

29 April 2024



Dear Shareholder

Annual General Meeting

The Annual General Meeting of the shareholders of Centaurus Metals Limited, ACN 009 468 099 (the Company) will be held in Meeting Room 3 at the offices of KPMG, Level 8, 235 St Georges Terrace Perth, Western Australia on Tuesday 28 May 2024 commencing at 10.30 a.m. (WST).

In accordance with section 110D(1) of the Corporations Act 2001 (Cth), the Company will not be dispatching physical copies of the Notice of Meeting and accompanying Explanatory Statement (Meeting Materials) unless a shareholder has made a valid election to receive documents in hard copy. Instead, the Meeting Materials are being made available to shareholders electronically and can be viewed and downloaded from:

- the Company's website at www.centaurus.com.au/site/investor-centre/asx-announcements;
or
- the ASX market announcements page under the Company's code "CTM".

If you have nominated an email address and have elected to receive electronic communications from the Company, you will receive an email with a link to an electronic copy of the Meeting Materials and instructions on how to access your personalised Proxy Form.

Shareholders may:

- attend the meeting and vote in person;
- appoint a proxy to attend the meeting and vote on their behalf; or
- vote by lodging a proxy form.

Proxy Forms are available at www.investor.automic.com.au. A poll will be conducted for all resolutions.

Proxy Forms may be lodged:

- online at <https://investor.automic.com.au/#/loginsah>;
- by scanning the QR code on the Proxy Form and following the prompts;
- via email to meetings@automicgroup.com.au; or
- by mail to Automic, GPO Box 5193, Sydney NSW 2000.

Completed Proxy Forms must be received by no later than 10.30 am (WST) on Sunday 26th May 2024.

Authorised for release by:

John Westdorp

CFO & Company Secretary

Centaurus Metals Ltd

T: +61 8 6424 8420

office@centaurus.com.au

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CENTAURUS METALS LIMITED

ACN 009 468 099 (COMPANY)

NOTICE OF ANNUAL GENERAL MEETING & EXPLANATORY STATEMENT

Notice is given that the Annual General Meeting of the Company will be held as follows:

TIME: 10.30 a.m. (WST).
DATE: Tuesday 28 May 2024
PLACE: KPMG
Level 8, Meeting Room 3
235 St Georges Terrace
Perth, Western Australia

As this is an important document, please read it carefully and in its entirety. If you do not understand it, please consult your professional advisors.

If you are unable to attend the Annual General Meeting, please complete the proxy form enclosed and return it in accordance with the instructions set out on that form.

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Notice of Meeting

Notice is given that the Annual General Meeting of Shareholders of the Company will be held in Meeting Room 3 at KPMG, Level 8, 235 St Georges Terrace Perth, Western Australia on Tuesday 28 May 2024 commencing at 10.30 a.m. (WST). The Explanatory Statement to this Notice of Meeting provides additional information on matters to be considered at the Annual General Meeting. The Explanatory Statement and the Proxy Form each form part of this Notice of Meeting. The terms and abbreviations used in this Notice and Explanatory Statement are defined in the attached Glossary.

Voting Information

Voting Eligibility

The Directors have determined pursuant to regulation 7.11.37 of the Corporations Regulations that the persons eligible to vote at the Meeting are those who are registered as Shareholders at 10.30 a.m. (WST) on Sunday, 26 May 2024.

Proxy Form

A Proxy Form is attached to the Notice. This is to be used by Shareholders if they wish to appoint a representative (a "proxy") to vote in their place. All Shareholders are invited and encouraged to attend the Meeting or, if you are unable to attend the Meeting in person, you are encouraged to complete and return the Proxy Form to the Company in accordance with the instructions thereon. The completed Proxy Form must be received by no later than 10.30 am (WST) on Sunday 26th May 2024. Lodgement of a Proxy Form will not preclude a Shareholder from attending and voting at the Meeting.

Voting by Proxy

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

- (a) Each Shareholder who is entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend, speak and vote at the Meeting on that Shareholder's behalf. The proxy does not need to be a Shareholder.
- (b) A Shareholder who is entitled to cast two or more votes at the Meeting may appoint two proxies and may specify the proportion of votes each proxy is to exercise. If no proportion is specified, each proxy may exercise half of the Shareholder's votes.
- (c) A Shareholder can direct its proxy to vote for, against or abstain from voting on each Resolution by marking the appropriate box on the Proxy Form. If a Shareholder has specified how a proxy is to vote on a Resolution, the proxy must cast all votes as directed. If a Shareholder has specified how a proxy is to vote on a Resolution, but the proxy does not attend the Meeting or does not vote on that Resolution, the directed proxies that are not exercised will automatically default to the Chair, who will vote the proxies as directed.

Chair as Proxy

If the Chair is to act as your proxy in relation to Resolutions 1, 3, 4, 5 & 6 (whether by appointment or by default) and you have not given directions on how to vote by marking the appropriate box in the voting directions section of the Proxy Form, then you will be expressly directing and authorising the Chair to exercise your proxy and cast your vote 'for' Resolutions 1, 3, 4, 5, & 6 (as applicable), even though each of these Resolutions are connected, directly or indirectly, with the remuneration of the KMP (including the Directors). This express authorisation is included because without it the Chair would be precluded from casting your votes on the basis that these Resolutions are connected with the remuneration of the KMP. Subject to the above requirements being met, the Chair intends to vote all undirected proxies in respect of Resolutions 1, 3, 4, 5, & 6 in favour of the relevant Resolution.

Proxy Voting by Key Management Personnel.

If you wish to appoint a director (other than the Chair) or any other member of the Company's Key Management Personnel, or their closely related parties, as your proxy, you must specify how they should vote on Resolutions 1, 3, 4, 5, & 6 by marking the appropriate box. If you do not your proxy will not be able to exercise your vote for this Resolution. Note that if you appoint the Chair as your proxy (or if they are appointed by default) but do not direct the Chair how to vote, the Chair may vote as they see fit on that resolution.

Corporate Representatives

Any corporate Shareholder wishing to appoint a person to act as its representative at the Meeting may do so by providing that person with a:

- letter or certificate executed in accordance with the Corporations Act authorising that person to act as the corporate Shareholder's representative at the Meeting; or
- copy of the resolution appointing that person as the corporate Shareholder's representative at the Meeting, certified by a secretary or director of the corporate Shareholder.

Poll

In accordance with section 250JA of the Corporations Act, each Resolution considered at the Meeting will be conducted by a poll, rather than on a show of hands.

MEETING DOCUMENTS

The Company will not be sending physical meeting documents unless Shareholders have made a valid election to receive documents in physical copy. The Company encourages all Shareholders to provide an email address to enable it to provide important documents such as notices of meeting and the annual report.

Shareholders can still elect to receive some or all of their communications in physical or electronic form, or elect not to receive certain documents such as annual reports. To review your communications preferences or sign up to receive your Shareholder communications via email, please register or login at www.investor.automic.com.au.

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AGENDA

FINANCIAL REPORT (NO RESOLUTION REQUIRED)

To receive the Financial Report which comprises the Financial Statements, Directors' Report and Auditor's Report.

Note: This item of business is for discussion only and is not a resolution.

1 RESOLUTION 1: ADOPTION OF REMUNERATION REPORT

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

"That, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report (which is contained in the Financial Report)."

Note: Under section 250R(3) of the Corporations Act, the vote on this Resolution is advisory only and does not bind the Directors or the Company.

Voting Prohibition: In accordance with section 250R of the Corporations Act, a vote on this Resolution must not be cast (in any capacity) by or on behalf of any of the following persons:

- (a) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or
- (b) a Closely Related Party of such a member.

However, a person (the **voter**) described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:

- (a) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or
- (b) the voter is the Chair and the appointment of the Chair as proxy:
 - does not specify the way the proxy is to vote on this Resolution; and
 - expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel, or if the Company is part of a consolidated entity, for the entity.

The Chair will use any such proxies to vote in favour of this Resolution. Therefore, the Company encourages you to carefully read the Proxy Form and direct your proxy on how to vote on Resolution 1.

2 RESOLUTION 2: RE-ELECTION OF DIRECTOR – MR MARK HANCOCK

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

"That Mr Mark Hancock, a Director who retires by rotation in accordance with Regulation 51.2 of the Constitution, Listing Rule 14.4 and for all other purposes, being eligible and offering himself for re-election as a Director, is so re-elected."

3 RESOLUTION 3: ISSUE OF ZEPOS UNDER THE LONG TERM INCENTIVE PLAN TO MR DARREN GORDON

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

"That pursuant to and in accordance with Listing Rule 10.11 and for all other purposes, approval is given for the issue of 1,163,136 ZEPOs to Mr Darren Gordon (or his nominee(s)) as part of the Company's Long Term Incentive Plan for Key Management Personnel on the terms and conditions specified in the Explanatory Statement accompanying this Notice."

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by or on behalf of:

- (a) Mr Gordon (or his nominee(s)); or
- (b) an associate of Mr Gordon (or his nominee(s)),

and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons.

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

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

Voting Prohibition: In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the person is either a member of the Key Management Personnel or a Closely Related Party; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if:

- (a) the person is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

The Chair will use any such proxies to vote in favour of this Resolution. Therefore, the Company encourages you to carefully read the Proxy Form and direct your proxy on how to vote on Resolution 3.

4 RESOLUTION 4: ISSUE OF ZEPOS UNDER THE LONG TERM INCENTIVE PLAN TO MR BRUNO SCARPELLI

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

“That pursuant to and in accordance with Listing Rule 10.11 and for all other purposes, approval is given for the issue of 568,246 ZEPOs to Mr Bruno Scarpelli (or his nominee(s)) as part of the Company’s Long Term Incentive Plan for Key Management Personnel on the terms and conditions specified in the Explanatory Statement accompanying this Notice.”

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by or on behalf of:

- (a) Mr Scarpelli (or his nominee(s)); or
- (b) an associate of Mr Scarpelli (or his nominee(s)),

and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company), or an associate of that person or those persons.

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

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

Voting Prohibition: In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the person is either a member of the Key Management Personnel or a Closely Related Party; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if:

- (a) the person is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

The Chair will use any such proxies to vote in favour of this Resolution. Therefore, the Company encourages you to carefully read the Proxy Form and direct your proxy on how to vote on Resolution 4.

5 RESOLUTION 5: ISSUE OF SHARES UNDER THE SHORT TERM INCENTIVE PLAN TO MR DARREN GORDON

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

“That pursuant to and in accordance with Listing Rule 10.14 and for all other purposes, approval is given for the issue to Mr Darren Gordon (or his nominee(s)), subject to the satisfaction of certain annual financial and non-financial key performance indicators specified under the Company’s Short Term Incentive Plan, of such number of Shares as set out in the Explanatory Statement accompanying this Notice.”

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by or on behalf of:

- (a) a person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the employee incentive scheme in question; or
- (b) an associate of that person or those persons,

and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons.

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

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

Voting Prohibition: In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the person is either a member of the Key Management Personnel or a Closely Related Party; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if:

- (a) the person is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

The Chair will use any such proxies to vote in favour of this Resolution. Therefore, the Company encourages you to carefully read the Proxy Form and direct your proxy on how to vote on Resolution 5.

6 RESOLUTION 6: ISSUE OF SHARES UNDER THE SHORT TERM INCENTIVE PLAN TO MR BRUNO SCARPELLI

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

"That pursuant to and in accordance with Listing Rule 10.14 and for all other purposes, approval is given for the issue to Mr Bruno Scarpelli (or his nominee(s)), subject to the satisfaction of certain annual financial and non-financial key performance indicators specified under the Company's Short Term Incentive Plan, of such number of Shares as set out in the Explanatory Statement accompanying this Notice."

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by or on behalf of:

- (a) a person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the employee incentive scheme in question; or
- (b) an associate of that person or those persons,

and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company), or an associate of that person or those persons.

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

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

Voting Prohibition: In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the person is either a member of the Key Management Personnel or a Closely Related Party; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if:

- (a) the person is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

The Chair will use any such proxies to vote in favour of this Resolution. Therefore, the Company encourages you to carefully read the Proxy Form and direct your proxy on how to vote on Resolution 6.

7 RESOLUTION 7: APPROVAL OF ADDITIONAL 10% PLACEMENT FACILITY

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

"That pursuant to and in accordance with Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of Equity Securities up to 10% of the issued capital of the Company (at the time of the issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and otherwise on the terms and conditions in the Explanatory Statement accompanying this Notice."

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by or on behalf of:

- (a) a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company); or
- (b) an associate of that person or those persons.

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

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

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

By Order of the Board

John Westdorp

Company Secretary

29 April 2024

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EXPLANATORY STATEMENT

This Explanatory Statement has been prepared for the information of Shareholders in connection with the business to be conducted at the Annual General Meeting to be held in Meeting Room 3 at KPMG, Level 8, 235 St Georges Terrace Perth, Western Australia on Tuesday 28 May 2024 commencing at 10.30 a.m. (WST)

This Explanatory Statement should be read in conjunction with the accompanying Notice of Meeting. The purpose of this Explanatory Statement is to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions in the Notice of Meeting.

A Proxy Form is included with the Notice of Meeting and Explanatory Statement.

FINANCIAL REPORT

The Financial Report which comprises the Financial Statements, Directors' Report and Auditor's Report for the Company for the year ended 31 December 2023 will be tabled at the Meeting.

There is no requirement for Shareholders to approve these reports. However, the Company encourages Shareholders who wish to ask questions about those reports or about the conduct of the audit and the preparation and content of the Auditor's Report to submit them in advance of the Meeting by emailing them to proxyform@centaurus.com.au by no later than 10.30 a.m. (WST) on Sunday 26 May 2024.

1 RESOLUTION 1: ADOPTION OF REMUNERATION REPORT

The Remuneration Report of the Company for the year ended 31 December 2023 is set out in the Company's Financial Report. The report outlines the Company's executive remuneration framework and the remuneration outcomes for the Board, the Managing Director and Key Management Personnel.

The Chair will allow a reasonable opportunity for Shareholders to ask questions about, or make comments on, the Remuneration Report at the meeting. The Resolution is advisory only. The Board will consider and take into account the outcome of the vote and any feedback received from Shareholders on the Remuneration Report when reviewing the Company's remuneration policies.

2 RESOLUTION 2: RE-ELECTION OF DIRECTOR – MR MARK HANCOCK

Mr Hancock retires in accordance with Regulation 51.2 of the Constitution and, being eligible for re-election, offers himself for re-election as a Director at the Annual General Meeting.

Mr Hancock is a Company Director, a Chartered Accountant (CA), a Fellow of the Financial Services Institute of Australia (F FIN), and consultant to the resource industry with a focus on commercial advisory and commodity marketing. He has over 30 years' experience in senior commercial and financial roles across a number of leading companies in Australia and South East Asia, including spending 13 years with Atlas Iron as CFO, CCO, Company Secretary and Executive Director and prior to that with oil and gas industry participants Woodside Petroleum Ltd and Premier Oil Plc. Mr Hancock is an Executive Director of CuFe Ltd, Non-Executive Director and Non-Executive Chair of Strandline Resources Limited, and Chair of the Company's Audit & Risk Committee.

Whilst Mr Hancock has tenure of more than 13 years as a Director, the Board considers that Mr Hancock's experience and skills will continue to provide the level of support necessary to meet the significant demands which will be placed on the Board as the Company progresses development of the Jaguar Project.

Mr Hancock has exposure to the development of greenfields mining projects and to related debt and equity funding processes. The Board notes that during his tenure, Mr Hancock has gained significant exposure to the business and regulatory environment in Brazil. The Board considers these attributes are critical in supporting the future objectives of the Company. The Board considers Mr Hancock to be an independent Director.

The Board (other than Mr Hancock, to whom this Resolution relates) supports and recommends that Shareholders vote in favour of Resolution 2.

3 RESOLUTIONS 3 & 4: ISSUE OF ZEPOS – LONG TERM INCENTIVE PLAN

3.1 Background

Resolutions 3 and 4 seek Shareholder approval pursuant to Listing Rule 10.11 and for all other purposes for the issue under the Company's Long Term Incentive Plan (LTIP) of:

- (a) 1,163,136 Options to Mr Darren Gordon (or his nominee(s)); and
- (b) 568,246 Options to Mr Bruno Scarpelli (or his nominee(s))

The Company seeks the approval of Shareholders for the issue of these performance-related Options to the Executive Directors of the Company, being the Managing Director, Mr Darren Gordon, and the Company's Brazil Country Manager, Mr Bruno Scarpelli.

The Board has determined that the incentive awards under the LTIP will take the form of Zero Exercise Price Options (also known as ZEPOs).

The Board is proposing (subject to Shareholder approval) to issue Mr Gordon with 1,163,136 ZEPOs, representing the value of 100% of his TFR, and to issue Mr Scarpelli with 568,246 ZEPOs, representing the value of 70% of his TFR.

The ZEPOs proposed to be issued to Messrs Gordon and Scarpelli under the LTIP will in each case have a 3-year assessment period from 1 January 2024 to 31 December 2026 (**Assessment Period**). The number of ZEPOs to be granted to each of Messrs Gordon and Scarpelli has been determined by dividing the entitlement value (based on the relevant percentage of the Executive Director's TFR) by the 20 Day VWAP of Shares immediately prior to 1 January 2024, which was calculated as \$0.472.

The ZEPOs are proposed to be issued as part of the remuneration arrangements of each respective Executive Director to recognise the extensive work and time commitment required to successfully develop the Jaguar Project over the next 2-3 years. The LTIP aims to support growth and Shareholder value by rewarding long term above average performance by KMP in the pursuit of the Company's long-term business objectives.

The following vesting criteria must be satisfied in order for the ZEPOs to vest and be capable of being exercised:

- (a) 50% of the ZEPOs will vest based on TSR relative to a peer group of companies determined by the Board; and
- (b) 50% of the ZEPOs will vest upon the achievement of an Absolute TSR.

In addition to the requirement to achieve the vesting conditions noted above over the 3 year assessment period, the ZEPOs will vest in the event of a Change of Control Event. The Board notes the possibility of a Change of Control Event and the likelihood of such an event resulting in the termination or redundancy of Company executives, including Executive Directors. The accelerated vesting for a change of control transaction, which may also result in significant benefit for Shareholders, provides an important attraction and retention mechanism to compensate for this risk. The Board considers that the mechanism also encourages management receptiveness to corporate transactions that could have significant benefit for Shareholders.

The terms and conditions of the ZEPOs proposed to be issued to Messrs Gordon and Scarpelli are attached as Appendix 1.

3.2 Listing Rule 10.11

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

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

unless it obtains the approval of its shareholders.

The proposed issue of ZEPOs to Messrs Gordon and Scarpelli, each a Director, in each case falls within Listing Rule 10.11.1 and does not fall within any of the exceptions in Listing Rule 10.12. It therefore requires the approval of Shareholders under Listing Rule 10.11.

Resolutions 3 and 4 seek the required Shareholder approval to the issue of the ZEPOs to Messrs Gordon and Scarpelli respectively under and for the purposes of Listing Rule 10.11.

If Resolution 3 is passed, the Company will be able to proceed with the issue of the 1,163,136 ZEPOs to Mr Gordon.

If Resolution 3 is not passed, the Company will not be able to proceed with the issue of the 1,163,136 ZEPOs to Mr Gordon and will be required to consider other means of remunerating and incentivising Mr Gordon. Alternative incentive mechanisms may take the form of cash payments which would reduce the Company's cash reserves.

If Resolution 4 is passed, the Company will be able to proceed with the issue of the 568,246 ZEPOs to Mr Scarpelli.

If Resolution 4 is not passed, the Company will not be able to proceed with the issue of the 568,246 ZEPOs to Mr Scarpelli and will be required to consider other means of remunerating and incentivising Mr Scarpelli. Alternative incentive mechanisms may take the form of cash payments which would reduce the Company's cash reserves.

3.3 Information Required by ASX Listing Rule 10.13

The following information is provided to Shareholders for the purposes of Listing Rule 10.13 in relation to Resolutions 3 and 4:

- (a) The ZEPOs will be issued to Mr Darren Gordon and Mr Bruno Scarpelli (or their respective nominee(s));
- (b) Mr Gordon and Mr Scarpelli are each a Director and are therefore each a Related Party of the Company for the purposes of Listing Rule 10.11.1;
- (c) the ZEPOs to be issued will form part of an existing class of Options with nil exercise price and an expiry date of 31 December 2027. The number of ZEPOs to be issued pursuant to Resolutions 3 and 4 is 1,731,382, comprising:
 - (i) 1,163,136 ZEPOs under Resolution 3 to Mr Gordon or his nominee(s); and
 - (ii) 568,246 ZEPOs under Resolution 4 to Mr Scarpelli or his nominee(s);
- (d) the ZEPOs are anticipated to be issued on or around 28 May 2024 and, in any event, by no later than 1 month after the date of the Meeting;
- (e) the ZEPOs will be granted for nil cash consideration;
- (f) no funds will be raised from the issue of the ZEPOs;
- (g) the purpose of the issue of the ZEPOs is to allow the Company to reasonably incentivise its Executive Directors for the achievement of strategic objectives which will result in increased value to Shareholders whilst at the same time preserving the Company's cash position;
- (h) the current total remuneration packages for Mr Gordon and Mr Scarpelli are shown in the table below:

Remuneration Component	Mr Gordon	Mr Scarpelli
Total Fixed Remuneration (Salary & Superannuation)	A\$549,000	A\$383,160
Short Term Incentive (STI) ¹	Up to 50% of TFR	Up to 45% of TFR
Long Term Incentive (LTI) ¹	Up to 100% of TFR	Up to 70% of TFR

¹ cash benefits and equity securities available under the STI and LTI plans are subject to the achievement of performance objectives and may not result in the realisation of any financial benefit for the participants;

Subject to the satisfaction of retention conditions, incentive payments of A\$409,600 and A\$165,600 are payable to Mr Gordon & Mr Scarpelli respectively in 2024 as disclosed in the Company's audited Remuneration Report for the period ended 31 December 2023. The retention incentive payments do not form part of the base upon which STIs or LTIs are determined. There has been no amendment (material or otherwise) to the terms of the employment agreements of Messrs Gordon & Scarpelli in relation to the retention incentive.

- (i) a summary of the material terms pursuant to which the ZEPOs will be issued is set out in Appendix 1; and
- (j) a voting exclusion statement is included in the Notice of Meeting.

3.4 Chapter 2E of the Corporations Act

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

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

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

Resolutions 3 and 4 relate to the proposed issue of ZEPOs, which constitute giving a financial benefit. Mr Gordon and Mr Scarpelli are Related Parties of the Company by virtue of being Directors.

Section 211 of the Corporations Act provides that Shareholder approval under section 208 of the Corporations Act is not required if:

- (a) the financial benefit to be provided to the Related Party is remuneration as an officer or employee of a public company; and
- (b) to give the remuneration would be reasonable given:
 - (i) the circumstances of the public company or entity giving the remuneration; and
 - (ii) the Related Party's circumstances (including the responsibilities involved in the office or employment).

The Directors (excluding Mr Gordon and Mr Scarpelli who have a material personal interest in Resolutions 3 and 4 respectively) have determined the proposed grant of ZEPOs to be a part of the reasonable remuneration of Mr Gordon and Mr Scarpelli (respectively), having regard to the circumstances of the Company and the respective responsibilities of Mr Gordon and Mr Scarpelli as Directors and senior executives. The proposed issue of ZEPOs is accordingly considered to fall within the exception in section 211 of the Corporations Act, and Shareholder approval is therefore not sought for the purposes of Chapter 2E of the Corporations Act.

The ZEPOs to be issued to Messrs Gordon and Scarpelli (respectively) will not be quoted on the ASX and will lapse if Mr Gordon or Mr Scarpelli (as applicable) cease to be an employee of the Company or otherwise if the performance objectives attached to the ZEPOs fail to be achieved. The ZEPOs will be transferable only with the consent of the Board and will otherwise be issued on the terms and conditions set out in Appendix 1.

3.5 Directors' Recommendation

The Directors (other than Mr Gordon, to whom Resolution 3 relates and Mr Scarpelli, to whom Resolution 4 relates), unanimously recommend Shareholders vote in favour of Resolutions 3 and 4.

The Chair will cast all available proxies in favour of Resolutions 3 and 4.

4 RESOLUTIONS 5 & 6 – ISSUE OF SHARES - SHORT TERM INCENTIVE PLAN

4.1 Background

The Company's remuneration framework includes a Short-Term Incentive Plan (**STI Plan**) designed to reward executives for the achievement of annual performance targets. Whilst intended to be settled in cash, the Board retains the discretion to settle STIs with equity. The STI Plan and the annual performance objectives under the STI Plan are reviewed annually by the Remuneration Committee and approved by the Board.

The annual performance targets are based on challenging goals with a mix of both Company performance and project specific outcomes targeting the following key activities:

- effective management of environmental conditions and safety performance;
- community and land owner engagement in Brazil;
- achievement of defined exploration targets for the Boi Novo Project which includes achieving exploration program objectives within budget;
- achievement of key deliverables in relation to the licensing, definitive feasibility study, offtake, funding and other development activities for the Jaguar Nickel Project; and
- achievement of value adding outcome for the Jambreiro Iron Ore project.

The maximum award payable under the STI Plan is:

- (a) in respect of Mr Gordon, up to 50% of TFR or \$274,500; and
- (b) in respect of Mr Scarpelli, up to 45% of TFR or \$172,422.

The Board will determine the award entitlement under the STI Plan by assessing the achievement of objectives after the expiry of the annual assessment period on 31 December 2024.

To the extent that the Board determines to issue securities in satisfaction of the award entitlement, the number of Shares issued will be determined based on the deemed price per share being equal to the 20 Trading Day VWAP of Shares immediately prior to 1 January 2025.

Resolutions 5 & 6 seek Shareholder approval for the grant of Shares to Messrs Gordon and Scarpelli pursuant to the STI Plan, subject to achievement of applicable objectives and otherwise on the basis explained above.

4.2 Listing Rule 10.14

Listing Rule 10.14 provides that an entity must not permit any of the following persons to acquire Equity Securities under an employee incentive scheme:

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

unless it obtains the approval of its shareholders.

Any proposed issue of Shares to Messrs Gordon and Scarpelli under Resolutions 5 and 6 respectively falls within Listing Rule 10.14.1 above and therefore requires the approval of Shareholders under Listing Rule 10.14.

If Resolution 5 is passed, the Company will be able to proceed with an issue of Shares under the STI Plan to Mr Gordon.

If Resolution 5 is not passed, the Company will not be able to proceed with an issue of Shares under the STI Plan to Mr Gordon and will be required to consider other means of remunerating and incentivising Mr Gordon. Alternative incentive mechanisms may take the form of cash payments which would reduce the Company's cash reserves.

If Resolution 6 is passed, the Company will be able to proceed with an issue of Shares under the STI Plan to Mr Scarpelli.

If Resolution 6 is not passed, the Company will not be able to proceed with an issue of Shares under the STI Plan to Mr Scarpelli and will be required to consider other means of remunerating and incentivising Mr Scarpelli. Alternative incentive mechanisms may take the form of cash payments which would reduce the Company's cash reserves.

4.3 Information Required by ASX Listing Rule 10.15

The following information is provided to Shareholders for the purposes of Listing Rule 10.15 in relation to Resolutions 5 and 6:

- (a) any Shares to be issued will be issued to Mr Darren Gordon and Mr Bruno Scarpelli (or their respective nominee(s));
- (b) Mr Gordon and Mr Scarpelli are each a Director and are therefore each a Related Party of the Company for the purposes of Listing Rule 10.11.1;
- (c) the Shares will be fully paid ordinary shares in the capital of the Company and rank equally with the Company's existing Shares;
- (d) the formula for calculating the maximum number of Shares to be issued to each Executive Director on an annual basis is as follows:
 - (i) Part 1 – Calculation of total value of Shares

$$S = A - C$$

Where:

- S** is the maximum value of the Shares to be issued to the Executive Director;
- A** is the Award Entitlement payable to the Executive Director under the STI Plan, as determined by the Board; and
- C** is the value of the minimum cash portion of the bonus entitlement determined by the Board; and

(ii) Part 2 – Calculation of total number of Shares

$$T = S/DP$$

Where:

T is the maximum number of Shares to be issued to each Executive Director, which is not to exceed 251,625 Shares in the case of Mr Gordon and 158,054 Shares in the case of Mr Scarpelli;

S is the value referred to above; and

DP is the deemed price per Share, which will be the VWAP for Shares traded on ASX for the 20 Trading Days immediately prior to 1 January 2025;

- (e) the current total remuneration packages for Mr Gordon and Mr Scarpelli are shown at Section 3.3(h) above;
- (f) neither Messrs Gordon nor Scarpelli have previously been issued securities under the STI Plan;
- (g) the Shares are anticipated to be issued as soon as practicable after 1 January 2025 and, in any event, by no later than 3 years after the date of the Meeting;
- (h) the Shares will be granted for nil cash consideration. The deemed issue price per Share will be as set out in paragraph (d) above;
- (i) no funds will be raised from the issue of the Shares;
- (j) the purpose of the issue of the Shares is to allow the Company to reasonably incentivise its Executive Directors for the achievement of annual short term objectives which will result in increased value to Shareholders whilst at the same time preserving the Company's cash position;
- (k) a summary of the material terms of the STI Plan is set out in Appendix 2;
- (l) no loan arrangements apply in relation to the acquisitions under Resolutions 5 and 6;
- (m) details of any securities issued under the STI Plan will be published in each annual report of the Company relating to the period in which the securities have been issued, and such annual report will state that approval for the issue of the securities was obtained under Listing Rule 10.14;
- (n) any additional persons who become entitled to participate in the STI Plan after Resolutions 5 and 6 are approved and who are not named in this Notice will not participate until Shareholder approval is obtained under Listing Rule 10.14; and
- (o) A voting exclusion statement is included in the Notice for the purpose of Resolutions 5 and 6.

Other than the information above and otherwise in this Explanatory Statement, the Company believes there is no other information that would be reasonably required by Shareholders to consider Resolutions 5 and 6.

4.4 Chapter 2E of the Corporations Act

A summary of Chapter 2E of the Corporations Act is set out in Section 3.4 above.

Resolutions 5 and 6 relate to the proposed issue of Shares, which constitutes giving a financial benefit. Mr Gordon and Mr Scarpelli are Related Parties of the Company by virtue of being Directors.

Section 211 of the Corporations Act provides that Shareholder approval under section 208 of the Corporations Act is not required if:

- (a) the financial benefit to be provided to the Related Party is remuneration as an officer or employee of a public company; and
- (b) to give the remuneration would be reasonable given:
 - (i) the circumstances of the public company or entity giving the remuneration; and
 - (ii) the Related Party's circumstances (including the responsibilities involved in the office or employment).

The Directors (excluding Mr Gordon and Mr Scarpelli who have a material personal interest in Resolutions 5 and 6 respectively) have determined the proposed issue of Shares to be a part of the reasonable remuneration of Mr Gordon and Mr Scarpelli (respectively), having regard to the circumstances of the Company and the respective responsibilities of Mr Gordon and Mr Scarpelli as Directors and senior executives. The proposed issue of Shares is accordingly considered to fall within the exception in section 211 of the Corporations Act, and Shareholder approval is therefore not sought for the purposes of Chapter 2E of the Corporations Act.

4.5 Directors' Recommendation

The Directors (other than Mr Gordon, to whom Resolution 5 relates and Mr Scarpelli, to whom Resolution 6 relates), unanimously recommend Shareholders vote in favour of Resolutions 5 and 6.

The Chair will cast all available proxies in favour of Resolutions 5 and 6.

5 RESOLUTION 7 – APPROVAL OF ADDITIONAL 10% PLACEMENT FACILITY

5.1 General

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

Under Listing Rule 7.1A, however, an eligible entity can seek approval from its members, by way of a special resolution passed at its annual general meeting, to increase this 15% limit by an extra 10% to 25% (**10% Placement Facility**).

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

Resolution 7 seeks Shareholder approval by way of special resolution for the Company to have the additional 10% capacity provided for in Listing Rule 7.1A to issue Equity Securities without Shareholder approval.

If Resolution 7 is passed, the Company will be able to issue Equity Securities up to the combined 25% limit in Listing Rules 7.1 and 7.1A without any further Shareholder approval.

If Resolution 7 is not passed, the Company will not be able to access the additional 10% capacity to issue Equity Securities without Shareholder approval provided for in Listing Rule 7.1A and will remain subject to the 15% limit on issuing Equity Securities without Shareholder approval set out in Listing Rule 7.1.

5.2 Requirements of ASX Listing Rule 7.1A

5.2.1 Eligible entities

As set out above, an eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. The Company is an eligible entity at the time of this Notice of Meeting and expects to be so at the date of the Meeting.

5.2.2 Shareholder approval

Shareholders must approve the 10% Placement Facility by special resolution at the Annual General Meeting, which requires the approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative). A resolution under Listing Rule 7.1A cannot be put at any other Shareholder meeting.

5.2.3 Equity Securities

Equity Securities issued under the 10% Placement Facility must be in the same class as an existing class of Equity Securities of the Company that are quoted on the ASX.

As at the date of this Notice, the Company has on issue the following classes of Equity Securities quoted on the ASX:

- 494,997,337 Ordinary Shares;
- 233,333 Options, with an exercise price of \$0.180 per Option and expiring on 31/05/24;
- 1,400,000 Options, with an exercise price of \$0.405 per Option and expiring on 31/05/24;
- 485,543 Options, with an exercise price of \$0.000 per Option and expiring on 31/12/24;
- 1,225,220 Options, with an exercise price of \$0.000 per Option and expiring on 31/12/25;
- 1,535,164 Options, with an exercise price of \$0.000 per Option and expiring on 31/12/26; and
- 2,170,514 Options, with an exercise price of \$0.000 per Option and expiring on 31/12/27

5.2.4 Formula for calculating 10% Placement Facility

If Resolution 7 is passed the Company may, during the period of the approval, issue or agree to issue a number of Equity Securities calculated in accordance with the following formula:

$$(A \times D) - E$$

Where:

A = The number of fully paid ordinary securities on issue at the commencement of the relevant period:

- plus the number of fully paid ordinary securities issued in the relevant period under an exception in Listing Rule 7.2 other than exception 9, 16 or 17;
- plus the number of fully paid ordinary securities issued in the relevant period on the conversion of convertible securities within Listing Rule 7.2 exception 9 where:
 - the convertible securities were issued or agreed to be issued before the commencement of the relevant period; or
 - the issue of, or agreement to issue, the convertible securities was approved, or taken under the Listing Rules to have been approved, under Listing Rule 7.1 or Listing Rule 7.4;
- plus the number of fully paid ordinary securities issued in the relevant period under an agreement to issue securities within Listing Rule 7.2 exception 16 where:
 - the agreement was entered into before the commencement of the relevant period; or
 - the agreement or issue was approved, or taken under the Listing Rules to have been approved, under Listing Rule 7.1 or Listing Rule 7.4;
- plus the number of any other fully paid ordinary securities issued in the relevant period with approval under Listing Rule 7.1 or Listing Rule 7.4;
- plus the number of fully paid ordinary securities that became fully paid in the relevant period;
- less the number of fully paid ordinary securities cancelled in the relevant period.

Note that "A" has the same meaning in Listing Rule 7.1 when calculating an entity's 15% placement capacity;

D = 10%;

E = The number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the relevant period where the issue or agreement has not been subsequently approved by the holders of its ordinary securities under Listing Rule 7.4; and

"relevant period" means:

- if the entity has been admitted to the official list for 12 months or more, the 12 month period immediately preceding the date of the issue or agreement; or
- if the entity has been admitted to the official list for less than 12 months, the period from the date the entity was admitted to the official list to the date immediately preceding the date of the issue or agreement.

Note that "relevant period" has the same meaning in Listing Rule 7.1 when calculating an entity's 15% placement capacity.

5.2.5 Interaction between ASX Listing Rules 7.1 and 7.1A

The 10% Placement Facility under Listing Rule 7.1A is in addition to the Company's 15% placement capacity under Listing Rule 7.1.

The Company has 494,997,337 Shares on issue as at the date of this Notice. If this Resolution 7 is passed the Company will be permitted to issue (as at the date of this Notice):

- 74,249,601 Equity Securities under Listing Rule 7.1; and
- 49,499,734 Equity Securities under Listing Rule 7.1A.

The actual number of Equity Securities that the Company will be permitted to issue under Listing Rule 7.1A will be calculated at the date of issue or agreement to issue the Equity Securities in accordance with the formula prescribed in Listing Rule 7.1A.2 (as set out above).

The effect of Resolution 7 will be to allow the Company to issue Equity Securities under Listing Rule 7.1A without using the Company's placement capacity under Listing Rule 7.1.

5.3 Information for Shareholders as required by ASX Listing Rule 7.3A

5.3.1 ASX Listing Rule 7.3A.1 – Period of approval

An approval from Shareholders under Listing Rule 7.1A will be valid and commence on the date of the Annual General Meeting at which Shareholder approval is obtained (being Tuesday, 28 May 2024) and expires on the first to occur of the following.

- (a) The date that is 12 months after the date of the Annual General Meeting.
- (b) The time and date of the Company's next annual general meeting.
- (c) The time and date of the approval by holders of the Company's ordinary securities of a transaction under Listing Rule 11.1.2 or Listing Rule 11.2.

5.3.2 ASX Listing Rule 7.3A.2 – Minimum price

Any Equity Securities issued under ASX Listing Rule 7.1A.2 must be in an existing quoted class of the Company's Equity Securities and issued for a cash consideration per security which is not less than 75% of the VWAP for Equity Securities in the relevant quoted class, calculated over the 15 Trading Days on which trades in that class were recorded immediately before:

- (a) the date on which the price of the Equity Securities are to be issued is agreed by the Company and the recipient of the Equity Securities; or
- (b) if the Equity Securities are not issued within 10 Trading Days of the date in paragraph (a) above, the date on which the Equity Securities are issued.

5.3.3 ASX Listing Rule 7.3A.3 – Purposes for which the new Equity Securities may be issued

The Company may use funds raised by an issue of Equity Securities under Listing Rule 7.1A.2 for the following purposes:

- the acquisition of new assets or investments (including the expenses associated with such acquisitions);
- continued exploration, feasibility study and project development expenditure on the Company's current assets; and/or
- general working capital.

5.3.4 ASX Listing Rule 7.3A.4 – Risk of economic and voting dilution

If Resolution 7 is passed and the Company issues Equity Securities under the 10% Placement Facility, existing Shareholders' voting power in the Company will be diluted as shown in the table below.

There is the risk that:

- the market price for the Company's existing Equity Securities may be significantly lower on the date of issue of the new Equity Securities than on the date of the Meeting; and
- the new Equity Securities may be issued at a price that is at a discount to the market price of the Company's existing Equity Securities on the issue date,

which may have an effect on the amount of funds raised by the issue of the new Equity Securities.

The table below shows the dilution of existing Shareholders on the basis of the current market price of Shares and the current number of ordinary securities for variable "A" calculated in accordance with the formula in Listing Rule 7.1A.2 as at the date of this Notice.

For the purpose of Listing Rule 7.3A.4, the table also shows:

- two examples, where variable "A" has increased by 50% and 100%. Variable "A" is based on the number of ordinary securities the Company has on issue. The number of ordinary securities may increase as a result of issues of ordinary securities that do not require Shareholder approval (for example a pro rata entitlement issue) or future placements under Listing Rule 7.1 that are approved at a future Shareholders' meeting; and
- two examples, where the issue price of ordinary securities has decreased by 50% and increased by 50% as against the current market price.

		Dilution		
		\$0.160 - 50% decrease in Issue Price	\$0.320 - Issue Price	\$0.480 - 50% increase in Issue Price
494,997,337 Shares (Current Variable A in Listing Rule 7.1A.2)	10% Voting Dilution	49,499,734 Shares	49,499,734 Shares	49,499,734 Shares
	Funds Raised	\$9,899,947	\$19,799,893	\$29,699,840
742,496,006 Shares (50% increase in Variable A in Listing Rule 7.1A.2)	10% Voting Dilution	74,249,601 Shares	74,249,601 Shares	74,249,601 Shares
	Funds Raised	\$14,849,920	\$29,699,840	\$44,549,760
989,994,674 Shares (100% increase in Variable A in Listing Rule 7.1A.2)	10% Voting Dilution	98,999,467 Shares	98,999,467 Shares	98,999,467 Shares
	Funds Raised	\$19,799,893	\$39,599,787	\$59,399,680

This table has been prepared using the following assumptions:

- The Company issues the maximum number of Equity Securities available under the 10% Placement Facility.
- No Options (including any Options having previously been issued under the 10% Placement Facility) are exercised into Shares before the date of the issue of the Equity Securities.
- The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
- The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on that Shareholder's holding at the date of the Meeting.
- The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.
- The issue of Equity Securities under the 10% Placement Facility consists only of Shares. If the issue of Equity Securities includes Options, it is assumed that those Options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.
- The issue price is \$0.400, being the latest closing price of the Shares on ASX on 23 April 2024.

5.3.5 ASX Listing Rule 7.3A.5 – Allocation policy

The Company's allocation policy for the issue of new Equity Securities under the 10% Placement Facility will be dependent on the existing market conditions at the time of the proposed issue. The allottees will be determined at the relevant time having regard to factors such as:

- the methods of raising funds that are available to the Company, including but not limited to, rights issues or other issues in which existing security holders can participate;
- the effect of the issue of new securities on the control of the Company;
- the financial situation and solvency of the Company; and
- advice from corporate, financial and broking advisers (as relevant).

As at the date of this Notice the allottees are not known but may include existing substantial Shareholders and/or new Shareholders. No allottee under the 10% Placement Facility will be a Related Party or associate of a Related Party. Existing Shareholders may or may not be entitled to subscribe for any Equity Securities issued under the 10% Placement Facility, and it is possible that their Shareholding will be diluted.

The Company will comply with its disclosure obligations under Listing Rule 7.1A(4) on the issue of any new securities.

5.3.6 ASX Listing Rule 7.3A.6 – Details of Equity Securities issued during past 12 months

In the 12 months preceding the date of the Meeting (being the period commencing 28 May 2024), the Company has not issued Shares using the 10% placement capacity available under ASX Listing Rule 7.1A.

5.4 Voting Exclusion Statement

A voting exclusion statement is included in the Notice for the purposes of Resolution 7. At the date of this Notice, the Company has not approached any particular existing Shareholder or security holder or an identifiable class of existing security holder to participate in a proposed issue of Equity Securities under the proposed 10% Placement Facility. No existing Shareholders' votes will therefore be excluded under the voting exclusion in the Notice.

5.5 Directors' Recommendation

The Directors unanimously recommend Shareholders vote in favour of Resolution 7.

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GLOSSARY

\$ means Australian dollars.

Absolute TSR means the TSR calculated in accordance with paragraph 13 of Appendix 1.

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

Appendix means an appendix to this Notice.

Assessment Period means the period specified in Section 3.1.

ASX means ASX Limited ABN 98 008 624 691 and, where the context permits, the Australian Securities Exchange operated by ASX Limited.

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

Auditor's Report means the auditor's report contained in the Financial Report.

Board means the Directors acting as the board of directors of the Company or a committee appointed by such board of directors.

Chair means the chair of the Annual General Meeting.

Change of Control Event means:

- (a) the acquisition by any person, either alone or together with an associate (as defined in the Corporations Act) of a relevant interest (as defined in the Corporations Act) in more than 50% of the issued shares in the Company; or
- (b) the announcement by the Company that:
 - Shareholders have at a Court-convened meeting of Shareholders voted in favour, by the necessary majority, of a proposed scheme of arrangement under which all Shares are to be either cancelled or transferred to a third party; and
 - the Court has, by order, approved the scheme of arrangement,

but, for the avoidance of doubt does not include a scheme of arrangement for the purposes of a corporate restructure (including change of domicile, consolidation, subdivision, reduction or return) of the issued capital of the Company.

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

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

Company means Centaurus Metals Limited (ACN 009 468 099).

Constitution means the Company's Constitution.

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

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

Director means a current director of the Company.

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

Equity Securities has the same meaning as given in the Listing Rules.

Executive Director means a current executive director of the Company.

Explanatory Statement means the explanatory statement accompanying the Notice of Meeting.

Financial Report means the Financial Statements, Directors' Report and Auditor's Report for the year ended 31 December 2023 prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities.

Financial Statements means the Company's audited financial statements contained in the Financial Report.

Glossary means this Glossary.

Jaguar Project means the Company's Jaguar Nickel Sulphide Project in the Carajás Mineral province of northern Brazil.

Key Management Personnel or **KMP** has the same meaning as in the accounting standards and broadly includes those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any director (whether executive or otherwise) of the Company.

LTIP has the meaning given in Section 3.1.

Managing Director means the managing director of the Company.

Non-Executive Director means a current director of the Company who is not an Executive Director.

Notice or **Notice of Meeting** means the notice of meeting which forms part of this Explanatory Statement.

Option means an option to acquire one Share.

Proxy Form means the enclosed proxy form.

Related Party has the meaning given in section 228 of the Corporations Act.

Relative TSR means the TSR calculated in accordance with paragraph 12 of Appendix 1.

Remuneration Report means the remuneration report in the Directors' Report section of the Financial Report.

Regulation means a regulation of the Constitution.

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

Section means a section contained in this Explanatory Statement.

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

Shareholder means a registered holder of a Share.

STI Plan has the meaning given in Section 4.1.

Total Fixed Remuneration or **TFR** means the total fixed remuneration of a relevant employee of the Company, being the sum of that person's salary and superannuation entitlement.

Total Shareholder Return or **TSR** means the return determined by reference to the financial gain that results from a change in the Share price plus any dividends paid by the Company during the Assessment Period, divided by the Share price at the start of the Assessment Period.

VWAP means volume weighted average price.

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

Zero Exercise Price Options or **ZEPOs** means Options which have no exercise price.

APPENDIX 1: MATERIAL TERMS OF LTI PLAN & TERMS & CONDITIONS OF ISSUE OF ZEPOs

1. All Shares allotted upon exercise of the ZEPOs will rank pari passu in all respects with Shares previously issued and, in particular, entitle the holders of Shares so allotted to participate fully in dividends declared by the Company after the date of allotment and all issues of securities made or offered pro rata to holders of Shares.
2. The Company will not apply for official quotation of any ZEPOs issued under the LTIP.
3. ZEPOs may be issued to a permitted nominee. A permitted nominee is a third party nominated by the participant otherwise entitled to receive the ZEPOs and approved by the Board in its absolute discretion.
4. The ZEPOs are not transferable except if a participant or permitted nominee dies or becomes subject to a legal disability.
5. Unless otherwise determined by the Board, if a participant (or if the ZEPOs are issued to a permitted nominee, the person who nominated that permitted nominee) ceases to be an employee of the Company:
 - a. any vested ZEPOs may be exercised during the following 3 months (or such longer period as the Board may determine), and any ZEPOs not exercised within such period will automatically lapse; and
 - b. any unvested ZEPOs will immediately lapse (unless otherwise determined by the Board).
6. Holders of ZEPOs are not entitled to participate in any new issue of securities to existing holders of Shares unless they are entitled to exercise their ZEPOs and have done so prior to the record date for determining entitlements.
7. There is no right to change the exercise price of a ZEPO nor the number of underlying Shares over which the ZEPO can be exercised in the case of a bonus issue or a pro rata issue.
8. On a reorganisation of the Company's capital, the rights of holders of ZEPOs will be changed to the extent necessary to comply with the Listing Rules of the ASX.
9. **Exercise Conditions.** The following vesting criteria must be satisfied for ZEPOs to vest and be capable of being exercised;
 - a. for 50% of the ZEPOs - Based on Total Shareholder Return (**TSR**) relative to a peer group of companies determined by the Board (detailed below); and
 - b. for 50% of the ZEPOs - Based upon achievement of an Absolute TSR (as set out below) relative to threshold levels set by the Board.

Both milestones will be assessed at the end of the Assessment Period. The ZEPOs will not vest or be capable of being exercised until after this Assessment Period has closed, other than in the case of a successful Change of Control Event. In a successful Change of Control Event, all unvested ZEPOs will immediately vest.

The Board may, in its absolute discretion, by notice to the participant, waive or vary (provided such variation is not adverse to the participant) all or any of the exercise conditions attaching to the ZEPOs at any time.
10. The ZEPOs are also only capable of vesting if the relevant Executive Director remains an employee of the Company at the end of the Assessment Period. Any unexercised but vested ZEPOs will need to be exercised within 3 months of the Executive Director ceasing to be employed by the Company (subject to paragraph 11 below), unless extended by the Board in their absolute discretion, but in no event can the exercise of the ZEPOs extend beyond the Expiry Date (set out below).
11. Should a termination occur as a result of redundancy, death or permanent disability the Board in its absolute discretion may allow any unvested ZEPOs to vest and be capable of being exercised.
12. **Relative TSR.** In order to be considered to have achieved the Relative TSR performance measure the Company must outperform, on a TSR basis, at least 49.9% of the established peer group. The peer group is a group of companies established by the Board (detailed below) for comparison to the Company's performance.

29Metals Limited	Galan Lithium Limited	Meteoric Resources NI
AIC Mines Limited	Global Lithium Resources Limited	Neometals Ltd
Anson Resources Limited	Hot Chili Limited	Predictive Discovery Limited
Argosy Minerals Limited	Ioneer Ltd	Renascor Resources Limited
Brazilian Rare Earths Ltd	Latin Resources Limited	Sovereign Metals Limited
Delta Lithium Limited	Lindian Resources Limited	Talga Group Ltd
Develop Global Limited	Lunnon Metals Limited	

The achievement of the Relative TSR performance measure will be made at the end of the Assessment Period, and vesting will be in line with the table below:

Percentile Ranking compared to Peers	Amount of ZEPOs which will vest and become exercisable
<50 th Percentile	Zero
Between 50 th and 75 th Percentile	Pro Rata between 50% and 100%
>75 th percentile	100%

13. **Absolute TSR.** In order to be considered to have achieved the absolute TSR performance measure the Company must outperform, on a TSR basis, the TSR levels set out in the table below.

The achievement of the absolute TSR performance measure will be made at the end of the Assessment Period, and vesting will be in line with the table below:

Threshold TSR Level over Assessment Period	Amount of ZEPOs which will vest and become exercisable
Less than 20%	Zero
Between 20% and 27.5%	25%
Between 27.5% and 35%	50%
Between 35% and 42.5%	75%
42.5% or greater	100%

14. **Total Shareholder Return** will be determined by reference to the financial gain that results from a change in the Share price plus any dividends paid by the Company during the Assessment Period, divided by the Share price at the start of the Assessment Period.
15. Vested ZEPOs can be exercised any time between the date of vesting and the Expiry Date.
16. **Expiry Date.** All ZEPOs will expire 12 months after the end of the Assessment Period, which for this current issue of ZEPOs means an expiry date of 31 December 2027.
17. **Exercise Price.** Nil.
18. **Consideration.** Nil

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APPENDIX 2: MATERIAL TERMS OF STI PLAN

A summary of the main provisions of the STI Plan is set out below:

- (a) the Board may determine which Company employees (which includes any Directors who are also full time employees) and contractors are entitled to participate in the STI Plan and the extent of their participation;
- (b) the Board will set key performance indicators annually for each participant, which will include important financial and non-financial strategic performance-related targets;
- (c) the Board will review the performance of participants annually in meeting the key performance indicators applicable to them for that relevant year and will determine their entitlement to any award under the STI Plan;
- (d) a minimum percentage of that award payment (as determined by the Board) must be taken in cash and the balance will, subject to the terms and conditions of the STI Plan, applicable law and the Listing Rules, be available to be taken as Shares at a deemed issue price per Share determined by the Board. The Board will, in notifying participants as to their award entitlements and providing the above information, be deemed to have made an offer to each such participant to subscribe for up to the maximum number of Shares calculated by multiplying the deemed issue price per Share by the balance of the relevant award payment (once the minimum cash payment has been subtracted). The participant may then elect the extent to which it wishes to accept that offer and take Shares (as opposed to cash) by way of award payment;
- (e) the Board may offer Shares to any eligible person at the time and on the terms the Board considers appropriate however, under the Listing Rules no Shares may be issued to Directors, whether under the STI Plan or otherwise, without prior Shareholder approval;
- (f) all Shares issued under the STI Plan will rank equally in all respects with the existing fully paid ordinary shares in the Company and, in particular, entitle holders to participate fully in dividends declared by the Company after the date of issue and all issues of securities made or offered pro-rata to holders of shares;
- (g) the Company will apply for official quotation of the Shares immediately on issue and will issue, where required to enable Shares to be freely tradeable on the ASX (subject to any restriction period as determined by the Board), a cleansing statement under section 708A(5) of the Corporations Act at the time Shares are issued. Where a cleansing statement is required, but cannot be issued, the Company will use reasonable endeavours to prepare and lodge a prospectus in relation to the Shares with ASIC which complies with the requirements of the Corporations Act and allows the Shares to be freely tradeable on the ASX (subject to any restriction period);
- (h) the Board may determine that, upon a change of control event, a participant is entitled to receive a payment under the STI Plan which corresponds to the level to which the Board considers the relevant annual key performance indicators for the year in question had by that time been achieved; and
- (i) the Board may amend, terminate or suspend the STI Plan at any time.

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Your proxy voting instruction must be received by **10.30am (AWST) on Sunday, 26 May 2024**, being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

SUBMIT YOUR PROXY

Complete the form overleaf in accordance with the instructions set out below.

YOUR NAME AND ADDRESS

The name and address shown above is as it appears on the Company's share register. If this information is incorrect, and you have an Issuer Sponsored holding, you can update your address through the investor portal: <https://investor.automic.com.au/#/home> Shareholders sponsored by a broker should advise their broker of any changes.

STEP 1 – APPOINT A PROXY

If you wish to appoint someone other than the Chair of the Meeting as your proxy, please write the name of that individual or body corporate. A proxy need not be a Shareholder of the Company. Otherwise if you leave this box blank, the Chair of the Meeting will be appointed as your proxy by default.

DEFAULT TO THE CHAIR OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chair of the Meeting, who is required to vote these proxies as directed. Any undirected proxies that default to the Chair of the Meeting will be voted according to the instructions set out in this Proxy Voting Form, including where the Resolutions are connected directly or indirectly with the remuneration of Key Management Personnel.

PROXY VOTING BY KEY MANAGEMENT PERSONNEL

If you wish to appoint a director (other than the Chair) or any other member of the Company's Key Management Personnel, or their closely related parties, as your proxy, you must specify how they should vote on Resolutions 1, 3, 4, 5, & 6 by marking the appropriate box. If you do not your proxy will not be able to exercise your vote for this Resolution. Note that if you appoint the Chair as your proxy (or if they are appointed by default) but do not direct the Chair how to vote, the Chair may vote as they see fit on that resolution.

STEP 2 - VOTES ON ITEMS OF BUSINESS

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

APPOINTMENT OF SECOND PROXY

You may appoint up to two proxies. If you appoint two proxies, you should complete two separate Proxy Voting Forms and specify the percentage or number each proxy may exercise. If you do not specify a percentage or number, each proxy may exercise half the votes. You must return both Proxy Voting Forms together. If you require an additional Proxy Voting Form, contact Automic Registry Services.

SIGNING INSTRUCTIONS

Individual: Where the holding is in one name, the Shareholder must sign.

Joint holding: Where the holding is in more than one name, all Shareholders should sign.

Power of attorney: If you have not already lodged the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Voting Form when you return it.

Companies: To be signed in accordance with your Constitution. Please sign in the appropriate box which indicates the office held by you.

Email Address: Please provide your email address in the space provided.

By providing your email address, you elect to receive all communications despatched by the Company electronically (where legally permissible) such as a Notice of Meeting, Proxy Voting Form and Annual Report via email.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate 'Appointment of Corporate Representative' form should be produced prior to admission. A form may be obtained from the Company's share registry online at <https://automic.com.au>.

Lodging your Proxy Voting Form:

Online

Use your computer or smartphone to appoint a proxy at <https://investor.automic.com.au/#/loginsah> or scan the QR code below using your smartphone

Login & Click on 'Meetings'. Use the Holder Number as shown at the top of this Proxy Voting Form.



BY MAIL:

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IN PERSON:

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