ATLANTIC LITHIUM

AIM: ALL, ASX: A11, OTCQX: ALLIF

30 November 2023

Amended Constitution

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Atlantic Lithium Limited (AIM: ALL, ASX: A11, OTCQX: ALLIF, "Atlantic Lithium" or the "Company"), the African-focused lithium exploration and development company targeting to deliver Ghana's first lithium mine, provides the market with its amended constitution, approved by shareholders at its Annual General Meeting, held on 30 November 2023.

The amended Constitution is provided in accordance with ASX Listing Rule 15.4.2.

Announcement authorised for release by Amanda Harsas, Company Secretary.

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Notes to Editors:

About Atlantic Lithium

www.atlanticlithium.com.au

Atlantic Lithium is an AIM and ASX-listed lithium company advancing a portfolio of lithium projects in Ghana and Côte d'Ivoire through to production.

The Company's flagship project, the Ewoyaa Project in Ghana, is a significant lithium spodumene pegmatite discovery on track to become Ghana's first lithium-producing mine.

The Definitive Feasibility Study for the Project indicates the production of 3.6Mt of spodumene concentrate over a 12-year mine life, making it one of the top 10 largest spodumene concentrate mines in the world.

The Project, which was awarded a Mining Lease in October 2023, is being developed under a funding agreement with Piedmont Lithium Inc.

Atlantic Lithium holds 509km^2 and 774km^2 of tenure across Ghana and Côte d'Ivoire respectively, comprising significantly under-explored, highly prospective licences.

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Constitution of Atlantic Lithium Limited ACN 127 215 132

Corporations Act 2001 (Cth)

A Company Limited by Shares

(As amended as at 30 November 2023)

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Constitution of Atlantic Lithium Limited ACN 127 215 132

1. Replaceable Rules

The provisions of the *Corporations Act 2001* (Cth) relating to a company's internal management which are described as replaceable rules do not apply to the Company.

2. Interpretation

2.1 In this Constitution, unless a contrary intention appears:

Admission means the admission of the entire issued share capital of the Company to trading on AIM becoming effective in accordance with the AIM Rules and **Admitted** shall have a corresponding meaning.

ASIC means the Australian Securities and Investments Commission.

ASTC - Regulated Transfer has the meaning given in regulation 1.0.02 of the Corporations Regulations.

AIM means the securities market of that name operated by the London Stock Exchange.

AIM Rules means the rules which set out the obligations, responsibilities and guidance notes in relation to companies whose shares are admitted to trading on AIM, including the AIM guidance notes for Mining and Oil and Gas companies as published by the London Stock Exchange.

ASTC Settlement Rules means the settlement rules of the SCH. Auditor means the auditor of the Company, from time to time.

Business Days means any day that the London Stock Exchange is open for business, and where the Company is also Listed and it is appropriate to apply that meaning, the meaning given to that term in the Listing Rules.

Call Notice means a notice given pursuant to Rule 17.1.

Capital or **share capital** means the capital for the time being issued for the purposes of the Company.

CHESS Approved has that meaning given to it in the Listing Rules.

CHESS has the meaning ascribed in the ASTC Settlement Rules.

CHESS holding has the meaning ascribed in the ASTC Settlement Rules.

Claim means any threat, claim or proceedings brought or made by a person against another person relating to or arising from any action, claim, Cost, demand, Damage, debt, expense, Liability, Loss, cause of action or proceeding of any kind, howsoever arising.

Company means Atlantic Lithium Limited ACN 127 215 132.

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Constitution means this Constitution as amended or added to from time to time.

Corporate Representative means an individual appointed as a representative of a body corporate member of the Company pursuant to Section 250D of the Corporations Act.

Corporations Act means the *Corporations Act 2001* (Cth) and/or any statutory modification amendment or re-enactment of that act for the time being in force or any later Act relating to Companies and for the time being in force in replacement (in whole or part) of that act in the place of incorporation of the Company and a reference to a particular provision of the *Corporations Act* is a reference to that provision as so modified, amended or re-enacted or contained in any such later Act.

Corporations Regulations means the *Corporations Regulations 2001* (Cth) as made under the *Corporations Act* as amended or replaced from time to time.

Cost includes any cost, charge, expense, outgoing, payment or other expenditure of any nature whatsoever including all legal fees on a full indemnity basis, and whether calculated on a time charge basis or otherwise.

CREST means the UK electronic system for the holding and transferring of shares and other securities in paperless form operated by Euroclear UK & Ireland Limited (as defined in the CREST Regulations).

CREST Regulations means the Uncertificated Securities Regulations 2001 (SI 2001 No.01/3755), as amended, which shall be deemed to include for the purposes of this Constitution Euroclear UK & Ireland's own rules and documentation that govern the use and operation of CREST (including the CREST rules and CREST manual).

Damage includes any award, Cost, damage, expense, injunction, injury, judgment, liability, loss and/or order and includes any such damage suffered, incurred and/or sustained in connection with any Claim.

debenture means debenture stock, bonds, notes and other securities and obligations of a corporation whether constituting a charge on its assets or not.

Debt Securities includes bonds, unsecured notes, unsecured deposit notes, mortgage debentures, mortgage debenture stock, debentures, debenture stock and convertible unsecured notes as those terms are defined from time to time in the Listing Rules.

Depositary Interests means the dematerialised depositary interests in respect of and representing shares on a one-for-one basis within CREST.

Director means any person acting as a Director, regardless of that person's title.

Directors or **the Board** means the whole or any number of the Directors of the Company for the time being assembled at a meeting of Directors, being not less than a quorum, or such one or more of them as shall have authority to act for the Company.

Directors' Report means a report referred to in Part 2M.3 of the *Corporations Act*.

dividend includes distribution of profit by way of a bonus issue of shares.

DSP means any directors and officers share scheme.

DSOP means any directors and officers share option scheme.**Equity** means the amount by which the Company's assets exceed the Company's liabilities in accordance with section 254T of the Corporations Act.

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Equity Securities means shares (including preference shares), stock, stock units, units, and rights to or options to subscribe for any of the foregoing.

ESP means any employee share scheme.

ESOP means any employee share option scheme.

Exchange means ASX Limited ACN 008 624 691.

Executive Director includes any Director of the Company or of a subsidiary of the Company who is retained or otherwise acts in an executive capacity.

financial report has the meaning ascribed to that term in section 9 of the *Corporations Act*.

financial statements has the meaning ascribed to that term in section 9 of the *Corporations Act*.

Home Branch means a branch of the Exchange designated as such by the Exchange for administrative purposes.

Issuer Sponsored has the meaning ascribed in the ASTC Settlement Rules.

joint holders means two or more persons holding any share in the capital of the Company, whatever their interest may be in that share.

Liabilities means any and all liabilities, debts or obligations, whether actual or contingent, present or future, qualified or unqualified or incurred jointly or severally with any other person. A reference to **Liability** has a corresponding meaning.

London Stock Exchange means London Stock Exchange Plc.

Listed means admitted to the Official List;

Listing Rules or **LR** means the Listing Rules of the Exchange and any other rules of the Exchange which are applicable while the Company is Listed, each as amended or replaced from time to time, except to the extent of any expressed written waiver by the Exchange.

Loss means any and all losses (including loss of profit and loss of expected profit), claims, actions, liabilities, damages, expenses, diminution in value or deficiencies of any kind (whether indirect, consequential or otherwise and whether known or asserted on or before Completion) including all (on a full indemnity basis) and other expenses reasonably incurred in connection with investigating or defending any Claims or actions. A reference to **Losses** has the corresponding meaning.

Managing Director means any person appointed as such pursuant to Rule 45 and includes any Acting Managing Director.

Marketable Parcel means marketable parcel as defined in the Listing Rules.

Meeting means a duly constituted meeting of Members, or a class of Members, and being either;

(a) an annual general meeting; or

(b) a general meeting,

and **Meetings** shall have a corresponding meaning.

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Member means a person who is registered for the time being as a shareholder or stockholder in the Register of the Company, including his/her personal representatives and assigns.

month means calendar month.

Notice means any notice of a general meeting of Members or class of Members and any explanatory memorandum or other documents accompanying any such notice.

Office means the registered office for the time being of the Company.

Officer shall have the meaning ascribed to that term in section 9 of the *Corporations Act*.

Official List means the official list of the Exchange.

paid or **paid up** means amounts paid and does not include amounts credited as paid or paid up.

person, and words importing **persons** includes partnerships, associations, corporations and companies.

Prime Rate means in relation to any interest made payable on any sum under this Constitution, the rate charged from time to time by the bankers for the Company on overdraft accounts in excess of $100,000.00.

Qualifying Financial Instruments means transferable securities and options, futures, swaps, forward rate agreements and any other derivative contracts provided that they result in an entitlement to acquire, on the holder's own initiative alone, under a formal agreement (being an agreement binding under applicable law) shares to which voting rights are attached, already issued by the Company (it being noted that the instrument holder must enjoy, on maturity, either the unconditional right to acquire the underlying shares or the discretion as to his right to acquire such shares or not).

Proper ASTC Transfer has the meaning ascribed in Regulation 1.0.02 of the Corporations Regulations.

Register means the Register of Members kept pursuant to the *Corporations Act* and/or the CREST Regulations and, where the Company is Listed, a Register of Members kept pursuant to the Listing Rules, and in each case where appropriate, shall include branch registers and/or sub-registers.

Regulatory Information Service means a service approved by the London Stock Exchange for the distribution to the public of announcements.

related body corporate has the meaning ascribed in section 50 of the *Corporations Act*.

Relevant System means any computerised or electronic share system in which the Corporations Act permits the Company to participate, which enables title to units of a security, or any instrument which represents a security, to be evidenced and transferred without a written instrument and which includes, for the avoidance of doubt, CREST and CHESS.

representative means a person authorised pursuant to section 250D of the *Corporations Act* to act as a representative of a body corporate.

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Restricted Securities has the meaning ascribed in the Listing Rules.

Rule means a provision of this Constitution as amended or added to from time to time.

SCH Register means the facilities established by the SCH to record holdings of securities of the Company in accordance with the ASTC Settlement Rules and includes both issuer sponsored and broker sponsored facilities.

Secretary means any person appointed to perform the duties of Secretary of the Company and includes the acting Secretary where appropriate.

securities has the meaning ascribed in section 9 of the *Corporations Act*.

Securities Clearing House or **SCH** means any securities clearing house approved by the ASIC in Australia.

shares means shares in the capital of the Company, and shall include stock except where a distinction between shares and stock is expressed or implied.

State means the State of Queensland.

takeover bid has the meaning ascribed to that term in section 9 of the Corporations Act.

Uncertificated Securities means a security, title to which is recorded on the Register as being held in uncertificated form, and title to which may be transferred by means of a Relevant System including by means of the creation of Depositary Interests.

in writing or **written** means printing, typewriting and all other means of representing or reproducing words in visible form, including handwriting.

2.2 Terms used in this Constitution and not defined in Rule 2.1 shall have the meaning ascribed to them in the *Corporations Act,* or where appropriate, the AIM Rules or the Listing Rules, as the case may be.

2.3 Words importing the singular include the plural and vice versa.

2.4 Words importing the masculine include the feminine and the neuter and vice versa.

2.5 The index, headings and references to provisions of the Listing Rules, AIM Rules and the ASTC Settlement Rules shall not affect the construction of this Constitution.

2.6 A Rule or the relevant part of a Rule as appropriate, which refers to the AIM Rules or the rules of CREST, will only have effect if the Company is Admitted.

2.7 A Rule or the relevant part of a Rule as appropriate, which refers to the Listing Rules or the ASTC Settlement Rules will only have effect if the Company is Listed.

3. Application of the Corporations Act, AIM Rules and the Listing Rules

3.1 This Constitution is to be interpreted subject to the Corporations Act, and:

(a) while the Company is Admitted, the AIM Rules and CREST Regulations, and

(b) while it is Listed, the Listing Rules,

in each case as applicable and appropriate.

3.2 The Company and the Directors must, notwithstanding any contrary provision in this Constitution, comply with the obligations imposed on them under the Corporations Act and:

(a) while the Company is Admitted, the AIM Rules and CREST Regulations, and

(b) while it is Listed, the Listing Rules,

in each case as applicable and appropriate.

3.3 The Company and the Directors must, while the Company:

(a) is Admitted, exercise their powers in such a way to ensure that the AIM Rules and CREST Regulations;

(b) is Listed, exercise their powers in such a way to ensure that the Listing Rules;

are complied with, unless to do so would be unlawful or a breach of duty. This obligation does not detract from or alter the power of the Company and its Directors to cause the Company to cease to be Admitted or Listed.

3.4 Unless the contrary intention appears, an expression in a clause which is defined by or that deals with a matter dealt with by:

(a) a provision of the Corporations Act has the meaning given to that expression in that provision of the Corporations Act;

(b) a provision of the AIM Rules or CREST Regulations has the meaning given to that expression in that provision of the AIM Rules or CREST Regulations (as applicable); or

(c) a provision of Listing Rules has the meaning given to that expression in that provision of the Listing Rules.

3.5 For so long as the Company is Admitted or Listed, as the case may be, the following clauses apply:

(a) notwithstanding anything contained in this Constitution, if the AIM Rules or the Listing Rules, as appropriate, prohibit an act being done, the act must not be done;

(b) nothing contained in this Constitution prevents an act being done that the AIM Rules or the Listing Rules, as appropriate, require to be done;

(c) if the AIM Rules or the Listing Rules, as appropriate, require an act to be done or not to be done, authority is given for that act to be done or not to be done as the case may be;

(d) if the AIM Rules or the Listing Rules, as appropriate, require this Constitution to contain a provision and it does not contain such a provision, this Constitution is deemed to contain that provision;

(e) if the AIM Rules or the Listing Rules, as appropriate, require this Constitution not to contain a provision and it contains such a provision, this Constitution is deemed not to contain that provision;

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(f) if any provision of this Constitution is or becomes inconsistent with the AIM Rules or the Listing Rules, as appropriate, this Constitution is deemed not to contain that provision to the extent of the inconsistency;

(g) while any of the securities in the Company are CHESS Approved, the Company must comply with the ASTC Settlement Rules. Further, in the case of any inconsistency between any Rule (other than this Rule) and any provision of the ASTC Settlement Rules, that provision of the ASTC Settlement Rules, shall be paramount and given full force and effect, and the Rule should be read down accordingly; and

(h) while any of the securities in the Company are Uncertificated Securities, the Company must comply with the rules of the Relevant System. Further, in the case of any inconsistency between any Rule (other than this Rule) and any provision of the rules of the Relevant System, that provision of the rules of the Relevant System, shall be paramount and given full force and effect, and the Rule should be read down accordingly.

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4. Registered Office

The Directors shall determine the place of the Office.

5. Issue of Shares

5.1 Subject to the provisions of this Constitution all matters relating to the issue of shares shall be under the control of the Directors who may issue, allot or otherwise dispose of the same to such person or persons on such terms and conditions and with such rights and privileges attached and at such times as the Directors may think fit.

5.2 Subject to the provisions of this Constitution and any resolution passed in accordance with Rule 21, the Directors may issue new shares with or without any special conditions, preferences or priority either as to dividends or capital or both and with any other special rights or advantages. In the absence of any special conditions or rights, such new shares when issued shall be held upon the same conditions as if they had been shares in the original capital, and shall be subject to the provisions of this Constitution that relate to shares in the Company.

5.3 Where the Company is Admitted or Listed, any allotment of shares or other securities in the Company and dispatch of certificates (or list of allotments to the Member's uncertificated account, as the case may be) shall take place in the manner prescribed in the Listing Rules or the CREST Regulations, as the case may be.

5.4 Where the Company is Admitted or Listed, the Company shall only be entitled to issue such securities as permitted under the Listing Rules, the AIM Rules and the CREST Regulations, as the case may be.

6. Pre-emption Rights

6.1 Subject to Rule 6.2, the Company will not issue Equity Securities to any person on any terms (**Proposed Issue**) unless:

(a) it has made an offer to each Member to issue to them, on the same or more favourable terms as the Proposed Issue, a proportion of the Equity Securities the subject of the Proposed Issue, that is as nearly as practicable equal to the proportion

in nominal value then held by that Member of the entire issued ordinary share capital of the Company (each a **Pre-Emption Offer**);

(b) each Pre-Emption Offer remains open for acceptance for a period that is reasonably sufficient so as to allow the relevant Member to evaluate the Pre-Emption Offer and to obtain the necessary regulatory approvals so as to be able to accept that Pre-Emption Offer, taking into account the circumstances in which such Equity Securities are proposed to be issued and the recommendations of any broker advising the Company at the relevant time (**Offer Period**); and

(c) the Offer Period has expired or the Company has received notice of the acceptance or refusal of every Pre-Emption Offer made,

(together the **Pre-Emption Rights**).

6.2 The provisions in Rule 6.1 shall not apply to:

(a) an issue of Equity Securities if these are or are to be, wholly paid up otherwise than in cash and where the Members have by way of ordinary resolution, authorised the Board to issue the same; and

(b) an issue of Equity Securities that would, apart from any renunciation or assignment of the right to their issue, be held under an;

(1) ESP;

(2) ESOP;

(3) DSP; or

(4) DSOP; or

(c) where a disapplication of the Pre-Emption Rights has arisen under clause 6.3.

6.3 Notwithstanding any other Rule in the Constitution, the Company may from time to time resolve, by ordinary resolution referring to this Rule (the **Disapplication Resolution**), that the Board be authorised to issue and allot Equity Securities for cash as if the Pre-Emption Rights did not apply (the **Authority**).

The Authority shall:

(a) be limited to the issue and allotment of Equity Securities, in aggregate, of not more than 15% (fifteen per cent) of the Company's issued share capital, and

(b) unless revoked sooner, expire on the date specified in the Disapplication Resolution (if any), being a date not later than 12 calendar months after the date of the Disapplication Resolution. The Company may before the Authority expires, make an offer or agreement which would or might require Equity Securities to be allotted after the Authority expires, and proceed to issue and allot those Equity Securities in due course.

7. Preference Shares

7.1 Subject to the *Corporations Act* and without prejudice to any special rights previously conferred on the holders of any existing shares or classes of shares the Directors may issue any share or shares:

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(a) with a preferential, deferred or qualified right to dividends, or in the distribution of assets of the Company, or both;

(b) subject to Rule 7.3, with a special or qualified right of voting or without a right of voting; or

(c) with any other special privileges or advantages over or equally with any shares previously issued or then about to be issued,

subject to any conditions or provisions and on such terms as the Directors shall determine. Any preference share may be issued on the terms that it is or at the option of the Company is liable to be redeemed.

7.2 If a Company has preference shares on issue, the holders of the preference shares shall have the same rights as the holders of shares to:

(a) receive notices, reports and financial statements; and

(b) attend Meetings of the Company.

[See LR 6.7]

7.3 Preference shareholders shall have no voting rights at any Meeting of the Company other than:

(a) during a period when all or part of a dividend in respect of the preference share is in arrears;

(b) on a proposal to reduce the capital of the Company;

(c) on a resolution to approve the terms of a buy-back agreement;

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(d) on a proposal that affects rights attaching to preference shares;

(e) on a proposal to wind up the Company;

(f) on a proposal sanctioning a sale of the undertaking of the Company; or

(g) during the winding up of the Company.

[See LRs 6.3 and 6.4]

7.4 Where the Company is Listed, preference shareholders shall be entitled to a dividend determined in accordance with the Listing Rules.

[See LR 6.5]

7.5 Preference shareholders shall also be entitled to a return of capital in preference to the holders of shares in the Company when the Company is wound up.

[See LR 6.6]

8. Convertible securities

Without prejudice to any of the powers of the Directors conferred by Rule 5, the Directors may create and issue any Equity Securities or Debt Securities (convertible securities) on the following terms:

(a) they are or may become convertible into shares;

(b) the Directors may issue shares to the holders of convertible securities pursuant to the terms of issue; and

(c) on such other terms as the Directors may decide.

9. Participation of Directors in share issue

Where the Company is Listed or Admitted, a Director of the Company or any person who would be regarded for the purposes of Division 2 of Part 1.2 of the *Corporations Act* as being an associate of any Director may only participate (directly or indirectly) in an issue by the Company of securities with rights of conversion to equity as permitted by the Listing Rules or the AIM Rules, as applicable.

[See Chapter 10 of LR's generally and Rule 21 of the AIM Rules]

10. Acceptance of Constitution by Member

A person who becomes a Member agrees to observe and perform the provisions of the Constitution and any regulations or by-laws which may be made under the Constitution.

11. Variation of rights

11.1 If at any time the share capital is divided into different classes of shares, preference capital (other than redeemable preference capital) shall not be repaid, and the rights attached to any

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class of shares (unless otherwise provided by the terms of issue of the shares of that class) shall not at any time, be varied without:

(a) the consent in writing of the holders of 75% of the issued shares of that class; or

(b) the sanction of a special resolution passed at a separate Meeting of the holders of the shares of that class (**Class Meeting**).

11.2 At any Class Meeting:

(a) the quorum shall be persons holding or representing by proxy 25% of the nominal amount of the varied issued shares of the class;

(b) Any holders of shares of that class present in person or by proxy at a Class Meeting may demand a poll,

but otherwise the provisions of this Constitution dealing with Meetings shall apply.

11.3 The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not unless expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking equally with those shares.

11.4 The issue of securities ranking in priority to, or any conversion of existing securities to securities ranking equally or in priority to an existing class of preference shares shall be deemed a variation of the rights attached to that existing class of preference shares.

11.5 The rights conferred upon the holders of the shares of any class shall be deemed to be varied by any special resolution to alter Rule 11.

12. Shares held upon trust

12.1 The Company shall recognise the rights of the registered holder of any share.

12.2 Even where the Company has notice of equitable, contingent, future, or partial interest in any share or unit of a share (beneficial interest), no person shall be recognised by the Company as holding any beneficial interest and the Company shall not be bound by or be compelled in any way to recognise any beneficial interest except as required by:

(a) law;

(b) this Constitution;

(c) the ASTC Settlement Rules in the event that the Company is Listed;

(d) the AIM Rules or the CREST Regulations in the event that the Company is Admitted; or

(e) an order of a court of competent jurisdiction.

13. Shareholding statements and certificates

13.1 Subject to Rules 13.3 and 13.6, the Company shall issue to every person whose name is entered as a Member in the Register either a holding statement or share certificate (as the

case may be) in respect of Uncertificated Securities and shares, issued in accordance with the *Corporations Act*, the Listing Rules and the ASTC Settlement Rules.

13.2 Where a share or shares are held jointly by several persons the Company shall only be required to issue one holding statement or certificate, and delivery of a holding statement or certificate for a share to one of several joint holders shall be sufficient delivery to all joint holders.

13.3 The Company shall renew any share certificate which becomes worn out, defaced, lost or destroyed at the time and in the manner required by the provisions of *Corporations Act*.

13.4 The Company shall:

(a) register all:

(1) proper ASTC Regulated Transfers;

(2) transfers made within CREST in accordance with the CREST Regulations; and

(3) paper-based registrable transfer forms;

(b) split certificates, renunciations and transfer forms;

(c) issue certificates and transmission receipts;

(d) effect conversions between subregisters;

(e) mark or note transfer forms; and

(f) where the Company is Listed, do those other matters referred to in Listing Rule 8.14 of the Listing Rules,

without charge, except where the issue of certificates is to replace those lost or destroyed.

[See LR 8.14]

13.5 The Company shall issue within five (5) Business Days a certificate in replacement of a certificate already issued only if:

(a) the certificate to be replaced is received by the Company for cancellation and is cancelled; or

(b) subject to clause 13.3, satisfactory evidence has been received by the Company that the certificate previously issued has been lost or destroyed and has not been pledged, sold or otherwise disposed of. A certificate issued to replace a certificate which has been lost or destroyed shall be clearly endorsed "issued in lieu of lost or destroyed certificate".

13.6 Despite the provisions of this Rule 13, the Company shall not be required to issue a certificate for shares held by a Member and may cancel a certificate without issuing a replacement certificate where:

(a) this is permitted by the *Corporations Act*; or

(b) where the Company is Listed this is:

(1) permitted by the Listing Rules; or

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(2) permitted by the ASTC Settlement Rules.

13.7 The provisions of the Listing Rules and the ASTC Settlement Rules shall regulate the manner in which the Company deals with the delivery up and cancellation of certificates for the purposes of converting the securities to an SCH register.

14. Lien on Share

14.1 The Company shall have a first and paramount lien and charge for:

(a) unpaid calls and unpaid instalments (and reasonable interest and expenses payable) due in respect of the specific shares registered in the name of each Member in respect of which such calls or instalments is or are due and unpaid respectively and upon the proceeds of sale of such shares;

(b) amounts (and corresponding reasonable interest and expenses payable) owed for acquiring shares under an employee incentive scheme; and

(c) amounts (and corresponding reasonable interest and expenses payable) required by law to be paid that have been paid in respect of the shares of a holder or a deceased former holder,

and the lien shall extend to the shares and any dividends from time to time declared in respect of such shares.

14.2 The Directors may at any time declare any share to be wholly or in part exempt from the provisions of this Rule.

14.3 The Company shall be entitled to take all reasonable steps considered necessary to protect its rights to any lien or charge created under this Rule.

14.4 Unless a contrary intention is expressly shown, the registration of a transfer shall operate as a waiver of the Company's lien (if any) on a share, PROVIDED THAT notwithstanding any such waiver, the transferor shall remain liable to pay to the Company all money which, at the date of registration of the transfer, was payable by it to the Company in respect of the share, but such liability shall cease upon the Company receiving payment of all money outstanding in respect of the share.

14.5 Where the Company is Listed, the provisions of Rule 14.1 to Rule 14.4 inclusive shall apply subject to the provisions of the ASTC Settlement Rules.

15. Sale of Shares subject to lien

15.1 The Company may sell in such manner as the Directors think fit, any shares on which the Company has a lien (**Lien Sale**), but no sale shall be made unless:

(a) there are unpaid moneys in respect of which the lien exists; and

(b) a notice in writing stating and demanding payment of such moneys has been given to the registered holder for the time being of the shares or the person entitled to the shares by reason of the Member's death or bankruptcy; and

(c) a period of fourteen (14) days has elapsed since the giving of the notice.

15.2 The following shall apply to a Lien Sale:

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(a) To give effect to any such sale the Directors may authorise any person to effect a transfer of the shares sold to the relevant purchaser.

(b) The purchaser shall be registered as the holder of the shares comprised in any such transfer, and it shall not be bound to see to the application of the purchase money, nor shall a purchaser's title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

(c) The purchaser shall be deemed to hold the share free from all calls, instalments, interest and expenses due prior to such purchase.

15.3 Unless the Directors do not require production of a certificate to effect the transfer, the holder of the certificate of any share sold under this Rule shall be bound to deliver the certificate to the Directors and if it fails to do so the Company may, without prejudice to any of the Company's rights against such holder, cancel the share certificate.

15.4 The proceeds of the shares sold shall be received by the Company and applied to the payment of all share sale expenses and in payment of any outstanding lien. Any residue shall be paid to the person entitled to the shares at the date of the sale unless another lien upon the shares has arisen in respect of sums which were not presently payable before the sale.

16. Calls on Shares

16.1 The Directors may at any time after allotment, make calls upon the Members in respect of any money which remains unpaid on their shares except where the conditions of allotment in respect of the shares made payments payable at fixed times.

16.2 Directors may require a call to be paid in instalments.

16.3 The Directors may, on the issue of shares, differentiate between the holders as to the amount of calls to be paid and the times of payment.

16.4 Where the Company is Listed, the Company shall immediately notify the Exchange of any call to be made in respect of shares.

[See LR 3.10.2]

16.5 A Member shall pay the amount of any call made on it to the persons and at the times and places nominated by the Directors.

16.6 Each Member upon whom a call is to be made shall be given such prior notice prescribed under the Listing Rules before the due date for payment and such notice shall state:

(a) the name of the shareholder;

(b) the number of shares held by the shareholder;

(c) the amount of the call;

(d) the due date for payment;

(e) the consequences of non-payment of the call;

(f) the last day for trading of the shares on which the call is to be made (which shall be the business day prior to the due date for payment);

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(g) the last day for acceptance at the office of the Register of lodgements of transfers of the shares on which the call is to be made (which shall be no earlier than that number of Business Days prior to the due date for payment as specified in the Listing Rules); and

(h) where the Company is Listed:

(1) the highest and lowest sale price on the Exchange of the shares on which the call is being made during the three (3) months immediately preceding the date of issue of the call notice and the respective dates of those sales;

(2) the latest available market sale price on the Exchange of the shares on which the call is being made immediately before the announcement to the Exchange that it is intended to make a call; and

(3) where the Company has quoted shares that are (or would be if fully paid) in the same class as the shares on which the call is being made, the information required by Rules 16.6(h)(1) and 16.6(h)(2) if the shares the subject of the call were fully paid.

[See paragraph 5.1 of Appendix 6A of the LR's]

16.7 Where the Company is Listed, Rule 16.6 shall apply subject to the Listing Rules and the ASTC Settlement Rules.

16.8 Where the Company is Admitted, Rule 16.6 shall apply to the AIM Rules and the CREST Regulations to the extent applicable.

16.9 Notwithstanding anything contained in Rule 16.6, the Directors may by notice in writing to the Members revoke the call at any time before the date nominated for payment of the call.

16.10 A call shall be deemed to have been made at the time when a resolution of the Directors authorising the call was passed.

16.11 The joint holders of a share shall be jointly and severally liable to pay all instalments and calls in respect of such share, and such several liability shall be enforceable against the estate of any deceased joint holder.

16.12 If a sum called in respect of a share is not paid before or on the day appointed for payment, the person from whom the sum is due shall pay interest on the sum from the day appointed for payment to the time of actual payment at the Prime Rate but the Directors shall have the discretion to waive payment of that interest wholly or in part, or may accept payment of the same by instalments.

16.13 In any action by the Company against any Member for the recovery of any money payable on any allotment of shares or due under any call or instalment or in respect of any share it shall be sufficient to prove that:

(a) the name of the Member sued is entered in the Register as the holder or one of the holders of the shares in respect of which the debt accrued;

(b) that the resolution making the allotment or call is duly recorded in the minute book; and

(c) that the notice of such allotment or call was duly given to such Member,

and the proof of these matters shall be conclusive evidence of the debt and it shall not be necessary to prove the appointment of the Directors who made the allotment or call or that a

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quorum was present at the meeting of Directors at which the allotment or call was made, or any other matter.

16.14 Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date shall for the purposes of this Constitution be deemed to be a call duly made and payable on the date on which by the terms of issue the same becomes payable and if not paid all the relevant provisions of this Constitution as to payment of interest and expenses, forfeiture, lien or otherwise shall apply as if the sum had become payable by virtue of a duly notified call.

16.15 The Directors may if they think fit receive from any Member willing to advance the same all or any part of the money uncalled and unpaid upon any shares held by him. The Directors may pay interest upon all or any part of the moneys so advanced until the same would but for the advance become payable. Interest shall be paid at such rate as the Directors and the Member making the advance shall agree. The Company is under no obligation to repay the same but the Directors may repay the whole or any part of such money upon giving the Member at least one (1) month's notice. Amounts paid on shares and advanced calls shall not confer the right to participate in dividends.

17. Forfeiture of Shares

17.1 If a Member fails to pay any call or instalment of a call on the day appointed for payment, the Directors may, at any time after the day appointed for payment, during such time as any part of the call or instalment remains unpaid, serve a Call Notice on the Member requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment.

17.2 The Call Notice shall:

(a) name a further day (not earlier than the expiration of fourteen (14) days or ten (10) Business Days, whichever period shall be the greater, from the date of the Call Notice) on or before which the payment required by the Call Notice is to be made; and

(b) state that, in the event of non-payment at or before the time appointed (**Relevant Day**), the shares in respect of which the call is made or the instalment is payable will be liable to be forfeited.

17.3 If the requirements of any such Call Notice are not complied with by the Relevant Day, any share in respect of which the Call Notice has been given may at any time after the Relevant Day, before the payment required by the notice has been made (together with all dividends declared in respect of the forfeited shares and unpaid), be forfeited by a resolution of the Directors to that effect.

17.4 When any share is so forfeited, notice of the forfeiture shall be given to the Member in whose name it stood immediately prior to the forfeiture and an entry of forfeiture with the date that the share was forfeited shall be entered in the Register.

17.5 Any shares forfeited in accordance with the terms of this Rule shall be re-issued, sold or otherwise disposed of in accordance with the provisions of the *Corporations Act* and, in the event the Company is Listed, in accordance with the provisions of the Listing Rules.

17.6 A person whose shares have been forfeited shall cease to be a Member in respect of the forfeited shares, but shall remain liable to pay and shall pay to the Company all money which, at the date of forfeiture, was payable by that person to the Company in respect of the shares (together with interest at the Prime Rate from the date of forfeiture on the money for the time being unpaid if the Directors think fit to enforce payment of such interest), but this liability shall

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cease if and when the Company receives payment in full of all such money in respect of the shares.

17.7 In the event of any share being forfeited and sold the residue of the proceeds of such sale after the satisfaction of the moneys due and unpaid in respect of such share and accrued interest and expenses incurred by the Company in relation to the forfeiture shall be held in trust until paid to the Member in whose name such share stood immediately prior to the forfeiture or to the executors administrators or assigns of the Member, or as the Member directs. The Company shall make such payment of the residue of the sale proceeds within five (5) Business Days of the receipt of the relevant share certificate.

17.8 The Directors may at any time before any forfeited share is sold or otherwise disposed of with the consent of the Member in whose name the share stood immediately prior to the forfeiture annul the forfeiture upon such terms and conditions as they shall think fit.

17.9 A statutory declaration in writing that:

(a) the declarant is a Director or the Secretary of the Company;

(b) the call or instalment paid in respect of any share was made or was due;

(c) the Call Notice was duly served;

(d) default in payment of the call or instalment was made; and

(e) a share in the Company has been duly forfeited by a resolution of the Directors to that effect on a date stated in the declaration,

shall be conclusive evidence of the facts stated in the declaration as against all persons claiming to be entitled to the share and of the title of the Company to dispose of same.

17.10 The Directors may accept a surrender of any share by way of compromise of any question as to the holder being properly registered in respect of the share. Any shares so surrendered may be disposed of in the same manner as forfeited shares.

17.11 The Company may receive the consideration, if any, given for a forfeited share or a surrendered share on any sale or disposition and the Directors may authorise any person to transfer the share to the person to whom the share is sold or disposed of and that person shall then be registered as the holder of the share, and shall not be bound to see to the application of the purchase money, if any, nor shall title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale, surrender or disposal of the share. The remedy of any person aggrieved by any such sale or disposal shall lie in damages only against the Company.

17.12 To the extent that it may be necessary, the Directors are authorised to do all acts and to take all reasonable steps to effect the sale of any shares the subject of this Rule 17 subject to, in the event that the Company is Listed, the requirements of the Listing Rules or the ASTC Settlement Rules.

18. Transfer of Shares

18.1 (a) The Company may participate in any Relevant System conducted in accordance with the *Corporations Act*, the Listing Rules, the ASTC Settlement Rules and the CREST Regulations.

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(b) If the Company participates in a system of the kind referred to in Rule 18.1(a), then notwithstanding any other provision of this Constitution, the Company shall comply with and give effect to the ASTC Settlement Rules and the CREST Regulations.

18.2 Subject to the provisions of this Rule and the *Corporations Act*, securities in the Company may be transferred as follows:

(a) in the case of an ASTC - Regulated Transfer, in any manner required or permitted by the Listing Rules or the ASTC Settlement Rules;

(b) in the case of a transfer under CREST, in any manner required or permitted by the CREST Regulations; and

(c) in other cases, in the following form, or in common form (or in any form approved or adopted by the Exchange, or in any form approved by the Directors) or as near thereto as circumstances will permit:

Atlantic Lithium Limited ACN 127 215 132

I, ...

of .....

in consideration of the sum of.....

paid to me by ..... (Purchaser)

of .....

transfer to the Purchaser the …… shares numbered …….. to .....inclusive standing in my name in the Register of Members to hold the same unto the Purchaser absolutely subject to the conditions upon which I held the same immediately before the execution of this form. And I, the Purchaser, agree to take the said shares subject to such conditions.

Signed the day of

.....

....

(Signatures of transferor and transferee)

18.3 In the case of all non-ASTC - Regulated Transfers (excluding, for the avoidance of doubt, transfers made under CREST), the following provisions shall apply:

(a) when a share to be transferred is not distinguished by a separate number, the instrument of transfer shall specify the total number of shares to be transferred and when a share to be transferred is distinguished by a separate number, the instrument of transfer shall, in addition to specifying the total number of shares to be transferred, specify the distinguishing number or numbers of the shares being transferred;

(b) the transferor shall be deemed to remain the holder of such share until the name of the transferee is entered in the Register in respect;

(c) no fee shall be charged by the Company for the registration of a transfer of a share;

[See LR 8.14]

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(d) every instrument of transfer shall be left at the Office for registration accompanied by the following:

(1) the certificate of the share to be transferred;

(2) such other evidence to be transferred and such other evidence as the Directors may reasonably require to prove the title of the transferor or his right to transfer the share, the due execution of the transfer and the due compliance with the requirements of any law;

(e) despite Rule 18.3(d), if, in accordance with the *Corporations Act*:

(1) a certificate covering shares to be transferred has not been issued by the Company; and

(2) the instrument of transfer covering such share is not required to be accompanied by a certificate,

the instrument of transfer left at the Office for registration need not be accompanied by such a certificate;

(f) if transfer or stamp duty is payable on the transfer of shares, every instrument of transfer shall be presented to the Company duly stamped, or certified in accordance with the provisions of Part 7.11 Division 2 of the *Corporations Act* that stamp duty has been or will be paid. The Directors may require production of evidence that the provisions of any other Commonwealth or State statute imposing a tax or duty on the transfer have been complied with;

(g) the instrument of transfer, when registered, shall be retained by the Company for such period as may be required by law, after which it may be destroyed at any time. Any instrument of transfer which the Directors shall decline to register shall be returned to the person lodging it, except in the case of fraud;

(h) the Company shall dispatch within three (3) Business Days or (in the event that the Company is Listed), such other time as provided by the Listing Rules, after the day of lodgement of a registrable transfer of securities of the Company a certificate in respect of such securities and a balance certificate for any remainder. Where a marking is made against a certificate, the Company, in the absence of instructions to the contrary, shall dispatch to the seller of those securities or if so instructed, to the lodging broker within three (3) Business Days or (in the event that the Company is Listed) such other time as laid down by the Listing Rules, from the date of the last marking, a balance certificate for the number of securities against which no marking has been made;

[See Appendix 8A of the LR's]

(i) where an instrument of transfer of shares is signed by a Member or his attorney, and the Member was of unsound mind at the time the Member executed the transfer or the power of attorney under which such transfer was signed, or subsequently became of unsound mind, the Company shall be under no liability for registering as a Member of the transferee of such shares, PROVIDED THAT the Company had no notice of such unsoundness of mind at the time of the registration of the transfer.

18.4 Except as required by law and subject to Rules 18.5 and 83.1, the Company shall not refuse to register or fail to register or give effect to any transfer of shares in registrable form lodged with the Company.

[See LR 8.10, LR 8.10.1]

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18.5 Where the Company is Listed it shall not refuse, prevent, delay or in any way interfere with the registration of a Proper ASTC Transfer or seek to apply a holding lock to prevent a Proper ASTC Transfer unless permitted to do so by the Listing Rules or the ASTC Settlement Rules, as the case may be.

[See LR 8.10]

18.6 If, when permitted to do so, the Directors refuse to register a transfer of shares or apply a holding lock, the Company shall give to the lodging party written notice of the refusal and the precise reasons for such action within five (5) Business Days after the date on which the transfer was lodged with the Company.

[See LR 8.10.2, LR 8.10.3]

18.7 Where the Company's shares have been Admitted, the Company will not restrict the free transferability of its securities unless permitted to do so by the AIM Rules.

[See Rule 32 of the AIM Rules]

19. Transmission of Shares

19.1 In the case of the death of a Member, the survivor or survivors where the deceased was a joint holder and the legal personal representatives of the deceased where the Member was a sole holder, shall be the only persons recognised by the Company as having any title to the Member's interest in the shares but nothing in these Rules shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by the Member with other persons.

19.2 Any person becoming entitled to a share in consequence of the death or bankruptcy or liquidation of a Member may, upon such evidence being produced as may from time to time properly be required by the Directors and subject to these Rules, elect either:

(a) to be registered as holder of the share; or

(b) subject to the provisions of this Constitution, the Listing Rules and the ASTC Settlement Rules (in the event that the Company is Listed) or the AIM Rules and the CREST Regulations (in the event that the Company is Admitted) (as the case may be) with respect to the transfer of shares, effect a transfer of the shares,

but the Directors shall, in either case, have the same right to decline or suspend registration as they would have had in the case of a transfer of the share by that Member before the death, bankruptcy or liquidation of the Member.

19.3 Any person lawfully administering the estate of a Member under the provisions of any law relating to mental health or any law relating to the administration of estates of patients or infirm persons shall, subject to the provisions set out in Rule 19.2, have the same rights as are set out in Rule 19.2.

19.4 If a person, pursuant to Rule 19.2 or 19.3, elects to be registered as the holder of any share that person shall deliver or send to the Company a notice in writing signed by that person and confirming the election.

19.5 If a person, pursuant to Rule 19.2 or 19.3, elects to transfer the share to another person, that person shall testify its election by executing in favour of that person a transfer of the share or effecting an SCH regulated transfer of the share to that person (as the case may be).

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19.6 All limitations, restrictions and provisions of this Constitution relating to the right to transfer and the registration of transfers of shares (including ASTC - Regulated Transfers) shall be applicable to any notice of transfer referred to in Rule 19.4 or 19.5 respectively as if the Member who has died or has become bankrupt or has gone into liquidation or whose estate is being administered as set out in Rule 19.3 has signed such notice of transfer.

19.7 Where the registered holder of any share dies or becomes bankrupt its personal representative or the assignee of its estate, as the case may be, shall upon the production of such evidence as may from time to time be properly required by the Directors in that behalf, be entitled to the same dividends and other advantages, and to the same rights (whether in relation to meetings of the Company, or to voting, or otherwise), as the registered holder would have been entitled to if he had not died or become bankrupt and where two or more persons are jointly entitled to any share in consequence of the death of the registered holder they shall, for the purposes of this Constitution, be deemed to be joint holders of the share.

19.8 Until a person entitled by transmission to any shares has proved its title to the satisfaction of the Directors, the Company may retain any dividend or bonus declared on such shares.

19.9 The provisions of this Rule 19 shall be subject to the operation of the ASTC Settlement Rules to any securities registered at a Securities Clearing House and the CREST Regulations.

20. Register of Members

20.1 The transfer books and the Register shall be kept by the Secretary under the control of the Directors and may be closed during such time as the Directors think fit in accordance with the requirements of:

(a) the Corporations Act;

(b) in the event that the Company is Listed, the Listing Rules and the ASTC Settlement Rules; and

(c) in the event that the Company is Admitted, the CREST Regulations

20.2 Where the Company is Listed or Admitted the Directors shall immediately notify the Exchange or London Stock Exchange (as the case may be) of any intention to:

(a) fix a record date to determine entitlements to a reduction of capital stating the record date, which shall be that date specified in the Listing Rules, the AIM Rules or under applicable law (as the case may be); and

(b) fix any other record date and the reason therefore, stating the record date, which shall be that number of Business Days specified from time to time in (i) the Listing Rules or the ASTC Settlement Rules, or (ii) in the AIM Rules after the notification, and the address of share registries at which documents will be accepted for registration until 5:00pm on the record date or (i) in the case of a Proper ASTC Transfer, until such later time on the record date as may be permitted by the ASTC Settlement Rules.

[See paragraphs 5 and 6 of Appendix 7A of the LR's and LR 3.20 and Appendices 3A & 7A of the LR's]

20.3 In the event of there being at any one time more than three (3) persons jointly holding securities in the Company, the Directors may only record the first three (3) persons in the Register and the names of all other holders shall be disregarded for the purposes of registration.

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21. Alteration of capital

The Company in Meeting may from time to time by ordinary resolution:

(a) increase the share capital in such manner and to such extent as the resolution shall prescribe;

(b) consolidate all or any of its share capital into shares of smaller number;

(c) subdivide its shares or any of them into shares of a larger number PROVIDED ALWAYS that in the case of a subdivision of a partly paid share, the proportion between the amount paid and the amount (if any) unpaid on each both before and after subdivision shall remain the same; or

(d) cancel shares which at the date of the passing of the resolution have not been taken or agreed to be taken by any person or which have been forfeited and diminish the amount of its share capital by the amount of the shares so cancelled.

22. Reduction of capital

22.1 Subject to Rule 11, the Company may in accordance with the *Corporations Act* reduce its share capital or any capital account in any manner and with, and subject to, any incident, authority or consent required by law.

22.2 The Directors may do all the things necessary and expedient to obtain the confirmation of any reduction of capital which the Company desires to effect.

23. Meetings

23.1 An annual general meeting of the Company shall be held in accordance with the provisions of the *Corporations Act*.

23.2 The Directors shall convene a Meeting of the Company:

(a) on the requisition of a majority of Directors;

(b) on the requisition of the non-executive Directors acting unanimously;

(c) on the requisition of such other person as shall be entitled to requisition such Meeting under the law; or

(d) upon the Board so resolving,

and the Directors shall comply with any provisions of the *Corporations Act* with respect to the convening of such Meetings.

23.3 Subject to the provisions of the *Corporations Act* relating to special resolutions, special notice and agreements for shorter notice:

(a) Where the Company is Listed – twenty-eight (28) days' notice; or

(b) Otherwise, twenty-one (21) days' notice,

at the least (exclusive of the day on which the notice is served or deemed to be served, but inclusive of the day for which notice is given) shall be given to such persons as are entitled to

receive such notices from the Company pursuant to this Constitution which notice shall specify the place, the day and the hour of the Meeting and, except as provided by Rule 23.4, the general nature of the business to be transacted at the Meeting.

23.4 It is not necessary for a notice of annual general meeting to state that the business to be transacted at the Meeting includes the declaring of a dividend, the consideration of financial statements and the reports of the Directors and Auditors, the election of Directors in the place of those retiring by rotation or otherwise or the appointment and fixing of the remuneration of the Auditors.

23.5 The accidental omission to give the notice required by this Constitution to any of the Members or the non-receipt of such notice by any Member shall not invalidate any resolution passed at a Meeting or adjournment of the Meeting.

23.6 Where the Company is Listed, the Company shall give the Home Branch a copy of all documents it proposes to send to persons entitled to receive those documents from the Company in respect of every Meeting, immediately prior to dispatch of the same.

[See LR 3.17]

23.7 Every notice given to such persons as are entitled to receive such notices from the Company pursuant to the provisions of this Constitution shall be accompanied by a form of proxy in a form substantially in accordance with the form set forth in Rule 31 of this Constitution. The form of proxy shall be blank as far as the person primarily to be appointed as proxy is concerned.

[See LR 14.2]

24. Quorum at Meetings

24.1 No business shall be transacted at any Meeting unless a quorum of Members is present at the time when the meeting proceeds to business.

24.2 The Company may hold a Meeting of its Members:

(a) at one or more physical venues; or
(b) at one or more physical venues and using virtual meeting technology; or
(c) using virtual meeting technology only.

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24.3 If the place of the Meeting is determined by the Directors not to be a physical venue and is facilitated by using virtual meeting technology only, which by itself or in conjunction with other arrangements:
(a) gives the general body of Members a reasonable opportunity to participate in the business of the Meeting; and
(b) enables the Members to vote on a show of hands or on a poll,
a Member present at the place is taken to be present at the Meeting and entitled to exercise all rights of a Member present.

24.4 If a separate meeting place is linked to the main place of a Meeting by an instantaneous communication device which, by itself or in conjunction with other arrangements:
(a) gives the general body of Members in the separate meeting place a reasonable opportunity to participate in the business of the Meeting in the main place; and
(b) enables the Members in the separate meeting place to vote on a show of hands or on a poll,
a Member present at the separate meeting place is taken to be present at the Meeting and entitled to exercise all rights as if he or she was present at the main place.

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24.5 If the technology used in accordance with Rules 24.2-24.4 encounters a technical difficulty, whether before or during the Meeting, which results in a Member not being able to participate in the Meeting, the Chairman may, subject to the Corporations Act and this Constitution, allow the Meeting to continue or may adjourn the Meeting either for such reasonable period as may be required to fix the technology or to such other time and location as the Chairman deems appropriate.

24.6 Subject to Rule 24. three (3) Members present shall be a quorum.

24.7 If within fifteen minutes from the time appointed for the Meeting a quorum is not present, the Meeting:

(a) if convened upon the requisition of Members, shall be dissolved; and

(b) in any other case it shall stand adjourned to the same day in the next week at the same time and place, but no notice of such adjournment shall be required to be given to the Members. If at the adjourned Meeting a quorum is not present within half an hour from the time appointed for the Meeting, the Meeting shall proceed with whatever may be the number of Members present, and those Members present shall be deemed to constitute a quorum.

24.8 In this Rule Member includes a person attending as a proxy, attorney, virtually through the use of technology as contemplated by Rules 24.2-24.4, or as a Corporate Representative of a corporation which is a Member.

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25. Chairman at Meetings

25.1 The Chairman of Directors or in her/his absence the Deputy Chairman (if any) shall be entitled to take the chair at every Meeting.

25.2 The Directors shall be entitled to elect a Director or any other person as Chairman for all or part of any Meeting.

25.3 If at any Meeting:

(a) the Company has no Chairman of Directors, Deputy Chairman or Chairman appointed in accordance with Rule 25.2; or

(b) neither the Chairman of Directors, the Deputy Chairman nor the Chairman appointed in accordance with Rule 25.2 is present within fifteen (15) minutes after the time appointed for holding the Meeting; or

(c) neither the Chairman of Directors, the Deputy Chairman nor the Chairman appointed in accordance with Rule 25.2 is willing to act as Chairman,

the Members present shall choose another Director as Chairman and if no other Director is present, or if all the Directors present decline to act, then the Members shall choose one (1) of their number to be Chairman.

26. Conduct of general Meetings

26.1 The Chairman shall at any time prior to, at or during a Meeting determine;

(a) the conduct of the Meeting;

(b) the security arrangements to apply to the Meeting; and

(c) the procedures to be adopted at the Meeting.

26.2 The Chairman or any person acting with the Chairman's authority may at any meeting:

(a) require any person wishing to attend to comply with any search or other security arrangements;

(b) refuse access to the Meeting to any person who does not comply with the security arrangements;

(c) refuse access to the Meeting to any person who possesses a recording or broadcasting device;

(d) refuse access to the Meeting to any person who possesses any item or chattel considered to be dangerous, offensive or disruptive to the Meeting.

26.3 At any Meeting the Chairman may if it is considered necessary or desirable for the proper and orderly conduct of the Meeting:

(a) stop debate or discussion on any business, resolution, motion or question; and

(b) if appropriate, require the business, resolution, motion or question to be voted on by the Members.

26.4 A Director shall be entitled to attend and speak at any Meeting.

27. Adjournments and postponement of Meetings

27.1 Subject to Rule 27.2 the Chairman may:

(a) with the consent of any Meeting at which a quorum is present adjourn the Meeting from time to time and from place to place;

(b) without the consent of any Meeting, adjourn the Meeting from time to time and from place to place where it appears the facilities are inadequate to enable all persons to attend and be heard at the Meeting, it is impossible for him to maintain order or to enable the conduct of a poll.

27.2 Any poll duly demanded on the election of a Chairman of a Meeting, or on any question of adjournment, shall be taken at the Meeting without adjournment.

27.3 No business shall be transacted at any adjourned Meeting other than the business left unfinished at the Meeting from which the adjournment took place.

27.4 When a Meeting is adjourned for fourteen (14) days or more, seven (7) days' notice shall be given of the place, date and time of the adjourned Meeting but it shall not be necessary to specify in such notice the nature of the business to be transacted at such adjourned Meeting.

27.5 Save as provided in Rule 27.4 it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned Meeting.

27.6 The Directors may postpone any Meeting from time to time by giving notice to all Members of the place, date and time of the postponed Meeting but it shall not be necessary to specify in such notice the nature of the business to be transacted at the postponed Meeting.

28. Voting rights of Members

28.1 Subject to this Constitution, a holder of shares in the Company shall be entitled to be present at any Meeting, and to vote in respect of shares held by her/him. Any Member present at any Meeting may decline to vote on any question put to that Meeting, but shall not by so doing be considered absent from the Meeting.

28.2 Unless otherwise provided in this Constitution every Member present in person or by proxy or by attorney or (in the case of a body corporate) by Corporate Representative or using virtual technology as contemplated by Rules 24.2-24.4 shall be entitled:

(a) on a show of hands, to one vote; and

[See LR 6.8]

(b) subject to Rule 28.7, on a poll, to one vote for each share of which she/he is the holder.

[See LR 6.9]

28.3 Except where otherwise provided by the *Corporations Act* or this Constitution, every question to be decided by any Meeting shall be decided by a majority on a show of hands by persons present who are Members, or proxies or attorneys or Corporate Representatives entitled to act pursuant to this Constitution, unless immediately on the declaration of the result of the show of

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hands a poll be directed by the Chairman of the Meeting, or demanded in the manner provided in Rule 29.

28.4 Unless a poll is demanded, a declaration by the Chairman that a resolution has in a show of hands been carried or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the minutes of the Meeting is conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution.

28.5 Where any persons are registered as joint holders of a share any one of such persons may vote at any Meeting either personally or by proxy or Corporate Representative in respect of such share as if she/he were solely entitled and if more than one joint holder is present at any Meeting personally or by proxy attorney or Corporate Representative the senior of such persons shall alone be entitled to vote in respect of the jointly held share. Seniority shall be determined by the order in which the names of the holders stand in the Register.

28.6 A Member holding shares in respect of which all sums due and payable to the Company have not been paid shall not be entitled to attend and vote at Meetings in respect of such shares but shall be entitled to attend Meetings and vote in respect of all other shares held in respect of which no sums are due and payable to the Company.

28.7 Where a poll is demanded, a Member holding partly paid shares shall be entitled, for each share, to a fraction of a vote equivalent to the proportion which the amount paid up (not credited) bears to the total issue price for the share (excluding amounts credited).

[See LR 6.9]

28.8 A Member who is of unsound mind or whose personal estate is liable to be dealt with in any way under the law relating to mental health may vote, whether on a show of hands or on a poll, by his Committee or by the Public Trustee or by such other person as properly has the management of his estate, and such Committee, Public Trustee or other person may vote by proxy or attorney.

28.9 No objection shall be raised to the qualification of any voter except at the Meeting or adjourned Meeting at which the vote objected to is given or tendered, and every vote not disallowed at such Meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the Chairman of the Meeting, whose decision shall be final and conclusive.

29. Poll

29.1 Subject to this Constitution, a poll may be demanded by:

(a) the Chairman, at any time;

(b) not less than five (5) Members having the right to vote on the resolution present in person or by proxy, attorney or Corporate Representative;

(c) by any one (1) or more Members present in person or by proxy, attorney or Corporate Representative holding shares conferring a right to vote on the resolution, being shares on which an aggregate sum has been paid up equal to not less than 5% of the total sum paid up on all the shares conferring that right.

29.2 Any poll demanded under this Constitution shall be taken at such time and place and in such manner as the Chairman of the Meeting shall direct and subject to Rule 27.2 shall be taken either at once, or after an interval or adjournment, and the result of the polls shall be deemed to be the resolution of the Meeting at which the poll was demanded.

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29.3 The demand of a poll shall not prevent the continuance of a Meeting for the transaction of any business other than the question upon which the poll has been demanded.

29.4 The demand of a poll may be withdrawn at any Meeting before the conduct of such poll.

30. Casting vote

The person in the chair at a Meeting shall not in the case of an equality of votes on a show of hands or on a poll have a second or casting vote.

31. Proxies

31.1 Any person who is entitled to attend and vote at any Meeting of the Company may appoint:

(a) Where the Member is entitled to cast one (1) vote on a poll - one person; or

(b) Where the Member is entitled to cast more than one (1) vote on a poll - not more than two (2) other persons,

(whether Members or not) as her/his proxy or proxies to attend and vote at the Meeting on his behalf.

31.2 A proxy appointed to attend and vote at a Meeting on behalf of a Member shall have the same right as the Member to speak at the Meeting.

31.3 A Member may instruct her/his proxy or proxies to vote for or against any specific resolution submitted to a Meeting at which such proxy or proxies are present.

[See LR 14.2.1]

31.4 Where a Member appoints two (2) proxies:

(a) the appointment may specify the proportion or number of votes that the proxy may exercise;

(b) otherwise, each proxy may exercise half of the votes.

31.5 Despite anything to the contrary contained in this Constitution, if a Member appoints one (1) proxy only, that proxy shall be entitled to vote on a show of hands, but if a Member appoints two (2) proxies, neither proxy shall be entitled to vote on a show of hands.

31.6 If a Member appoints:

(a) one (1) proxy only, that proxy shall be entitled on a poll to one (1) vote for each share held by the appointor Member;

(b) two (2) proxies, each proxy shall be entitled on a poll to that number of votes determined in accordance with Rule 31.4.

31.7 Where a proxy and a Member who appointed such proxy both attend at the Meeting or adjourned Meeting, or on the taking of a poll:

(a) where the proxy is appointed to represent the whole of a Member's voting rights - the Member shall not be entitled to vote at the Meeting or adjourned Meeting or to vote on the poll, as the case may be, unless notice in writing of the revocation of the

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instrument appointing such proxy shall have been received at the place for deposit of proxies or by the Chairman before the Meeting or adjourned Meeting or the poll is taken;

(b) where the proxy is appointed for a specified portion of that Member's voting rights only - the Member shall be entitled to vote at the Meeting or adjourned Meeting or to vote on the poll as if the shares or the portion of shares in respect of which the Member has not appointed a proxy were the only shares held by her/him provided that in this case the proxy shall not be entitled to vote on a show of hands.

31.8 The instrument appointing a proxy shall be in writing under the hand of the appointor or her/his attorney duly authorised in writing or if such appointor is a corporation, properly executed by the corporation under the *Corporations Act*.

31.9 Despite anything else in this Constitution:

(a) where a share or shares is or are jointly held, the instrument appointing a proxy may be signed by the joint holders of such share or shares or by any one or more of them;

(b) where more than one person is entitled by transmission pursuant to Rule 19 to a share or shares in the Company, the instrument appointing a proxy may be signed by all the persons so entitled or any one or more of them.

31.10 A proxy shall not remain in force for a period of more than three (3) months from the date of the proxy, unless such proxy is incorporated in a power of attorney.

31.11 Every instrument of proxy whether for a specified Meeting or otherwise shall be in the following form or in any other form which the Directors may approve or which may be required by the *Corporations Act* and/or (in the event that the Company is Listed) the Listing Rules:

Atlantic Lithium Limited ACN 127 215 132

"I, ...

of ....

appoint..... .....

of .....

or

(a) ....

of .....

in respect of ..... per cent of my voting rights in the Company;

and

(b) ....

of ....

in respect of ..... per cent of my voting rights in the Company

or failing her/him or them, the Chairman of the Meeting as my proxy or proxies to vote for me and on my behalf at the General Meeting (or annual general meeting as the case may be) of

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the Company to be held on the day of and at any adjournment.

This form is to be used *in favour of the resolution
**against

Signed this day of

....
Signature of Shareholder

*(Strike out whichever is not desired or is inapplicable)
**To be inserted if desired.

[See LR 14.2.2]

31.12 Any instrument appointing a proxy which is entitled to be used at a Meeting at which any resolution is proposed to be passed shall clearly indicate that the holder of the proxy is entitled to vote for or against such resolution as directed by the Member or failing such direction, at the discretion of the holder of the proxy.

32. Powers of attorney

32.1 Any Member may by power of attorney appoint an attorney to attend and act and vote at any Meetings of the Company on behalf of such Member and as his or its proxy without any special appointment other than such power of attorney (**Attorney**).

32.2 An Attorney shall be appointed in writing under the hand and seal of the Member and attested by one (1) witness, or if the appointor is a corporation, properly executed by the corporation under the *Corporations Act* or under applicable law.

32.3 An Attorney appointed in accordance with this Rule, within the limits of her/his power of attorney, whether her/himself as a Member of the Company or not, may appoint in writing as proxy on behalf of the appointor, a person (whether a Member of the Company or not) who shall be deemed to be the proxy of such appointor.

32.4 Any Attorney appointed in accordance with this Rule, whether her/himself a Member of the Company or not, may on behalf of her/his appointor, within the limits of his power of attorney, sign any consent which the appointor would under this Constitution be required or entitled to sign.

32.5 Any Attorney appointed in accordance with this Rule and any substitute Attorney or proxy appointed may attend and take part in the proceedings of and vote at all Meetings of the Company (or any Meeting of any class of shareholders in the Company of which such Member is a Member) so long as the power of attorney shall remain in force in the same manner as the Member her/himself could do if she/he were personally present. If the power of attorney is expressed to be given for value, the votes of the Attorney or substitute Attorney or proxy shall take precedence over the votes of the Member or of any other proxy appointed by or claiming under the Member.

33. Appointing instrument to be deposited with Company

33.1 The following instruments shall be deposited at the Office or at such other place as is specified for that purpose:

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(a) any instrument appointing a proxy pursuant to Rule 31, together with the power of attorney or other authority, if any, under which it is signed; and

(b) any power of attorney pursuant to Rule 32.

33.2 Any such instrument shall be forwarded to the Company not less than forty-eight (48) hours before the time for holding the Meeting or adjourned Meeting at which the person named in the instrument proposes to vote or, in the case of a poll, not less than forty-eight (48) hours before the time appointed for the taking of the poll.

33.3 Any instrument which is not deposited with the Company in the manner and within the time provided in this Rule is invalid.

33.4 Subject to the *Corporations Act*, a copy of any of the instruments referred to in Rule 33.1 may be deposited at the Office PROVIDED THAT such copy has been certified as being a true and correct copy by either a Justice of the Peace, Solicitor or Notary Public.

33.5 Despite anything else in this Constitution, where a Corporate Representative is appointed and:

(a) the appointment is a standing one – the certificate appointing a Corporate Representative is not required to be produced to the Company prior to the commencement of a Meeting at which a Corporate Representative proposes to attend where:

(1) the certificate appointing the Corporate Representative has been previously produced to the Company;

(2) the Corporate Representative is entitled to attend the Meeting on the basis of the same certificate (without amendment or extension) as the certificate referred to in Rule 33.5; and

(3) the certificate referred to in Rule 33.5 is otherwise valid; or

(b) otherwise - a certificate appointing a Corporate Representative must be produced to the Company prior to the commencement of a Meeting at which a Corporate Representative proposes to attend.

34. Revocation and invalidity of instruments

A vote given in accordance with the terms of the instrument appointing a proxy, attorney or Corporate Representative shall be valid, subject to Rule 31, despite;

(a) the death of the principal;

(b) the unsoundness of mind of the principal;

(c) the winding up or dissolution of the principal, if a corporate body;

(d) the revocation of the instrument or the power of attorney under which the instrument was executed,

so long as no intimation in writing of any such event is received at the place for deposit of proxies or by the Chairman before the Meeting or the adjourned Meeting takes place or the poll is taken.

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35. Number of Directors

35.1 The Company may from time to time by resolution passed at a Meeting increase or reduce the number of Directors.

35.2 Subject to Rule 35.1, the number of Directors shall be not less than three (3) and no more than nine (9).

36. Qualification of Directors, Alternate Directors and Associate Directors

36.1 Every Director shall be a natural person.

36.2 A Director, Alternate Director or Associate Director need not be a shareholder.

37. Vacation of office of Director

37.1 The office of the Director shall become vacant if the Director:

(a) ceases to be a Director by virtue of the *Corporations Act* or by order of any court of competent jurisdiction;

(b) becomes prohibited from being a Director by reason of any order made under the *Corporations Act*;

(c) becomes bankrupt or suspends payment or makes any arrangement or composition with his creditors generally;

(d) becomes of unsound mind or a person whose person or estate is liable to be dealt with in any way under the law relating to mental health;

(e) resigns his office pursuant to Rule 37.2 provided that in the case of an Executive Director holding office as such for a fixed term such resignation and vacation of office shall be without prejudice to any claims that the Company may have against her/him for any breach of any contract of service between her/him and the Company;

(f) for a continuous period of more than six (6) months is absent without the permission of the Directors from meetings of the Directors held during that period, provided that attendance by her/his Alternate shall be deemed to be attendance by the Director for the purposes of this paragraph;

(g) is removed from office pursuant to Rule 38; or

(h) where the Director is a shareholder, fails to pay any call within four (4) weeks from the date such call is made payable.

37.2 A Director may resign from office upon giving one (1) month's notice in writing to the Company of his intention to do so and such resignation shall take effect upon the expiration of the notice, or its earlier acceptance by the Board.

38. Appointment and removal of Directors

38.1 The Directors may at any time and from time to time appoint any other person qualified in accordance with Rule 36 as a Director, either to fill a casual vacancy or as an addition to the

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Board but only if the total number of Directors do not at any time exceed the maximum number for the time being allowed under this Constitution.

38.2 Any Director appointed under Rule 38.1 shall hold office only until the next following annual general meeting of the Company, and shall then be eligible for re-election but shall not be taken into account in determining the Directors who are to retire by rotation at that Meeting.

[See LR 14.4]

38.3 Subject to the provisions of the *Corporations Act*, the Company at a Meeting may by resolution:

(a) remove any Director before the expiration of her/his term of office;

(b) appoint another qualified person as a Director; or

(c) remove any Director before the expiration of her/his office and appoint another qualified person in her/his stead.

38.4 Any appointment of a Director proposed pursuant to Rules 38.3(b) or 38.3(c) shall be subject to prior notice having been given under Rule 40.13.

38.5 A person appointed pursuant to Rule 38.3(b) shall hold office subject to Rule 40.

38.6 Any person appointed or re-elected pursuant to Rule 38.3(c) shall hold office only during such time as the Director in whose place she/he is appointed or, in the case of re-election, the re-elected Director her/himself would have continued to hold office had she/he not been removed pursuant to this Rule.

39. Offices of profit in Company

39.1 Subject to the provisions of the *Corporations Act*, any Director may hold any other office or place of profit under the Company or in connection with the Company's business other than that of Auditor.

39.2 No person being a partner or employer or employee of any Auditor of the Company shall be eligible to be appointed or elected as Director or Alternate Director of the Company.

40. Term of office of Directors

40.1 At each annual general meeting of the Company, the following Directors must retire from office:

(a) Any Director required to submit her/himself for re-election because of Rule 40.6;

(b) any Director required to submit her/himself for re-election because of Rule 38.2;

(c) one-third of the Directors for the time being excluding:

(1) any Director to whom Rule 40.1 applies; and

(2) any Managing Director subject to Rule 45.2(a) and Rule 45.2(b),

(or if their number is not a multiple of three (3) then the greater of:

(3) one; or

(4) the number nearest to but not exceeding one-third).

[See LR's 14.4 and 14.5]

40.2 Rule 40.1 does not apply to the Managing Director but if there is more than one Managing Director, Rule 40.1 does not apply to that Managing Director determined in accordance with Rule 45.2(b).

[See LR 14.4]

40.3 The Directors to retire pursuant to Rule 40.1(c) shall be determined according to the length of time each Director has spent in office, with those having spent the longest time in office retiring.

40.4 Where two (2) or more Directors have been in office an equal length of time, the Directors to retire shall, in default of agreement between them, be determined by lot.

40.5 The length of time a Director has been in office shall be computed from her/his last election or appointment where she/he has previously vacated office.

40.6 Subject to Rule 40.2 but despite anything to the contrary in this Constitution, a Director shall not continue in office for a period in excess of three (3) consecutive years or until the third annual general meeting following her/his appointment, whichever is the longer, without submitting himself for re-election.

40.7 A retiring Director shall retain office until the conclusion of the Meeting at which her/his successor is elected.

40.8 A retiring Director shall be eligible for re-election.

40.9 The Company at any Meeting at which any Directors retire in the manner provided for in this Rule may elect a like number of persons to fill the vacancies left by the retiring Directors, and subject to Rule 40.13 may also fill any other vacancies.

40.10 A motion for the appointment of two (2) or more persons as Directors by a single resolution shall not be made unless a resolution that it be so made has been first agreed to by the Meeting without any vote being given against it.

(a) A resolution passed in contravention of this paragraph shall be void, whether or not it was objected to at the time the resolution was moved.

(b) For the purposes of this paragraph a motion for approving a person's appointment or for nominating a person for appointment shall be treated as a motion for her/his appointment.

(c) Nothing in this paragraph shall be deemed to prevent the election of two (2) or more Directors by ballot or poll.

40.11 If at any Meeting at which an election of Directors ought to take place, the offices of the retiring Directors or some of them are not filled, then the vacancy or vacancies created shall be deemed to be a casual vacancy or casual vacancies capable of being filled by the Directors pursuant to Rule 38.1.

40.12 The Company may at any Meeting from time to time:

(a) increase or reduce the number of Directors;

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(b) alter the requirements as to the Directors' qualifications; and

(c) determine in what rotation such increased or reduced number is to go out of office.

40.13 Nominations for election to the office of Director shall be accepted:

(a) where the Company is Listed - up to thirty (30) Business Days; or

(b) otherwise - up to twenty-five (25) Business Days,

before the date of a general Meeting at which Directors will be elected or re-elected.

[See LR 14.3]

41. Remuneration of Directors

41.1 Each Director shall be entitled to remuneration for her/his services from the date of their election or appointment to the Board.

41.2 The remuneration of the Executive Directors:

(a) shall be determined by the Board; and

(b) where the Company is Listed, must not include a commission on or percentage of operating revenue.

[See LR 10.17]

41.3 The Directors are entitled to be paid all reasonable travelling, hotel and other expenses incurred by them in:

(a) attending and returning from meetings of the Directors of the Company; or

(b) otherwise in connection with the business of the Company; or

(c) in the execution of their duties as Directors,

but may be required to provide reasonable verification of these expenses.

41.4 The remuneration of non-Executive Directors must be a fixed sum for each non-Executive Director.

[See LR 10.17.2]

41.5 The total amount of fees payable by the Company or any subsidiary of the Company to non-Executive Directors must:

(a) be set by resolution of the Company; and

(b) only be increased by resolution of the Company, with the notice of Meeting relating to any proposed increase to specify the amount of the proposed increase and the maximum sum that may be paid.

[See LR10.17.1]

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41.6 Except as provided in this Constitution, the Directors shall not without the prior consent of the Company given in Meeting have the power to fix or pay a salary or allowance for a non-Executive Director that would have the effect of exceeding the total amount of Director's fees payable determined in accordance with Rule 41.5.

41.7 Nothing in this Constitution shall prevent the Directors approving the payment of consulting or other professional services to any Director. In the event of a Director ceasing to be a Director as a consequence of dying, retiring or ceasing to hold office (**Retiring Director**), the Directors may approve and make such payment to the Retiring Director, or his legal personal representatives or dependents as permitted pursuant to section 200F of the *Corporations Act* (**Permitted Payment**).

41.8 The Directors shall only be entitled to approve and make to a Retiring Director a payment in excess of the Permitted Payment where:

(a) the particulars of the proposed payment referred to above (together with such other particulars as are required by the *Corporations Act* to be disclosed) shall have been disclosed to, and approved by, the Company at a Meeting prior to the death, retirement or vacation of office of the Director;

(b) the Director has not ceased to be a Director pursuant to the provisions of Rules 37.1(a) or 37.1(b).

42. Directorships in other companies

42.1 Subject to Rule 42.2 a Director may be or become a director of any other company and no Director who is or becomes a director in another company shall be accountable for any benefits received as a director or Member of such other company.

42.2 Subject to Rule 42.1, a Director shall not, without the approval of the other Directors accept, hold or retain the office of director of any other company which in the opinion of the other Directors is for the time being in active competition with the Company.

43. Alternate Directors

43.1 Subject to the provisions of Rule 36, any Director may appoint any person to act as an Alternate Director in her/his place, whether for a stated period or periods or until the happening of a specified event or from time to time, whenever by absence or illness or for any other reason she/he is unable to attend to her/his duties as a Director as follows:

(a) with approval of a resolution of the Board; or

(b) with the approval of a majority of the other Directors.

43.2 The following provisions shall apply to any such Alternate Director:

(a) subject to this Constitution, the Alternate Director shall be entitled to receive notice of meetings of the Directors and to attend and vote at meetings of Directors if the Director by whom the Alternate Director was appointed is not present;

(b) where the Alternate Director is already a Director, the Alternate Director shall have a separate vote on behalf of the Director the Alternate Director is representing in addition to her/his own vote;

(c) the Alternate Director shall be entitled to exercise all the powers (except the power to appoint an Alternate Director) and to perform all the duties of a Director, insofar as the Director by whom the Alternate Director was appointed has not exercised or performed them;

(d) the Alternate Director shall vacate office as Alternate Director if the Director by whom the Alternate Director was appointed is removed or otherwise ceases to hold office for any reason;

(e) the Alternate Director shall, whilst acting as an Alternate Director, be responsible to the Company for the Alternate Director's own acts and defaults and shall not be deemed to be the agent of the Director by whom the Alternate Director was appointed;

(f) the Alternate Director shall not be entitled to receive any remuneration from the Company as a Director except for special services which in the opinion of the Directors are outside the range of the ordinary duties of a Director;

(g) the Alternate Director shall not be taken into account in determining the number of Directors but shall, if the Director by whom he was appointed is not present, be taken into account for the purpose of determining whether a quorum is present under Rule 46.2;

(h) the Alternate Director may be removed or suspended from office by written notice, letter, facsimile, or other form of visible communication sent to the Company by the Director by whom the Alternate Director was appointed.

43.3 An instrument appointing an Alternate Director may be delivered to the Company by written notice, letter, facsimile or other form of visible communication and shall be retained by the Company and shall be substantially in the following form:

Atlantic Lithium Limited ACN 127 215 132

I, ... a Director of,

..... Limited

in pursuance of the power contained in the Constitution of the Company nominate

....

of.....

.....

to act as Alternate Director of the Company in my place and stead, and to exercise and discharge all my duties and to exercise all my authorities, prerogatives, privileges and powers as a Director of the Company during my absence (or my illness or my inability to act or attend as a Director, as the case may be).

Signed this day of

Signature ....

Witness ....

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44. Associate Directors

44.1 Subject to the provisions of Rule 36 the Directors may from time to time appoint any person to be an Associate Director and may at any time remove from office any person so appointed.

44.2 The Directors may define and limit from time to time the duties and powers of such Associate Directors and may fix their remuneration if any.

44.3 An Associate Director shall not be deemed to be a Director of the Company within the meaning of the *Corporations Act* or of this Constitution and she/he shall not be recognised in a quorum or exercise any of the powers which are by this Constitution conferred on the Directors or in any way share their responsibilities, but she/he may upon the invitation of the Directors attend those Meetings to which the invitation extends.

45. Managing Director

45.1 The Directors may from time to time appoint one or more of the Directors to the position of Managing Director and/or Assistant Managing Director on such terms as they think fit and may from time to time remove her/him or them from office and appoint another in her/his or their place or places.

45.2 A Managing Director or Assistant Managing Director shall be subject to the same provisions as to resignation and removal as the other Directors of the Company and he shall immediately cease to be a Managing Director or Assistant Managing Director if she/he ceases to hold the office of Director from any cause, provided that:

(a) where there is only one (1) Managing Director, he shall not be subject to the provisions of this Constitution as regards retirement by rotation, and she/he shall not be taken into account in determining the rotation or retirement of Directors; and

(b) where there is more than one (1) Managing Director, only one (1) Managing Director shall be entitled not to be subject to the provisions of this Constitution as regards retirement by rotation and shall not be taken into account in determining the retirement by rotation of Directors. As between any two (2) or more Managing Directors, in the absence of agreement between them, the Managing Director to whom the exemption in this Rule 45.2 applies, shall be determined by lot;

(c) after a determination has been made under Rule 45.2, the exemption referred to in that Rule will not apply to any other Managing Director until the Managing Director first determined to have the benefit of the exemption ceases to be a Managing Director;

(d) if, at the time a Managing Director ceases to have the benefit of the exemption referred to in Rule 45.2, she/he has not submitted himself for re-election for a period longer than that provided in Rule 40.6, she/he shall submit her/himself for re-election at the next annual general meeting of the Company.

[See LR 14.4]

45.3 Despite Rule 41, the remuneration of a Managing Director or Assistant Managing Director shall be fixed by the Directors from time to time and may be by way of fixed salary or commission on profits of the Company or of any other company in which the Company is interested or by participation in any such profits or by any or all of these modes, but shall not be by way of commission on or percentage of operating revenue.

45.4 The Directors may from time to time:

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(a) entrust to and confer upon a Managing Director or Assistant Managing Director for the time being such of the powers exercisable under this Constitution by the Directors as they think fit;

(b) confer such powers for such time and to be exercised for such objects and purposes and upon such terms and conditions and with such restrictions as they think expedient;

(c) confer such powers collaterally with, but not to the exclusion of or in substitution for, all or any of the powers of the Directors in that behalf and may from time to time revoke withdraw alter or vary all or any of such powers.

45.5 This Rule 45 is subject to the provisions of any contract between the Managing Director or Assistant Managing Director and the Company so long as the terms of any contract between the Managing Director or Assistant Managing Director and the Company which are inconsistent with this Constitution, have been first approved of by the Company in general Meeting.

46. Directors' Meetings

46.1 The Directors may meet together in person or by any form of electronic device which must allow at all times the Directors to be able to hear and be heard by all other Directors at the meeting, for the dispatch of business, to adjourn and to otherwise regulate their meetings as they think fit.

46.2 Subject to the *Corporations Act*, the quorum necessary for the transaction of the business of the Directors may be fixed by the Directors and unless so fixed shall be two (2).

46.3 A Director may at any time convene a meeting of the Directors.

46.4 The Secretary shall upon the requisition of a Director convene a meeting of the Directors.

46.5 Unless otherwise decided by the Directors, notice of every meeting of Directors, shall be given by delivering the same to, or by letter, facsimile or other form of visible communication to each Director at an address notified by her/him to the Secretary as her/his address for receipt of notice. If such address is outside the State then a copy of such notice shall also be given in any of the above modes to the address (if any) within the State notified by such Director to the Secretary as her/his address in the State for the receipt of notices.

46.6 If, prior to any meeting of Directors, the Secretary is advised by the Chairman of Directors or by any other Director that any urgent or contentious business is or may be transacted at such meeting, notice of such meeting shall contain a statement of the general nature of the urgent or contentious business to be transacted.

46.7 Questions arising at any meeting of the Directors shall be determined by a majority of votes and such a determination shall be deemed a determination of the Directors.

46.8 In case of an equality of votes the Chairman of the meeting shall, when more than two (2) Directors including the Chairman are present and competent to vote on the question at issue, have a second or casting vote.

46.9 A resolution in writing which is signed and dated by more than 50% of the Directors (including any Alternate Director appointed by an absent Director) entitled to vote on the resolution, containing a statement that they are in favour of the resolution shall be as valid and effectual as if it had been duly passed at a meeting of Directors duly convened and constituted. Any such resolution may consist of separate copies of a document each signed by one (1) or more Directors if the wording of the resolution and statement is identical in each copy. Any document referred to in this rule may be in the form of an electronic notification.

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46.10 A resolution pursuant to Rule 46.9 shall be deemed to have been passed on the day (according to the dates of signing) when the resolution shall have been signed by the last participating Director and any Alternate Director (as the case may be). If a signed copy of the resolution shall be returned to the Secretary undated, the Secretary shall fill in the date on which it was received and the same shall be deemed to have been signed on that day.

46.11 For the purposes of Rules 46.9 and 46.10:

(a) an electronic or other form of visible communication issued by a Director shall be deemed to be signed and dated by such Director; and

(b) a reference to all the Directors does not include a reference to a Director who, at a meeting of Directors, would not be entitled to vote on the resolution.

46.12 The continuing Directors may act despite any vacancy in their body, but if and so long as their number is reduced below the number fixed by or pursuant to this Constitution as the necessary quorum of Directors, the continuing Directors or Director may act for the purpose of increasing the number of Directors to that number or of summoning a Meeting of the Company, but for no other purpose, except in an emergency.

46.13 Subject to Rule 46.12, a meeting of the Directors at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions by or under this Constitution or by or under statute for the time being vested in or exercisable by the Directors generally.

46.14 The Directors may adopt a code of conduct regulating the conduct and procedures to apply to all meetings of Directors, including disclosure and use of information received at any meeting of Directors.

47. Chairman of Directors

47.1 The Directors may from time to time appoint a Chairman of Directors or Chairman and may entrust to and confer upon such Chairman of Directors or Chairman all or any of the powers of the Directors (excepting the powers to make calls, forfeit shares, borrow or otherwise raise money or issue debentures) that they may think fit.

47.2 The exercise of all powers by such Chairman of Directors or Chairman shall be subject to such regulations and restrictions as the Directors may from time to time make and impose and the said powers may at any time be withdrawn, revoked or varied.

47.3 The Chairman of Directors shall be entitled if present to take the chair at meetings of the Directors. If she/he is not present within ten (10) minutes after the time appointed for the meeting then the Directors shall choose one of their number to be chairman of the meeting.

47.4 The Chairman may be removed at any time by resolution of the Directors of which reasonable notice shall have been given to all Directors before the meeting of Directors at which the resolution is proposed.

48. Defective appointment of Directors

All acts done at a meeting of the Directors or of a committee of the Directors or by any person acting bona fide as a Director shall be as valid as if every such person had been duly appointed or had duly continued in office and was qualified and had continued to be a Director, regardless as to whether it is afterwards discovered that there was some defect in the

appointment or continuance in office of any of such Directors or persons acting or that any of them were disqualified or had vacated office.

49. Delegation to committees of Directors

49.1 The Directors may delegate any of their powers to committees consisting of such member or members of their body as they think fit and may revoke or vary such delegation whenever they think fit.

49.2 Any committee so formed shall in the exercise of the powers so delegated conform to any regulations that may be imposed on it from time to time by the Directors.

49.3 The committee may meet and adjourn as it thinks proper, questions arising at any meeting shall be determined by a majority of votes of the members present, and in the case of an equality of votes the chairman shall have a second or casting vote.

50. Minutes of Meetings

50.1 The Directors shall cause minutes to be made of all proceedings at all meetings of Directors and of all meetings of Directors and committees of Directors.

50.2 The minutes shall contain details of all proceedings including;

(a) of all appointments of officers; and

(b) of names of Directors present at all Meetings and meetings of the Directors and of any committee of the Directors,

and shall be signed by the Chairman of the meeting at which the proceedings were held or by the Chairman of the next succeeding meeting.

50.3 The minutes of a meeting signed by the Chairman of that meeting as provided in Rule 50.2 shall be sufficient evidence without further proof of the facts stated in the minutes.

51. General powers of Directors

51.1 The Directors shall manage and control the business and affairs of the Company.

51.2 The Directors may exercise all of the powers and do all acts and things that the Company has power and authority to do, except those powers, acts or things which may only be done by the Company in general Meeting.

51.3 The powers of the Directors under this Rule shall be subject to;

(a) any contract which may be made with a Managing Director in which the Directors delegate certain powers; and

(b) the provisions of the *Corporations Act*, this Constitution, the AIM Rules, the CREST Regulations and the Listing Rules (if applicable) and any regulations made from time to time by the Company at a Meeting.

51.4 The Company shall not make any regulation which would have the effect of invalidating any prior act of the Directors which was validly made.

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51.5 So far as shall be practicable and not inconsistent with the provisions of this Constitution, any power, authority or discretion vested in the Directors may be exercised at their discretion.

52. Borrowing powers of Directors

52.1 The Directors may at their discretion raise or borrow, money or other financial accommodation of any kind whatsoever on behalf of the Company and do not require the consent of the Members to exercise these powers (**Borrowing Powers**).

52.2 The Borrowing Powers of the Directors include power to:

(a) raise or borrow any money in any manner whatsoever either alone or jointly with another or others (including but without limitation by way of overdraft account, letters of credit or bill acceptance and discounting facility); and

(b) to secure the payment or repayment of such moneys in such manner and upon such terms and conditions in all respects as they may think fit, and in particular by the issue or sale of Debt Securities, bonds or other obligations of the Company whether:

(1) perpetual or otherwise;

(2) payable to bearer or otherwise; and

(3) either:

(A) without security; or

(B) secured by deposit or pledge of the securities; or

(C) secured by properties of the Company; or

(D) secured by mortgages bills of exchange or promissory notes or other instruments; or

(E) secured in any other manner.

52.3 The Directors may offer as security in any manner whatsoever, any part of the Company's property and assets including its future property and uncalled capital for the time being.

52.4 Any debentures, Debt Securities, and other securities or obligations issued by the Company may be made assignable free from any equities between the Company and the person who was granted or issued the same.

52.5 Any debentures, Debt Securities and other securities or obligations may be issued at a discount, premium or otherwise and with any special privileges as to redemption, surrender, drawings, attending and voting at general Meetings of the Company, appointment of Directors, making calls on Members for any uncalled capital included in such securities and otherwise.

52.6 The Directors shall establish and maintain all proper registers required by law to be kept of all debentures, Debt Securities and other securities, mortgages and charges specifically affecting the property of the Company.

53. Interested Directors

53.1 A Director shall be entitled to acquire or have the following interests:

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(a) an interest of the kind set forth in Section 191 of the *Corporations Act* (a **Material Personal Interest**);

(b) an interest of the kind set forth in Chapter 2E of the *Corporations Act* (a **Financial Benefit**); or

(c) an interest of any other kind whatsoever permitted or authorised by law.

54. Directors' material personal interests

54.1 A Director shall only be entitled to acquire, receive and have a Material Personal Interest in the manner and to the extent permitted by law.

54.2 A Director holding a Material Personal Interest shall comply with all obligations required by law including any disclosure obligations under the *Corporations Act*, the Listing Rules and the AIM Rules in respect of the same.

55. Directors' financial benefits

55.1 A Director shall only be entitled to be given a Financial Benefit in the manner and to the extent permitted by law.

55.2 A Director given or to be given a Financial Benefit shall comply with all obligations required by law including any disclosure obligations under the *Corporations Act*, the Listing Rules and the AIM Rules in respect of the same.

56. Local management

56.1 The Directors may provide for the management and transaction of the business and affairs of the Company in any place in Australia or elsewhere to the extent permitted by law.

56.2 The Directors may from time to time establish any local boards of directors, managers, branch offices or agencies for managing the affairs of the Company in any locality and may;

(a) appoint any persons to be members of such local boards of directors or managers or agents; and

(b) fix their remuneration.

56.3 The Directors may at their discretion make regulations for the management of any local board, branch office or agency from time to time. The Directors may pay the expenses occasioned by any of the matters in this Rule out of the funds of the Company, and may at their discretion from time to time discontinue all or any of such local boards of directors, branch offices or agencies.

56.4 All local boards of directors, branch offices, agencies, local directors, agents, officers, clerks, servants and workmen wherever located shall at all times be under the control of the Directors.

56.5 Except for the power of making calls which cannot be delegated the Directors may from time to time delegate to any person appointed pursuant to Rule 56.2 any of the powers authorities and discretions for the time being vested in the Directors other than and may authorise the members for the time being of any local board of directors or any of them to fill any vacancies therein and to act notwithstanding such vacancies.

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56.6 Any appointment made pursuant to Rules 56.2 and 56.5 shall be made on such terms and conditions as the Directors determine at their discretion.

56.7 The Directors may at any time:

(a) remove any person appointed pursuant to Rules 56.2 and 56.5; and

(b) annul or vary any delegation of their powers to persons so appointed.

56.8 Any person appointed pursuant to Rules 56.2 and 56.5 may be authorised by the Directors to sub-delegate all or any of the powers authorities and discretions for the time being vested in her/him.

56.9 Where permitted or authorised by law, the Directors may cause to be kept in any other State or Territory of Australia, or other country in which it transacts business a branch register of Members. The Directors may at their discretion make provisions with respect to the keeping of such branch register, and may do whatever they consider necessary to comply with any local law.

56.10 If a Director is in any place where there is a local board of directors, she/he shall be entitled to act and vote at all meetings of the local directors.

57. Attorneys for Company

57.1 The Directors may in any manner permitted and effective by law appoint any corporation, firm, or person or body of persons to be the attorney or agent of the Company for such purposes and with such powers, authorities and discretions and for such period and subject to such conditions as they may think fit so long as the powers do not exceed those vested in or exercisable by the Directors under this Constitution.

57.2 An appointment under Rule 57.1 may contain such provisions for the protection and convenience of persons dealing with any such attorney or agent as the Directors may think fit and may authorise any such attorney or agent to delegate all or any of the powers, authorities, and discretions vested in her/him.

57.3 The Directors may appoint local directors or agents by facsimile, email or other form of visible communication in cases of urgency to act for and on behalf of the Company.

58. Execution of documentation by Company

58.1 The Company shall not be required to have a common seal.

58.2 If the Company has a common seal it shall contain:

(a) the name of the Company; and

(b) its Australian Company Number and/or Australian Business Number.

58.3 The Directors shall provide for the safe custody of any common seal and any duplicate of the Company as they shall think fit. No document, writing or other material shall be executed by the Company except pursuant to the authority of the Board of Directors or of a committee of the Directors duly authorised or as otherwise permitted under the *Corporations Act*.

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58.4 A Company may execute any agreement, deed, share certificate (if any) or other document in any manner permitted by law including, with or without the use of a common seal. Every document which is executed shall be signed by:

(a) either two Directors;

(b) a Director and the Secretary; or

(c) a Director and another authorised signatory appointed for that purpose by the Directors.

58.5 The Directors may by resolution determine either generally or in any particular case that the signature of any Director, Secretary or other person appointed by the Directors for the purpose of signing any instruments or documents which may need to be executed by the Company is affixed by some mechanical means (to be specified in the resolution of the Directors) provided that the use of such means is by such resolution restricted to instruments and documents which bear evidence of examination by the Company's Auditors.

59. Bills of Exchange

All cheques, promissory notes, drafts, bills of exchange, and other negotiable instruments and all receipts for money paid to the Company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by any two Directors or in such other manner as the Directors from time to time determine.

60. Secretary

60.1 The Secretary:

(a) shall be appointed by the Directors for such term, at such remuneration, and upon such conditions as they may think fit in any manner permitted by law; and

(b) may be removed by the Directors in any manner permitted by law.

60.2 The Directors may appoint an acting Secretary as temporary substitute for the Secretary who whilst exercising such office shall be deemed to be the Secretary for the purpose of this Constitution.

60.3 The Directors may also appoint Assistant Secretaries.

61. Public officer

The Directors may appoint a public officer to the Company and may if they think fit remove such person from office and appoint another in her/his place.

62. Reserves

62.1 The Directors may set aside out of the profits or other surplus assets such sums as they may think fit as reserves.

62.2 Subject to the provisions of the *Corporations Act*, all sums set aside as reserves may be applied from time to time in the discretion of the Directors for:

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(a) meeting depreciation;

(b) meeting contingencies;

(c) repairing, improving or maintaining the property of the Company;

(d) special dividends;

(e) bonuses;

(f) equalising dividends;

(g) paying dividends; or

(h) such other purposes as the Directors in their absolute discretion think proper and conducive to the interest of the Company or which may be required by law.

62.3 The Directors may divide such reserves into separate funds as they shall think fit.

62.4 The Directors may, pending any application of reserve sums as provided in Rule 62.2:

(a) invest such reserve sums upon such investments and securities (other than shares of the Company or of its holding company) as they may think fit;

(b) place such reserve sums or part thereof either upon deposit or at call at interest with any bank or banking institution or with any corporation receiving money on deposit;

(c) from time to time deal with and vary any such investments and securities and dispose of all or any part of the investments for the benefit of the Company; or

(d) divide the reserve fund into such special funds as they may think fit.

62.5 The Directors may employ any asset or assets constituting the reserves of the Company or any part of the asset or assets in the business of the Company without being bound to keep same separate from the other assets of the Company.

62.6 Any interest or other income derived from or accretions to such investments or securities shall be dealt with as profits arising from the business of the Company.

62.7 The Directors may re-value any assets of the Company.

62.8 The Directors may carry forward so much of the profits as the Directors consider appropriate or necessary, without transferring same to a reserve.

63. Dividends

63.1 Subject to:

(a) the provisions of Rule 62;

(b) this Constitution;

(c) the Corporations Act in relation to when a company may pay a dividend; and

(d) the special conditions or rights (if any) as to dividends attaching to any shares,

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the Directors shall be entitled to distribute the Equity of the Company by way of dividend and payment of dividends upon the shares (which, for the avoidance of doubt, shall include any Depositary Interests if in issue) shall be in proportion to the amounts paid up on such shares respectively at the date of declaration of the dividend.

[See LR 6.11]

63.2 If any capital is paid up on any share in advance of calls or otherwise on the footing that the same shall carry interest, such capital whilst carrying interest shall not confer a right to participate in dividends.

[See LR 6.11]

63.3 Subject to Rule 63.1 and Rule 63.2 all dividends shall be apportioned and paid proportionately to the amounts paid on the shares during any portion or portions of the period in respect of which the dividend is declared unless any share is issued on terms providing that it shall rank for dividend as from a particular date in which case it shall only rank for dividend from that date.

[See LR 6.11]

63.4 Subject to this Constitution and the Corporations Act the Directors may from time to time declare and pay to the Members such final dividends as appear to the Directors to be justified by the Equity of the Company.

63.5 Subject to this Constitution and the Corporations Act the Directors may from time to time declare and pay to the Members such interim dividends as appear to the Directors to be justified by the Equity of the Company.

63.6 No dividend shall be paid otherwise than out of the Equity or shall bear interest against the Company.

63.7 A declaration by the Directors as to the amount of the profits available for dividend shall be conclusive and binding on all Members of the Company.

63.8 Subject to this Constitution and the Corporations Act the Directors may determine that any dividend declared or recommended by them shall be made payable out of any particular profits (whether current, past or reserved profits) or otherwise as they in their discretion shall think fit, subject however to any requirements of law in relation to amounts held in share premium reserves, capital redemption accounts or other special funds.

63.9 A transfer of shares shall not pass the right to any dividend declared after such transfer and before the registration of the transfer.

63.10 All dividends and interest shall belong and be paid (subject to any lien or charge) to those Members who are on the Register at the date on which the dividend is declared payable, or at the date on which interest is payable respectively, despite any subsequent transfer or transmission of shares, PROVIDED THAT the Directors may retain any dividend payable on a share in respect of which any person is entitled pursuant to Rule 19 to become a Member or which any person is entitled to transfer pursuant to that Rule, until such person shall become a Member in respect of such share or shall duly transfer the same as the case may be.

63.11 The Directors may deduct from any dividend payable to any Member all sums of money, if any, presently payable by the Member to the Company on account of calls or otherwise in relation to the shares of the Company.

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63.12 Any one of the several persons who are registered as the joint holders of a share may give an effectual receipt for any dividends, payments on account of dividend, bonuses or other money payable in respect of the share so held.

63.13 Any dividend, interest, or other money payable in cash in respect of shares (which, for the avoidance of doubt, shall include Depositary Interests if in issue) and/or Debt Securities may be paid by:

(a) cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the Register or to such person and to such address as the holder or joint holders may in writing direct. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent; or

(b) electronic funds transfer to an account nominated by the holder to the Company for the purpose of receiving such payments, or in the case of joint holders, to the account nominated to the Company by that joint holder who is first named in the Register for the purpose of receiving such payments; or

(c) in such other manner as the Directors determine from time to time.

63.14 Notice of declaration of dividend whether interim or otherwise shall be given in the manner specified in Rule 80 to the persons entitled to share in the dividend.

63.15 All dividends unclaimed after having been declared may be invested and otherwise made use of by the Directors for the benefit of the Company until claimed and the Company shall not be constituted a trustee in respect of those funds. This paragraph is subject to the provisions of Section 544 of the *Corporations Act* and the *Public Trustee Act 1978* (Qld).

64. Election to forego cash dividends

64.1 The Board may at its discretion and subject to the provisions of this Rule and subject to Rule 6, adopt a dividend reinvestment plan (**DRP**) pursuant to which the Board may decide (at the same time as it resolves to pay or to recommend any dividend on the shares) that each holder of shares to the extent that her/his shares are fully paid shall have the option to:

(a) elect to forego her/his right to share in such dividend; and

(b) to receive instead an issue of shares credited as fully paid to the extent and within the limits and on the terms and conditions in the DRP and as set out in this Rule.

64.2 The Board shall provide a copy of the DRP and a summary of its terms and conditions to all holders of shares from time to time.

64.3 If the Board resolves to allow such option in relation to any dividend, each holder of fully paid shares conferring a right to share in such dividend may, by notice in writing to the Company (a **Notice of Election**), given in such form and within such period as the Board may from time to time decide, elect to forego (subject to the provisions of Rule 64.4) the dividend which otherwise would have been paid to her/him on such of her/his shares conferring a right to share in such dividend as she/he shall specify in the Notice of Election and to receive in lieu shares, to be allotted and issued credited as fully paid in the manner and upon the terms determined by the Board under the DRP.

64.4 A shareholder entitled to make an election under Rule 64.3 shall not be permitted to forego under the provisions of Rule 64.3 such amount of dividend per share as the Board in its sole discretion may resolve shall not be foregone.

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64.5 Following the receipt of a duly completed Notice or Notices of Election pursuant to Rule 64.3 the Board shall appropriate from such other reserve or account which may be conducted by a company and from which bonus shares may be distributed, an amount equal to the aggregate nominal amount of the shares to be allotted and credited as fully paid to those holders of shares who have given Notices of Election and shall apply the same in paying up in full the number of shares required to be so allotted. The shares so allotted and issued will rank pari passu with the existing fully paid shares and will rank for all dividends on shares declared after the date of such allotment.

64.6 The Board shall not exercise the power conferred on them by Rule 64.1 unless the Company shall then have sufficient reserves to give effect to any elections which could be made under the terms of this Rule.

64.7 The powers given to the Board by this Rule are additional to the provisions for capitalisation of profits provided for by this Constitution.

64.8 The Board shall not adopt a DRP or exercise the power conferred on them by Rule 64.1 pursuant to the DRP in respect of any dividend payment which they resolve to make or recommend unless the Company shall by ordinary resolution passed at a Meeting have approved the adoption of the DRP and the use of that power in respect of any such payment or recommendation by the Board pursuant to the DRP.

65. Dividends in specie

65.1 Any Meeting declaring a dividend or bonus may direct payment of such dividend or bonus wholly or partly by the distribution of specific assets, and in particular of paid up shares, debentures or debenture stock of the Company or of any other company or in any one or more of such ways and the Directors shall give effect to such resolution.

65.2 Where any difficulty arises in relation to the distribution of assets as provided in Rule 65.1, the Directors may settle such difficulty in such manner as they think fit and may:

(a) fix the value for distribution of all or part of the assets;

(b) determine that cash payments shall be made to any Members upon the basis of the value so fixed or that fractions of less than one dollar ($1.00) may be disregarded in order to adjust the rights of all parties; and

(c) vest any such specific assets in trustees upon such trusts for the persons entitled to the dividend as determined by the Directors at their discretion.

66. Employee bonuses and employee scheme

66.1 The Directors may from time to time reserve out of the profits of the Company in any year a sum or sums of money, and distribute all or any part of the amount as a bonus or bonuses among the employees of the Company and the subsidiaries of the Company or any of them at such time and in such amounts and on such terms and conditions as the Directors may determine.

66.2 The Directors may at their discretion introduce an employee scheme pursuant to which the Company may issue securities in the Company to employees of the Company in any manner permitted by:

(a) this Constitution, the *Corporations Act* and the law;

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(b) where the Company is Listed, the Listing Rules; and

(c) where the Company is Admitted, the AIM Rules.

[See LR 10.14 and Rule 21 of the AIM Rules]

67. Capitalisation of profits

67.1 The Company at a Meeting may upon the recommendation of the Directors resolve:

(a) that any part of the undivided profits of the Company which are available for distribution (including profits standing to the credit of any reserve other than the capital redemption reserve or of the profit and loss account and profits arising from accretion in value as disclosed on revaluation of fixed assets) shall be divided and/or distributed as capital amongst such of the Members as would be entitled to receive the same if distributed as dividends and in the same proportions; and/or

(b) that all or any part of the profits referred to Rule 67.1 be appropriated in or towards payment of the uncalled liability of such Members on issued shares or debentures held by them, or be applied in paying up in full previously unissued shares or debentures all of which shall be distributed to the Members entitled according to their respective rights, or partly in one way and partly in the other.

67.2 A capital redemption reserve fund may for the purposes of this Rule be applied only in the paying up of unissued shares to be issued to Members of the Company as fully paid bonus shares.

67.3 Whenever a resolution has been passed pursuant to the provisions of Rule 67.1, the Directors must in accordance with such resolution:

(a) make all appropriations and applications of the undivided profits resolved to be capitalised;

(b) make all allotments and issues of fully paid shares or debentures, if any; and

(c) do all acts and things required to give effect to the resolution.

67.4 The Directors in carrying out their duties under Rule 67.3 have full power to make such provision by payment in cash or otherwise as they think fit, for the case of shares or debentures becoming distributable in fractions.

67.5 Any payment or distribution of or in relation to capitalised profits to any Members made pursuant to this Rule is binding on and accepted by such Members in full satisfaction of their respective interests in such profits.

68. Accounts

68.1 The Directors shall cause the Company to:

(a) keep such accounting records as correctly record and explain the transactions (including any transactions as trustee) and financial position of the Company;

(b) keep its accounting records in such a manner as will enable true and fair accounts of the Company to be prepared from time to time; and

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(c) keep its accounting records in such manner as will enable the accounts of the Company to be conveniently and properly audited in accordance with the *Corporations Act*.

68.2 Subject to any law to the contrary, the Directors shall lay before each annual general meeting of the Company the financial statements and financial report made up to the end of the Company's financial year giving a true and fair view of the state of affairs of the Company as at the end of that financial year.

69. Directors' report

The Directors of the Company shall cause to be attached to every financial report, a report made in accordance with a resolution of the Directors and signed by not less than two (2) of the Directors with respect to the profit and loss of the Company for that financial year and the state of the Company's affairs as at the end of that financial year, stating the matters required by the *Corporations Act*.

70. Distribution of accounts

70.1 The financial report together with such other material as is required to be sent by Section 314 of the *Corporations Act* (**Annual Report**) shall be sent direct to every person entitled to receive notice of Meetings of the Company by the earlier of:

(a) twenty-one (21) days before the next annual general meeting after the end of the relevant financial year to which the reporting under Section 314 of the *Corporations Act* relates (**Relevant Financial Year**); or

(b) four (4) months after the end of the Relevant Financial Year.

70.2 In the event that the Company is Listed or Admitted:

(a) Rule 70.1 is to be read subject to the requirements for reporting to Members under the Listing Rules and the AIM Rules (as the case may be); and

(b) a copy of such financial statements, financial report, Directors Report and such other material as is required to be sent by Section 314 of the *Corporations Act* shall be forwarded to the Home Branch at the same time as the material is provided to shareholders (or at such other time as may be prescribed under the Listing Rules or the AIM Rules), together with additional copies of all such material as the Company shall be obliged to provide pursuant to the Listing Rules or the AIM Rules.

70.3 The Company shall (when it is obliged under the *Corporations Act* to lodge annual financial statements) provide the Home Branch with a copy of those documents at the same time as they are lodged with the ASIC.

[See LR 4.5]

70.4 The Company may provide the Annual Report in any manner permitted by the *Corporations Act* including, without limitation, Section 314.

70.5 Notwithstanding any other Rule of this Constitution, the Annual Report to be sent to a Member in accordance with this Constitution shall be deemed to have been given to that Member:

(a) where the Annual Report is sent by post, on the day following that on which the letter envelope or wrapper containing the same was posted;

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(b) where the Annual Report is sent or notified by:

(1) facsimile, service shall be deemed to have been given at the time when a transmission of the facsimile is completed by the Company and a report is generated stating that the transmission has been sent to the facsimile number;

(2) by electronic transmission or other electronic means, service shall be deemed to have been given when the Company receives a report confirming the transmission has been received, or if no such report is received, on the day following that which it was sent.

71. Inspection of books of account

71.1 The books of account and records shall be kept at the Office of the Company or at such other place or places as the Directors think fit and shall at all times be open to inspection by the Directors of the Company or of any holding company of the Company.

71.2 Subject to the provisions of the *Corporations Act*, the Directors shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations the books of account and records of the Company or any of them shall be open to the inspection of the Members.

71.3 A Member shall only be entitled to inspect any accounts, records, books or documents of the Company:

(a) if that Member is also a Director or has a right to appoint a director; or

(b) as provided by the *Corporations Act*; or

(c) as authorised by the Directors pursuant to Rule 71.2; or

(d) by a resolution of the Company at a Meeting.

72. Accounts conclusive

Every account of the Company (including any consolidated accounts of the Company and its subsidiaries and/or holding company if any) when audited and approved by a Meeting shall be conclusive.

73. Audit

73.1 An Auditor or Auditors shall be appointed and his or their duties shall be regulated in accordance with the *Corporations Act*.

73.2 The Auditor shall report to the Members on the financial statements to be laid before the Company at a Meeting and on the Company's accounting records relating to those financial statements and, if the Company is a holding company for which group accounts are required by the *Corporations Act*, the Auditor of the Company shall also report to the Members on the group accounts.

73.3 Any person who is:

(a) a Director of the Company;

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(b) an Officer of the Company;

(c) a partner, employer or employee of a Director or Officer of the Company;

(d) a partner, employer or employee of an employee of a Director or Officer of the Company;

(e) not a registered company auditor; or

(f) indebted in any amount exceeding five thousand dollars ($5,000.00) to the Company or to a related body corporate,

shall not be capable of being appointed or of acting as Auditor of the Company.

73.4 A copy of an Auditor's qualified report must be supplied by the Directors to the Home Branch.

73.5 The Company's Share Register and branch registers (if any) shall be audited at such times as are required by any relevant law (if any) or the Listing Rules (if required).

74. Buy-back arrangements

74.1 The Company may buy securities in itself from time to time and shall be entitled to give financial assistance to any entity for the purpose of the same:

(a) to the extent and in the manner permitted by the *Corporations Act* or by law;

(b) where Admitted, to the extent and in the manner permitted by the AIM Rules; and

(c) where Listed, to the extent and in the manner permitted by the Listing Rules.

[See LR 7.29]

75. Sale of less than minimum holding

75.1 This Rule has effect notwithstanding any other provision of this Constitution to the contrary and shall override the same to the extent of any inconsistency.

75.2 In this Rule:

Continuation Election Notice means a notice by a Small Holder in the form contained on or enclosed with a Continuing Member Notice and completed and signed in accordance with the instructions on the Continuing Member Notice, notifying the Company that this Rule is not to apply to that Small Holder so that that Small Holder may remain as the holder of the securities registered in its name;

Continuing Member Notice means a notice issued pursuant to Rule 75.3 below;

Election Deadline means 5.00pm (Australian Eastern Standard Time) on a date specified in a Continuing Member Notice, being a date not less than six (6) weeks after the date of dispatch of that Continuing Member Notice;

Sale Consideration means the consideration received for the sale of any securities (less any unpaid calls instalments or interest (if any) accrued on those instalments) pursuant to this Rule;

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Small Holders means persons registered, either alone or jointly with any other persons, as the holders of less than a Marketable Parcel of a class of securities in the Company.

75.3 Subject to the provisions of this Rule, the Board may determine no more than once in any twelve (12) month period, to require all (and not merely some) of the Small Holders of any class of securities in the Company to elect whether they wish to remain as the holders of the securities of that class in the Company registered in their name by forwarding to each such Small Holder (including all persons registered jointly) a Continuing Member Notice containing or enclosing:

(a) details of the securities of that class in the company held by the Small Holder;

(b) statements to the effect that:

(1) the Company intends to invoke the provisions of this Rule which allows for the sale of securities of that particular class held by all Small Holders in that class;

(2) if the Company does not receive from any such Small Holder a Continuation Election Notice by the Election Deadline, the Company will be, subject to this Rule, entitled to sell the securities of that particular class held by those particular Small Holders in its absolute discretion; and

(3) in the case of a Member whose securities are in a CHESS or CREST holding, that the Company may, without further notice, after the Election Deadline, move the securities from the CHESS or CREST holding to an Issuer Sponsored or certificated holding for the purpose of sale.

(c) a Continuation Election Notice;

(d) a copy of the text of this Rule; and

(e) any other information which the Directors may desire to include.

75.4 If a Small Holder on whom a Continuing Member Notice has been served wants to keep the securities referred to in the Continuing Member Notice, the Small Holder must give the Company a Continuing Election Notice which must be received by the Company before the Election Deadline, in which event the Company will not sell the securities referred to in the Continuing Member Notice.

75.5 If a Small Holder on whom a Continuing Member Notice has been served does not give a Continuing Election Notice which is received by the Company before the Election Deadline, the Company shall be entitled to, subject to this Rule:

(a) if the Small Holder holds those securities in a CHESS or CREST holding, move those securities from the CHESS or CREST holding to an Issuer Sponsored or a certificated holding for the purpose of the sale; and

(b) in any case, sell those securities in accordance with this Rule,

but only if the securities held by the Small Holder in the class of securities the subject of the Continuing Member Notice on the Election Date is less than a Marketable Parcel.

75.6 Any securities to be sold pursuant to this Rule may be sold on such terms and conditions, in such manner, at such prices and to such persons (including the Company itself where authorised by law) as the Board may in its absolute discretion think fit and, for the purposes of such sale, each such Small Holder shall be deemed to have:

(a) appointed the Company as its agent for sale;

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(b) authorised the Company to effect on its behalf a transfer of the securities sold and to deal with the proceeds of the sale of the securities in accordance with this Rule;

(c) appointed the Company, its Directors and the Secretary at the relevant time jointly and severally as its attorney to execute any instrument or take such steps in its name and on its behalf as they or any of them may consider appropriate to transfer the securities so sold; and

(d) authorised each of the attorneys appointed under clause 75.6(c) to appoint an agent to do a thing referred to in clause 75.6(c).

75.7 Any transferee of any securities sold pursuant to this Rule shall not be bound to see to the regularity of any procedure or to the application of the purchase consideration in respect of such sale nor shall any transferee be required to produce the certificates in respect of such securities to enable registration. Once the transferee has been registered as the holder of such securities her/his title shall not be affected by any irregularity or invalidity in any procedure and the only remedy of any Small Holder aggrieved by the sale of its securities pursuant to this Rule shall be in damages only and against the Company exclusively and shall be limited to the amount of the relevant Sale Consideration.

75.8 The costs and expenses of any sale of securities pursuant to this Rule (including legal costs and disbursements, brokerage and stamp duty) shall be borne and paid by the Company.

75.9 The Sale Consideration shall be held by the Company in trust for the Small Holder whose securities have been so sold.

75.10 Upon receipt of the Sale Consideration, the Company shall forthwith notify such Small Holder in writing that the relevant class of securities held by it have been sold and that the relevant Sale Consideration is being held by the Company pending the receipt by the Company of written instructions as to how such moneys are to be dealt with. If the Small Holder has been issued with a share certificate or certificates, the Small Holder's instructions to be effective, must be accompanied by the share certificate or certificates in respect of such securities sold or, if the certificate or certificates have been lost or destroyed, by a statement and undertaking under section 1070D(5) of the *Corporations Act*.

75.11 Despite any provision of this Rule, either express or implied, to the contrary:

(a) the Board shall not be bound to exercise the powers conferred by this Rule and shall be entitled, at any time prior to a sale of securities being effected, to suspend or terminate its use by written notice to the Small Holders affected;

(b) the accidental omission by the Company to give any notice required under this Rule or the non-receipt of any such notice by any Small Holder shall not invalidate any action undertaken in good faith pursuant to this Rule;

(c) the Board may in its absolute discretion settle any ambiguity, difficulty, anomaly or dispute which may arise in relation to the operation of this Rule; and

(d) no sale of any securities pursuant to this Rule shall be undertaken if prior to such sale a takeover bid (within the meaning of Section 9 of the *Corporations Act*) to acquire securities of the same class as the securities which are to be sold pursuant to this Rule has either been announced as being intended to be made or has been made and is still open for acceptance.

75.12 In the event that the Company is Listed or Admitted, this Rule shall be subject to the potential operation of the Listing Rules, ASTC Settlement Rules or the AIM Rules (as the case may be) to the securities intended to be sold under this Rule.

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[See LR 15.13]

76. Fractional entitlements and difficulties

The Board may determine as it thinks fit the manner in which fractional entitlements or any difficulties relating to distribution and adjustment of the rights of the Members themselves are to be dealt with and, without limitation, may:

76.1 specify that fractions are to be disregarded or that any fractional entitlements are to be increased to the next whole number;

76.2 make cash payments in lieu of fractional entitlements or sell shares not divisible by reason of fractional entitlements and account for the net proceeds of sale to Members entitled to such fractions proportionately;

76.3 fix the value for distribution of any specific assets or any part of those assets;

76.4 vest any such cash shares or specific assets in trustees upon trusts for the persons entitled to the dividend or capitalised sum; or

76.5 appoint a person to sign a contract, on behalf of the Members entitled to any further shares or debentures upon the capitalisation, with the Company providing for the issue to them, credited as fully paid up, of any such further shares or debentures or for the payment by the Company on their behalf of the amounts or any part of the amounts remaining unpaid on their existing shares by the application of their respective proportions of the sum resolved to be capitalised.

77. Takeover approval provisions

Subject to the provisions of the *Corporations Act*, where offers have been made for shares in the Company under a takeover bid and each such offer relates to a proportion of these shares in the Company included in a class of shares being a proportion that is the same in respect of each offer (**Takeover Bid**) the Directors shall refuse to register a transfer giving effect to a contract resulting from the acceptance of any offer pursuant to the Takeover Bid unless the provisions of this Rule have been complied with:

(a) the Directors shall convene a Meeting of the Company to be held in accordance with this Constitution on a day which is not less than fifteen (15) days prior to the end of the period during which the offers made pursuant to the Takeover Bid remain open:

(b) at the Meeting referred to the Members entitled to vote in accordance with Rule 77(c) shall consider and vote on a resolution approving the Takeover Bid which resolution shall be taken to have been passed if the votes cast in favour of the resolution exceed fifty per centum (50%) of all votes validly passed in respect of the resolution; and

(c) for the purposes of the resolution referred to in Rule 77(b) a person (other than the offerer under the Takeover Bid or a person associated within the meaning of the *Corporations Act* with the bidder) who, as at 5.00pm on the day on which the first offer under the Takeover Bid was made, held shares included in the class of shares the subject of the Takeover Bid is entitled to vote and despite anything contained in this Constitution shall have one vote for each such share held.

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78. Notice to holders

78.1 Despite any other provision of this Constitution to the contrary, a Member shall not be entitled to receive Notices in respect of a holding in the event that the Member has returned to the Company a duly completed Request for Suspension of Full Notice Rights as described in Rule 78.2(d) below (**Request for Suspension of Full Notice Rights**).

78.2 The Company shall at any time be entitled to give to a Member (in the manner prescribed for the giving of notice of general meetings) the documents referred to below:

(a) a written invitation to complete and return to the Company a Request for Suspension of Full Notice Rights;

(b) an explanation that, in the event of that Member returning to the Company a duly completed Request for Suspension of Full Notice Rights, she/he will not be entitled to receive Notices in respect of that holding and that such entitlement will be restored to the Member upon return to the Company of a duly completed Request for Full Notice Rights as described in Rule 78.3 (**Request for Full Notice Rights**) at any time during which she/he is a Member;

(c) an envelope, pre-printed with the address of the Registered Office of the Company, in which the Request for Suspension of Full Notice Rights may, should the Member so desire, be mailed to the Company free of postage cost to the Member;

(d) a form of Request for Suspension of Full Notice Rights as nearly as practicable in the following form:

Atlantic Lithium Limited ACN 127 215 132

Request for Suspension of Full Notice Rights

I/We .....

.....

..... (Full Name(s))

of .....

.....

..... (Address(es))

being a Member, advise pursuant to Rule 78.2 of the Constitution of the Company that I/we wish to cease to receive all Notices to which I/we would be entitled were it not for the operation of Rule 78.2.

.....

....

(Signature of Member(s))

.....(Date)

78.3 A Member who, by returning to the Company a duly completed Request for Suspension of Full Notice Rights, has ceased to be entitled to receive Notices shall have that right restored

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forthwith upon the Company receiving from that Member a duly completed Request for Full Notice Rights at any time, and which Request for Full Notice Rights shall as nearly as practicable be in the following form:

Atlantic Lithium Limited ACN 127 215 132

Request for Full Notice Rights

I/We .....

.....

..... (Full Name(s))

of .....

.....

..... (Address(es)

being a Member, advise pursuant to Rule 78.3 of the Constitution of the Company that I/we wish to receive all Notices to which I/we would be entitled were it not for the operation of Rule 78.2.

....

(Date).....(Signature of Member(s))

78.4 Upon being requested to do so by a Member, the Company shall forward a Request for Full Notice Rights to the Member in an envelope, pre-printed with the address of the Registered Office of the Company, in which the Request for Suspension of Full Notice Rights may, should the Member so desire, be mailed to the Company free of postage cost to the Member.

78.5 By execution of a Request for Suspension of Full Notice Rights a Member for the duration of any requested suspension shall not be entitled to make any Claim against the Company in respect of non-receipt of a Notice.

79. Confidential information

79.1 Subject to Rules 71.2 and 71.3, no Member, not being a Director, shall be entitled to require or receive any information concerning the business, trading or customers of the Company or any trade secret or secret process of or used by the Company.

79.2 Every Director, manager, trustee or member of a committee of the Company may be required by the Directors to sign a declaration pledging her/himself to observe strict secrecy respecting all transactions of the Company. Such a declaration may require the person so signing to pledge her/himself not to reveal any of the matters which may come to her/his knowledge in the discharge of her/his duties except when required to do so by the Directors or a member of a local board or by any Meeting of Members or by a court of law and except so far as may be necessary in order to comply with any of the provisions in this Constitution.

79.3 A person who ceases to become a Director of the Company shall, within a period of seven (7) years from the date of their cessation from office, be given access by the Company to materials referred to in Rule 79.1 (which came into existence during the Director's term of office or arose from conduct during that term) upon the following terms and conditions:

(a) a written request is made to the Company for access by the former Director (or her/his duly authorised representative) stating a reasonable and lawful purpose for the access as well as particulars of the documentation that the former Director is wishing to obtain access to;

(b) the notice in Rule 79.3(a) gives the Company a reasonable period of time prior to when access is requested;

(c) the Company shall be entitled (acting at all times reasonably) to reject or postpone (as the case may be) any request for access on the basis that to provide access would impose an unreasonable burden on the Company's resources, having regard to the circumstances of the Company at the time;

(d) the former Director provides the Company with an undertaking to meet all reasonable costs to be incurred by the Company in providing access; and

(e) the former Director signs a declaration along similar terms to that contemplated by Rule 79.2.

80. Notices

80.1 Any notice or document to be given by the Company pursuant to this Constitution may be served on the person to be notified either personally, by sending it through the post in a prepaid letter envelope or wrapper to the person to be notified at his registered place of address or by sending it to any facsimile number or electronic address notified by that person to the Company for the purposes of the Company giving notices or documents to that person.

80.2 Notwithstanding Rule 80.1, written notice of a meeting of the Company and all associated documents may be given to a Member in any manner permitted by the *Corporations Act* including, without limitation, sections 249J(3) and 249J(3A).

80.3 Notwithstanding any other Rule of this Constitution, a notice of meeting and all associated documents provided by the Company to a Member in accordance with this Constitution shall be deemed to have been given to that Member:

(a) where served personally, on the date of service;

(b) where the notice of meeting is sent by post, on the day following that on which the letter envelope or wrapper containing the same was posted;

(c) where the notice of meeting is sent or notified by:

(1) facsimile, service shall be deemed to have been given at the time when a transmission of the facsimile is completed by the Company and a report is generated stating that the transmission has been sent to the facsimile number;

(2) electronic transmission or other electronic means, service shall be deemed to have been given when the Company receives a report confirming the transmission has been received, or if no such report is received, on the day following that which it was sent.

80.4 The signature to any notice to be given by the Company may be written, typewritten or printed.

80.5 Where a non-resident Member has supplied an overseas facsimile or other electronic address to the Secretary, the Secretary shall endeavour to send by facsimile or other means of electronic communication to the facsimile or electronic address (as the case may be) a copy of any notice given to Members but a failure to do so shall not affect the validity of any Meeting.

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80.6 A notice may be given by the Company to the joint holders of a share by giving the notice to the joint holder first named in the Register in respect of the share and notice so given shall be sufficient notice to all the holders of such share.

80.7 Every person who becomes entitled to any share shall be bound by every notice in respect of such share which, prior to her/his name and address being entered on the Register, have been duly given to the person from whom he derives her/his title to such share.

80.8 Any notice or document delivered, sent or notified to a Member pursuant to this Constitution shall, despite that such Member is then deceased and whether or not the Company has notice of her/his decease, be deemed to have been duly served in respect of any share whether held by the Member solely or jointly with other persons, until some other person be registered in her/his stead as the holder or joint holder and such service shall for all purposes of this Constitution be deemed a sufficient service of such notice or document on his legal personal representatives and on all persons, if any, jointly interested with her/him in the share.

80.9 Any notice served personally on a person shall be deemed to have been given on the day of service;

80.10 Any notice sent by post shall be deemed to have been given on the day following that on which the letter envelope or wrapper containing the same was posted.

80.11 Any notice sent by facsimile shall be deemed to have been given at the time when a transmission of the facsimile is completed by the Company and a report is generated stating that the transmission has been sent to the facsimile number.

80.12 Any notice sent by electronic transmission or other electronic means, service shall be deemed to have been given when the Company receives a report confirming the transmission has been received, or if no such report is received, on the day following that which it was sent.

80.13 In proving service of a notice by post it shall be sufficient to prove that the letter envelope or wrapper containing the notice was properly addressed stamped and posted. A certificate in writing signed by any manager Secretary or other officer of the Company that the letter envelope or wrapper containing the notice was so addressed and posted shall in the absence of evidence to the contrary be conclusive evidence.

80.14 Subject to Rule 80.15, any notices to be given under or in reference to this Constitution by the Company to any Director or vice versa may be given in accordance with clause 80.1 and if so given shall be deemed to have been given in accordance with clauses 80.9, 80.10, 80.11 and 80.12. Where a given number of days' notice, or notice extending over any period is required to be given, the day on which the notice is deemed to be served shall be excluded but the day for which the notice is given shall be included in calculating the number of days or other period.

80.15 Subject to any provisions with respect to service in the *Corporations Act* or in the rules of any court in which proceedings are brought by the Company or its liquidator against any Director or Member, all summonses, notices, process, orders and judgments in relation to any such proceedings may be served on such Director or Member by registered post and the provisions contained in the foregoing paragraphs of this Rule shall apply mutatis mutandis and such service shall be deemed for all purposes to be personal service.

80.16 Subject to Rule 80.1, notice of every Meeting or, if required, any adjournments shall be given in any manner authorised under this Rule to:

(a) every Member;

(b) every person entitled by transmission to vote under this Constitution; and

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(c) the Auditor for the time being of the Company.

81. Overseas Shareholders

81.1 Upon an issue of Equity Securities, the Directors may take such steps as are authorised from time to time by the Listing Rules and as they shall think fit to provide equitably in all the circumstances for the rights and interests of any Overseas Shareholder.

81.2 Documents for Overseas Shareholders shall be forwarded by air, by facsimile, by electronic transmission or in another way that ensures they will be received quickly.

[See LR 15.10]

81.3 In this Rule 81, Overseas Shareholder means a Member of the Company who has not supplied to the Company an address within Australia pursuant to Rule 80.1 and:

(a) being an individual, the Directors have reason to believe is not resident in Australia; or

(b) being a company, the Directors have ascertained that it is not registered in Australia.

82. Indemnity and liability of directors and other officers

82.1 To the extent permitted by law, the Company shall:

(a) indemnify a person who is or has been an Officer of the Company against liability incurred by the person as such an Officer to another person (other than the Company or a related body corporate); and

(b) indemnify a person who is or has been an Officer or Auditor of the Company against liability for costs and expenses incurred by the person in defending proceedings, whether civil or criminal, in which judgment is given in favour of the person or in which the person is acquitted or in connection with an application, in relation to such proceedings, in which the Court grants relief to the person under the *Corporations Act*.

82.2 The Company may pay, or agree to pay, at the discretion of the Directors, a premium in respect of a contract insuring a person who is or has been an Officer of the Company against the liability incurred by the person as such an Officer, except for a liability arising out of conduct involving a wilful breach of duty in relation to the Company or a contravention of sections 182 or 183 of the *Corporations Act*. In the case of a Director, any such premium shall be paid in addition to any remuneration paid to that Director by the Company in accordance with the Constitution.

83. Restricted Securities

83.1 A holder of Restricted Securities must not Dispose of or agree or offer to Dispose of the securities during the escrow period applicable to those securities except as permitted by the Listing Rules or the Exchange.

83.2 If the Restricted Securities are in the same class as quoted securities, the holder will be taken to have agreed in writing that the Restricted Securities are to be kept on the Company's issuer sponsored subregister and are to have a holding lock applied for the duration of the escrow period applicable to those securities.

83.3 The Company will refuse to acknowledge any Disposal (including, without limitation, to register any transfer) of Restricted Securities during the escrow period applicable to those securities except as permitted by the Listing Rules or the Exchange.

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83.4 A holder of Restricted Securities will not be entitled to participate in any return of capital on those securities during the escrow period applicable to those securities except as permitted by the Listing Rules or the Exchange.

83.5 If a holder of Restricted Securities breaches a restriction deed or a provision of this Constitution restricting a Disposal of those securities, the holder will not be entitled to any dividend or distribution, or to exercise any voting rights, in respect of those securities for so long as the breach continues.

[See LR 15.12]

84. Winding up

84.1 In this Rule the term surplus assets means those assets of the Company which, upon the winding up of the Company, remain after the payment of debts and liabilities of the Company and of the costs of winding up.

84.2 Subject to Rule 84.3, and the terms and conditions upon which any shares have been issued, the surplus assets shall be distributed as follows:

(a) firstly, in repayment of paid-up capital in accordance with the respective rights of the Members; and

(b) secondly, the balance then remaining shall be distributed among the ordinary Members in proportion to the capital paid up or which ought to have been paid up at the commencement of the winding up on the shares held by them respectively other than amounts paid in advance of calls.

84.3 Subject to the provisions of Rule 84.4, if the surplus assets shall be insufficient to repay the whole of the paid-up capital, such assets shall be distributed, so that the losses shall be borne by the Members in proportion to the capital paid up or which ought to have been paid up at the commencement of the winding up on the shares held by them respectively, but disregarding amounts paid in advance of calls.

84.4 If the Company is wound up in any way, then, subject to the rights of holders of shares issued on special conditions, the liquidator, with the sanction of a special resolution, may:

(a) divide in specie among the contributories of the Company any part of the surplus assets; and,

(b) vest any part of the surplus assets in trustees on such trusts for the benefit of the contributories or any of them as the liquidator shall think fit.

84.5 Any division by a liquidator under Rule 84.4 may be otherwise than in accordance with the legal rights of the contributories of the Company and in particular any class may be given preference or special rights or may be excluded altogether or in part PROVIDED THAT if any division otherwise than in accordance with the legal rights of the contributories shall be determined on, any contributory who would be prejudiced thereby shall have a right of dissent and ancillary rights as if such determination were a special resolution passed pursuant to the *Corporations Act*.

84.6 If the surplus assets to be distributed pursuant to Rule 84.4 are shares upon which there are unpaid calls, any person entitled under such distribution to any of the said shares may within ten (10) days after the passing of the special resolution by notice in writing direct the liquidator to sell his proportion and pay her/him the net proceeds.

84.7 Remuneration may only be paid by the Company to any Director or liquidator upon any sale or

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realisation of any part of the Company's undertaking or assets except with the prior sanction of a Meeting convened by at least seven (7) days' notice specifying the remuneration proposed to be paid.

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85. Supply of documentation to Exchange and London Stock Exchange

The Company shall supply to the Exchange and London Stock Exchange all documentation required by the Listing Rules and the AIM Rules to be lodged with the Home Branch or released or issued by the Company for the information of holders of any of the Company's securities.

[See LR's 3.17, 15.2 to 15.7 inclusive]

86. Sale of main undertaking

Any sale or disposal of the Company's main undertaking shall be conditional upon approval by Members at a Meeting who are permitted to vote on the resolution.

[See LR 11.2]

87. Disclosure of Interests in Shares

87.1 A Member must notify the Company of the percentage of voting rights held by that Member, if the percentage of voting rights which that Member holds directly or indirectly, and whether as Member or through that Member's direct or indirect holding of Qualifying Financial Instruments (or through a combination of such holdings):

(a) reaches, exceeds or falls below:

(1) 3 per cent of the total voting rights attaching to securities on issue by the Company from time to time (**3 percent**), and

(2) after having reached 3 per cent, each 1 per cent of the total voting rights attaching to securities on issue by the Company from time to time above 3 percent, up to 100 per cent (each a **Threshold**); or

(b) reaches, exceeds or falls below a Threshold as a result of any circumstances which change the way in which any of those voting rights are held, and on the basis of information disclosed by the Company in accordance with Rule 87.3,

such notification to be made to the Company without delay and in any event before the end of the second Business Day on which the obligation arises.

87.2 The Company shall, on receipt of a notice pursuant to Rule 87.1, notify a Regulatory Information Service without delay.

87.3 At the end of each calendar month during which an increase or decrease has occurred, the Company must notify to a Regulatory Information Service for distribution to the public:

(a) the total number of voting rights and capital in respect of each class of share which it issues; and

(b) the total number of voting rights attaching to shares of the Company which are held by it in treasury (if any).

87.4 In the event that the total number of voting rights in respect of any class of shares issued by the Company increases or decreases by 1 per cent or more following completion of a transaction by the Company, then, notwithstanding Rule 87.3, the Company must notify a Regulatory Information Service without delay.

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87.5 A notification given by (i) a person to the Company in accordance with Rule 87.1, or (ii) the Company to a Regulatory Information Service in accordance with Rule 87.2 to 87.4 (inclusive), shall include the following information:

(a) the resulting situation in terms of voting rights and the date on which the relevant Threshold was reached or crossed;

(b) if applicable, the chain of controlled undertakings through which voting rights are effectively held;

(c) so far as known, the identity of the Member, even if that Member is not entitled to exercise voting rights and of the person entitled to exercise voting rights on behalf of that Member;

(d) the price, amount and class of shares concerned;

(e) in the case of a holding of Qualifying Financial Instruments, the following information must also be disclosed:

(1) for the Qualifying Financial Instruments with an exercise period, an indication of the date or time period where shares will or can be acquired, if applicable;

(2) the date of maturity or expiration of the Qualifying Financial Instruments;

(3) the identity of the holder;

(4) the name of the underlying company; and

(5) the detailed nature of the Qualifying Financial Instruments, including full details of the exposure to shares; and

(f) any other information reasonably included or required to be included, as the case may be, by the Company.

87.6 If the Company determines that the person upon whom a notification obligation has occurred pursuant to Rule 87.1 has not notified the Company as required, the Company shall have the right, but not the obligation, to serve the person in default a Direction Notice in accordance with Rule 87.14

Register of Substantial Interests

87.7 The Directors shall keep a register for the purposes of Rules 87.7 to 87.8 (inclusive) (the **Register of Substantial Interests**) and shall procure that, whenever the Company receives information from a person in consequence of the fulfilment of an obligation imposed on him by Rule 87.1, that information is within three Business Days thereafter written up in the Register of Substantial Interests against that person's name, together with the date of the inscription.

87.8 The Register of Substantial Interests shall be kept at the registered office of the Company or at any other place determined by the Directors.

Interpretation of Rules 87.1 to 87.8

87.9 In Rules 87.1 to 87.8 (inclusive) a person's percentage interest in voting rights is to be calculated on the basis of all the shares to which voting rights are attached even if the exercise of such rights is suspended. The number of voting rights to be considered when calculating whether a Threshold has been reached, exceeded or fallen below is the number of voting

rights in existence according to the Company's most recent disclosure made in accordance with Rule 87.2 or 87.3;

87.10 For the purposes of Rules 87.1 to 87.8 (inclusive), a person is an **indirect holder** of shares to the extent that he is entitled to acquire, to dispose of, or to exercise voting rights in any of the following cases or a combination of them:

(a) voting rights held by a third party with whom that person has concluded an agreement, which obliges them to adopt, by concerted exercise of the voting rights they hold, a lasting common policy towards the management of the Company;

(b) voting rights held by a third party under an agreement concluded with that person providing for the temporary transfer for consideration of the voting rights in question;

(c) voting rights attaching to shares which are lodged as collateral with that person provided that person controls the voting rights and declares its intention of exercising them;

(d) voting rights attaching to shares in which that person has the life interest;

(e) voting rights which are held, or may be exercised within the meaning of Rule 87.10(a) to (d) or, in cases (f) and (h) by a person undertaking investment management, or by a management company, by an undertaking controlled by that person;

(f) voting rights attaching to shares deposited with that person which the person can exercise at its discretion in the absence of specific instructions from the Members;

(g) voting rights held by a third party in his own name on behalf of that person;

(h) voting rights which that person may exercise as a proxy where that person can exercise the voting rights at his discretion in the absence of specific instructions from the Members.

87.11 For the purposes of Rules 87.1 to 87.8 (inclusive), voting rights attaching to the following shares are to be disregarded for the purposes of determining whether a person has a notification obligation:

(a) shares acquired for the sole purpose of clearing and settlement within a settlement cycle not exceeding the period beginning with the transaction and ending at the close of the third trading day following the day of the execution of the transaction (irrespective of whether the transaction is conducted on-exchange);

(b) shares held by a custodian (or nominee) in its custodian (or nominee) capacity (whether operating from an establishment in the UK or elsewhere) provided such a person can only exercise the voting rights attached to such shares under instructions given in writing or by electronic means;

(c) shares held by a market maker acting in that capacity subject to the percentage of such shares not being equal to or in excess of 10% of the total voting rights attaching to securities on issue by the Company from time to time;

(d) shares held or shares underlying financial instruments to the extent that such financial instruments are held by a credit institution or investment firm provided that:

(1) the shares, or financial instruments, are held within the trading book of the credit institution or investment firm;

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(2) the voting rights attached to such shares do not exceed 5% of the total voting rights attaching to securities on issue by the Company from time to time;

(3) the credit institution, or investment firm, ensures that the voting rights attached to shares in, or related to financial instruments in, the trading book are not exercised or otherwise used to intervene in the management of the Company;

(e) shares held by a collateral taker under a collateral transaction which involves the outright transfer of securities provided the collateral taker does not declare any intention of exercising (and does not exercise) the voting rights attaching to such shares; and

(f) shares acquired by a borrower under a stock lending agreement provided that:

(1) such shares (or equivalent stock) are on-lent or otherwise disposed of by the borrower by not later than close of business on the next trading day; and

(2) the borrower does not declare any intention of exercising (and does not exercise) the voting rights attaching to the shares.

87.12 Rules 87.12 to 87.18 below apply where the Company gives to a Member or to any person appearing to be interested in a share a notice requiring any of the following information (a **Disclosure Notice**):

(a) confirmation as to whether such person is or was, at any time during the three years immediately preceding the date on which the notice is issued (the **Three Year Period**), interested in shares comprised in the Company's share capital;

(b) if he is or was so interested, particulars of his own past or present interest in shares comprised in the share capital of the Company held by him at any time during the Three Year Period;

(c) if he is presently interested in shares comprised in the Company's share capital and any other interest in the shares persists (or in any case where another interest in the shares subsisted during the Three Year Period at any time when his own interest subsisted), such particulars (so far as lies within his knowledge) with respect to that other interest as may be required by the Disclosure Notice;

(d) if he was interested in shares comprised in the Company's share capital during the Three Year Period but is no longer interested, particulars (so far as lies within his knowledge) of the identity of the person who had that interest immediately upon him ceasing to hold it.

If a Disclosure Notice is given by the Company to a person appearing to be interested in any shares, a copy shall at the same time be given to the holding Member, but the accidental omission to do so or the non-receipt of the copy by the Member shall not prejudice the operation of the provisions of Rules 87.1 above to 87.12 above.

87.13 If at any time the Board is satisfied that any Member, or any other person appearing to be interested in shares held by such Member, has been duly served with a Disclosure Notice and is in default for the prescribed period in supplying to the Company the information thereby required, or, in purported compliance with such a notice, has made a statement which is false or inadequate in a material particular, then the Board may, in its absolute discretion at any time thereafter by notice (a **Direction Notice**) to such Member direct that:

(a) in respect of the shares in relation to which the default occurred (the **Default Shares**) the Member shall not be entitled to vote at a general meeting either personally or by

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proxy or to exercise any other right conferred by membership in relation to meetings of the Company;

(b) where the Default Shares represent at least 1/4 per cent. of the total number of shares of the class concerned less any shares of that class held in escrow by the Company, then the Direction Notice may additionally direct that:

(1) except in a liquidation of the Company, no payment shall be made of any sums due from the Company on the Default Shares, whether in respect of capital or dividend or otherwise;

(2) no other distribution shall be made on the Default Shares;

(3) no transfer of any of the shares held by such Member shall be registered unless:

(A) the Member is not himself in default as regards supplying the information requested and the transfer when presented for registration is accompanied by a certificate by the Member in such form as the Board may in its absolute discretion require to the effect that after due and careful enquiry the Member is satisfied that no person in default as regards supplying such information is interested in any of the shares the subject of the transfer; or

(B) the transfer is an approved transfer.

The Company shall send to each other person appearing to be interested in the shares the subject of any Direction Notice a copy of the notice, but the failure or omission by the Company to do so shall not invalidate such notice.

87.14 Any Direction Notice shall cease to have effect:

(a) in relation to any shares which are transferred by such Member by means of an approved transfer; or

(b) when the Board is satisfied that such Member and any other person appearing to be interested in shares held by such Member, has given to the Company the information required by the relevant notice.

87.15 The Board may at any time give notice cancelling a Direction Notice.

87.16 For the purposes of Rules 87.12 above to 87.18 below:

(a) a person shall be treated as appearing to be interested in any shares if the Member holding such shares has given to the Company a notification which either (i) names such person as being so interested or (ii) fails to establish the identities of all those interested in the shares and (after taking into account any such notification and any other relevant information) the Company knows or has reasonable cause to believe that the person in question is or may be interested in the shares;

(b) the prescribed period is 28 days from the date of service of the said notice unless the Default Shares represent at least 1/4 per cent. of the total number of shares of the class concerned less any shares of that class held in treasury by the Company, when the prescribed period is 14 days from that date;

(c) a transfer of shares is an approved transfer if but only if:

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(1) it is a transfer of shares to an offer or by way or in pursuance of acceptance of a Takeover Bid, meaning an offer to acquire all the shares, or all the shares of any class or classes in the Company (other than shares which at the date of the offer are already held by the offeror), being an offer on terms which are the same in relation to all the shares to which the offer relates or, where those shares include shares of different classes, in relation to all the shares of each class; or

(2) the Board is satisfied that the transfer is made pursuant to a sale of the whole of the beneficial ownership of the shares the subject of the transfer to a party unconnected with the Member and with other persons appearing to be interested in such shares; or

(3) the transfer results from a sale made through a recognised investment exchange as defined under Australian law or any other investment exchange on which the Company's shares are normally traded including AIM.

87.17 If any dividend or other distribution is withheld under Rule 87.13 above, the Member shall be entitled to receive it as soon as practicable after the restrictions contained in Rule87.13 above cease to apply.

87.18 If, while any of the restrictions referred to above apply to a share, another share is allotted as of right pursuant to the rights attached to such share, the same restrictions shall apply to that other share as if it were a Default Share. For this purpose, shares which the Company allots, or procures to be offered, pro rata (disregarding fractional entitlements) to holders of shares of the same class as the Default Share shall be treated as shares allotted as of right of existing shares from the date on which the allotment is unconditional or in the case of shares so offered, the date of the acceptance of the offer.

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