



DELTA LITHIUM LIMITED

ACN 107 244 039

NOTICE OF GENERAL MEETING

A general meeting of Delta Lithium Limited will be held at the Vibe Hotel, 9 Alvan Street, Subiaco WA 6008 at 2:00pm (AWST) on Monday, 28th August 2023

It may not be possible for Shareholders to physically attend the Meeting. As a result, the Company encourages Shareholders who cannot attend the Meeting in person to vote by directed proxy. Proxy Forms for the Meeting should be lodged before 2:00pm (AWST) on Saturday 26th August 2023.

If the above arrangements with respect to the Meeting change, Shareholders will be updated via the ASX Market Announcements Platform.

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 accountant, solicitor or other professional adviser prior to voting.

Should you wish to discuss any matter please do not hesitate to contact the Company by telephone on +61 8 6109 0104

DELTA LITHIUM LIMITED

ACN 107 244 039

NOTICE OF GENERAL MEETING

Notice is hereby given that a general meeting of shareholders of Delta Lithium Limited ACN 107 244 039 (**Company**) will be held at the Vibe Hotel, 9 Alvan Street, Subiaco WA 6008 on Monday, 28th August 2023 at 2:00pm (AWST) (**Meeting**).

The Explanatory Memorandum provides additional information on matters to be considered at the Meeting. The Explanatory Memorandum and the Proxy Form form part of this Notice. We recommend Shareholders read the Explanatory Memorandum in relation to the proposed Resolutions.

The Directors have determined pursuant to regulations 7.11.37 and 7.11.38 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the Meeting are those who are registered as Shareholders on Saturday, 26th August 2023 at 2:00pm (AWST).

The Company advises that a poll will be conducted for all Resolutions.

Terms and abbreviations used in this Notice and the Explanatory Memorandum will, unless the context requires otherwise, have the meaning given to them in Schedule 1.

AGENDA

1. **RESOLUTION 1 – RATIFY SUBSCRIPTION SHARES ISSUED TO IDEMITSU AUSTRALIA**

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

"That, pursuant to and in accordance with Listing Rule 7.4 and for all other purposes, Shareholders ratify and approve the prior issue of 65,636,000 Shares to Idemitsu Mt Ida Pty Ltd on the terms and conditions in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of Idemitsu Mt Ida Pty Ltd or an associate of that person (or those persons).

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

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

2. RESOLUTION 2 – ISSUE OF KENDALL PERFORMANCE RIGHTS TO MR DANIEL KENDALL

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

'That, pursuant to and in accordance with Listing Rules 7.1 and 10.19, Part 2D.2 of the Corporations Act (including sections 200B and 200E of the Corporations Act) and for all other purposes, Shareholders approve the issue of up to 400,000 Kendall Performance Rights to Mr Daniel Kendall (and/or his nominee(s)) on the terms and conditions in the Explanatory Memorandum.'

Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by Mr Daniel Kendall, his nominee(s), or an associate of that those persons.

The Company will also disregard any votes cast in favour of the Resolution by or on behalf of an officer of the Company (and/or their nominee(s)) or any of their child entities (as defined in the Listing Rules) who are entitled to participate in a termination benefit or an associate of that person or those persons.

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

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

A vote on this Resolution must not be cast (in any capacity) by or on behalf of Mr Daniel Kendall or his nominee(s) or any of his, or their, associates. However, subject to the voting exclusion above and the further voting prohibition below, this does not prevent the casting of a vote if:

- (a) it is cast by a person as a proxy appointed by writing that specifies how the proxy is to vote on this Resolution; and
- (b) it is not cast on behalf Mr Daniel Kendall or his nominee(s) or any of his, or their, associates.

Further, in accordance with section 250BD of the Corporations Act, a vote on this Resolution must not be cast by a person appointed as a proxy, where that person is either a member of the Key Management Personnel or a Closely Related Party of such member and the appointment does not specify the way the proxy is to vote on this Resolution.

However, a vote may be cast by such person if the vote is not cast on behalf of a person who is otherwise excluded from voting, and:

- (a) the person is appointed as a proxy and the appointment specifies how the proxy is to vote; or

- (b) the person appointed as proxy is the Chairperson and the appointment does not specify how the Chairperson is to vote but expressly authorises the Chairperson to exercise the proxy even if the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

3. RESOLUTION 3 – APPROVAL OF TERMINATION BENEFITS

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

*'That, pursuant to and in accordance with Part 2D.2 of the Corporations Act (including sections 200B and 200E of the Corporations Act), Listing Rule 10.19 and for all other purposes, Shareholders approve the giving of benefits detailed in the Explanatory Memorandum to any person who from time to time is or has been a member of the Key Management Personnel or holds or has held a managerial or executive office in the Company or a related body corporate (**Relevant Personnel**), in connection with that person ceasing to hold that managerial or executive office. This approval applies for such benefits given in the period prior to the conclusion of the third annual general meeting of the Company after the date on which this Resolution 3 is passed.'*

Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of an officer of the Company or any of its child entities (as defined in the Listing Rules) who is entitled to participate in a termination benefit or an associate of that person (or those persons).

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

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

Any Shareholder who is:

- (a) Relevant Personnel (as detailed in this Resolution 3) or may become Relevant Personnel in the future, or
- (b) an associate of Relevant Personnel or of a person who may become Relevant Personnel in the future,

and wishes to preserve the benefit of this Resolution 3 for that Relevant Personnel (or potential Relevant Personnel), must not vote on this Resolution. However, the Shareholder may cast a vote if the vote is cast as a proxy appointed by writing that specifies how the proxy is to vote on this Resolution and it is not cast on behalf of any person listed in (a) or (b) immediately above.

Further, in accordance with section 250BD of the Corporations Act, a vote on this Resolution must not be cast by a person appointed as a proxy, where that person is either a member of the Key Management Personnel or a Closely Related Party of such member and the appointment does not specify the way the proxy is to vote on this Resolution.

However, a vote may be cast by such person if the vote is not cast on behalf of a person who is otherwise excluded from voting, and:

- (a) the person is appointed as a proxy and the appointment specifies how the proxy is to vote; or
- (b) the person appointed as proxy is the Chairperson and the appointment does not specify how the Chairperson is to vote but expressly authorises the Chairperson to exercise the proxy even if the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

4. RESOLUTION 4 – SECTION 195 APPROVAL

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

'That, pursuant to and in accordance with subsection 195(4) of the Corporations Act and for all other purposes, Shareholders approve the transactions and termination benefits contemplated in Resolution 3, on the terms and conditions in the Explanatory Memorandum.'

Voting Prohibition

In accordance with section 250BD of the Corporations Act, a vote on this Resolution must not be cast by a person appointed as a proxy, where that person is either a member of the Key Management Personnel or a Closely Related Party of such member and the appointment does not specify the way the proxy is to vote on this Resolution.

However, a vote may be cast by such person if the vote is not cast on behalf of a person who is otherwise excluded from voting, and:

- (a) the person is appointed as a proxy and the appointment specifies how the proxy is to vote; or
- (b) the person appointed as proxy is the Chairperson and the appointment does not specify how the Chairperson is to vote but expressly authorises the Chairperson to exercise the proxy even if the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

Dated 28th July 2023

By order of the Board



Peter Gilford

Company Secretary

DELTA LITHIUM LIMITED

ACN 107 244 039

EXPLANATORY MEMORANDUM

1. INTRODUCTION

This Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be conducted at the Meeting to be held at the Vibe Hotel, 9 Alvan Street, Subiaco WA 6008 at 2:00pm (AWST) on Monday, 28th August 2023.

This Explanatory Memorandum forms part of the Notice which should be read in its entirety. This Explanatory Memorandum contains the terms and conditions on which the Resolutions will be voted.

This Explanatory Memorandum includes the following information to assist Shareholders in deciding how to vote on the Resolutions:

Section 2:	Action to be taken by Shareholders
Section 3:	Resolution 1 – Ratify Subscription Shares issued to Idemitsu Australia
Section 4:	Resolution 2 – Issue of Kendall Performance Rights to Mr Daniel Kendall
Section 5:	Resolution 3 – Approval of Termination Benefits
Section 6:	Resolution 4 – Section 195 Approval
Schedule 1:	Definitions
Schedule 2:	Terms and Conditions of Kendall Performance Rights
Schedule 3:	Summary of Plan

A Proxy Form is enclosed with the Notice.

2. ACTION TO BE TAKEN BY SHAREHOLDERS

Shareholders should read the Notice including this Explanatory Memorandum carefully before deciding how to vote on the Resolutions.

The Company advises that a poll will be conducted for all Resolutions.

2.1 Proxies

A Proxy Form is enclosed with the Notice. This is to be used by Shareholders if they wish to appoint a representative (a 'proxy') to vote in their place. All Shareholders are invited and encouraged 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 thereon. Returning the Proxy Form will not preclude a Shareholder from attending and voting at the Meeting in person.

Please note that:

- (a) a member of the Company entitled to attend and vote at the Meeting is entitled to appoint a proxy;
- (b) a proxy need not be a member of the Company; and

- (c) a member of the Company 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. Where the proportion or number is not specified, each proxy may exercise half of the votes.

If a Shareholder appoints a body corporate as its proxy and the body corporate wishes to appoint an individual as its representative, the body corporate should provide that person with a certificate or letter executed in accordance with the Corporations Act authorising him or her to act as that body corporate's representative. The authority may be sent to the Company or its share registry in advance of the Meeting or handed in at the Meeting when registering as a corporate representative.

Proxy Forms must be received by the Company no later than 2:00pm (AWST) on Saturday, 26th August 2023, being at least 48 hours before the Meeting. Proxy Forms received later than this time will be invalid.

The enclosed Proxy Form provides further details on appointing proxies and lodging Proxy Forms.

2.2 Undirected proxies

Any proxy given to:

- (a) a member of the Key Management Personnel, other than the Chairperson; or
- (b) their Closely Related Parties,

for Resolutions 2 to 4 (inclusive) will not be counted unless Shareholders specify how the proxy is to vote.

Any undirected proxy given to the Chairperson for Resolutions 2 to 4 (inclusive) by a Shareholder entitled to vote on Resolutions 2 to 4 (inclusive) will be voted by the Chairperson in favour of that Resolution, in accordance with the express authorisation on the Proxy Form (even though Resolutions 2 to 4 (inclusive) are connected directly or indirectly with the remuneration of members of Key Management Personnel, which includes the Chairperson). The Chairperson intends to vote all valid undirected proxies for all Resolutions in favour of those Resolutions.

2.3 Attendance at the Meeting

If it becomes necessary or appropriate to make alternative arrangements to those detailed in this Notice, Shareholders will be updated via the ASX announcements platform and on the Company's website at <https://deltalithium.com.au/>.

3. RESOLUTION 1 – RATIFY SUBSCRIPTION SHARES ISSUED TO IDEMITSU AUSTRALIA

3.1 Background

On 14 June 2023, the Company announced that it had executed a subscription agreement pursuant to which Idemitsu Mt Ida Pty Ltd (**Idemitsu Australia**), a wholly owned subsidiary of Idemitsu Kosan Co. Ltd., agreed to subscribe for an aggregate of 65,636,000 Shares at an issue price of A\$0.7075 per Share (**Subscription Shares**) to raise approximately A\$46,437,470 (before costs) (**Subscription Agreement**) (**Strategic Placement**).

Refer to the Company's ASX announcements dated 14 June 2023 (and subsequent ASX announcements) for further details in relation to the Strategic Placement.

The Subscription Shares were issued on 15 June 2023 without Shareholder approval pursuant to the Company's capacity under Listing Rule 7.1.

Resolution 1 seeks Shareholder approval to approve and ratify the prior issue of the Subscription Shares to Idemitsu Australia under and for the purposes of Listing Rule 7.4 (and for all other purposes).

Resolution 1 is an ordinary resolution.

The Chairperson intends to exercise all available undirected proxies in favour of Resolution 1.

3.2 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 securities it had on issue at the start of that period (**15% Placement Capacity**).

The issue of the Subscription Shares does not fit within any of these exceptions and, as it has not yet been approved by Shareholders, it effectively uses up part of the 15% Placement Capacity, 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 Subscription 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 into the future without having to obtain prior Shareholder approval under Listing Rule 7.1. To this end, Resolution 1 seeks Shareholder approval for the issue of the Subscription Shares under and for the purposes of Listing Rule 7.4 (and for all other purposes).

If Resolution 1 is passed, the Subscription Shares will be excluded in calculating the Company's 15% Placement Capacity, effectively increasing the number of Equity Securities it can issue without Shareholder approval over the 12 month period following the date of issue of the Subscription Shares.

If Resolution 1 is not passed, the Subscription Shares will be included in calculating the Company's 15% Placement Capacity, effectively decreasing the number of Equity Securities it can issue without Shareholder approval over the 12 month period following the date of issue of the Subscription Shares.

3.3 Specific information required by Listing Rule 7.5

The following information in relation to Resolution 1 is provided to Shareholders for the purposes of Listing Rule 7.5:

- (a) The Subscription Shares were issued to Idemitsu Australia (who is not a related party of the Company).
- (b) 65,636,000 Subscription Shares were issued pursuant to Listing Rule 7.1, approval and ratification of which is sought pursuant to Resolution 1.
- (c) The Subscription Shares are fully paid ordinary shares in the capital of the Company and rank equally in all respects with the Company's other Shares on issue.
- (d) The Subscription Shares were issued on 15 June 2023.
- (e) The Subscription Shares were issued at an issue price of A\$0.7075 per Share, raising a total of approximately A\$46,437,470 (before costs).
- (f) Funds raised from the issue of the Subscription Shares are proposed (subject to the Board's discretion) to be utilised for:
 - (i) the progression of exploration and resource drilling at the Yinnetharra Lithium Project;
 - (ii) camp upgrades and road diversions at the Mt Ida Lithium Project;
 - (iii) feasibility studies at the Yinnetharra Lithium Project and the Mt Ida Lithium Project;

- (iv) 'early works' capital and development costs associated with potential direct shipping ore and future lithium concentrates operations at the Mt Ida Lithium Project; and
 - (v) any other activity deemed appropriate by the Board as consistent with the Company's existing strategy.
- (g) The Subscription Shares were issued pursuant to the Subscription Agreement whereby the Company agreed to issue, and Idemitsu Australia agreed to subscribe for, the Subscription Shares. Pursuant to the Subscription Agreement, the Subscription Shares are subject to voluntary escrow for a period of 18 months after their issue (subject to customary exceptions). The Subscription Agreement otherwise contains provisions considered standard for an agreement of its nature (including representations and warranties and indemnity provisions).
- (h) A voting exclusion statement is included in the Notice for Resolution 1.

3.4 Board recommendation

The Board recommends that Shareholders vote in favour of Resolution 1.

4. RESOLUTION 2 – ISSUE OF KENDALL PERFORMANCE RIGHTS TO MR DANIEL KENDALL

4.1 General

Resolution 2 seeks Shareholder approval in accordance with:

- (a) Listing Rule 7.1 (and for all other purposes) for the issue of up to 400,000 Kendall Performance Rights to Mr Daniel Kendall (and/or his nominee(s)); and
- (b) Listing Rule 10.19 and Part 2D.2 of the Corporations Act (including sections 200B and 200E of the Corporations Act) and for all other purposes, for the Company to give the potential termination benefits inherent in, or resulting from, the issue of up to 400,000 Kendall Performance Rights to Mr Daniel Kendall (and/or his nominee(s)) in connection with him ceasing to be an officer of, or ceasing to hold a managerial or executive office in, the Company or a related body corporate.

Mr Daniel Kendall was appointed Chief Financial Officer and as a Company Secretary in September 2022 having previously consulted to the Company from 2020. Mr Kendall's contribution during his tenure was instrumental in the early stages of the Company's development. Mr Kendall contributed to establishing a strong corporate culture and has provided ongoing support during the management transition.

On 13 June 2023, the Company announced that, as part of a management transition, Mr Daniel Kendall had ceased to be Chief Financial Officer and Company Secretary.

Mr Kendall previously held 1,250,000 Performance Rights, which were issued to him during his period of service with the Company. Upon Mr Kendall ceasing to be engaged by the Company, those Performance Rights lapsed, unvested. The proposed issue of 400,000 Performance Rights on much the same terms and conditions, acknowledges Daniel's contribution to efforts to achieve the performance hurdles, whilst ensuring achievement remains at risk and in line with shareholder value accretion.

The Company now seeks Shareholder approval to issue up to 400,000 Performance Rights to Mr Daniel Kendall (and/or his nominee(s)), on the terms and conditions detailed in Schedule 2 (**Kendall Performance Rights**). The Kendall Performance Rights are not proposed to be subject to the Company's Employee Incentive Securities Plan (**Plan**), given that Mr Kendall has ceased to be eligible to participate in the Plan (given he is no longer engaged in the Company or the group).

If Resolution 2 is passed, the Board will determine whether to offer the Kendall Performance Rights to Mr Kendall (and/or his nominee(s)).

Resolution 2 is an ordinary resolution.

The Chairperson intends to exercise all available undirected proxies in favour of Resolution 2.

If the Chairperson is appointed as your proxy and you have not specified the way the Chairperson is to vote on Resolution 2, by signing and returning the Proxy Form, you are considered to have provided the Chairperson with an express authorisation for the Chairperson to vote the proxy in accordance with the Chairperson's intention, even though the Resolution is connected directly or indirectly with the remuneration of a member of the Relevant Personnel.

4.2 Listing Rule 7.1

A summary of Listing Rule 7.1 is detailed in Section 3.2.

The issue of the Kendall Performance Rights does not fit within any of the exceptions to Listing Rule 7.1.

While the issue of the Kendall Performance Rights does not exceed the Company's 15% Placement Capacity in Listing Rule 7.1 and can therefore be made without breaching that rule, Shareholder approval is also sought for other purposes (as detailed above) and 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. To do this, Shareholder approval is sought for the issue of the Kendall Performance Rights under Listing Rule 7.1 so that it does not use up any of the Company's 15% Placement Capacity on issuing Equity Securities without Shareholder approval under Listing Rule 7.1.

To this end, Resolution 2 seeks Shareholder approval for the issue of the Kendall Performance Rights under and for (without limitation) the purposes of Listing Rule 7.1 (and for all other purposes).

If Resolution 2 is passed, the Company will be able to proceed with the issue of the Kendall Performance Rights (and any Shares issued on conversion of the Kendall Performance Rights) without using up any of the Company's 15% Placement Capacity. In addition, the issue of the Kendall Performance Rights (and any Shares issued on conversion of the Kendall Performance Rights) will be excluded from the calculation of the number of Equity Securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolution 2 is not passed, the Company will not be able to issue the Kendall Performance Rights to Mr Kendall (and/or his nominee(s)).

4.3 Specific information required by Listing Rule 7.3

The following information in relation to Resolution 2 is provided to Shareholders for the purposes of Listing Rule 7.3:

- (a) The Kendall Performance Rights will be issued to Mr Daniel Kendall (and/or his nominee(s)).
- (b) The maximum number of Kendall Performance Rights the Company may issue to Mr Daniel Kendall (and/or his nominee(s)) if Resolution 2 is passed is 400,000 Kendall Performance Rights.
- (c) The terms and conditions of the Kendall Performance Rights are detailed in Schedule 2.
- (d) If Resolution 2 is passed and if the Board determines to offer the Kendall Performance Rights and that offer is accepted by Mr Kendall (and/or his nominee(s)), they would be issued no later than three months following the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules).
- (e) The Kendall Performance Rights will be issued for nil cash consideration, as they are proposed to be offered (subject to Board approval) as a benefit to Mr Kendall, in recognition of his past services to the Company whilst he served as Chief Financial Officer and Company Secretary and ongoing support offered in the management transition.

- (f) No funds will be raised from the issue of the Kendall Performance Rights (nor upon their potential conversion into Shares).
- (g) A voting exclusion statement is included in the Notice for Resolution 2.

4.4 Section 200B of Corporations Act

In accordance with section 200B of the Corporations Act, to give a benefit in connection with a person's retirement from a managerial or executive office, the Company must obtain Shareholder approval in the manner set out in section 200E of the Corporations Act.

Section 200B of the Corporations Act applies where the benefit is given to managerial or executive officers of the Company, which includes a member of Key Management Personnel. Mr Kendall is anticipated to be named as Key Management Personnel in the Directors' Report of the Company for the financial year ending 30 June 2023.

The term "benefit" has a wide operation and includes a payment or other valuable consideration, given in connection with a person's retirement from an office or position.

The benefits for which approval is being sought under Resolution 2 include benefits inherent in, or that result from, the Company issuing the Kendall Performance Rights to Mr Daniel Kendall (and/or his nominee(s)).

One of the benefits for which approval is sought under this Resolution 2 (in addition to the issue of the Kendall Performance Rights) is the potential for Shares to be issued to Mr Kendall (and/or his nominee(s)) upon the conversion of the Kendall Performance Rights.

If the Kendall Performance Rights vest (which can occur upon the satisfaction of relevant milestones, or pursuant to the waiver of milestones upon a change of control event occurring), that will occur after Mr Kendall ceased to be engaged by the Company as Chief Financial Officer and Company Secretary, which is also another benefit for which approval is sought under Resolution 2.

Refer to the terms and conditions of the Kendall Performance Rights (in Schedule 2) for further information in relation to the potential retirement benefits for which approval is sought under Resolution 2.

4.5 Specific information required by section 200E of the Corporations Act

The following additional information is provided (for the purposes of obtaining Shareholder approval) for the purposes of section 200E of the Corporations Act:

- (a) The amount or value of the benefit inherent in the Kendall Performance Rights proposed to be issued to Mr Kendall (and/or his nominee(s)) pursuant to Resolution 2, in connection with Mr Kendall ceasing to be Chief Financial Officer and Company Secretary, has been valued, using the Share price as of completing this Notice with management probabilities ranging from 50%-90% for valuation of the Kendall Performance Rights, at A\$285,000 in total.
- (b) The amount or value of the benefit relating to the Shares to be issued upon conversion of the Kendall Performance Rights (subject to the satisfaction or waiver of the relevant milestones detailed in Schedule 2) in connection with Mr Kendall ceasing to be Chief Financial Officer and Company Secretary cannot presently be ascertained. However, matters, events and circumstances that will, or are likely to affect the calculation of that amount or value include:
 - (i) the outstanding milestones (if any) of vesting of the Kendall Performance Rights and the number that vest or lapse;
 - (ii) the market price of the Company's Shares on ASX at the relevant time when the Kendall Performance Rights are converted;
 - (iii) any changes in law; and

- (iv) the risk-free rate of return in Australia and the estimated volatility of the Company's Shares on ASX at the relevant time.

The Company will likely calculate the value of the benefit relating to the Shares to be issued upon conversion of the Kendall Performance Rights at the relevant time based on the above factors and using the Share value at that time.

4.6 Listing Rule 10.19

Shareholder approval of the termination benefits that may be given to Mr Kendall (and/or his nominee(s)), by virtue of the Kendall Performance Rights, is also sought under Listing Rule 10.19.

Listing Rule 10.19 provides that without approval of shareholders, an entity must ensure that no officer of the entity or any of its child entities will be, or may be, entitled to termination benefits if the value of those benefits and the termination benefits that may become payable to all officers together exceed 5% of the equity interests of the entity as set out in the latest accounts given to ASX under the Listing Rules (**5% Threshold**). For the purpose of the Listing Rules, termination benefits include payments, property and advantages that are receivable on termination of engagement, which include the proposed issue of the Kendall Performance Rights.

Depending upon the value of the termination benefits associated with the Kendall Performance Rights (see Section 4.5) and the equity interests of the Company at the time such benefits may crystallise, the value of such termination benefits (in aggregate with termination benefits for other personnel) may exceed the 5% Threshold. Accordingly, the Company is also seeking approval for the purposes of Listing Rule 10.19.

If Resolution 2 is passed, the Company will be able to give termination benefits to Mr Kendall (and/or his nominee(s)) by virtue of the issue of the Kendall Performance Rights and (if applicable) any future conversion of the Kendall Performance Rights into Shares.

If Resolution 2 is not passed, the Company will not be able to issue the Kendall Performance Rights to Mr Kendall (and/or his nominee(s)).

4.7 Board Recommendation

The Board recommends that Shareholders vote in favour of Resolution 2.

Other than the information above and otherwise set out in the Notice, the Company believes that there is no other information that would be reasonably required by Shareholders to pass Resolution 2.

5. RESOLUTION 3 – APPROVAL OF TERMINATION BENEFITS

5.1 General

The Company has issued various Options and Performance Rights, as announced to the ASX (such as under the Plan and previous incentive plans of the Company). Further, the Plan enables the Company to continue to issue Performance Rights and Options (and Shares upon the exercise or conversion of those Performance Rights and Options), to eligible Directors, employees and contractors of the Company or of its group (or their nominees).

Certain previous issues of such Performance Rights or Options occurred without the express Shareholder approval of any potential termination benefits which may arise in future. The Company also wishes to obtain Shareholder approval in relation to any potential termination benefits inherent in, or resulting from, future issues of Performance Rights and Options (such as pursuant to the Plan).

Accordingly, the Company now seeks (pursuant to Resolution 3) Shareholder approval to (without limitation) allow the Company to give certain termination benefits inherent in, or resulting from, the existing Performance Rights and Options and any future issues (such as under the Plan) of additional Performance Rights and Options.

Specifically, Resolution 3 seeks Shareholder approval in accordance with Part 2D.2 of the Corporations Act (including sections 200B and 200E of the Corporations Act), Listing Rule 10.19

(and for all other purposes), for the Company to give certain termination benefits to any person in connection with that person ceasing to be an officer of, or ceasing to hold a managerial or executive office in, the Company or a related body corporate.

If Shareholder approval is obtained, it will give the Company maximum flexibility to provide the benefits detailed in the Notice to Relevant Personnel who cease to be appointed as Relevant Personnel. "Relevant Personnel" (as detailed in Resolution 3) include both current and future personnel who hold or have held during the three years prior to cessation of their employment or engagement, a managerial or executive office in the Company or a related body corporate of the Company. The Relevant Personnel also includes Key Management Personnel from time to time.

The Chairperson intends to exercise all available undirected proxies in favour of Resolution 3.

If the Chairperson is appointed as your proxy and you have not specified the way the Chairperson is to vote on Resolution 3, by signing and returning the Proxy Form, you are considered to have provided the Chairperson with an express authorisation for the Chairperson to vote the proxy in accordance with the Chairperson's intention, even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

5.2 Part 2D.2 of the Corporations Act and Listing Rule 10.19

The Corporations Act restricts the benefits which can be given to individuals who hold a managerial or executive office (as defined in the Corporations Act) in connection with the retirement from their position in the Company or its related bodies corporate.

In accordance with section 200B of the Corporations Act, to give a benefit in connection with a relevant person's retirement from an office, the Company must, subject to various exceptions, obtain the approval of Shareholders in the manner set out in section 200E of the Corporations Act.

A benefit includes (among other things) automatic, or accelerated, vesting of share-based payments for a person or the exercise of discretion to allow a person to maintain a benefit they would not otherwise be entitled to retain, on, or as a result of, retirement from their position in the Company or its related bodies corporate. A benefit also includes the exercise of a Board discretion to accelerate vesting of share-based payments. Such share-based payments include (without limitation):

- (a) Options and Performance Rights which have previously been issued under the Plan (for example pursuant to the re-adoption of the Plan at the Company's 2022 annual general meeting) or under previous incentive plans of the Company or outside of the Company's incentive plans; or
 - (b) Options and/or Performance Rights which will be issued in future (such as under the Plan),
- (each being an **Award**).

As at the date of the Notice, the following Awards are on issue (noting that addition convertible securities are on issue as has been announced to the ASX):

Security class	Number of securities
Performance Rights vesting in various circumstances as the Company previously announced to the ASX	30,740,000
Unquoted Options expiring 26 July 2025 with an exercise price of \$0.77 each	1,000,000
Unquoted Options expiring 21 September 2025 with an exercise price of \$0.25 each	3,000,000

A summary of Listing Rule 10.19 is detailed in Section 4.6.

Depending upon the value of the termination benefits (as detailed below), and the equity interests of the Company at the time such benefits may crystallise, it is uncertain if the value of the termination benefits the subject of Resolution 3 would exceed the 5% Threshold. Accordingly, Shareholder approval is being sought under Listing Rule 10.19 in order to give the Company flexibility, in case the value of the termination benefits exceeds the 5% Threshold.

The benefits for which approval is being sought under Resolution 3 include (together, the **Potential Retirement Benefits**):

- (a) **New Awards:** benefits that may result from automatic vesting of new Awards to be issued in future under the Plan (or otherwise) or from the Board exercising discretions conferred under the Plan (or otherwise). In particular in relation to those discretions for Awards, the Board will have the discretion to determine that, where a participant ceases to be Relevant Personnel before:

- (i) the satisfaction of any milestone or vesting condition attaching to a granted Award;
- (ii) the vesting of a granted Award; or
- (iii) any restrictions applying to restricted Shares delivered under the Plan (or otherwise) have expired,

some or all Awards will not lapse or be forfeited (if they would otherwise lapse or be forfeited) or will vest or that some or all of the vesting conditions and/or the exercise conditions will be waived, or will be exercised or converted into Shares which are issued or transferred to Relevant Personnel or their nominees for some or all of the Awards, or the restricted Shares granted upon exercise of the Awards cease to be subject to the restrictions, on cessation. These benefits may also be given as automatic events without the need for exercise of Board discretions (such as if a Change of Control Event occurs as defined in schedule 3).

In addition, the Board may exercise a discretion to determine that Awards will also not be forfeited after the events in items (i), (ii) and/or (iii) are fulfilled where a participant ceases to be Relevant Personnel

One of the benefits for which approval is sought under this Resolution 3 is the potential for Shares to be issued or transferred to Relevant Personnel upon the exercise or conversion of Awards as a result of the automatic vesting of Awards or the Board exercising a discretion to vest Awards as a termination benefit.

The Awards may vest after Relevant Personnel cease to hold their positions as a Relevant Personnel, which is also another benefit for which approval is sought under this Resolution 3.

Refer to the Plan summary in Schedule 3 for further information in relation to the Potential Retirement Benefits.

- (b) **Pre-existing Awards:** any one or more of the benefits detailed or referred to in paragraph (a) above, in relation to pre-existing Awards already on issue and which are granted to Relevant Personnel or their associates. Please refer to the Company's 2022 annual report (and particularly the Remuneration Report) and the Company's subsequent ASX announcements for additional information in relation to the pre-existing Awards granted to the Key Management Personnel, which information is incorporated by reference to the Notice. The approval in Resolution 3 also extends to Awards which have been granted to Relevant Personnel who are not named in the Remuneration Report.

Accordingly, for the purposes of Part 2D.2 of the Corporations Act (including sections 200B and 200E of the Corporations Act), Listing Rule 10.19 and for all other purposes, Resolution 3 seeks Shareholder approval for all Potential Retirement Benefits.

If Shareholders approve Resolution 3, it will be effective until the conclusion of the third annual general meeting of the Company after the date on which this Resolution 3 is passed. This means that the approval will be effective (including in relation to pre-existing Awards and all future Awards):

- (a) if any benefit is given or any discretion to give any benefit is exercised (including a Board discretion); and/or
- (b) if any Relevant Personnel ceases to hold the position of Relevant Personnel,

during the period expiring at the conclusion of the 2025 annual general meeting of the Company. If considered appropriate, the Board will seek a new approval from Shareholders at the Company's annual general meeting in 2025.

5.3 The amount or value of the potential termination benefits

The following additional information is provided (for the purposes of obtaining Shareholder approval) for the purposes of section 200E of the Corporations Act:

- (a) The amount or value of the benefits that may be provided to Relevant Personnel in accordance with Resolution 3 cannot be ascertained in advance. However, the manner in which the amount or value of the potential benefits will be calculated, and the matters, events and circumstances that will, or are likely to affect the calculation of that amount or value include:
 - (i) the number of Awards held prior to the Relevant Personnel ceasing employment or engagement with the Company or its related bodies corporate, the conditions (if any) of vesting and exercise of the Awards and the number that the Board determines to (or which automatically) vest, lapse or leave on foot;
 - (ii) the Relevant Personnel's entitlement to Awards at the time of cessation of employment or engagement and the conditions of such entitlement;
 - (iii) the circumstances of, or reasons for the Relevant Personnel, ceasing employment or engagement with the Company or its related bodies corporate and the extent to which they served the applicable notice period;
 - (iv) the length of service with the Company or its related bodies corporate and performance over that period of time;
 - (v) any applicable performance measures and the achievement of such measures (and the personal performance and contributions of the Relevant Personnel);
 - (vi) the portion of any relevant performance periods for Awards that have expired at the time they cease employment or engagement;
 - (vii) the length of any restriction period during which Shares issued, or to be issued, following vesting of Awards may not be transferred, and any waiver of such restriction period;
 - (viii) any other factors that the Board determines to be relevant when exercising its discretion to provide Potential Retirement Benefits;
 - (ix) the manner in which the Board exercises its discretions;
 - (x) the market price of the Company's Shares on ASX at the relevant time when the amount or value of any Award is determined, and the terms of those Awards (including performance conditions);
 - (xi) the exercise price of any relevant Awards which are Options;
 - (xii) any changes in law between the date the Company or any of its related bodies corporate enter or entered into an agreement with Relevant Personnel and the date they cease appointment as Relevant Personnel; and
 - (xiii) the risk free rate of return in Australia and the estimated volatility of the Company's Shares on ASX at the relevant time.

- (b) The Company will likely calculate the value of the benefits that may be provided to Relevant Personnel in accordance with Resolution 3 at the relevant time based on the above factors.

Other than the information above and otherwise set out in the Notice, the Company believes that there is no other information that would be reasonably required by Shareholders to pass Resolution 3.

5.4 Board Recommendation

The Board considers that, given the personal interests of the directors the subject of Resolution 3, it would be inappropriate for the Board to give any voting recommendation with respect to Resolution 3.

6. RESOLUTION 4 – SECTION 195 APPROVAL

6.1 General

In accordance with section 195 of the Corporations Act, a director of a public company may not vote or be present during meetings of directors when matters in which that director holds a "material personal interest" are being considered.

The Directors may have a material personal interest in the outcome of Resolution 3 in relation to the proposed termination benefits the subject of that Resolution.

In the absence of this Resolution 4, the Directors may not be able to form a quorum at the Directors' meetings necessary to carry out the terms of Resolution 3.

The Directors accordingly exercise their right under section 195(4) of the Corporations Act to put the issue to Shareholders to resolve.

Resolution 4 is an ordinary resolution.

The Chairperson intends to exercise all available undirected proxies in favour of Resolution 4.

If the Chairperson is appointed as your proxy and you have not specified the way the Chairperson is to vote on Resolution 4, by signing and returning the Proxy Form, you are considered to have provided the Chairperson with an express authorisation for the Chairperson to vote the proxy in accordance with the Chairperson's intention, even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

6.2 Board Recommendation

The Board considers that, given the potential personal interests of the directors the subject of Resolution 4, it would be inappropriate for the Directors to give any voting recommendation with respect to Resolution 4.

Schedule 1 – Definitions

In the Notice and this Explanatory Memorandum, words importing the singular include the plural and vice versa.

15% Placement Capacity has the meaning given in Section 3.2.

5% Threshold has the meaning given in Section 4.6.

A\$ means Australian Dollars.

ASX means ASX Limited (ACN 008 624 691) and, where the context permits, the Australian Securities Exchange operated by ASX.

Award has the meaning given in Section 5.2.

AWST means Western Standard Time, being the time in Perth, Western Australia.

Board means the board of directors of the Company.

Chairperson means the person appointed to chair the Meeting convened by the Notice.

Chief Financial Officer means the chief financial officer of the Company.

Closely Related Party has the meaning given in section 9 of the Corporations Act.

Company means Delta Lithium Limited (ACN 107 244 039).

Company Secretary means the company secretary of the Company.

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

Director means a director of the Company.

Directors' Report means the annual directors' report prepared under chapter 2M of the Corporations Act for the Company and its controlled entities.

Equity Security has the same meaning as in the Listing Rules.

Explanatory Memorandum means the explanatory memorandum (including the Schedules) which forms part of the Notice.

Idemitsu Australia means Idemitsu Mt Ida Pty Ltd (ACN 664 081 047).

Kendall Performance Rights has the meaning given in Section 4.1.

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 has the meaning in the introductory paragraph of the Notice.

Notice means the notice of meeting which comprises of the notice, agenda, Explanatory Memorandum and Proxy Form.

Option means an option to acquire a Share.

Performance Right means a right to acquire a Share.

Plan means the Company's Employee Incentive Securities Plan, as summarised in Schedule 3.

Potential Retirement Benefits has the meaning given in Section 5.2.

Proxy Form means the proxy form attached to the Notice.

Relevant Personnel has the meaning given in Resolution 3.

Remuneration Report means the remuneration report of the Company contained in the Directors' Report.

Resolution means a resolution contained in the Notice.

Schedule means a schedule to this Explanatory Memorandum.

Section means a section of this Explanatory Memorandum.

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

Shareholder means a holder of one or more Shares.

Strategic Placement has the meaning given in Section 3.1.

Subscription Agreement has the meaning given in Section 3.1.

Subscription Shares has the meaning given in Section 3.1.

Schedule 2 – Terms and Conditions of Kendall Performance Rights

The following are the terms and conditions of the Performance Rights to be issued to Daniel Kendall:

(a) **Entitlement**

Subject to, and in accordance with, the terms and conditions set out below, each Performance Right once vested entitles the holder of that Performance Right (**Holder**), upon conversion as detailed below, to be provided with one fully paid ordinary share in the capital of Delta Lithium Limited ACN 107 244 039 (the **Company**).

(b) **Milestones**

The Performance Rights shall vest upon the satisfaction of the following milestones:

- (i) 100,000 Performance Rights vesting if mining operations commence at any of the Company's projects on or before 31 December 2023;
- (ii) 100,000 Performance Rights vesting upon delineation (after the issue of those Performance Rights) of one or more additional Mineral Resources pursuant to the JORC Code of (alone or taking those additional Mineral Resources in the aggregate) at least 50 million tonnes at a minimum grade of 0.8% Li₂O at any of the Company's projects by 3 November 2025;
- (iii) 100,000 Performance Rights vesting upon delineation (after the issue of those Performance Rights) of one or more additional Mineral Resources pursuant to the JORC Code of (alone or taking those additional Mineral Resources in the aggregate) at least 100 million tonnes at a minimum grade of 0.8% Li₂O at any of the Company's projects by 3 November 2025;
- (iv) 100,000 Performance Rights vesting upon the first commercial shipment of DSO lithium ore or Spodumene concentrate by the Company by 3 November 2025,

(each, a **Milestone**).

For the avoidance of doubt the Mineral Resources referred to in this paragraph (b) above are not limited to any specific project area but to the combined lithium resources of the Company's group of tenements over the period of the Performance Rights.

Where a Change of Control Event (as defined below) has occurred all of the above Performance Rights which have not yet lapsed shall automatically and immediately vest (to the extent they have not already vested), on the basis that the relevant Milestones are automatically waived, and shall be deemed to have been automatically converted into Shares pursuant to the conversion process below.

In these terms and conditions:

Associate has the meaning given to that term in section 12 of the Corporations Act;

Change of Control Event means:

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

bidder (together with its Associates) already owns will amount to more than fifty per cent (50%) of the Issued Capital) and the Takeover Bid becomes unconditional and the bidder (together with its Associates) has a Relevant Interest in more than fifty per cent (50%) of the Issued Capital,

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

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

Group means the Company and each of its Related Bodies Corporate from time to time;

Issued Capital means issued Shares from time to time;

Related Body Corporate has the meaning given to that term in the Corporations Act;

Relevant Interest has the meaning given to that term in the Corporations Act;

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

Shareholder means a holder of one or more Shares.

Takeover Bid has the meaning given to that term in the Corporations Act.

(c) **Lapse of Performance Rights**

The Performance Rights shall automatically lapse and be cancelled for no consideration upon the earliest to occur of the following:

- (i) at 5:00pm (being the time in Perth, Western Australia) on the date specified in the relevant Milestone for Performance Rights (**Milestone Date**) if the relevant Milestone applying to those Performance Rights has not been achieved on or before the Milestone Date;
- (ii) upon the Board determining (acting reasonably) that it is impossible for the relevant Milestone for those Performance Rights to be met; or
- (iii) at 5:00pm (being the time in Perth, Western Australia) on 29 December 2025,

and the Holder shall have no entitlement to Shares pursuant to those cancelled Performance Rights.

(d) **Notification to Holder**

The Company shall notify the Holder in writing when the relevant Milestone has been satisfied within 30 days of such satisfaction.

(e) **Conversion**

Upon vesting, each Performance Right will, at the election of the Holder by written notice to the Company prior to the lapse of the Performance Right (in a form acceptable to the Company, acting reasonably), be convertible into one Share.

(f) **Consideration**

No consideration will be payable upon the conversion of the Performance Rights into Shares.

(g) **Share ranking**

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

(h) **Performance Rights are not to be quoted on ASX**

The Performance Rights will not be quoted on ASX.

(i) **Timing of issue of Shares upon Conversion**

Within 5 business days (as defined in the ASX Listing Rules (**Business Days**)) after the date that the Performance Rights are converted, the Company will:

- (i) issue such number of Shares required under these terms and conditions in respect of the number of Performance Rights converted;
- (ii) if required and if the Company is admitted to the official list of ASX at the time, 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 (within 20 Business Days after the date that the Performance Rights are converted) a prospectus prepared in accordance with the Corporations Act and do all such things reasonably 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 the Company is 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 Performance Rights.

(j) **No transfer of Performance Rights**

The Performance Rights are not transferable.

(k) **No conferral of rights**

A Performance Right does not entitle the Holder to:

- (i) notice of, or to vote or attend at, a meeting of the Shareholders;
- (ii) receive any dividends declared by the Company; or
- (iii) participate in any new issues of securities by the Company.

(l) **Reorganisation of capital**

If at any time the issued capital of the Company is reconstructed or reorganised, all rights of the Holder will be varied in a manner consistent with the applicable ASX Listing Rules and the Corporations Act, as applicable at the time of the reconstruction or reorganisation.

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

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

(n) **No rights on winding up**

A Performance Right does not entitle the Holder to participate in the surplus profits or assets of the Company upon a winding up.

(o) **No other rights**

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

Schedule 3 – Summary of Plan

Eligible Participant	Eligible Participant means a person that is a 'primary participant' (as that term is defined in Division 1A of Part 7.12 of the Corporations Act) in relation to the Company or an Associated Body Corporate (as defined below) and has been determined by the Board to be eligible to participate in the Plan from time to time.
Purpose	The purpose of the Plan is to: (a) assist in the reward, retention and motivation of Eligible Participants; (b) link the reward of Eligible Participants to Shareholder value creation; and (c) align the interests of Eligible Participants with shareholders of the Group (being the Company and each of its Associated Bodies Corporate), by providing an opportunity to Eligible Participants to receive an equity interest in the Company in the form of securities.
Plan administration	The Plan will be administered by the Board. The Board may exercise any power or discretion conferred on it by the Plan rules in its sole and absolute discretion (except to the extent that it prevents the Participant relying on the deferred tax concessions under Subdivision 83A-C of the <i>Income Tax Assessment Act 1997</i> (Cth)). The Board may delegate its powers and discretion.
Eligibility, invitation and application	The Board may from time to time determine that an Eligible Participant may participate in the Plan and make an invitation to that Eligible Participant to apply for any (or any combination of) Options and Performance Rights provided under the Plan on such terms and conditions as the Board decides. On receipt of an invitation, an Eligible Participant may apply for the securities the subject of the invitation by sending a completed application form to the Company. The Board may accept an application from an Eligible Participant in whole or in part. If an Eligible Participant is permitted in the invitation, the Eligible Participant may, by notice in writing to the Board, nominate a party in whose favour the Eligible Participant wishes to renounce the invitation.
Grant of securities	The Company will, to the extent that it has accepted a duly completed application, grant the Participant the relevant number and type of securities, subject to the terms and conditions set out in the invitation, the Plan rules and any ancillary documentation required.

Rights attaching to securities	Prior to an Option or Performance Right being exercised, the holder: (a) does not have any interest (legal, equitable or otherwise) in any Share the subject of the convertible security other than as expressly set out in the Plan; (b) is not entitled to receive notice of, vote at or attend a meeting of the shareholders of the Company; (c) is not entitled to receive any dividends declared by the Company; and (d) is not entitled to participate in any new issue of Shares (see Adjustment of convertible securities section below).
Vesting of convertible securities	Any vesting conditions applicable to the Options or Performance Rights will be described in the invitation. If all the vesting conditions are satisfied and/or otherwise waived by the Board, a vesting notice will be sent to the Participant by the Company informing them that the relevant securities have vested. Unless and until the vesting notice is issued by the Company, the securities will not be considered to have vested. For the avoidance of doubt, if the vesting conditions relevant to an Option or Performance Right are not satisfied and/or otherwise waived by the Board, that security will lapse.
Exercise of convertible securities and cashless exercise	To exercise a security, the Participant must deliver a signed notice of exercise and, subject to a cashless exercise (see next paragraph below), pay the exercise price (if any) to or as directed by the Company, at any time following vesting of the Option or Performance Right (if subject to vesting conditions) and prior to the expiry date as set out in the invitation or vesting notice. An invitation to apply for Options may specify that at the time of exercise of the Options, the Participant may elect not to be required to provide payment of the exercise price for the number of Options specified in a notice of exercise, but that on exercise of those Options the Company will transfer or issue to the Participant that number of Shares equal in value to the positive difference between the Market Value of the Shares at the time of exercise and the exercise price that would otherwise be payable to exercise those Options. Market Value means, at any given date, the volume weighted average price per Share traded on the ASX over the 5 trading days immediately preceding that given date, unless otherwise specified in an invitation. An Option or a Performance Right may not be exercised unless and until that security has vested in accordance with the Plan rules, or such earlier date as set out in the Plan rules.
Timing of issue of Shares and quotation of Shares on exercise	As soon as practicable after the valid exercise of an Option or a Performance Right by a Participant, the Company will issue or cause to be transferred to that Participant the number of Shares to which the Participant is entitled under the Plan rules and issue a substitute certificate for any remaining unexercised securities held by that Participant.
Restrictions on dealing with securities	A holder may not sell, assign, transfer, grant a security interest over or otherwise deal with an Option or a Performance Right that has been granted to them unless otherwise determined by the Board. A holder must not enter into any arrangement for the purpose of hedging their economic exposure to an Option or a Performance Right that has been granted to them.

	However, in Special Circumstances as defined under the Plan (including in the case of death or total or permanent disability of the Participant) a Participant may deal with convertible securities granted to them under the Plan with the consent of the Board.
Listing of convertible securities	An Option or a Performance Right granted under the Plan will not be quoted on the ASX or any other recognised exchange. The Board reserves the right in its absolute discretion to apply for quotation of an Option granted under the Plan on the ASX or any other recognised exchange.
Forfeiture of convertible securities	Options and Performance Rights will be forfeited in the following circumstances (unless otherwise determined by the Board): (a) where a Participant who holds Options or Performance Rights ceases to be an Eligible Participant (e.g. is no longer employed or their office or engagement is discontinued with the Group), all unvested convertible securities will automatically be forfeited by the Participant; (b) where a Participant acts fraudulently or dishonestly, negligently, in contravention of any Group policy or wilfully breaches their duties to the Group; (c) where there is a failure to satisfy the vesting conditions in accordance with the Plan; (d) on the date the Participant becomes insolvent; or (e) on the expiry date of the Options or Performance Rights.
Change of control	A vesting condition for a Performance Right or Option will be deemed to be automatically waived if a Change of Control Event occurs. A Change of Control Event means: (a) a change in Control (as defined in section 50AA of the Corporations Act) of the Company; (b) where members of the Company approve any compromise or arrangement for the purpose of, or in connection with, a scheme for the reconstruction of the Company or its amalgamation with any other body corporate or bodies corporate (other than a scheme that does not involve a change in the ultimate beneficial ownership of the Company), which will, upon becoming effective, result in any person (either alone or together with its Associates (as defined in section 12 of the Corporations Act)) owning more than fifty per cent (50%) of Issued Capital; (c) where a person becomes the legal or the beneficial owner of, or has a Relevant Interest in, more than fifty per cent (50%) of Issued Capital; (d) where a person becomes entitled to acquire, hold or has an equitable interest in more than fifty per cent (50%) of Issued Capital; and (e) where a Takeover Bid (as defined in the Corporations Act) is made to acquire more than fifty per cent (50%) of Issued Capital (or such lesser number of Shares that when combined with the Shares that the bidder (together with its Associates) already owns will amount to more than 50% of Issued Capital) and the Takeover Bid becomes unconditional and the bidder (together with its Associates) has a Relevant Interest in more than 50% of Issued Capital,

	but, for the avoidance of doubt, does not include any internal reorganisation of the structure, business and/or assets of the Group. Associated Body Corporate means an associated entity of the Company, where the associated entity is a body corporate (as that term is used in Division 1A of Part 7.12 of the Corporations Act). Group means the Company and each of its Associated Bodies Corporate from time to time. Issued Capital means issued Shares from time to time. Relevant Interest has the meaning given to that term in the Corporations Act.
Adjustment of convertible securities	If there is a reorganisation of the issued share capital of the Company (including any subdivision, consolidation, reduction, return or cancellation of such issued capital of the Company), the rights of each Participant holding Options or Performance Rights will be changed to the extent necessary to comply with the Listing Rules applicable to a reorganisation of capital at the time of the reorganisation. If Shares are issued by the Company by way of bonus issue (other than an issue in lieu of dividends or by way of dividend reinvestment), the holder of Options or Performance Rights is entitled, upon exercise of those securities, to receive an issue of as many additional Shares as would have been issued to the holder if the holder held Shares equal in number to the Shares in respect of which the Options or Performance Rights are exercised. Unless otherwise determined by the Board, a holder of Options or Performance Rights does not have the right to participate in a pro rata issue of Shares made by the Company or sell renounceable rights.
Rights attaching to Shares	All Shares issued or transferred under the Plan or issued or transferred to a Participant upon the valid exercise of an Option or a Performance Right, will rank equally in all respects with the Shares of the same class for the time being on issue except for any rights attaching to the Shares by reference to a record date prior to the date of the allotment or transfer of the Shares. A Participant will be entitled to any dividends declared and distributed by the Company on the Shares issued upon exercise of an Option or a Performance Right and may participate in any dividend reinvestment plan operated by the Company in respect of Shares. A Participant may exercise any voting rights attaching to Shares issued under the Plan.
Disposal restrictions on Shares	If the invitation provides that any Shares issued upon the valid exercise of an Option or a Performance Right are subject to any restrictions as to the disposal or other dealing by a Participant for a period, the Board may implement any procedure it deems appropriate to ensure the compliance by the Participant with this restriction. For so long as a Share is subject to any disposal restrictions under the Plan, the Participant will not: (a) transfer, encumber or otherwise dispose of, or have a security interest granted over that Share; or (b) take any action or permit another person to take any action to remove or circumvent the disposal restrictions without the express written consent of the Company.

General Restrictions on Transfer of Shares	If the Company is required but is unable to give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, Shares issued on exercise of an Option or a Performance Rights may not be traded until 12 months after their issue unless the Company, at its sole discretion, elects to issue a prospectus pursuant to section 708A(11) of the Act. Restrictions are imposed by applicable law on dealing in Shares by persons who possess material information likely to affect the value of the Shares and which is not generally available. These laws may restrict the acquisition or disposal of Shares by you during the time the holder has such information. Any Shares issued to a holder upon exercise of an Option or a Performance Right shall be subject to the terms of the Company's Securities Trading Policy.
Buy-Back	Subject to applicable law, the Company may at any time buy-back Options or Performance Rights and Shares issued upon exercise of Options or Performance Rights in accordance with the terms of the Plan.
Employee Share Trust	The Board may in its sole and absolute discretion use an employee share trust or other mechanism for the purposes of holding securities for holders under the Plan and delivering Shares on behalf of holders upon exercise of Options or Performance Rights.
Maximum number of securities	The Company will not make an invitation under the Plan which involves monetary consideration if the number of Shares that may be issued, or acquired upon exercise of Options or Performance Rights offered under an invitation, when aggregated with the number of Shares issued or that may be issued as a result of all invitations under the Plan during the 3 year period ending on the day of the invitation, will exceed 5% of the total number of issued Shares at the date of the invitation (unless the Constitution specifies a different percentage and subject to any limits approved by Shareholders under Listing Rule 7.2 Exception 13(b)).
Amendment of Plan	Subject to the following paragraph, the Board may at any time amend any provisions of the Plan rules, including (without limitation) the terms and conditions upon which any securities have been granted under the Plan and determine that any amendments to the Plan rules be given retrospective effect, immediate effect or future effect. No amendment to any provision of the Plan rules may be made if the amendment materially reduces the rights of any Participant as they existed before the date of the amendment, other than an amendment introduced primarily for the purpose of complying with legislation or to correct manifest error or mistake, amongst other things, or is agreed to in writing by all Participants.
Plan duration	The Plan continues in operation until the Board decides to end it. The Board may from time to time suspend the operation of the Plan for a fixed period or indefinitely and may end any suspension. If the Plan is terminated or suspended for any reason, that termination or suspension must not prejudice the accrued rights of the Participants. If a Participant and the Company (acting by the Board) agree in writing that some or all of the securities granted to that Participant are to be cancelled on a specified date or on the occurrence of a particular event, then those securities may be cancelled in the manner agreed between the Company and the Participant.
Income Tax Assessment Act	The Plan is a plan to which Subdivision 83A-C of the <i>Income Tax Assessment Act 1997</i> (Cth) applies (subject to the conditions in that Act) except to the extent an invitation provides otherwise.

For personal use only

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DELTA LITHIUM LIMITED
ABN 67 107 244 039

Need assistance?



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



Online:
www.investorcentre.com/contact

DLIRM

MR RETURN SAMPLE
123 SAMPLE STREET
SAMPLE SUBURB
SAMPLETOWN VIC 3030

Delta Lithium Limited General Meeting

The Delta Lithium Limited General Meeting will be held on Monday, 28 August 2023 at 2:00pm (AWST). You are encouraged to participate in the meeting using the following options:



MAKE YOUR VOTE COUNT

To lodge a proxy, access the Notice of Meeting and other meeting documentation visit www.investorvote.com.au and use the below information:



Control Number: 999999

PIN: 99999

For Intermediary Online subscribers (custodians) go to www.intermediaryonline.com

For your proxy appointment to be effective it must be received by 2:00pm (AWST) on Saturday, 26 August 2023.



ATTENDING THE MEETING IN PERSON

The meeting will be held at:
the Vibe Hotel, 9 Alvan Street, Subiaco, WA 6008

You may elect to receive meeting-related documents, or request a particular one, in electronic or physical form and may elect not to receive annual reports. To do so, contact Computershare.