM Committee**), which now comprises Mr Peter Hood (Committee Chair), Mr Simon Lill and Mr Paul Harvey, has oversight for the Annual Review of Executive remuneration, inclusive of the Executive Directors. When determining the appropriateness of both Mr Jardine's and Mr Beckwith's remuneration, the REM Committee's remuneration approach took into account the:

- (a) size of the Group;
- (b) size of the management team for the Group;

- (c) nature and stage of development of the Group's current operations. In this regard and not limited to, the Hemi discovery has been transformational to the Company. This has resulted in an increase in complexity and scale of both Mr Beckwith and Mr Jardine's roles from that originally contemplated. The increase in scale and complexity includes a substantial increase in exploration and project development activities which results in greater external and internal responsibilities, which includes number of reports, total employees and annual budget;
- (d) market conditions and comparable salary levels for companies of a similar size and operating in similar sectors. The increasingly positive outlook of the global gold market in conjunction with the reduced number of senior gold leaders in Australia supports the review of the incumbent's remuneration package from a retention, recognition and long term incentivisation perspective. The Company considers that it is not improbable that members of its KMP may be lured elsewhere to further maximise their earnings. The Company has considered the impact of its members of KMP leaving, whether other employees would 'follow suit' and the market 'fall-out' of this occurring, all of which may influence the project plan and value of the business; and
- (e) independent advice from remuneration consultants, BDO.

The Long Term Incentive (**LTI**) component provides for the invited Executive KMP's to participate in the value that is being created and delivered over a 3 financial year period commencing with the 2021-2022 financial year.

Glenn Jardine

On completing the 2022 Annual Review of Executive Remuneration, the REM Committee has agreed to the following new employment conditions with Mr Jardine as follows:

	\$
Total Fixed Remuneration	\$580,000
Short Term Incentives (STI)	\$260,000
Long Term Incentives (LTI)	
Performance rights	\$100,000
Zero price options (LTI ZEPOs) ¹	\$225,000 ¹
Zero price options (LTI Additional ZEPOs)	\$95,000
Total Annual Package¹	\$1,260,000

¹This annual LTI component has been previously approved by shareholders, have vesting conditions and expire on 3 December 2024.

Andrew Beckwith

On completing the 2022 Annual Review of Executive Remuneration, the REM Committee has agreed to the following new employment conditions with Mr Beckwith as follows:

	\$
Total Fixed Remuneration	\$343,000

	\$
Short Term Incentives (STI)	\$150,000
Long Term Incentives (LTI)	
Zero price options (LTI ZEPOs) ¹	\$175,000 ¹
Zero price options (LTI Additional ZEPOs)	\$20,000
Total Annual Package¹	\$688,000

¹This annual LTI component has been previously approved by shareholders, have vesting conditions and expire on 3 December 2024.

6.3 LTI Additional ZEPOs

The existing LTI ZEPOs (approved at the 2020 Annual general meeting) and the proposed LTI Additional ZEPOs are aligned to the following key project Vesting Conditions (**LTIP Vesting Conditions**):

- (a) delineation of Mineral Resources (as that term is defined in JORC, 2012 Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves) of not less than 12 million ounces of gold at the Company's Mallina Gold Project (inclusive of the existing regional 9 million ounces) as at the date of this Meeting);
- (b) completion of a Definitive Feasibility Study (**DFS**) confirming feasibility for a 500,000 ounces of gold per annum project through a mine life of no less than 12 years, or such other number as approved by the Board following completion of a Pre-Feasibility Study. The DFS is to be signed off in its entirety by a suitably qualified engineering group (with oversight from the Board); and
- (c) the Company securing debt and/or equity finance for a Board approved Project arising from the DFS.

Resolutions 5 and 6 relate to seeking approval of an additional LTI component of the employment agreement whereby the Long Term Incentive Plan (**LTIP**) be supplemented with an additional LTI benefit of Additional ZEPOs to a value of \$115,000 per annum. This is to ensure adherence to the remuneration policy and specifically, that a proportion of Mr Beckwith and Mr Jardine's total remuneration package is based on long term performance.

The terms and conditions of the Additional ZEPOs are set out in Schedule 4 and will be granted following shareholder approval at the Meeting.

6.4 Chapter 2E of the Corporations Act and Listing Rule 10.14

Chapter 2E of the Corporations Act requires that 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 grant of the Additional ZEPOs constitutes giving a financial benefit and both Mr Beckwith and Mr Jardine are a related party of the Company by virtue of being Directors.

It is the view of the Directors (other than Mr Beckwith and Mr Jardine due to their material personal interest in Resolutions 5 and 6) that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required because the grant of the Additional ZEPOs, reached as part of the remuneration package for both Mr Beckwith and Mr Jardine, is considered to be reasonable remuneration in the circumstances and was negotiated on an arm's length basis.

6.5 Listing Rule 10.11

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

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

unless it obtains the approval of its shareholders.

The issue of the Additional ZEPOs 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.

6.6 Technical information required by Listing Rule 14.1A

If Resolutions 5 and 6 are passed, the Company will be able to proceed with the issue of the Additional ZEPOs to Mr Beckwith and Mr Jardine 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 Additional ZEPOs (because approval is being obtained under Listing Rule 10.11), the issue of the Additional ZEPOs will not use up any of the Company's 15% annual placement capacity.

If Resolutions 5 and 6 are not passed, the Company will not be able to proceed with the issue of Additional ZEPOs to Mr Beckwith and Mr Jardine. In such circumstances, the Company will seek to determine alternative long term incentive arrangements for Mr Beckwith and Mr Jardine which as closely as possible aligns with the intention of the proposed issue of the Additional ZEPOs.

6.7 Technical Information required by Listing Rule 10.13

Pursuant to and in accordance with Listing Rule 10.13 the following information is provided in relation to Resolution 5 and 6:

- (a) the Additional ZEPOs will be issued to Mr Beckwith and Mr Jardine, as detailed in Section 6.1 above. Mr Beckwith and Mr Jardine fall within the category set out in Listing Rule 10.11.1 by virtue of being Directors;
- (b) the maximum number of Additional ZEPOs to be issued to Mr Beckwith and Mr Jardine (being the nature of the financial benefit proposed to be given) is detailed in the below table, which sets out the number of Additional ZEPOs that will be issued based on various VWAP scenarios:

	Value of ZEPOs	10 day VWAP prior to Meeting				
		\$0.95	\$1.00	\$1.05	\$1.10	\$1.20
Mr Jardine (Resolution 5)	\$95,000	100,00	95,000	90,476	86,364	79,167
Mr Beckwith (Resolution 6)	\$20,000	21,053	20,000	19,048	18,182	16,667

- (c) the terms and conditions of the Additional ZEPOs are set out in Schedule 4;
- (d) the Additional ZEPOs will be issued as soon as practicable following the Meeting and 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). It is intended that issue of the Additional ZEPOs will occur on the same date;
- (e) the issue price of the Additional ZEPOs will be nil. The Company will not receive any other consideration in respect of the issue of the ZEPOs;
- (f) the purpose of the issue of the Additional ZEPOs is to provide a performance linked incentive component in the remuneration package for Mr Beckwith and Mr Jardine, to motivate and reward their performance as a Director and to provide cost effective remuneration to Mr Beckwith and Mr Jardine, enabling the Company to spend a greater proportion of its cash reserves on its operations than it would if alternative cash forms of remuneration were given to Mr Beckwith and Mr Jardine;
- (g) the total remuneration package for Mr Beckwith and Mr Jardine for the previous financial year and the proposed total remuneration package for the current financial year are set out below:

Related Party	Current 2022-2023 Financial Year	Previous 2021-2022 Financial Year
Glenn Jardine ¹	\$1,260,000 ¹	\$1,000,000 ²
Andrew Beckwith	\$688,000 ³	\$650,000 ⁴

Notes:

- 2022-23: From 1 July 2022, comprising \$580,000 salary & super plus \$260,000 in STI's and \$420,000 in LTI's (refer to section 6.3 for further details).
- 2021-22: From 1 July 2021, comprising \$500,000 salary & super plus \$175,000 in STI's and \$325,000 in LTI's (refer to section 6.3 for further details).

3. 2022-23: From 1 July 2022, comprising \$343,000 salary & super plus \$150,000 in STI's and \$195,000 in LTI's (refer to section 5.2 for further details).
4. 2021-22: From 1 July 2021, comprising \$325,000 salary & super plus \$150,000 in STI's and \$175,000 in LTI's (refer to section 6.3 for further details).
- (h) the Additional ZEPs are being issued to Mr Beckwith and Mr Jardine under their Director agreements with the Company. A summary of the material terms of their Agreements are set out in Section 6.1.

7. RESOLUTION 7 – RATIFICATION OF PRIOR ISSUE OF PLACEMENT SHARES

7.1 General

On 6 October 2022, the Company issued 130,000,000 Shares at an issue price of \$1.00 per Share (**Placement Shares**) to raise \$130,000,000 (**Placement**).

The Company engaged the services of:

- (a) Canaccord Genuity (Australia) Limited (**Canaccord**), to act as Global Coordinator, Joint Lead Manager, Joint Underwriter and Joint Bookrunner to the Placement;
- (b) Argonaut Securities Pty Ltd (**Argonaut Securities**), to act as Joint Lead Manager and Joint Bookrunner to the Placement;
- (c) Argonaut PCF Limited, to act as Joint Underwriter to the Placement; and
- (d) Azure Capital Pty Ltd, to act as corporate advisor for the placement.

In addition to the Placement, Directors Peter Hood and Simon Lill have both committed to subscribe for a further investment of A\$150,000 and A\$50,000 respectively. These additional commitments are subject to the approval of shareholders which is sought pursuant to Resolutions 8 and 9.

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

The issue of the Placement Shares does not fit within any of the exceptions set out in Listing Rule 7.2 and, as it has not yet been approved by Shareholders, it effectively uses up part of the 15% limit in Listing Rule 7.1, reducing the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1 for the 12 month period following the date of issue of the Placement Shares.

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

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

Resolution 7 seeks Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Placement Shares.

7.2 Technical information required by Listing Rule 14.1A

If Resolution 7 is passed, the Placement Shares will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of equity securities the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Placement Shares.

If Resolution 7 is not passed, the Placement Shares will be included in calculating the Company's 15% limit in Listing Rule 7.1 effectively decreasing the number of equity securities that the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Placement Shares.

7.3 Technical information required by Listing Rule 7.5

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

- (a) the Placement Shares were issued to professional and sophisticated investors who are clients of Canaccord and Argonaut Securities. The recipients were identified through a bookbuild process, which involved Canaccord and Argonaut Securities seeking expressions of interest to participate in the Placement from non-related parties of the Company;
- (b) in accordance with paragraph 7.4 of ASX Guidance Note 21, the Company confirms that:
 - (i) Gold Road Resources, the Company's largest shareholder (holding a 19.99% interest in the Company), was issued 25,987,000 Placement Shares; and
 - (ii) none of the other recipients were:
 - (A) related parties of the Company, members of the Company's Key Management Personnel, substantial holders of the Company, advisers of the Company or an associate of any of these parties other than Messrs Lill and Hood for which separate approvals are sought in Resolutions 8 and 9; and
 - (B) issued more than 1% of the issued capital of the Company;
- (c) 130,000,000 Placement Shares were issued and the Placement Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (d) the Placement Shares were issued on 13 October 2022;
- (e) the issue price was \$1.00 per Placement Share. The Company has not and will not receive any other consideration for the issue of the Placement Shares;
- (f) the purpose of the issue of the Placement Shares was to raise \$130,000,000, which will be applied towards:

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- (i) completion of the DFS in respect of the Project in preparation for a subsequent Financial Investment Decision;
 - (ii) resource definition drilling and appropriate technical studies to increase Project reserves;
 - (iii) discovery and extension drilling of the Project, targeting new discoveries and increased Project resources;
 - (iv) structured Project funding process;
 - (v) pre-development activities; and
 - (vi) corporate costs and general working capital; and
- (g) the Placement Shares were not issued under an agreement.

8. RESOLUTION 8 AND 9 – PLACEMENT PARTICIPATION – MR SIMON LILL AND MR PETER HOOD

8.1 General

As set out in Section 7.1 above, Directors Peter Hood and Simon Lill wish to participate in the Placement on the same terms as unrelated participants in the Placement (**Participation**).

Accordingly, Shareholder approval is sought for the issue of:

- (a) 50,000 Shares to Simon Lill (or his nominee) pursuant to Resolution 8; and
 - (b) 150,000 Shares to Peter Hood (or his nominee) pursuant to Resolution 9,
- as a result of the Participation on the terms set out below.

8.2 Chapter 2E of the Corporations Act

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

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

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

The Participation will result in the issue of Shares which constitutes giving a financial benefit and Messrs Hood and Lill are each a related party of the Company by virtue of being Directors.

The Directors (other than Messrs Hood and Lill who have a material personal interest in Resolutions 8 and 9) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the Participation because the Shares will be issued to Messrs Hood and Lill (or their nominee) on the same terms as Shares issued to non-related party participants in the Placement and as such the giving of the financial benefit is on arm's length terms.

8.3 Listing Rule 10.11

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

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

unless it obtains the approval of its shareholders.

The Participation 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 8 and 9 seek Shareholder approval for the Participation under and for the purposes of Listing Rule 10.11.

8.4 Technical information required by Listing Rule 14.1A

If Resolutions 8 and 9 are passed, the Company will be able to proceed with the issue of the Shares under the Participation 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) and will raise additional funds which will be used in the manner set out in Section 7.3(f) above. As approval pursuant to Listing Rule 7.1 is not required for the issue of the Shares in respect of the Participation (because approval is being obtained under Listing Rule 10.11), the issue of the Shares will not use up any of the Company's 15% annual placement capacity.

If Resolutions 8 and 9 are not passed, the Company will not be able to proceed with the issue of the Shares under the Participation and no further funds will be raised in respect of the Placement.

8.5 Technical Information required by Listing Rule 10.13

Pursuant to and in accordance with Listing Rule 10.13, the following information is provided in relation to Resolutions 8 and 9:

- (a) the Shares will be issued to Messrs Hood and Lill (or their nominee), who fall within the category set out in Listing Rule 10.11.1, as Messrs Hood and Lill are both related parties of the Company by virtue of being Directors;
- (b) the maximum number of Shares to be issued to:
 - (i) Mr Hood (or his nominee) is 150,000; and

- (ii) Mr Lill (or his nominee) is 50,000;
- (c) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (d) the Shares 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 anticipated the Shares will be issued on the same date;
- (e) the issue price will be \$1.00 per Share, being the same issue price as Shares issued to other participants in the Placement. The Company will not receive any other consideration for the issue of the Shares;
- (f) the purpose of the issue of Shares under the Participation is to raise capital, which the Company intends to use in the manner set out in Section 7.3(f) above;
- (g) the Shares to be issued under the Participation are not intended to remunerate or incentivise the Directors;
- (h) the Shares are not being issued under an agreement; and
- (i) a voting exclusion statement is included in Resolutions 8 and 9 of the Notice.

9. RESOLUTIONS 10 – 14 – VESTING OF TRANCHE FOUR PERFORMANCE RIGHTS

9.1 Background

At the Company's Annual General Meeting held on 30 November 2017 (**2017 AGM**), the shareholders of the Company approved the grant of performance rights (**Performance Rights**) pursuant to the Company's Performance Rights Plan (**Plan**) to:

- (a) then directors:
- (i) Mr Steve Morris; and
- (ii) Mr Brett Lambert,
- who have since retired; and
- (b) current directors:
- (i) Mr Simon Lill; and
- (ii) Mr Andrew Beckwith; and
- (c) current Company Secretary, Mr Craig Nelmes,
- (together, the **Recipients**).

Performance Rights were issued to Mr Nelmes pursuant to the Plan without Shareholder approval as permitted by the Listing Rules and terms of the Plan.

Schedule 2 contains a summary of the rights and the terms of grant of the Performance Rights. The Performance Rights included a milestone for the Tranche Four rights being the Company securing Project Financing for the Mallina Gold Project at a minimum throughput of 1M tpa.

Resolutions 10 to 14 seek Shareholder approval for the deemed satisfaction of the Tranche Four vesting milestone set out above, resulting in the vesting of the following numbers of Performance Rights pursuant to Tranche Four (**Tranche Four Performance Rights**) (as underlined below):

Recipient	Tranche Four Performance issued in 2017	Tranche Four Performance Rights to vest pursuant to Resolutions 10 – 14
Resolution 10: Mr. Simon Lill (or nominee)	500,000	<u>500,000</u>
Resolution 11: Mr. Andy Beckwith (or nominee)	400,000	<u>400,000</u>
Resolution 12: Mr. Craig Nelmes (or nominee)	300,000	<u>300,000</u>
Resolution 13: Mr. Brett Lambert (or nominee)	100,000	<u>50,000</u>
Resolution 14: Mr. Steve Morris (or nominee)	150,000	<u>75,000</u>
Total	1,450,000	<u>1,325,000</u>

9.2 Listing Rule 6.23.3

The Board, with Messrs Lill and Beckwith abstaining from deliberations, approved the vesting of the Performance Rights. The Employee Share Plan under which these Performance Rights were issued provides suitable discretion to the Board to waive vesting conditions. However, the Board, exercising an abundance of caution, sought ASX approval for the waiving of the conditions.

ASX granted the Company a specific waiver from Listing Rule 6.23.3 on 30 June 2022 to allow the Company to waive the Tranche Four milestone, resulting in the vesting of the Tranche Four Performance Rights, subject to obtaining Shareholder approval sought pursuant to Listing Rule 6.23.4.

9.3 Rationale of Resolutions

The milestone conditions of the Performance Rights set out in Section 9.1, including the Tranche Four milestone that is the subject of these Resolutions were approved by Shareholders at the 2017 AGM (other than for Mr Nelmes for which an approval was not required) based on a vesting milestone of the financing of a Project of 1 million tpa. Since that approval the Company discovered the Hemi deposits within its Mallina Gold Project and has consequently not considered the smaller scale project of 1 million tpa, with the Company's recent Pre-Feasibility Study (**PFS**) indicating a Project of ten times that size, at 10 million tpa. The Mallina Gold Project is now a globally significant Tier 1 project and presents a potentially commercially viable development opportunity, with significant upside.

This is an excellent result for the Company, however there is a direct effect on the time to satisfy the milestone for the Tranche Four Performance Rights. While there is a minimum throughput of 1 million tpa to satisfy the second limb of the milestone

based on the PFS, the actual throughput of at least 10 million tpa means that securing project financing for the scale of the now Tier 1 project will go past the 5-year expiry date for the satisfaction of the Tranche Four Performance Rights milestone.

It should also be noted that since the Hemi discovery the Company has raised a significant amount of money as below, certainly considered greater than the amount required to build a 1M tpa gold plant.

The Company has completed significant raisings totalling ~\$423.4 million by way of Placement and/or Renounceable Entitlement Offer in the intervening period since shareholder approval was obtained approving issue of the Tranche Four Performance Rights at the 2017 Annual General Meeting, held on 30 November 2017, as set out in the table below:

Date	Equity Raising Type	Shares Issued	Price (\$)	Amount Raised (before costs) (\$)
7 Dec 2017	Placement	33,333,333	\$0.15	\$5,000,000
9 July 2018	Placement	20,000,000	\$0.20	\$5,000,000
24 July 2019	Placement	60,343,600	\$0.05	\$3,017,180
14 Aug 2019	Renounceable entitlement offer	381,198,414	\$0.05	\$19,059,921
6 Dec 2019	Placement	100,000,001	\$0.045	\$4,500,000
6 Mar 2020	Placement	11,111,111	\$0.045	\$500,000
4 May 2020	Placement	92,196,430	\$0.28	\$25,815,000
14 Jul 2020	Placement	19,232,142	\$0.28	\$5,385,000
18 Sep 2020	Placement	73,116,666	\$1.20	\$87,739,999
3 Nov 2020	Placement	10,300,000	\$1.20	\$12,360,000
23 Oct 2021	Placement	113,636,364	\$1.10	\$125,000,000
13 Oct 2022	Placement	130,000,000	\$1.00	\$130,000,000
Total				\$423,377,100

Since the Company announced the early drilling results relating to the Hemi discovery across December 2019 and February 2020, the Company has successfully undertaken significant equity raisings for the purpose of growing the project to a size requiring a significantly larger processing capability to a potential 1MT p.a. throughput Gold plant, and which the recently released PFS (6 September 2022) is modelled on processing plant capacity 10 times that size.

This prompted the Board to consider whether to exercise the powers under Rule 7.2 of the Plan.

Under Rule 7.2 of the Plan, the Board may in its absolute discretion resolve to waive the vesting conditions in any circumstances determined by the Board at any time which circumstances may relate to the participant, a class of participant, including the participant or particular circumstances or class of circumstances applying to the participant.

There is no direct guidance in the Plan as to the basis of the exercise of this discretion, but where the power is enlivened, at law, the Board must at a minimum:

- (a) act in good faith and for a proper purpose;

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- For personal use only
- (b) consider all relevant material and considerations and act fairly;
 - (c) not take into account irrelevant considerations; and
 - (d) act reasonably in the exercise of that power, including whether to exercise the power or not.

The Board, with Messrs Lill and Beckwith having abstained from deliberations, has considered the points set out in (a) – (d) above and considers it has satisfied these points in its decision to exercise its discretion and determine that the Tranche Four Performance Rights should vest.

Accordingly, pursuant to Listing Rule 6.23.4, Resolutions 10 to 14 seek Shareholder approval for the vesting of the Tranche Four Performance Rights.

GLOSSARY

\$ means Australian dollars.

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 De Grey Mining Limited (ACN 094 206 292).

Constitution means the Company's constitution.

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

Directors means the current directors of the Company.

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.

Meeting means the meeting convened by the Notice.

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

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 2022.

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

Section means a section of the Explanatory Statement.

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

Shareholder means a registered holder of a Share.

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

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SCHEDULE 1 – TERMS AND CONDITIONS OF SHARE RIGHTS

The terms and conditions of the Share Rights that are proposed to be issued to Mr Paul Harvey under the Non-Executive Director Share Plan are as follows:

(a) **Vesting Conditions**

The Share Rights shall vest on the last day of the financial year in which they are granted, conditional upon the Participant being employed by the Company at the time of vesting.

(b) **Notification to holder**

The Company shall notify the holder in writing when the relevant Vesting Condition has been satisfied.

(c) **Conversion**

Subject to paragraph (q), upon satisfaction of the applicable Vesting Condition, each Share Right will, at the election of the holder by notice to the Company in writing, convert into one Share.

(d) **Conversion on change of control**

Subject to paragraph (q) below and notwithstanding the relevant Vesting Condition has not been satisfied, upon the occurrence of either:

- (i) a takeover bid under Chapter 6 of the Corporations Act 2001 (Cth) having been made in respect of the Company having received acceptances for more than 50% of the Company's Shares on issue and being declared unconditional by the bidder; or
- (ii) a Court granting orders approving a compromise or arrangement for the purposes of or in connection with a scheme of arrangement for the reconstruction of the Company or its amalgamation with any other company or companies,

the Share Rights shall automatically convert into Shares, provided that if the number of Shares that would be issued upon such conversion is greater than 10% of the Company's Shares on issue as at the date of conversion, then that number of Share Rights that is equal to 10% of the Company's Shares on issue as at the date of conversion under this paragraph will automatically convert into an equivalent number of Shares. The conversion will be completed on a pro rata basis across each class of Share Rights then on issue as well as on a pro rata basis for each holder of Share Rights. Share Rights that are not converted into Shares under this paragraph will continue to be held by the holders on the same terms and conditions.

(e) **Lapse of a Performance Right**

Any Share Right that has not been converted into a Share prior to the expiry date will automatically lapse. For the avoidance of doubt, a Share Right will not lapse in the event a relevant Vesting Condition is met before the expiry date and the Shares the subject of a conversion are deferred in accordance with paragraph (q) below.

(f) **Fraudulent or dishonest action**

If a holder ceases to be an employee or Director of the Company in circumstances where the cessation or termination is specifically referenced to the holder having been found to have acted fraudulently or dishonestly in the performance of his or her duties, then:

- (iii) the Board must deem any Share Rights of the holder to have immediately lapsed and be forfeited; and
- (iv) any Share Rights that have vested will continue in existence in accordance with their terms of issue only if the relevant Vesting Condition has previously been met, and any Shares issued on satisfaction of the applicable Vesting Condition will remain the property of the holder.

(g) **Ceasing to be an employee or Director**

If a holder ceases to be an employee or Director of the Company in circumstances where the cessation or termination arises because the holder:

- (i) voluntarily resigns his or her position (other than to take up employment with a subsidiary of the Company);
- (ii) wilfully breaches the terms of the engagement of the holder or any policy of the Company's published policies regulating the behaviour of holder;
- (iii) is convicted of a criminal offence which, in the reasonable opinion of the Company, might tend to injure the reputation or the business of the Company; or
- (iv) is found guilty of a breach of the Corporations Act and the Board considers that it brings the holder or the Company into disrepute,
then:
 - (v) the Board, unless it decides otherwise in its absolute discretion, will deem any Share Rights of the holder to have immediately lapsed and be forfeited; and
 - (vi) any Share Rights that have vested will continue in existence in accordance with their terms of issue only if the relevant Vesting Condition has previously been met and any Shares issued on satisfaction of the applicable Vesting Condition will remain the property of the holder.

(h) **Other circumstances**

The Share Rights will not lapse and be forfeited where the holder ceases to be an employee or Director of the Company for one of the following reasons:

- (i) death or total permanent disability (in respect of total permanent disability being that because of a sickness or injury, the holder is unable to work in his or her own or any occupation for which they are suited by training, education, or experience for a period beyond one year);
- (ii) redundancy (being where the holder ceases to be an employee or Director due to the Company no longer requiring the holder's position to be performed by any person); or
- (iii) any other reason, other than a reason listed in paragraph (f) and (g) (not including (g)(i)), in which case the Board may exercise its absolute

discretion to allow the resigned to retain their Performance Right), that the Board determines is reasonable to permit the holder to retain his or her Share Rights,

and in those circumstances the Share Rights will continue to be subject to the applicable Vesting Condition.

(i) **Share ranking**

All Shares issued upon the conversion of Share Rights will upon issue rank pari passu in all respects with existing Shares.

(j) **Restriction on dealing in Shares**

Subject to any escrow restrictions imposed by the ASX Listing Rules, the Board may, in its discretion, determine at any time up until exercise of Share Rights, that a restriction period will apply to some or all of the Shares issued or transferred to a Participant on exercise of those Share Rights, up to a maximum of 18 months from the Grant Date of the Share Rights.

(k) **Application to ASX**

The Share Rights will not be quoted on ASX.

(l) **Timing of issue of Shares on Conversion**

Within 10 Business Days after the date that the Company receives notice from the holder, the Company will:

- (i) issue the number of Shares required under these terms and conditions in respect of the number of Share Rights converted;
- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act; 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 conversion of the Share Rights.
- (iv) If a notice delivered under (l)(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.

(m) **Transfer of Share Rights**

The Share Rights are not transferable.

(n) **Participation in new issues**

A Share Right does not entitle a holder (in their capacity as a holder of a Performance Right) to participate in new issues of capital offered to holders of Shares such as bonus issues and entitlement issues.

(o) **Reorganisation of capital**

If at any time the issued capital of the Company is reconstructed, all rights of a holder will be changed in a manner consistent with the applicable ASX Listing Rules and the Corporations Act at the time of reorganisation.

(p) **Dividend and Voting Rights**

The Share Rights do not confer on the holder an entitlement to vote on any resolutions proposed by the Company (except as otherwise required by law) or receive dividends.

(q) **Deferral of conversion if resulting in a prohibited acquisition of Shares**

If the conversion of a Share Right would result in any person being in contravention of section 606(1) of the Corporations Act 2001 (Cth) (**General Prohibition**) then the conversion of that Share Right shall be deferred until such later time or times that the conversion would not result in a contravention of the General Prohibition. In assessing whether a conversion of a Share Right would result in a contravention of the General Prohibition:

- (i) holders may give written notification to the Company if they consider that the conversion of a Share Right may result in the contravention of the General Prohibition. The absence of such written notification from the holder will entitle the Company to assume the conversion of a Share Right will not result in any person being in contravention of the General Prohibition; and
- (ii) the Company may (but is not obliged to) by written notice to a holder request a holder to provide the written notice referred to in paragraph (q)(i) within seven days if the Company considers that the conversion of a Share Right may result in a contravention of the General Prohibition. The absence of such written notification from the holder will entitle the Company to assume the conversion of a Share Right will not result in any person being in contravention of the General Prohibition.

(r) **No rights to return of capital**

A Share Right does not entitle the holder to a return of capital, whether in a winding up, upon a reduction of capital or otherwise.

(s) **Rights on winding up**

A Share Right does not entitle the holder to participate in the surplus profits or assets of the Company upon winding up.

(t) **No other rights**

A Share Right gives the holder no rights other than those expressly provided by these terms and those provided at law where such rights at law cannot be excluded by these terms.

(u) **ASX Listing Rule compliance**

The Board reserves the right to amend any term of the Share Rights to ensure compliance with the ASX Listing Rules.

SCHEDULE 2 – TERMS AND CONDITIONS OF PERFORMANCE RIGHTS

The following is a summary of the key terms and conditions of the Performance Rights:

- (a) **(Vesting)**: The Performance Rights shall vest upon satisfaction of the following:
- (i) **Tranche One** – the Company declaring greater than 1,500,000 ounce gold resource (JORC 2012) at an overall grade of at least 1.7 g/t and a minimum category of JORC inferred at the Pilbara Gold Project, within 2 years of the date of this Meeting;
 - (ii) **Tranche Two** – the Company declaring greater than 2,000,000 ounce gold resource (JORC 2012) at an overall grade of at least 1.7 g/t and a minimum category of JORC inferred at the Pilbara Gold Project, within 2 years of the date of this Meeting;
 - (iii) **Tranche Three** - settlement of the Company's 100% acquisition of Indee Gold Pty Ltd;
 - (iv) **Tranche Four** – The Company securing Project Financing for the Pilbara Gold Project at a minimum throughput of 1M tpa; and
 - (v) **Tranche Five** – The Company confirming higher grade resources of at least 200,000 ounces and at an overall grade of greater than 5 g/t within 2 years of this Meeting,
- (each referred to as a **Milestone**).
- (b) **(Conversion)**: once vested, each Related Party Performance Right will, at the election of the holder, convert into one Share.
- (c) **(Lapse of a Performance Right)**: If a Related Party Performance Right has not been converted into a Share prior to the date that is five years from the date of issue of the Performance Right, the Performance Right will automatically lapse.
- (d) **(Consideration)**: The Performance Rights will be issued for nil consideration and no consideration will be payable upon the conversion of the Performance Rights into Shares.
- (e) **(Share ranking)**: All Shares issued upon conversion of the Performance Rights will upon issue rank pari passu in all respects with other Shares.
- (f) **(Listing of Shares on ASX)**: The Performance Rights will not be quoted on ASX. Upon conversion of the Performance Rights into Shares, the Company will apply for quotation of all Shares issued upon conversion of the Performance Rights within the period required by ASX.
- (g) **(Timing of issue of Shares on exercise)**: Within 10 Business Days after the date that the Performance Rights are exercised, the Company will:
- (i) issue the number of Shares required under these terms and conditions in respect of the number of Performance Rights exercised;
 - (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) apply for official quotation on ASX of Shares issued pursuant to the exercise of the Performance Rights.
- (h) **(Transfer of Performance Rights):** A Related Party Performance Right is not transferable (including encumbering the Performance Rights).
- (i) **(Participation in new issues):** There are no participation rights or entitlements inherent in the Performance Rights and holders will not be entitled to participate in new issues of capital offered to shareholders during the currency of the Performance Rights.
- (j) **(Adjustment for reconstruction):** If, at any time, the issued capital of the Company is reorganised (including consolidation, subdivision, reduction or return), all rights of a holder of a Related Party Performance Right are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reorganisation.
- (k) **(Dividend and Voting Rights):** A Performance Right does not confer upon the holder an entitlement to notice of, or to vote or attend at, a meeting of the Shareholders of the Company or receive dividends declared by the Company.

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SCHEDULE 3 – TERMS AND CONDITIONS OF THE NON-EXECUTIVE DIRECTOR SHARE RIGHTS PLAN

The following is a summary of the key terms and conditions of the Non-executive Director Share Plan (referred to herein as "**NED Share Plan**" or "**Plan**"):

(a) **Eligibility**

Participants in the Plan may be:

- (i) a Non-executive Director of the Company or any associate Group Company; or
- (ii) a Non-executive Director elect of the Company or any associate Group Company,

who is declared by the Board to be eligible to receive grants of Share Rights under the Plan (**Eligible Participants**).

(b) **Offers**

The Board may, from time to time, at its absolute discretion, make an offer to grant Share Rights to an Eligible Participant under the Plan and on such additional terms and conditions as the Board determines (**Offer**).

(c) **Plan limit**

Where the Company has relied or intends relying on the Class Order to make an Offer, the Company must have reasonable grounds to believe, when making an offer, that the number of Shares to be received on conversion of Share Rights offered under an offer, when aggregated with the number of Shares issued or that may be issued as a result of offers made in reliance on the Class Order at any time during the previous 3 year period under an employee incentive scheme covered by the Class Order or an ASIC exempt arrangement of a similar kind to an employee incentive scheme, will not exceed 5% of the total number of Shares on issue at the date of the Offer.

(d) **Consideration**

Share Rights granted under the Plan will be issued for nil cash consideration.

(e) **Vesting conditions:** A Share Right may be made subject to vesting conditions as determined by the Board in its discretion and as specified in the offer for the Share Right (**Vesting Conditions**).

(f) **Vesting:** The Board may in its absolute discretion by written notice to a Participant (being an Eligible Participant to whom Share Rights have been granted under the Plan or their nominee where the Share Rights have been granted to the nominee of the Eligible Participant (**Relevant Person**)), resolve to waive any of the Vesting Conditions applying to Performance Rights due to

- (i) special circumstances arising in relation to a Relevant Person in respect of those Share Rights, being:
 - (A) a Relevant Person ceasing to be an Eligible Participant due to:
 - (I) death or total or permanent disability of a Relevant Person; or

- (II) retirement or redundancy of a Relevant Person;
 - (B) a Relevant Person suffering severe financial hardship;
 - (C) any other circumstance stated to constitute “special circumstances” in the terms of the relevant offer made to and accepted by the Participant; or
 - (D) any other circumstances determined by the Board at any time (whether before or after the offer) and notified to the relevant Participant which circumstances may relate to the Participant, a class of Participant, including the Participant or particular circumstances or class of circumstances applying to the Participant,
(Special Circumstances), or
 - (ii) a change of control occurring; or
 - (iii) the Company passing a resolution for voluntary winding up, or an order is made for the compulsory winding up of the Company.
- (g) **Lapse of a Share Right:** A Share Right will lapse upon the earlier to occur of:
- (i) an unauthorised dealing in, or hedging of, the Share Right occurring;
 - (ii) a Vesting Condition in relation to the Share Right is not satisfied by its due date, or becomes incapable of satisfaction, as determined by the Board in its absolute discretion, unless the Board exercises its discretion to waive the Vesting Condition and vest the Share Right in the circumstances set out in paragraph (f) or the Board resolves, in its absolute discretion, to allow the unvested Share Rights to remain unvested after the Relevant Person ceases to be an Eligible Participant;
 - (iii) in respect of unvested Share Rights only, a Relevant Person ceases to be an Eligible Participant, unless the Board exercises its discretion to vest the Share Right in the circumstances set out in paragraph (f) or the Board resolves, in its absolute discretion, to allow the unvested Share Rights to remain unvested after the Relevant Person ceases to be an Eligible Participant;
 - (iv) in respect of vested Share Rights only, a Relevant Person ceases to be an Eligible Participant and the Share Rights granted in respect of that Relevant Person are not exercised within one (1) month (or such later date as the Board determines) of the date that Relevant Person ceases to be an Eligible Participant;
 - (v) the Board deems that a Share Right lapses due to fraud, dishonesty or other improper behaviour of the Eligible Participant;
 - (vi) the Company undergoes a change of control or a winding up resolution or order is made, and the Board does not exercise its discretion to vest the Share Right; and
 - (vii) the expiry date of the Share Rights.
- (h) **Not transferrable:** Subject to the Listing Rules, and except as otherwise provided for by an offer, Share Rights are only transferrable in Special Circumstances with

the prior written consent of the Board (which may be withheld in its absolute discretion) or by force of law upon death, to the Participant's legal personal representative or upon bankruptcy to the participant's trustee in bankruptcy.

- (i) **Shares:** Shares resulting from the vesting of the Share Rights shall, subject to any sale restrictions (refer to paragraph (j)) from the date of issue, rank on equal terms with all other Shares on issue.
- (j) **Sale restrictions:** The Board may, in its discretion, determine at any time up until exercise of Share Rights, that a restriction period will apply to some or all of the Shares issued to a Participant on exercise of those Share Rights (**Restriction Period**). In addition, the Board may, in its sole discretion, having regard to the circumstances at the time, waive any such Restriction Period.
- (k) **Quotation of Shares:** If Shares of the same class as those issued under the Plan are quoted on the ASX, the Company will, subject to the Listing Rules, apply to the ASX for those Shares to be quoted on ASX within 5 business days of the later of the date the Shares are issued and the date any Restriction Period applying to the Shares ends. The Company will not apply for quotation of any Share Rights on the ASX.
- (l) **No participation rights:** There are no participation rights or entitlements inherent in the Share Rights and Participants will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Share Rights without exercising the Performance Right.
- (m) **No change:** A Share Right does not confer the right to a change in the number of underlying Shares over which the Share Right can be exercised.
- (n) **Reorganisation:** If, at any time, the issued capital of the Company is reorganised (including consolidation, subdivision, reduction or return), all rights of a Participant are to be changed in a manner consistent with the Corporations Act and the Listing Rules **at** the time of the reorganisation.
- (o) **Amendments:** Subject to express restrictions set out in the Performance Rights Plan and complying with the Corporations Act, Listing Rules and any other applicable law, the Board may, at any time, by resolution amend or add to all or any of the provisions of the Plan, or the terms or conditions of any Share Rights granted under the Plan including giving any amendment retrospective effect.

SCHEDULE 4 – TERMS AND CONDITIONS OF ZEPOS

(a) **Entitlement**

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

(b) **Exercise Price**

No consideration is payable upon the exercise of each Option.

(c) **Expiry Date**

Each Option will expire at 5:00 pm (AWST) on 3 December 2024 (**Expiry Date**).

An Option not exercised on or before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Vesting Conditions**

The Options will vest upon satisfaction of the following vesting conditions, or where, despite vesting conditions not being satisfied, the Board (in its absolute discretion) resolves that unvested Options have vested:

(i) upon the satisfaction of the following project Vesting Conditions (**LTIP Vesting Conditions**):

- (A) delineation of Mineral Resources (as that term is defined in JORC, 2012 Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves) of not less than 12 million ounces of gold at the Company's Mallina Gold Project (inclusive of the existing regional 2.2 million ounces) as at the date of this Meeting);
- (B) completion of a Definitive Feasibility Study (**DFS**) confirming feasibility for a 500,000 ounces of gold per annum project through a mine life of no less than 12 years, or such other number as approved by the Board following completion of a Pre-Feasibility Study. The DFS is to be signed off in its entirety by a suitably qualified engineering group (with oversight from the Board); and
- (C) the Company securing debt and/or equity finance for a Board approved Project arising from the DFS; and

(ii) upon the executive achieving a score of 65% or more on the annual short term incentive criteria (**STIC**), as determined by the Board annually. If the executive does not achieve the score of 65% or more, 50% of the Options will be cancelled, whilst the balance will vest solely subject to achieving the LTIP Vesting Conditions.

The STIC will consist of a weighted scorecard comprising the following wealth preservation measures and wealth creation measures (subject to Board review on an annual basis):

- (A) annual project based Vesting Conditions;
- (B) all regulatory compliance requirements met;

- (C) meeting budget (as adjusted and approved by Board);
- (D) safety – Total Recordable Injury Frequency Rate;
- (E) maintain and increase institutional shareholder base and undertake successful capital raising activities;
- (F) keeping tenements in good standings; and
- (G) business development.

The Board will also retain discretion to vary or supplement the STIC, following conferral with the executive, to better define and formalise those criteria, having regard to the nature and scale of the business and any other applicable matters.

(e) **Exercise Period**

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

(f) **Vesting on a change of control**

Where there is a Change of Control, all Vesting Conditions are deemed to be automatically waived and advised by written notice to the holder.

(g) **Good Leaver / Bad Leaver**

The Executive's entitlement to any unexercised Options, is conditional upon and subject to the Executive being a "good Leaver" (e.g. in circumstances such as cessation due to retirement, redundancy, permanent or total disability, or death) at the time at which the holder ceases to be a Director of the Company (at the discretion of the Board).

If the holder is not a "good leaver", there is no entitlement to any pro rata conferral of Options which are subject to unsatisfied vesting or exercise conditions, and the Executive must where necessary take all actions necessary to facilitate the relinquishment or cancellation of the Options following the cessation of their employment.

(h) **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**).

(i) **Exercise Date**

A Notice of Exercise is only effective on and from the date of receipt of the Notice of Exercise (**Exercise Date**).

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

Within 10 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;

- (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 (h)(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.

(k) **Shares issued on exercise**

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

(l) **Reconstruction of capital**

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

(m) **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.

(n) **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.

(o) **Transferability**

The Options are not transferable unless in certain specified circumstances detailed in the Company's Employee Incentive Plan (such as death, permanent disability or financial hardship of the holder) and with the consent of the Board. The Options may also be subject to restrictions or escrow arrangements imposed by ASX or under applicable Australian securities laws.

(p) **Deferred Taxation**

Subdivision 83A-C of the *Income Tax Assessment Act 1997* (Cth) applies to the Option offer.

Proxy Voting Form

If you are attending the meeting in person, please bring this with you for Securityholder registration.

Your proxy voting instruction must be received by **1.00pm (AWST) on Tuesday, 22 November 2022**, 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 Chair 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 Chair of the Meeting will be appointed as your proxy by default.

DEFAULT TO THE CHAIR OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chair of the Meeting, who is required to vote these proxies as directed. Any undirected proxies that default to the Chair 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:

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