ELEMENTOS
TOMORROW'S TIN

Elementos Limited
ABN 49 138 468 756
ASX: ELT
elementos.com.au

Level 7, 167 Eagle St
Brisbane Queensland 4000
Phone +61 (0)7 2111 1110
admin@elementos.com.au

For personal use only

21 April 2023

Dear Shareholder

General Meeting

Elementos Limited ACN 138 468 756 (**Company** or **Elementos**) invites you to attend a General Meeting of shareholders (**Shareholders**) (**GM**) to be held at the offices of Piper Alderman, Level 26, Riparian Plaza, 71 Eagle Street, Brisbane, Queensland on Wednesday 31 May 2023 commencing at 10.30am (AEST).

Please be advised that in accordance with the new provisions of the Corporations Act, the Company will not be sending hard copies of the notice of meeting in respect of the GM (**Notice of Meeting**). Instead, the Notice of Meeting can be viewed and downloaded from the Company's website on its ASX announcements page: https://www.elementos.com.au/asx-announcements/

Elementos encourages those Shareholders who cannot attend the GM to lodge their proxy forms prior to the GM. A copy of your personalised proxy form is enclosed for your convenience. Please complete and return the attached proxy form to the Company's share registry:

Internet:	https://www.votingonline.com.au/eltgm2023
Post:	Elementos Limited, C/- Boardroom Pty Limited, GPO Box 3993, Sydney NSW 2001 Australia
In Person:	Boardroom Pty Limited, Level 8, 210 George Street, Sydney NSW 2000
Fax:	+61 2 9290 9655

Your proxy voting instructions must be received by 10:30am (AEST) on 29 May 2023 being not less than 48 hours before the commencement of the GM. Any proxy voting instructions received after that time will not be valid for the GM.

The Notice of Meeting is important and should be read in its entirety. If you are in doubt as to the course of action you should follow, you should consult your financial adviser, lawyer, accountant or other professional adviser. If you have any difficulties obtaining a copy of the Notice of Meeting please contact the Company's share registry Boardroom Pty Limited on 1300 737 760 (+61 2 9290 9600 from outside Australia) or via enquiries@boardroomlimited.com.au.

The Company will continue to closely monitor guidance from the Federal and State Government for any impact on the proposed arrangements for the GM. If any changes are required, the details will be made available through an announcement to the ASX.

Elementos' Board has authorised the release of this announcement to the market.

For further information, please contact:

Mr Duncan Cornish
Company Secretary
Phone: +61 (0)7 2111 1110
admin@elementos.com.au

ASX:ELT

Shareholder communications

Receiving your shareholder communications electronically is the best way to stay informed and will assist Elementos with minimising paper usage. If you haven't already, we encourage you to make the switch to paperless communications and provide us with your email address. To make the change, login to www.investorserve.com.au, add your email address via 'My Details' on the left-hand side of the screen and click 'Communication Options' to select the communication options you would like to set to email.

You can make a standing election as to how you would like to receive certain documents including annual reports, meeting-related documents (for example notices of meeting and proxy/voting forms) and payment statements.

You can also make a one-off request to receive a document in physical or electronic form by contacting the registry on enquiries@boardroomlimited.com.au

You will also be able to access Shareholder Documents such as our Annual Report, Notice of Meeting and other documents relating to shareholder meetings when they are published on our website or made available on the ASX platform.

For personal use only

ELEMENTOS

For personal use only

ELEMENTOS LIMITED

ACN 138 468 756

Notice of General Meeting and Explanatory Memorandum

Date of Meeting:	31 May 2023
Time of Meeting:	10:30am
Place of Meeting:	Piper Alderman Level 26 Riparian Plaza 71 Eagle Street Brisbane Qld 4000

Notice of General Meeting

Notice is given that a General Meeting of Shareholders of Elementos Limited ACN 138 468 756 (**Company**) will be held physically at **Level 26, Riparian Plaza, 71 Eagle Street, Brisbane, Qld 4000** on **31 May 2023 at 10:30am** (AEST).

Capitalised terms used in this Notice of Meeting and the Explanatory Memorandum have the meaning ascribed to them in the Glossary contained at the end of the Explanatory Memorandum.

This Notice of Meeting should be read in its entirety, together with the Explanatory Memorandum and the enclosed proxy form.

ORDINARY BUSINESS

1. Resolution 1 – Ratification of *11,444,444* Unconditional Shares

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

> *"That, for the purposes of Listing Rule 7.4 and for all other purposes, the issue of **11,444,444** Unconditional Shares by way of private placement to sophisticated and professional investors at an issue price of $0.18 per Unconditional Share, in accordance with the terms set out in the Explanatory Memorandum, be ratified."*

Voting exclusion: The Company will disregard any votes cast in favour of Resolution 1 by, or on behalf of, a person who received Unconditional Shares pursuant to the Unconditional Placement and any Associates of those persons. However, the Company need not disregard a vote in favour of Resolution 1 if it is cast by:

(a) a person as proxy or attorney for a person who is entitled to vote on Resolution 1, in accordance with directions given to the proxy or attorney to vote on Resolution 1 in that way; or

(b) the Chair as proxy or attorney for a person who is entitled to vote on Resolution 1, in accordance with a direction given to the Chair to vote on Resolution 1 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:

  (1) 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 Resolution 1; and

  (2) the holder votes on Resolution 1 in accordance with directions given by the beneficiary to the holder to vote in that way.

2. Resolution 2 – Approval to Issue up to *4,444,444* Conditional Shares to an Associate of Mr Andrew Greig

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, the issue of up to **4,444,444** Conditional Shares at an issue price of $0.18 per Conditional Share to Bond Street Custodians Limited, being an Associate of Mr Andrew Greig, be approved."*

Voting exclusion: The Company will disregard any votes cast in favour of Resolution 2 by, or on behalf of, Bond Street Custodians Limited or Mr Greig and any other person who will obtain a material benefit as a result of the issue of the Conditional Shares to Bond Street Custodians Limited, except a benefit arising solely from their capacity as a holder of Shares, and any of their Associates. However, the Company need not disregard a vote in favour of Resolution 2 if it is cast by:

(a) a person as proxy or attorney for a person who is entitled to vote on Resolution 2, in accordance with directions given to the proxy or attorney to vote on Resolution 2 in that

For personal use only

way; or

(b) the Chair as proxy or attorney for a person who is entitled to vote on Resolution 2, in accordance with a direction given to the Chair to vote on Resolution 2 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:

(1) 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 Resolution 2; and

(2) the holder votes on Resolution 2 in accordance with directions given by the beneficiary to the holder to vote in that way.

3. Resolution 3 – Approval to Issue up to *138,889* Conditional Shares to an Associate of Mr Jonathon David

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, the issue of up to **138,889** Conditional Shares at an issue price of $0.18 per Conditional Share to Double Shaka Pty Ltd (as trustee for The J & C David Trust), being an Associate of Mr Jonathon David, be approved."*

Voting exclusion: The Company will disregard any votes cast in favour of Resolution 3 by, or on behalf of, Double Shaka Pty Ltd (as trustee for The J & C David Trust) or Mr David and any other person who will obtain a material benefit as a result of the issue of the Conditional Shares to Double Shaka Pty Ltd (as trustee for The J & C David Trust), except a benefit arising solely from their capacity as a holder of Shares, and any of their Associates. However, the Company need not disregard a vote in favour of Resolution 3 if it is cast by:

(a) a person as proxy or attorney for a person who is entitled to vote on Resolution 3, in accordance with directions given to the proxy or attorney to vote on Resolution 3 in that way; or

(b) the Chair as proxy or attorney for a person who is entitled to vote on Resolution 3, in accordance with a direction given to the Chair to vote on Resolution 3 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:

(1) 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 Resolution 3; and

(2) the holder votes on Resolution 3 in accordance with directions given by the beneficiary to the holder to vote in that way.

4. Resolution 4 – Approval to Issue up to *55,556* Conditional Shares to Mr Brett Smith

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, the issue of up to **55,556** Conditional Shares at an issue price of $0.18 per Conditional Share to Mr Brett Smith, be approved."*

Voting exclusion: The Company will disregard any votes cast in favour of Resolution 4 by, or on behalf of, Mr Smith and any other person who will obtain a material benefit as a result of the issue

For personal use only

For personal use only

of the Conditional Shares to Mr Smith, except a benefit arising solely from their capacity as a holder of Shares, and any of their Associates. However, the Company need not disregard a vote in favour of Resolution 4 if it is cast by:

(a) a person as proxy or attorney for a person who is entitled to vote on Resolution 4, in accordance with directions given to the proxy or attorney to vote on Resolution 4 in that way; or

(b) the Chair as proxy or attorney for a person who is entitled to vote on Resolution 4, in accordance with a direction given to the Chair to vote on Resolution 4 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:

(1) 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 Resolution 4; and

(2) the holder votes on Resolution 4 in accordance with directions given by the beneficiary to the holder to vote in that way.

5. Resolution 5 – Approval to Issue up to *166,667* Conditional Shares to an Associate of Mr Calvin Treacy

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, the issue of up to ***166,667*** *Conditional Shares at an issue price of $0.18 per Conditional Share to Four Seas Superannuation Pty Ltd (as trustee for the Four Seas Superannuation Fund), being an Associate of Mr Calvin Treacy, be approved."*

Voting exclusion: The Company will disregard any votes cast in favour of Resolution 5 by, or on behalf of, Four Seas Superannuation Pty Ltd (as trustee for the Four Seas Superannuation Fund) or Mr Treacy and any other person who will obtain a material benefit as a result of the issue of the Conditional Shares to Four Seas Superannuation Pty Ltd (as trustee for the Four Seas Superannuation Fund), except a benefit arising solely from their capacity as a holder of Shares, and any of their Associates. However, the Company need not disregard a vote in favour of Resolution 5 if it is cast by:

(a) a person as proxy or attorney for a person who is entitled to vote on Resolution 5, in accordance with directions given to the proxy or attorney to vote on Resolution 5 in that way; or

(b) the Chair as proxy or attorney for a person who is entitled to vote on Resolution 5, in accordance with a direction given to the Chair to vote on Resolution 5 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:

(1) 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 Resolution 5; and

(2) the holder votes on Resolution 5 in accordance with directions given by the beneficiary to the holder to vote in that way.

By order of the Board

Mr Duncan Cornish, Company Secretary
Elementos Limited
21 April 2023

Explanatory Memorandum

The following notes and the Explanatory Memorandum form part of the Notice of Meeting.

Voting and Attendance Entitlement

The Board has determined that those persons who are registered as holding Shares as at 10:30am (AEST) on 29 May 2023, will be entitled to attend and vote at the Meeting.

Accordingly, transactions registered after that time will be disregarded in determining entitlements to attend and vote at the Meeting.

If more than one joint holder of a Share is present at the Meeting (whether personally, by proxy, by attorney or by representative) and tenders a vote, only the vote of the joint holder whose name appears first on the register will be counted.

Action to be Taken by Shareholders

A Shareholder who is entitled to attend and vote at the Meeting may appoint a person, who need not be a Shareholder of the Company, as the Shareholder's proxy to attend and vote on behalf of the Shareholder.

A Shareholder who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise.

If you wish to indicate how your proxy should vote, please mark the appropriate boxes on the proxy form. If in respect of any of the items of business you do not direct your proxy how to vote, you are directing your proxy to vote as he or she decides.

If you mark the abstain box for a particular item you are directing your proxy to not vote on your behalf and your Shares will not be counted in computing the required majority in the event of a poll.

For proxies without voting instructions that are exercisable by the Chair, the Chair intends to vote those proxies in favour of the Resolutions. The Chair will be deemed to be appointed where a signed proxy form is returned that does not contain the name of the proxy or where the person appointed on the form is absent from the Meeting.

A proxy form accompanies this Notice of Meeting. Should you wish to appoint a proxy, please complete the proxy form and return it at least 48 hours before the Meeting, being no later than **10:30am (AEST) on 29 May 2023** to:

(a) if online:

https://www.votingonline.com.au/eltgm2023

(b) if by fax: on +61 2 9290 9655; or

(c) if by mail:

Elementos Limited
C/- Boardroom Pty Limited
GPO Box 3993
Sydney NSW 2001 Australia; or

(d) if in person:

Boardroom Pty Limited
Level 8, 210 George Street,
Sydney NSW 2000 Australia

If the appointment is signed by an attorney, the power of attorney or a certified copy of it must be sent with the proxy form.

Corporate Representatives

A Shareholder which is a corporation may appoint an individual to act as its representative to attend and vote at the Meeting. The appointment must comply with section 250D of the Corporations Act, meaning that Company will require a Certificate of Appointment of Corporate Representative executed in accordance with section 250D of the Corporations Act. The completed certificate should be lodged with the Company's share registry before the Meeting or at the registration desk on the day of the Meeting.

Polls

Each of the Resolutions will be considered by way of a poll. Accordingly, every Shareholder shall have one vote for every Share registered in their name as at 7pm (AEST) on 29 May 2023.

Required Majority

Each of the Resolutions are Ordinary Resolutions, requiring a simple majority of the votes cast by Shareholders entitled to vote on them.

General

All Shareholders are invited to attend the Meeting or, if they are unable to attend in person, to sign and return the proxy form to the Company in accordance with the instructions set out on the proxy form.

Shareholders, their proxy or corporate representatives who plan on attending the Meeting are asked to arrive at the venue at least 30 minutes prior to the time the Meeting is scheduled to commence, so that Shareholders can be checked against the Company's share register, or appointment as proxy, attorney or corporate representative can be verified and their attendance noted.

For personal use only

For personal use only

This Explanatory Memorandum contains an explanation of, and information about, the Resolutions to be considered at the General Meeting. Shareholders should read this Explanatory Memorandum in full. This Explanatory Memorandum forms part of the accompanying Notice of Meeting and should be read with the Notice of Meeting.

This Explanatory Memorandum does not take into account the individual investment objectives, financial situation and needs of individual Shareholders or any other person. If you are in any doubt about what to do in relation to the Resolutions, you should consult your financial or other professional adviser.

Capitalised words used in the Notice of Meeting and in this Explanatory Memorandum are defined in the Glossary section at the end of this Explanatory Memorandum. Unless otherwise stated, all references to sums of money, '$' and 'dollars' are references to Australian currency.

Capital Raising Background

On 5 April 2023, the Company announced a private share placement of new Shares to raise $3,000,000 (before costs) (**Placement**), which comprised:

(a) the initial issue of ***11,444,444*** Unconditional Shares by way of a private placement to sophisticated and professional investors at an issue price of $0.18 per Unconditional Share, raising $2,059,999.92 (the **Unconditional Placement**); and

(b) an agreement to subsequently issue a further ***4,805,556*** Conditional Shares as follows:

(1) ***4,444,444*** Conditional Shares to Bond Street Custodians Limited, being an Associate of Mr Andrew Greig;

(2) ***138,889*** Conditional Shares to Double Shaka Pty Ltd (as trustee for the J & C David Trust), being an Associate of Mr Jonathon David;

(3) ***55,556*** Conditional Shares to Mr Brett Smith; and

(4) ***166,667*** Conditional Shares to Four Seas Superannuation Pty Ltd (as trustee for the Four Seas Superannuation Fund), being an Associate of Mr Calvin Treacy,

by way of private placement at an issue price of $0.18 per Conditional Share, raising $865,000.08, which was conditional on Shareholder approval being obtained for that issue (the **Conditional Placement**).

The funds raised from the Placement will be applied to the following activities:

(a) Oropesa Drilling Program: bring the Company's Definitive Feasibility Study to a close and further project maturation, including, offtake, debt finance and progressing approvals;

(b) Cleveland Project: undertaking geophysics to support the identification of additional targets and metallurgical programs;

(c) paying the costs of the Placement; and

(d) corporate costs and working capital.

For personal use only

The table below illustrates the effect of the Placement on the Company's share capital, assuming that Resolutions 1, 2, 3, 4 and 5 are passed:

	Securities on issue prior to Placement	Securities issued under Unconditional Placement	Securities proposed to be issued under Conditional Placement
Shares	***178,128,974***	***11,444,444***	***4,805,556***

The total dilutionary effect of the Unconditional Placement was 6.42%, the total dilutionary effect of the Conditional Placement, if Resolutions 2, 3, 4 and 5 are passed, will be 2.53%.

Resolution 1 – Ratification of 11,444,444 Unconditional Shares

As noted in the background section of this Explanatory Memorandum, on 5 April 2023 the Company announced the Placement, which included ***11,444,444*** Unconditional Shares to sophisticated and professional investors. The Unconditional Placement was undertaken under the Company's placement capacity under Listing Rule 7.1.

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 Unconditional Shares issued to participants in the Unconditional Placement did not fall within an exception and were issued without Shareholder approval under the Company's 15% placement capacity under Listing Rule 7.1.

Listing Rule 7.4 allows the shareholders of a listed company to subsequently ratify the previous issues of securities made without prior shareholder approval under Listing Rule 7.1, provided the issue did not breach the maximum thresholds set by Listing Rule 7.1. 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 those rules.

The Company wishes to retain as much flexibility as possible to issue additional equity securities into the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1 and thus the Company is seeking ratification of the Unconditional Shares issued pursuant to the Unconditional Placement by Resolution 1. The Company confirms that the issue and allotment of the Unconditional Shares did not breach Listing Rule 7.1 at the date of issue.

If Resolution 1 is passed, the Unconditional Shares issued pursuant to the Unconditional Placement will be excluded in calculating the Company's 15% Threshold in Listing Rule 7.1, effectively increasing the number of equity securities it can issue without shareholder approval over the 12-month period following the date of issue.

If Resolution 1 is not passed, the relevant issues will be included in calculating the Company's 15% Threshold in Listing Rule 7.1, effectively decreasing the number of equity securities it can issue without Shareholder approval over the 12-month period following the date of issue.

For personal use only

For the purposes of Listing Rule 7.5, the following information is provided in respect of Resolution 1:

Number of securities issued	The Company has issued ***11,444,444*** new securities, being the sum of ***11,444,444*** Unconditional Shares
Issue Price	The issue price for the Unconditional Shares was $0.18 per Unconditional Share. The Company has received a total of $2,059,999.92 under the Unconditional Placement.
Terms of the securities	All Unconditional Shares will, from their date of issue, rank equally with all other Shares on issue.
Material terms of agreement	The relevant placement agreements provided that the issue price of Unconditional Shares is $0.18 and includes various other conditions usual for a placement of this sort.
Names of allottees	The securities issued under the Unconditional Placement were issued to various professional and sophisticated investors and were selected by the Company in consultation with Morgans Corporate Limited and BW Equities Limited. None of the allottees are Related Parties of the Company. No Director or any of their Associates have participated in, or will receive any securities pursuant to, the Unconditional Placement.
Use of funds	The funds raised by the Unconditional Placement will be used for the purposes outlined in the section of this Explanatory Memorandum entitled "**Capital Raising Background**".
Date of issue	The Unconditional Shares were issued on Thursday, 13 April 2023.

The Directors unanimously recommend that Shareholders vote in favour of Resolution 1 and advise that they intend to vote any Shares that they own or control in favour of Resolution 1.

The Chair intends to vote all undirected proxies in favour of Resolution 1.

Resolutions 2 to 5 – Approval of Issue of Conditional Shares

As noted in the background section of this Explanatory Memorandum, in addition to the Unconditional Placement, the Company received firm commitments from the Company's Directors (or their associated entities) to subscribe for a further 4,805,556 Conditional Shares under the Conditional Placement, subject to obtaining Shareholder approval to such issue.

The Directors who have subscribed for Conditional Shares pursuant to the Conditional Placement and their respective subscription include:

(a) Bond Street Custodians Limited, being an Associate of Mr Andrew Greig (non-executive Director), subscribed for 4,444,444 Conditional Shares;

(b) Double Shaka Pty Ltd (as trustee for the J & C David Trust), being an Associate Mr Jonathon David (executive Director), subscribed for 138,889 Conditional Shares;

(c) Mr Brett Smith, being a non-executive Director, subscribed for 55,556 Conditional Shares; and

(d) Four Seas Superannuation Pty Ltd (as trustee for the Four Seas Superannuation Fund), being an Associate of Mr Calvin Treacy (non-executive Director), subscribed for 166,667 Conditional Shares.

Listing Rule Requirements

Listing Rule 10.11 requires that the Company obtain Shareholder approval prior to the issue of equity securities to a Related Party of the Company.

As the Placement Directors are each a Related Party of the Company (by virtue of their position as Directors), it follows that:

(a) Mr Smith falls within category 10.11.1 of Listing Rule 10.11; and

(b) each Associate of Mr Greig, Mr David and Mr Treacy falls within category 10.11.4 of Listing Rule 10.11.

Accordingly, Resolutions 2 to 5 seek Shareholder approval for the issue of Conditional Shares under the Conditional Placement in accordance with Listing Rule 10.11.

If Resolution 2 to 5 are all passed, Mr Smith and each Associate of Mr Greig, Mr David and Mr Treacy will receive their respective Conditional Shares under the Conditional Placement.

If Resolution 2 is not passed, no Conditional Shares will be issued to Bond Street Custodians Limited, being an Associate of Mr Greig, as part of the Conditional Placement and all application money received from Bond Street Custodians Limited for the Conditional Shares will be returned to it.

If Resolution 3 is not passed, no Conditional Shares will be issued to Double Shaka Pty Ltd (as trustee for The J & C David Trust), being an Associate of Mr David, as part of the Conditional Placement and all application money received from Double Shaka Pty Ltd (as trustee for The J & C David Trust) for the Conditional Shares will be returned to it.

If Resolution 4 is not passed, no Conditional Shares will be issued to Mr Smith as part of the Conditional Placement and all application money received from Mr Smith for the Conditional Shares will be returned to him.

If Resolution 5 is not passed, no Conditional Shares will be issued to Four Seas Superannuation Pty Ltd (as trustee for the Four Seas Superannuation Fund), being an Associate of Mr Treacy, as part of the Conditional Placement and all application money received from Four Seas Superannuation Pty Ltd (as trustee for the Four Seas Superannuation Fund) for the Conditional Shares will be returned to it.

Shareholders should be aware that, if approval is given to issue Conditional Shares under Listing Rule 10.11, approval will not be required under Listing Rule 7.1 and 7.1A and that the number of Conditional Shares issued will not be counted towards the Company's placement capacity.

Corporations Act

Under Chapter 2E of the Corporations Act, a public company cannot give a financial benefit to a Related Party unless an exception applies or shareholders have in a general meeting approved the giving of that financial benefit to the Related Party. The Placement Directors are each a Director and therefore, each Placement Director and their respective Associates are a Related Party of the Company.

For personal use only

For personal use only

The Board has formed the view that Shareholder approval under section 208 of the Corporations Act is not required for the proposed issue of the Conditional Shares pursuant to Resolutions 2 to 5, on the basis that the exception in section 210 of the Corporations Act applies as Mr Smith and each Associate of Mr Greig, Mr David and Mr Treacy are proposing to participate in the Conditional Placement on the same terms as other applicants.

For the purposes of Listing Rule 10.13, the following information is provided in respect of Resolutions 2 to 5.

Maximum number of securities proposed to be issued	The maximum number of securities proposed to be issued pursuant to Resolutions 2 to 5 is 4,805,556, comprising of: (a) 4,444,444 Conditional Shares to Bond Street Custodians Limited, being an Associate of Mr Greig; (b) 138,889 Conditional Shares to Double Shaka Pty Ltd (as trustee for the J & C David Trust), being an Associate of Mr David; (c) 55,556 Conditional Shares to Mr Smith; and (d) 166,667 Conditional Shares to Four Seas Superannuation Pty Ltd (as trustee for the Four Seas Superannuation Fund), being an Associate of Mr Treacy.
Issue Price	The issue price of the Conditional Shares proposed to be issued pursuant to Resolutions 2 to 5 is $0.18 per Conditional Share.
Material Terms of the securities	All Conditional Shares issued pursuant to Resolutions 2 to 5 will, from their date of issue, rank equally with all other Shares on issue.
Names of allottees	If: (a) Resolution 2 is passed, Conditional Shares will be issued to Bond Street Custodians Limited, being an Associate of Mr Greig; (b) Resolution 3 is passed, Conditional Shares will be issued to Double Shaka Pty Ltd (as trustee for the J & C David Trust), being an Associate of Mr David; (c) Resolution 4 is passed, Conditional Shares will be issued to Mr Smith; and (d) Resolution 5 is passed, Conditional Shares will be issued to Four Seas Superannuation Pty Ltd (as trustee for the Four Seas Superannuation Fund), being an Associate of Mr Treacy.
Material terms of agreement	The relevant placement agreement provides that the issue price of the Conditional Shares is $0.18 per Conditional Share and includes various other conditions usual for a placement of this sort.
Use of funds	It is proposed that the funds raised by the Conditional Placement will be used for the purposes outlined in the section of this Explanatory Memorandum entitled "**Capital Raising Background**".

Date of issue	The Conditional Shares will be issued as soon as practicable following the Meeting, and in any event, will be issued no later than one (1) month after this Meeting.

As the proposed issue of securities in accordance with Resolutions 2 to 5 will:

(a) be at the same issue price as all other participants in the Placement; and

(b) provide the Company with additional funds to progress its objectives,

the Directors, other than Mr Greig in respect of Resolution 2, Mr David in respect of Resolution 3, Mr Smith in respect of Resolution 4 and Mr Treacy in respect of Resolution 5, who have each abstained from providing any recommendation on their respective Resolutions, recommend that Shareholders vote in favour of Resolutions 2 to 5 and advise that they intend to vote any Shares that they own or control in favour of Resolutions 2 to 5.

The Chair intends to vote any undirected proxies in favour of Resolutions 2 to 5.

Any inquiries in relation to the Resolutions or the Explanatory Memorandum should be directed to Duncan Cornish (Company Secretary): Level 6, 10 Market St, Brisbane City, QLD 4000 Ph: +61 7 3212 6299

For personal use only

For personal use only

Glossary

15% Threshold means the restriction on the issue of equity securities contained in Listing Rule 7.1, which prohibits the Company (subject to certain exceptions), from issuing or agreeing to issue Equity Securities representing more than 15% of the number of ordinary shares on issue 12 months prior to the intended date of issue, in the absence of prior Shareholder approval.

Associate has the meaning given to that term in the Corporations Act.

ASX means ASX Limited (ABN 98 008 624 691) or the securities market operated by ASX Limited (as the context requires).

AEST means Australian Eastern Standard Time.

Board means the board of Directors of the Company.

Chair means the chair of the Meeting.

Company means Elementos Limited ACN 138 468 756.

Conditional Placement means, together, the proposed issue of the Conditional Shares to be issued to Mr Smith and Associates of each of Mr Greig, Mr David and Mr Treacy the subject of Resolutions 2 to 5.

Conditional Shares means ***4,805,556*** Shares proposed to be issued pursuant to the Conditional Placement.

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

Director means a director of the Company as at the date of this Explanatory Memorandum.

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

Explanatory Memorandum means this explanatory memorandum that accompanies, and forms part of, the Notice of Meeting.

General Meeting or **Meeting** means the general meeting of the Company to be convened by the Notice of Meeting.

Listing Rules means the listing rules of the ASX.

Notice of Meeting means the notice convening the general meeting of Shareholders that accompanies this Explanatory Memorandum.

Ordinary Resolution means a resolution passed by more than 50% of the votes at a general meeting of Shareholders.

Placement means, together, the Unconditional Placement and the Conditional Placement.

Placement Directors means Mr Andrew Greig, Mr Jonathon David, Mr Brett Smith and Mr Calvin Treacy.

Related Party has the meaning given to that term in the Listing Rules.

Resolution means a resolution referred to in this Notice of Meeting.

Shareholder means a holder of a Share.

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

Unconditional Placement means, the placement of Unconditional Shares to sophisticated and professional investors the subject of Resolution 1 as detailed in the section of this Explanatory Memorandum entitled 'Capital Raising Background'.

Unconditional Shares means the ***11,444,444*** Shares issued pursuant to the Unconditional Placement.

ELEMENTOS

All Correspondence to:

By Mail Boardroom Pty Limited
GPO Box 3993
Sydney NSW 2001 Australia

By Fax: +61 2 9290 9655

Online: www.boardroomlimited.com.au

By Phone: (within Australia) 1300 737 760
(outside Australia) +61 2 9290 9600

For personal use only

YOUR VOTE IS IMPORTANT

For your vote to be effective it must be recorded **before 10:30am (AEST) on Monday, 29 May 2023.**

TO VOTE ONLINE

STEP 1: VISIT https://www.votingonline.com.au/eltgm2023

STEP 2: Enter your Postcode OR Country of Residence (if outside Australia)

STEP 3: Enter your Voting Access Code (VAC):

BY SMARTPHONE

Scan QR Code using smartphone
QR Reader App

SAMPLE

TO VOTE BY COMPLETING THE PROXY FORM

STEP 1 APPOINTMENT OF PROXY

Indicate who you want to appoint as your Proxy.

If you wish to appoint the Chair of the Meeting as your proxy, mark the box. If you wish to appoint someone other than the Chair of the Meeting as your proxy please write the full name of that individual or body corporate. If you leave this section blank, or your named proxy does not attend the meeting, the Chair of the Meeting will be your proxy. A proxy need not be a securityholder of the company. Do not write the name of the issuer company or the registered securityholder in the space.

Appointment of a Second Proxy

You are entitled to appoint up to two proxies to attend the meeting and vote. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by contacting the company's securities registry or you may copy this form.

To appoint a second proxy you must:

(a) complete two Proxy Forms. On each Proxy Form state the percentage of your voting rights or the number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded.

(b) return both forms together in the same envelope.

STEP 2 VOTING DIRECTIONS TO YOUR PROXY

To direct your proxy how to vote, mark one of the boxes opposite each item of business. All your securities will be voted in accordance with such a direction unless you indicate only a portion of securities are to be voted on any item by inserting the percentage or number that you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given item, your proxy may vote as he or she chooses. If you mark more than one box on an item for all your securities your vote on that item will be invalid.

Proxy which is a Body Corporate

Where a body corporate is appointed as your proxy, the representative of that body corporate attending the meeting must have provided an "Appointment of Corporate Representative" prior to admission. An Appointment of Corporate Representative form can be obtained from the company's securities registry.

STEP 3 SIGN THE FORM

The form **must** be signed as follows:

Individual: This form is to be signed by the securityholder.

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

Power of Attorney: to sign under a Power of Attorney, you must have already lodged it with the registry. Alternatively, attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: this form must be signed by a Director jointly with either another Director or a Company Secretary. Where the company has a Sole Director who is also the Sole Company Secretary, this form should be signed by that person. **Please indicate the office held by signing in the appropriate place.**

STEP 4 LODGEMENT

Proxy forms (and any Power of Attorney under which it is signed) must be received no later than 48 hours before the commencement of the meeting, therefore by **10:30am on Monday, 29 May 2023.** Any Proxy Form received after that time will not be valid for the scheduled meeting.

Proxy forms may be lodged using the enclosed Reply Paid Envelope or:

Online https://www.votingonline.com.au/eltgm2023

By Fax + 61 2 9290 9655

By Mail Boardroom Pty Limited
GPO Box 3993,
Sydney NSW 2001 Australia

In Person Boardroom Pty Limited
Level 8, 210 George Street
Sydney NSW 2000 Australia

Attending the Meeting

If you wish to attend the meeting please bring this form with you to assist registration.

Elementos Limited
ACN 138 468 756

☐ **Your Address**
This is your address as it appears on the company's share register. If this is incorrect, please mark the box with an "X" and make the correction in the space to the left. Securityholders sponsored by a broker should advise their broker of any changes.
Please note, you cannot change ownership of your securities using this form.

PROXY FORM

STEP 1 APPOINT A PROXY

I/We being a member/s of **Elementos Limited** (Company) and entitled to attend and vote hereby appoint:

☐ the **Chair of the Meeting (mark box)**

OR if you are **NOT** appointing the Chair of the Meeting as your proxy, please write the name of the person or body corporate (excluding the registered securityholder) you are appointing as your proxy below

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chair of the Meeting as my/our proxy at the General Meeting of the Company to be held at the **Piper Alderman, Level 26, Riparian Plaza, 71 Eagle Street Brisbane QLD 4000 on Wednesday, 31 May 2023 at 10:30am (AEST)** and at any adjournment of that meeting, to act on my/our behalf and to vote in accordance with the following directions or if no directions have been given, as the proxy sees fit.

The Chair of the Meeting will vote all undirected proxies in favour of all Items of business (including Resolution 2). If you wish to appoint the Chair of the Meeting as your proxy with a direction to vote against, or to abstain from voting on an item, you must provide a direction by marking the 'Against' or 'Abstain' box opposite that resolution.

STEP 2 VOTING DIRECTIONS

* If you mark the Abstain box for a particular item, you are directing your proxy not to vote on your behalf on a poll and your vote will not be counted in calculating the required majority.

		For	Against	Abstain*
Resolution 1	Ratification of 11,444,444 Unconditional Shares	☐	☐	☐
Resolution 2	Approval to issue up to 4,444,444 Conditional Shares to an Associate of Mr Andrew Greig	☐	☐	☐
Resolution 3	Approval to issue up to 138,889 Conditional Shares to an Associate of Mr Jonathan David	☐	☐	☐
Resolution 4	Approval to Issue up to 55,556 Conditional Shares to Mr Brett Smith	☐	☐	☐
Resolution 5	Approval to Issue up to 166,667 Conditional Shares to an Associate of Mr Calvin Treacy	☐	☐	☐

STEP 3 SIGNATURE OF SECURITYHOLDERS

This form must be signed to enable your directions to be implemented.

Individual or Securityholder 1	Securityholder 2	Securityholder 3
Sole Director and Sole Company Secretary	Director	Director / Company Secretary

Contact Name…….... Contact Daytime Telephone……..... Date / / 2023

For personal use only
SAMPLE