
CHALLENGER GOLD LIMITED**ACN 123 591 382****NOTICE OF ANNUAL GENERAL MEETING**

TIME: 11.00am AEDT
DATE: 31 May 2024
PLACE: Level 8
2 Bligh Street
SYDNEY NSW 2000

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

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

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 8 6380 9235

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 11:00AM (AEDT) on 29 May 2024.

IMPORTANT INFORMATION

Time and place of Meeting

Notice is given that the Meeting will be held at 11.00am AEDT on 31 May 2024 at:

Level 8
2 Bligh Street
SYDNEY NSW 2000

Voting in person

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

Voting by proxy

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

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

- each Shareholder has a right to appoint a proxy;
- the proxy need not be a Shareholder of the Company; and
- a Shareholder who is entitled to cast two (2) or more votes may appoint two (2) proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints 2 proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

Shareholders and their proxies should be aware that changes to the Corporations Act made in 2011 mean that:

- if proxy holders vote, they must cast all directed proxies as directed; and
- any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

Further details on these changes are set out below.

Proxy vote if appointment specifies way to vote

Section 250BB(1) of the Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, **if it does:**

- the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (i.e. as directed); and
- if the proxy has two (2) or more appointments that specify different ways to vote on the resolution, the proxy must not vote on a show of hands; and
- if the proxy is the chair of the meeting at which the resolution is voted on, the proxy must vote on a poll, and must vote that way (i.e. as directed); and
- if the proxy is not the chair, the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (i.e. as directed).

Transfer of non-chair proxy to chair in certain circumstances

Section 250BC of the Corporations Act provides that, if:

- an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's members; and
- the appointed proxy is not the chair of the meeting; and
- at the meeting, a poll is duly demanded on the resolution; and
- either of the following applies:
 - the proxy is not recorded as attending the meeting; or
 - the proxy does not vote on the resolution,

the chair of the meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the meeting.

BUSINESS OF THE MEETING

AGENDA

1. FINANCIAL STATEMENTS AND REPORTS

To receive and consider the annual financial report of the Company for the financial year ended 31 December 2023 together with the declaration of the directors, the director's report, the Remuneration Report and the auditor's report.

2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

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

"That, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Company's annual financial report for the financial year ended 31 December 2023."

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

Voting Prohibition Statement: A vote on this Resolution must not be cast (in any capacity) by or on behalf of either 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:
 - (i) does not specify the way the proxy is to vote on this Resolution; and
 - (ii) 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.

3. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – MR SERGIO ROTONDO

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

"That, for the purpose of clause 15.2 of the Constitution, ASX Listing Rule 14.5 and for all other purposes, Mr Sergio Rotondo, a Director, retires by rotation, and being eligible, is re-elected as a Director."

4. RESOLUTION 3 – ELECTION OF DIRECTOR - DR SONIA DELGADO

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

“That, for the purposes of clause 15.4 of the Constitution, Listing Rule 14.4 and for all other purposes, Dr Sonia Delgado, a Director who was appointed as an additional Director on 28 November 2023, retires, and being eligible, is - elected as a Director.”

5. RESOLUTION 4, – RATIFICATION OF PRIOR ISSUE OF JUNE PLACEMENT SHARES – LISTING RULE 7.1

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

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 83,333,334 Shares on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: In accordance with Listing Rule 14.11, the Company will disregard any votes cast in favour on the resolution by or on behalf of a person who participated in the issue or any associates of those persons.

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

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

6. RESOLUTION 5 – RATIFICATION OF PRIOR ISSUE OF MARCH PLACEMENT SHARES AND OPTIONS – LISTING RULE 7.1

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

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 23,645,775 Shares and 66,377,283 free-attaching Options on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: In accordance with Listing Rule 14.11, the Company will disregard any votes cast in favour on the resolution by or on behalf of a person who participated in the issue or any associates of those persons.

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

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

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

7. RESOLUTION 6 – RATIFICATION OF PRIOR ISSUE OF MARCH PLACEMENT SHARES – LISTING RULE 7.1A

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

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 42,731,508 Shares on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: In accordance with Listing Rule 14.11, the Company will disregard any votes cast in favour on the resolution by or on behalf of a person who participated in the issue or any associates of those persons.

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

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

8. RESOLUTION 7 – RATIFICATION OF PRIOR ISSUE OF FEE SHARES

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

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 3,318,864 Shares on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: In accordance with Listing Rule 14.11, the Company will disregard any votes cast in favour on the resolution by or on behalf of a person who participated in the issue or any associates of those persons.

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

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

9. RESOLUTION 8 – RATIFICATION OF PRIOR ISSUE OF SHARES - APRIL PLACEMENT SHARES LISTING RULE 7.1A

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

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 47,058,823 Shares on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: In accordance with Listing Rule 14.11, the Company will disregard any votes cast in favour on the resolution by or on behalf of a person who participated in the issue or any associates of those persons.

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

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

10. RESOLUTION 9– APPROVAL TO ISSUE APRIL PLACEMENT OPTIONS

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

“That, for the purposes of Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 47,058,823 Options on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: 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) (namely, Regal Funds Management Pty Ltd) or an associate of that person (or those persons).

11. RESOLUTION 10 – ISSUE OF INCENTIVE PERFORMANCE RIGHTS TO DIRECTOR – SONIA DELGADO

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

“That, subject to the passing of Resolution 3, for the purposes of Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 22,500,000 Performance Rights to Sonia Delgado (or her nominee) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: In accordance with Listing Rule 14.11, the Company will disregard any votes cast on this Resolution by Sonia Delgado (or her nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons.

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

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

Voting Prohibition Statement: A person appointed as a proxy must not vote on the basis of that appointment, on this Resolution if:

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

However, the above prohibition does not apply if the proxy is the Chair and the appointment expressly authorises the Chair to exercise the proxy even if the Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

12. RESOLUTION 11 – ISSUE OF SHARES TO DIRECTOR – SONIA DELGADO

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

“That, subject to the passing of Resolution 3, for the purposes of Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 8,500,000 Shares to Sonia Delgado (or her nominee) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: In accordance with Listing Rule 14.11, the Company will disregard any votes cast on this Resolution by Sonia Delgado (or her nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons.

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

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

Voting Prohibition Statement: A person appointed as a proxy must not vote on the basis of that appointment, on this Resolution if:

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

However, the above prohibition does not apply if the proxy is the Chair and the appointment expressly authorises the Chair to exercise the proxy even if the Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

13. RESOLUTION 12 – ISSUE OF INCENTIVE PERFORMANCE RIGHTS TO DIRECTOR – BRETT HACKETT

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

“That, subject to the passing of Resolution 9, for the purposes of Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 999,999 Performance Rights to Brett Hackett (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: In accordance with Listing Rule 14.11, the Company will disregard any votes cast on this Resolution by Brett Hackett (or his nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons.

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

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

Voting Prohibition Statement: A person appointed as a proxy must not vote on the basis of that appointment, on this Resolution if:

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

However, the above prohibition does not apply if the proxy is the Chair and the appointment expressly authorises the Chair to exercise the proxy even if the Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

14. RESOLUTION 13 – ISSUE OF SHARES IN LIEU OF SALARY TO DIRECTOR – BRETT HACKETT

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

“That, for the purposes of Listing Rule 10.14 and for all other purposes, approval is given for the Company to issue to Brett Hackett (or his nominee) up to 1,000,000 Shares in lieu of director fees under the Salary Sacrifice Share Plan on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: In accordance with Listing Rule 14.11, the Company will disregard any votes cast on this Resolution by any person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the employee incentive scheme in question (including Brett Hackett (or his nominee)) or an associate of that person or those persons.

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

- (a) a person as a proxy or attorney for a person who is entitled to vote on the resolution, in accordance with the directions given to the proxy or attorney for a person who is entitled to vote on the resolution in that way; or
- (b) the Chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:

- (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
- (ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Voting Prohibition Statement: A person appointed as a proxy must not vote on the basis of that appointment, on this Resolution if:

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

However, the above prohibition does not apply if the proxy is the Chair and the appointment expressly authorises the Chair to exercise the proxy even if the Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

15. RESOLUTION 14 – ISSUE OF SHARES IN LIEU OF CASH CONSULTING FEES TO DIRECTOR – BRETT HACKETT

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

“That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 705,882 Shares to Brett Hackett (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: In accordance with Listing Rule 14.11, the Company will disregard any votes cast on this Resolution by Brett Hackett (or his nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons.

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

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

Voting Prohibition Statement: A person appointed as a proxy must not vote on the basis of that appointment, on this Resolution if:

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

However, the above prohibition does not apply if the proxy is the Chair and the appointment expressly authorises the Chair to exercise the proxy even if the Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

16. RESOLUTION 15 – RE-APPROVAL TO ISSUE CONVERTIBLE DEBENTURE – LISTING RULE 7.1

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

“That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, Shareholders re-approve the issue of the Convertible Debenture previously issued to Queen’s Road Capital Investment Ltd (or its nominee/s) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: In accordance with Listing Rule 14.11, the Company will disregard any votes cast in favour of the resolution by or on behalf of 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) (namely, Queen’s Road Capital Investment Ltd) or 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 a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
 - (ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

17. RESOLUTION 16 – APPROVAL OF 7.1A MANDATE

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

“That pursuant to and in accordance with ASX Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of Equity Securities up to 10% of the fully paid issued Share capital of the Company (at the time of issue) calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 and otherwise on the terms and conditions set out in the Explanatory Statement.”

Dated 30 April 2024

By order of the Board

Scott Funston
Company Secretary

For personal use only

EXPLANATORY STATEMENT

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

1. FINANCIAL STATEMENTS AND REPORTS

In accordance with the Constitution, the business of the Meeting will include receipt and consideration of the annual financial report of the Company for the six-month financial year ended 31 December 2023 together with the declaration of the directors, the directors' report, the Remuneration Report and the auditor's report.

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

2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

2.1 General

The Corporations Act requires that at a listed company's annual general meeting, a resolution that the remuneration report be adopted must be put to the shareholders. However, such a resolution is advisory only and does not bind the company or the directors of the company.

The remuneration report sets out the company's remuneration arrangements for the directors and senior management of the company. The remuneration report is part of the directors' report contained in the annual financial report of the company for a financial year.

The chair of the meeting must allow a reasonable opportunity for its shareholders to ask questions about or make comments on the remuneration report at the annual general meeting.

2.2 Voting consequences

A company is required to put to its shareholders a resolution proposing the calling of another meeting of shareholders to consider the appointment of directors of the company (**Spill Resolution**) if, at consecutive annual general meetings, at least 25% of the votes cast on a remuneration report resolution are voted against adoption of the remuneration report and at the first of those annual general meetings a Spill Resolution was not put to vote. If required, the Spill Resolution must be put to vote at the second of those annual general meetings.

If more than 50% of votes cast are in favour of the Spill Resolution, the company must convene a shareholder meeting (**Spill Meeting**) within 90 days of the second annual general meeting.

All of the directors of the company who were in office when the directors' report (as included in the company's annual financial report for the most recent financial year) was approved, other than the managing director of the company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting.

Following the Spill Meeting those persons whose election or re-election as directors of the company is approved will be the directors of the company.

2.3 Previous voting results

At the Company's previous annual general meeting the votes cast against the remuneration report considered at that annual general meeting were less than 25%. Accordingly, the Spill Resolution is not relevant for this Annual General Meeting.

3. RESOLUTION 2 – RE-ELECTION OF A DIRECTOR – MR SERGIO ROTONDO

3.1 General

Listing Rule 14.5 provides that an entity which has directors must hold an election of directors at each annual general meeting.

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

Mr Sergio Rotondo, who has served as a Director since 9 September 2021, and was last re-elected on 26 November 2021, retires by rotation and seeks re-election.

3.2 Qualifications and other material directorships

Mr Sergio Rotondo holds a master's degree in economics and an international MBA Degree from University of CEMA. Mr Rotondo has an extensive background in managing billion-dollar construction projects from design through completion and has partnered with some of Argentina's largest real estate developers and designers. Importantly, Mr Rotondo is also the founder of Golden Mining SA, which originally consolidated 100% of the Hualilan Gold Project, and has now become the Company's 100% owned operating subsidiary as part of the acquisition of 100% of the Project.

Mr Rotondo does not hold any other material directorships.

3.3 Independence

Mr Rotondo has no interests, position, association or relationship that might influence, or reasonably be perceived to influence, in a material respect his capacity to bring an independent judgement to bear on issues before the Board and to act in the best interest of the entity and its security holders generally.

If re-elected the Board considers Mr Sergio Rotondo will not be an independent Director.

3.4 Technical information required by Listing Rule 14.1A

If Resolution 2 is passed, Sergio Rotondo will be re-elected to the Board as a Director who the Board considers will not be an independent Director.

In the event that Resolution 2 is not passed, Sergio Rotondo will not join the Board as a Director. The Company may seek nominations or otherwise identify suitably qualified candidates to join the Company. As an additional consequence, this may detract from the Board and Company's ability to execute on its strategic vision.

3.5 Director Recommendation

The Board has reviewed Mr Rotondo's performance since his appointment to the Board and considers that Mr Rotondo's skills and experience will continue to enhance the Board's ability to perform its role.

The Directors (other than Sergio Rotondo who has an interest in the outcome of this Resolution) supports the re-election of Mr Rotondo as a Director and recommends that Shareholders vote in favour of Resolution 2.

4. RESOLUTION 3 – ELECTION OF DIRECTOR – DR SONIA DELGADO

4.1 General

The Constitution provides that the Directors may at any time appoint a person to be a Director as an addition to the existing Directors, but only where the total number of Directors does not at any time exceed the maximum number specified by the Constitution.

Pursuant to the Constitution and ASX Listing Rule 14.4, any Director so appointed holds office only until the next following annual general meeting and is then eligible for election but shall not be taken into account in determining the Directors who are to retire by rotation at that meeting.

Dr Sonia Delgado, having being appointed by the other Directors on 28 November 2023 in accordance with the Constitution, will retire in accordance with the Constitution and ASX Listing Rule 14.4 and, being eligible, seeks election from Shareholders.

(a) Qualifications and other material directorships

Dr Sonia Delgado graduated with honours as a lawyer and has a Master's degree in labour law. Her work experience in the private sector began in 2004 when she opened her own law firm specialising in Argentinian Labour law, which she has maintained until her appointment by the Company.

Over a distinguished career in the Argentinian public sector, Sonia has occupied positions including, Assistant Office of the State Prosecutor of the Province of San Juan; Undersecretary of Planning and Promotion of Mining Development and, most recently, Secretary of Mining for the province of San Juan, Argentina.

Dr Delgado does not hold any other material directorships.

(b) Other material information

The Company conducts appropriate checks on the background and experience of candidates before their appointment to the Board. These include checks as to a person's experience, educational qualifications, character and bankruptcy history. The Company undertook such checks prior to the appointment of Dr Delgado and confirms that no material adverse information was revealed.

Dr Delgado has confirmed that she considers she will have sufficient time to fulfil her responsibilities as an Executive Director of the Company and does not consider that any other commitment will interfere with her

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availability to perform her duties as an Executive Director of the Company.

(c) **Independence**

Dr Delgado has no interests, position, association or relationship that might influence, or reasonably be perceived to influence, in a material respect her capacity to bring an independent judgement to bear on issues before the Board and to act in the best interest of the entity and its security holders generally.

If elected, the Board considers Dr Delgado will not be an independent Director.

(d) **Director Recommendation**

The Board has reviewed Dr Delgado's performance since her appointment to the Board and considers that Dr Delgado's and skills and experience will continue to enhance the Board's ability to perform its role.

The Directors (other than Dr Sonia Delgado who has an interest in the outcome of Resolution 3) support the election of Dr Delgado as a Director and recommend that Shareholders vote in favour of Resolution 3.

5. RESOLUTIONS 4,5 AND 6 – RATIFICATION OF PRIOR ISSUE OF PLACEMENT SECURITIES – LISTING RULE 7.1 AND 7.1A

5.1 Background

The Company:

- (a) on 21 June 2023, issued 83,333,334 Shares at an issue price of \$0.12 per Share (**June Placement Shares**) to raise \$10 million (before costs) (**June Placement**); and
- (b) on 28 March 2024, issued 66,377,283 Shares at an issue price of \$0.085 per Share (**March Placement Shares**) together with one free-attaching Option for every one (1) Share subscribed for and issued (**March Placement Option**), to raise \$5.64 million (before costs) (**March Placement**). A total of 66,377,283 March Placement Options were issued on 28 March 2024, each with an exercise price of \$0.14 and expiring on or before 28 March 2025.

The June Placement Shares, March Placement Shares and March Placement Options are collectively referred to as the **Placement Securities**.

The issue of the Placement Securities did not breach Listing Rule 7.1 at their respective times of issue. The Company issued 23,645,775 March Placement Shares and the March Placement Options under the Company's Listing Rule 7.1 capacity and 42,731,508 March Placement Shares under Listing Rule 7.1A.

Canaccord Genuity (Australia) Limited and Henslow Pty Ltd acted as Joint Lead Manager and Bookrunners to the June Placement and received a management fee equal to 6.0% of the funds raised.

Leandro Taub and Martin Ale acted as the introducing parties to the March Placement and received a fee equal to 5.0% (2.5% each) of the funds raised by the issue of Shares (refer to Resolution 7).

5.2 Listing Rules 7.1 and 7.1A

Broadly speaking, and subject to a number of exceptions, ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month 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%.

The Company's ability to utilise the additional 10% capacity provided for in Listing Rule 7.1A for issues of equity securities following this Meeting remains conditional on Resolution 15 being passed at this Meeting.

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

5.3 Listing Rule 7.4

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

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

Resolution 4, seeks Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the June Placement Shares.

Resolution 5 seeks Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the March Placement Shares and March Placement Options.

Resolution 6 seeks Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the March Placement Shares issued under Listing Rule 7.1A.

5.4 Technical information required by Listing Rule 14.1A

Resolution 4

If Resolution 4, is passed, the June Placement Shares will be excluded in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, effectively increasing the number of equity securities the Company can issue without Shareholder approval over the 12 month period following the date of issue of the June Placement Shares.

If Resolution 4, is not passed, the June Placement Shares will be included in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A,

effectively decreasing the number of equity securities that the Company can issue without Shareholder approval over the 12 month period following the date of issue of the June Placement Shares.

Resolution 5

If Resolution 5 is passed, the March Placement Shares and March Placement Options will be excluded in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, effectively increasing the number of equity securities the Company can issue without Shareholder approval over the 12 month period following the date of issue of the March Placement Shares and March Placement Options.

If Resolution 5 is not passed, the March Placement Shares and March Placement Options will be included in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, effectively decreasing the number of equity securities that the Company can issue without Shareholder approval over the 12 month period following the date of issue of the March Placement Shares and March Placement Options.

It is noted that the Company's ability to utilise the additional 10% capacity provided for in Listing Rule 7.1A for issues of equity securities following this Meeting remains conditional on Resolution 16 being passed at this Meeting.

Resolution 6

If Resolution 6 is passed, the March Placement Shares will be excluded in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, effectively increasing the number of equity securities the Company can issue without Shareholder approval over the 12-month period following the date of issue of the March Placement Shares.

If Resolution 6 is not passed, the March Placement Shares will be included in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, effectively decreasing the number of equity securities that the Company can issue without Shareholder approval over the 12-month period following the date of issue of the March Placement Shares.

It is noted that the Company's ability to utilise the additional 10% capacity provided for in Listing Rule 7.1A for issues of equity securities following this Meeting remains conditional on Resolution 16 being passed at this Meeting.

5.5 Technical information required by ASX Listing Rule 7.5

Resolution 4

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to Resolution 4,:

- (a) the June Placement Shares were issued to strategic investors and domestic institutions who are:
 - (i) clients of the Lead Managers that were identified through a bookbuild process; or
 - (ii) existing Shareholders;

- (b) in accordance with paragraph 7.4 of ASX Guidance Note 21, the Company confirms that none of the recipients were:
- (i) related parties of the Company, members of the Company's Key Management Personnel, substantial holders of the Company, advisers of the Company or an associate of any of these parties; and
 - (ii) issued more than 1% of the issued capital of the Company, other than Blackrock Inc., a substantial holder of the Company, which subscribed for Shares in the June Placement;
- (c) 83,333,334 June Placement Shares were issued and the June Placement Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (d) the June Placement Shares were issued on 21 June 2023;
- (e) the issue price was \$0.12 per Share. The Company has not and will not receive any other consideration for the issue of the June Placement Shares;
- (f) the funds raised from the June Placement were applied toward:
- (i) a drilling program at the Hualilan Gold Project;
 - (ii) Scoping Study and PFS for the Hualilan Gold Project; and
 - (iii) general working capital purposes; and
- (g) the June Placement Shares were not issued under an agreement.

Resolution 5 and Resolution 6

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to Resolution 5 and Resolution 6:

- (a) the March Placement Shares and March Placement Options were issued to TYRUS S.A. a corporation incorporated under the Republic of Uruguay and an unrelated party of the Company;
- (b) a total of 66,377,283 March Placement Shares were issued (23,645,775 under Listing Rule 7.1 and 42,731,508 under Listing Rule 7.1A) and the March Placement Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (c) 66,377,283 March Placement Options were issued under Listing Rule 7.1 and the Options issued to participants in the March Placement were issued on the terms and conditions set out in Schedule 1;
- (d) the March Placement Shares and March Placement Options were issued on 28 March 2024;
- (e) the issue price was \$0.085 per Share and the issue price of the Options was nil as they were issued free attaching with the Shares on a 1:1 basis.

The Company has not and will not receive any other consideration for the issue of the March Placement Shares and March Placement Options;

- (f) the purpose of the issue of the March Placement Shares and March Placement Options was to raise \$5,642,069, which will be applied towards accelerating exploration and development activities like pre feasibility study, metallurgical testwork, expanded regional exploration program and geotechnical drill program at the Company's Hualilan Gold Project (\$3,400,000) and for working capital (\$2,242,069); and
- (g) the March Placement Shares and March Placement Options were issued pursuant to the terms of a Subscription Agreement with TYRUS S.A. under which TYRUS S.A. agreed to subscribe for the March Placement Shares and March Placement Options on the terms and conditions set out in this Notice. Additionally, the Company agreed that TYRUS S.A. could appoint a nominee director as a non-executive director of the Company. As at the date of this Notice, TYRUS S.A. has not nominated a director to join the Board.

6. RESOLUTION 7 – RATIFICATION OF PRIOR ISSUE OF FEE SHARES

6.1 General

On 22 April 2024, the Company issued 3,318,864 Shares to Landro Taub and Martin Ale in consideration as a finder's fee in respect of the March Placement (**Fee Shares**).

The issue of the Fee Shares did not breach Listing Rule 7.1 at the time of the issue.

As summarised in Section 5.2 above, 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 12 month period.

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

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

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

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

6.2 Technical information required by Listing Rule 14.1A

If Resolution 7 is passed, the Fee Shares will be excluded in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, effectively increasing

the number of equity securities the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Fee Shares.

If Resolution 7 is not passed, the Fee Shares will be included in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, effectively decreasing the number of equity securities that the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Fee Shares.

6.3 Technical information required by Listing Rule 7.5

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

- (a) the Fee Shares were issued to Leandro Taub and Martin Ale which are unrelated parties of the Company;
- (b) 3,318,864 Fee Shares were issued, and the Fee Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (c) the Fee Shares were issued on 22 April 2024;
- (d) the Fee Shares were issued for nil cash consideration (the deemed issue price was \$0.085 per Fee Share). The Company has not and will not receive any consideration for the issue of the Fee Shares;
- (e) the purpose of the issue of the Fee Shares was to satisfy the Company's obligations resulting from invoices issued as an introductory finder's fee; and
- (f) the Fee Shares were not issued under an agreement and were issued to Leandro Taub and Martin Ale under their respective invoices.

7. RESOLUTION 8 – RATIFICATION OF PRIOR ISSUE OF SHARES - APRIL PLACEMENT SHARES LISTING RULE 7.1A

7.1 Background

As announced by the Company on 18 April 2024, the Company raised an additional \$4,000,000 (**April Placement**) by the issue of 47,058,823 Shares (**April Placement Shares**) to Regal Funds Management Pty Ltd (**Regal Funds**). Regal Funds will also receive one free-attaching Option for every one (1) April Placement Share subscribed for and issued (**April Placement Options**). The April Placement has been undertaken on the same terms as the March Placement.

A total of 47,058,823 April Placement Shares were issued on 17 April 2024 under the Company's Listing Rule 7.1A capacity and a total of 47,058,823 April Placement Options will be issued to Regal Funds subject to receipt of Shareholder approval under Resolution 9.

As summarised in Section 5.2 above, 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 12 month period.

The issue of the April Placement Shares to Regal Funds does not fit within any of the exceptions set out in Listing Rule 7.2 and, as it has not yet been approved by

Shareholders, it effectively uses up part of the 15% limit in Listing Rule 7.1, reducing the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1 for the 12 month period following the date of issue of the April Placement Shares.

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

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

Resolution 8 **Error! Reference source not found.** seeks Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the April Placement Shares.

7.2 Technical information required by Listing Rule 14.1A

If Resolution 8 **Error! Reference source not found.** is passed, the April Placement Shares that were issued to Regal Funds will be excluded in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, effectively increasing the number of equity securities the Company can issue without Shareholder approval over the 12 month period following the date of issue of the April Placement Shares.

If Resolution 8 is not passed, the April Placement Shares issued to Regal Funds will be included in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, effectively decreasing the number of equity securities that the Company can issue without Shareholder approval over the 12 month period following the date of issue of the April Placement Shares.

7.3 Technical information required by Listing Rule 7.5

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to Resolution 8:

- (a) the April Placement Shares were issued to Regal Funds Management Pty Ltd, which is an unrelated party of the Company;
- (b) 47,058,823 April Placement Shares were issued, and the April Placement Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (c) the April Placement Shares were issued on 17 April 2024;
- (d) the issue price was \$0.085 per Share. The Company has not and will not receive any other consideration for the issue of the April Placement Shares;
- (e) the purpose of the issue of the April Placement Shares was to raise an additional \$4,000,000 to the March Placement, which will be applied towards accelerating exploration drilling at Company's Ecuador Projects and working capital; and

- (f) the April Placement Shares were not issued under an agreement.

8. RESOLUTION 9 – APPROVAL TO ISSUE APRIL PLACEMENT OPTIONS

8.1 Background

As set out in Section 7.1 above, the Company raised an additional \$4,000,000 under the April Placement by the issue of 47,058,823 April Placement Shares to Regal Funds. The Company is seeking Shareholder approval for the issue of 47,058,823 April Placement Options to Regal Funds.

As summarised in Section 5.2 above, 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 12 month period.

The proposed issue of the April Placement Options to Regal Funds does not fall within any of the exceptions set out in Listing Rule 7.2 and exceeds the 15% limit in Listing Rule 7.1. It therefore requires the approval of Shareholders under Listing Rule 7.1.

8.2 Technical information required by Listing Rule 14.1A

If Resolution 9 **Error! Reference source not found.** is passed, the Company will be able to proceed with the issue of the April Placement Options to Regal Funds. In addition, the issue of the April Placement Options will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolution 9 is not passed, the Company will not be able to proceed with the issue of the April Placement Options to Regal Funds.

8.3 Technical information required by Listing Rule 7.1

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to Resolution 9:

- (a) the April Placement Options will be issued to Regal Funds;
- (b) the maximum number of April Placement Options to be issued is 47,058,823. The terms and conditions of the April Placement Options are set out in Schedule 1;
- (c) the April Placement Options will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that issue of the April Placement Options will occur on the same date;
- (d) the issue price of the April Placement Options is nil as they are being issued free attaching with the April Placement Shares on a 1:1 basis. The Company has not and will not receive any other consideration for the issue of the April Placement Options;
- (e) the purpose of the issue of the April Placement Options is to satisfy the Company's obligations under the terms of the April Placement as the April Placement Options are free attaching to the April Placement Shares subscribed for by Regal Funds;

- (f) the April Placement Options are not being issued under an Agreement; and
- (g) the April Placement Options are not being issued under, or to fund, a reverse takeover.

9. RESOLUTION 10 AND 11 – ISSUE OF INCENTIVE SECURITIES TO DIRECTOR – DR SONIA DELGADO

9.1 General

The Company has agreed, subject to obtaining Shareholder approval, to issue:

- (a) up to 22,500,000 Performance Rights to Dr Sonia Delgado (or her nominee); and
- (b) up to 8,500,000 Shares to Dr Sonia Delgado (or their nominee),

on the terms and conditions set out below.

Resolution 10 seeks Shareholder approval for the issue of the Performance Rights to Dr Sonia Delgado (or her nominee).

Resolution 11 seeks Shareholder approval for the issue of the Shares to Dr Sonia Delgado (or her nominee).

9.2 Chapter 2E of the Corporations Act

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

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

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

The issue of Performance Rights and Shares to Sonia Delgado (or their nominee) constitutes giving a financial benefit and Sonia Delgado is a related party of the Company by virtue of being a Director.

The Directors (other than Sonia Delgado who has a material personal interest in the Resolution) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the grant of Performance Rights and the issue of Shares because the agreement to issue the Performance Rights, reached as part of the remuneration package for Dr Sonia Delgado, is considered reasonable remuneration in the circumstances and was negotiated on an arm's length basis.

9.3 Listing Rule 10.11

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

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

unless it obtains the approval of its shareholders.

The issue of Performance Rights and Shares falls within Listing Rule 10.11.1 and does not fall within any of the exceptions in Listing Rule 10.12. It therefore requires the approval of Shareholders under Listing Rule 10.11.

Resolution 10 seeks the required Shareholder approval for the issue of the Performance Rights under and for the purposes of Listing Rule 10.11.

Resolution 11 seeks the required Shareholder approval for the issue of the Shares under and for the purposes of Listing Rule 10.11.

9.4 Technical information required by Listing Rule 14.1A

Resolution 10

Subject to the passing of Resolution 3, if Resolution 10 is passed, the Company will be able to proceed with the issue of the Performance Rights to Sonia Delgado within one month after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules). As approval pursuant to Listing Rule 7.1 is not required for the issue of the Performance Rights (because approval is being obtained under Listing Rule 10.11), the issue of the Performance Rights will not use up any of the Company's 15% annual placement capacity.

If Resolution 10 is not passed, the Company will not be able to proceed with the issue of the Performance Rights and will consider alternative forms of incentive-based remuneration.

Resolution 10 is conditional on Resolution 3 also being passed. Therefore, if Resolution 3 is not passed, the Board will not be able to proceed with the issue of Performance Rights contemplated by Resolution 10.

Resolution 11

Subject to the passing of Resolution 3, if Resolution 11 is passed, the Company will be able to proceed with the issue of the Shares to Sonia Delgado within one month after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules). As approval pursuant to Listing Rule 7.1 is not required for the issue of the Shares (because approval is being obtained

under Listing Rule 10.11), the issue of the Shares will not use up any of the Company's 15% annual placement capacity.

If Resolution 11 is not passed, the Company will not be able to proceed with the issue of the Shares and will consider alternative forms of remuneration.

Resolution 11 is conditional on Resolution 3 also being passed. Therefore, if Resolution 3 is not passed, the Board will not be able to proceed with the issue of Shares contemplated by Resolution 11.

9.5 Technical Information required by Listing Rule 10.13

Resolution 10

Pursuant to and in accordance with Listing Rule 10.13, the following information is provided in relation to Resolution 10:

- (a) the Performance Rights will be issued to Dr Sonia Delgado (or their nominee), who falls within the category set out in Listing Rule 10.11.1 as Dr Delgado is a related party of the Company by virtue of being a Director;
- (b) the maximum number of Performance Rights to be issued is 22,500,000;
- (c) the terms and conditions of the Performance Rights are set out in Schedule 2;
- (d) the Performance Rights will be issued no later than 1 month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that issue of the Performance Rights will occur on the same date;
- (e) the issue price of the Performance Rights will be nil. The Company will not receive any other consideration in respect of the issue of the Performance Rights;
- (f) the purpose of the issue of the Performance Rights is to provide a performance linked incentive component in the remuneration package for Dr Sonia Delgado to motivate and reward their performance as a Director and to provide cost effective remuneration to Dr Sonia Delgado, enabling the Company to spend a greater proportion of its cash reserves on its operations than it would if alternative cash forms of remuneration were given to Dr Sonia Delgado;
- (g) the current total remuneration package for Dr Sonia Delgado comprises directors' fees of US\$200,000 per annum and share-based payments of \$680,000. No superannuation is payable to Dr Delgado. If the Performance Rights are issued, the total remuneration package of Dr Delgado will increase by A\$1,865,806 to A\$2,173,498 (using a foreign exchange rate of \$1USD = \$0.65AUD) being the value of the Performance Rights (based on the Black Scholes methodology);
- (h) the Performance Rights are being issued under an offer letter pursuant to which Dr Delgado was offered the right to subscribe for the Performance Rights on the terms set out in this Notice; and
- (i) a voting exclusion statement is included in Resolution 10 of the Notice.

Resolution 11

Pursuant to and in accordance with Listing Rule 10.13, the following information is provided in relation to Resolution 11:

- (a) the Shares will be issued to Dr Sonia Delgado (or their nominee), who falls within the category set out in Listing Rule 10.11.1, as Dr Delgado is a related party of the Company by virtue of being a Director;
- (b) the maximum number of Shares to be issued to Dr Sonia Delgado (or their nominee) is 8,500,000;
- (c) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (d) the Shares will be issued no later than 1 month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is anticipated the Shares will be issued on the same date;
- (e) the Shares are being issued for nil cash consideration. The Company will not receive any consideration for the issue of the Shares;
- (f) the purpose of the issue of Shares is to remunerate Dr Delgado for services already provided to the Company and as part of the release of the Company's Scoping Study on 8 November 2023;
- (g) the Shares are being issued under an offer letter pursuant to which Dr Delgado was offered the right to subscribe for the Shares on the terms set out in this Notice; and
- (h) a voting exclusion statement is included in Resolution 11 of the Notice.

10. RESOLUTION 12 – ISSUE OF INCENTIVE PERFORMANCE RIGHTS TO DIRECTOR – BRETT HACKETT

10.1 General

The Company has agreed, subject to obtaining Shareholder approval, to issue 999,999 Performance Rights (**Performance Rights**) to Brett Hackett (or their nominee) on the terms and conditions set out below.

Resolution 12 seeks Shareholder approval for the issue of the Performance Rights to Brett Hackett (or their nominee).

10.2 Chapter 2E of the Corporations Act

A summary of Chapter 2E of the Corporations Act is set out in Section 9.2 above.

The issue of Performance Rights to Brett Hackett (or their nominee) constitutes giving a financial benefit and Mr Hackett is a related party of the Company by virtue of being a Director.

The Directors (other than Mr Hackett who has a material personal interest in the Resolution) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the grant of Performance Rights because the agreement to issue the Performance Rights, reached as part of the

remuneration package for Mr Hackett, is considered reasonable remuneration in the circumstances and was negotiated on an arm's length basis.

10.3 Listing Rule 10.11

A summary of Listing Rule 10.11 is set out in Section 9.3 above.

The issue of Performance Rights falls within Listing Rule 10.11.1 and does not fall within any of the exceptions in Listing Rule 10.12. It therefore requires the approval of Shareholders under Listing Rule 10.11.

Resolution 12 seeks the required Shareholder approval for the issue of the Performance Rights under and for the purposes of Listing Rule 10.11.

10.4 Technical information required by Listing Rule 14.1A

If Resolution 12 is passed, the Company will be able to proceed with the issue of the Performance Rights to Brett Hackett within one month after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules). As approval pursuant to Listing Rule 7.1 is not required for the issue of the Performance Rights (because approval is being obtained under Listing Rule 10.11), the issue of the Performance Rights will not use up any of the Company's 15% annual placement capacity.

If Resolution 12 is not passed, the Company will not be able to proceed with the issue of the Performance Rights and the Company will consider alternative forms of incentive-based remuneration for Mr Hackett.

10.5 Technical Information required by Listing Rule 10.13

Pursuant to and in accordance with Listing Rule 10.13, the following information is provided in relation to Resolution 12:

- (a) the Performance Rights will be issued to Brett Hackett (or their nominee), who falls within the category set out in Listing Rule 10.11.1 as Mr Hackett is a related party of the Company by virtue of being a Director;
- (b) the maximum number of Performance Rights to be issued is 999,999, comprising:
 - (i) 333,333 Milestone 1 Performance Rights;
 - (ii) 333,333 Milestone 2 Performance Rights; and
 - (iii) 333,333 Milestone 3 Performance Rights,
- (c) the terms and conditions of the Performance Rights are set out in Schedule 2;
- (d) the Performance Rights will be issued no later than 1 month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that issue of the Performance Rights will occur on the same date;
- (e) the issue price of the Performance Rights will be nil. The Company will not receive any other consideration in respect of the issue of the Performance Rights;

- (f) the purpose of the issue of the Performance Rights is to provide a performance linked incentive component in the remuneration package for Brett Hackett to motivate and reward their performance as a Director and to provide cost effective remuneration to Brett Hackett, enabling the Company to spend a greater proportion of its cash reserves on its operations than it would if alternative cash forms of remuneration were given to Brett Hackett;
- (g) the current total remuneration package for Brett Hackett is \$60,000 per annum, comprising directors' fees. If the Performance Rights are issued, the total remuneration package of Mr Hackett will increase by \$134,915 (being the value of the Performance Rights based on the Black Scholes (\$0.1349 per Incentive Performance Right)) to \$194,915;
- (h) the Performance Rights are being issued under an offer letter pursuant to which Mr Hackett was offered the right to subscribe for the Performance Rights on the terms set out in this Notice; and
- (i) a voting exclusion statement is included in Resolution 12 of the Notice.

11. RESOLUTION 13 – ISSUE OF SHARES IN LIEU OF SALARY TO DIRECTOR – BRETT HACKETT

11.1 General

The Company has agreed, subject to obtaining Shareholder approval for Resolution 13, to issue up to an aggregate of 1,000,000 Shares in lieu of directors' fees payable to Brett Hackett for the 13 month period commencing 4 May 2023 and ending 31 May 2025 (**Relevant Period**) pursuant to the Salary Sacrifice Share Plan and on the terms and conditions set out below (**Salary Sacrifice Shares**).

The Board proposes to issue the Salary Sacrifice Shares in order to maximise the availability of cash of the Company and to attract, motivate and retain key employees in accordance with the terms of the Salary Sacrifice Share Plan.

The number of Salary Sacrifice Shares to be issued during the Relevant Period will be determined by dividing the cash amount of the monthly director fees Mr Hackett would otherwise be paid (being \$5,000 per month) by the volume weighted average price (**VWAP**) of Shares for the corresponding month in which the director fees were payable.

Set out below is a worked example of the number of Salary Sacrifice Shares that will be issued to Mr Hackett for the months of January, February and March 2024 should this Resolution 13 be passed.

Month	Cash fee	VWAP	Salary Sacrifice Shares
January 2024	\$5,000	\$0.070994	70,429
February 2024	\$5,000	\$0.077977	64,121
March 2024	\$5,000	\$0.080352	62,226
Total	\$15,000	-	196,776

Resolution 13 seeks Shareholder approval for the issue of the Salary Sacrifice Shares to Brett Hackett during the Relevant Period under the Salary Sacrifice Share Plan for the purposes of Listing Rule 10.14.

A summary of the key terms and conditions of the Salary Sacrifice Share Plan is set out in Schedule 3.

11.2 Chapter 2E of the Corporations Act

A summary of Chapter 2E of the Corporations Act is set out in Section 9.2 above.

The issue of the Salary Sacrifice Shares to Brett Hackett (or their nominee) constitutes giving a financial benefit and Brett Hackett is a related party of the Company by virtue of being a Director.

The Directors (other than Brett Hackett) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue of Salary Sacrifice Shares, because the agreement to issue the Salary Sacrifice Shares, reached as part of the remuneration package for Mr Hackett, is considered reasonable remuneration in the circumstances and was negotiated on an arm's length basis.

11.3 Listing Rule 10.14

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

10.14.1 a director of the entity;

10.14.2 an associate of a director of the entity; or

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

The issue of Salary Sacrifice Shares to Brett Hackett falls within Listing Rule 10.14.1 and therefore requires the approval of Shareholders under Listing Rule 10.14.

Resolution 13 seeks the required Shareholder approval for the issue of the Salary Sacrifice Shares under and for the purposes of Listing Rule 10.14.

11.4 Technical information required by Listing Rule 14.1A

If Resolution 13 is passed, the Company will be able to proceed with the issue of the Salary Sacrifice Shares to Mr Hackett under the Salary Sacrifice Plan within three years after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules). As approval pursuant to Listing Rule 7.1 is not required for the issue of the Salary Sacrifice Shares (because approval is being obtained under Listing Rule 10.14), the issue of the Salary Sacrifice Shares will not use up any of the Company's 15% annual placement capacity.

If Resolution 13 is not passed, the Company will not be able to proceed with the issue of the Salary Sacrifice Shares to Mr Hackett under the Salary Sacrifice Share Plan.

If Resolution 13 is not passed, the Board will not be able to proceed with the issue of the Salary Sacrifice Shares and the Company will pay Mr Hackett's director fees in cash.

11.5 Technical Information required by Listing Rule 10.15

Pursuant to and in accordance with Listing Rule 10.15, the following information is provided in relation to Resolution 13:

- (a) the Salary Sacrifice Shares will be issued to the Mr Hackett (or his nominee), who falls within the category set out in Listing Rule 10.14.1 by virtue of being a Director;
- (b) the maximum number of Salary Sacrifice Shares to be issued over the course of the Relevant Period is up to 1,000,000 Shares;
- (c) the current total remuneration package for Mr Hackett is \$60,000 per annum, comprising directors' fees. If the Performance Rights the subject of Resolution 12 are issued, the total remuneration package of Mr Hackett will increase by \$134,915 (being the value of the Performance Rights based on the Black Scholes (\$0.1349 per Incentive Performance Right)) to \$194,915;
- (d) 5,993,452 Shares have previously been issued for nil cash consideration under the Salary Sacrifice Share Plan adopted on 31 May 2023, to unrelated eligible participants.
- (e) the Company has agreed to issue the Salary Sacrifice Shares for the following reasons:
 - (i) the Salary Sacrifice Shares represent Mr Hackett foregoing the cash payment of Director fees to which he is entitled; and
 - (ii) to provide a cost-effective way for the Company to remunerate Mr Hackett, which will allow the Company to retain its cash reserves and spend a greater proportion of its cash reserves on its operations that it would if alternative cash forms of remuneration were given to Mr Hackett;
- (f) the Salary Sacrifice Shares will be issued to Mr Hackett (or their nominee) no later than 3 years after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules) and it is anticipated the Salary Sacrifice Shares will be issued progressively;
- (g) the issue price of the Salary Sacrifice Shares will be nil, as such the Shares are being issued in lieu of directors fees otherwise payable in cash to Mr Hackett;
- (h) a summary of the material terms and conditions of the Salary Sacrifice Share Plan is set out in Schedule 3;
- (i) no loan is being made to Mr Hackett in connection with the acquisition of the Salary Sacrifice Shares;
- (j) details of any Salary Sacrifice Shares issued under the Salary Sacrifice Share Plan will be published in the annual report of the Company relating to the period in which they were issued, along with a statement that approval for the issue was obtained under Listing Rule 10.14; and
- (k) any additional persons covered by Listing Rule 10.14 who become entitled to participate in an issue of Shares under the Salary Sacrifice Share Plan after Resolution 13 is approved and who were not named in

this Notice will not participate until approval is obtained under Listing Rule 10.14.

12. RESOLUTION 14 – ISSUE OF SHARES IN LIEU OF CONSULTING FEES TO DIRECTOR – BRETT HACKETT

12.1 General

The Company has agreed, subject to obtaining Shareholder approval for Resolution 14, to issue Shares in lieu of accrued consulting fees payable to Brett Hackett for the 12-month period commencing 1 May 2023 and ending 31 May 2024 (**Relevant Period**) on the terms and conditions set out below (**Consulting Shares**).

The Board proposes to issue the Consulting Shares in order to maximise the availability of cash of the Company.

The number of Consulting Shares to be issued to be issued to Brett Hackett has been determined by dividing the total cash amount Mr Hackett would otherwise be paid for services rendered during the Relevant Period (being \$60,000) by \$0.085 (being the issue price of the Shares offered for subscription in the March Placement).

12.2 Chapter 2E of the Corporations Act

A summary of Chapter 2E of the Corporations Act is set out in Section 9.2 above.

The issue of the Consulting Shares to Brett Hackett (or their nominee) constitutes giving a financial benefit and Brett Hackett is a related party of the Company by virtue of being a Director.

The Directors (other than Brett Hackett) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue of Consulting Shares, because the agreement to issue the Consulting Shares, reached as part of the remuneration package for Mr Hackett, is considered reasonable remuneration in the circumstances and was negotiated on an arm's length basis.

12.3 Listing Rule 10.11

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

- 10.11.1 a related party;
- 10.11.2 a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (30%+) holder in the company;
- 10.11.3 a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (10%+) holder in the company and who has nominated a director to the board of the company pursuant to a relevant agreement which gives them a right or expectation to do so;
- 10.11.4 an associate of a person referred to in Listing Rules 10.11.1 to 10.11.3;
or

10.11.5 a person whose relationship with the company or a person referred to in Listing Rules 10.11.1 to 10.11.4 is such that, in ASX's opinion, the issue or agreement should be approved by its shareholders,

unless it obtains the approval of its shareholders.

The issue of Consulting Shares falls within Listing Rule 10.11.1 and does not fall within any of the exceptions in Listing Rule 10.12. It therefore requires the approval of Shareholders under Listing Rule 10.11.

Resolution 14 seeks the required Shareholder approval for the issue of the Consulting Shares under and for the purposes of Listing Rule 10.11.

12.4 Technical information required by Listing Rule 14.1A

If Resolution 14 is passed, the Company will be able to proceed with the issue of the Consulting Shares within one month after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules). As approval pursuant to Listing Rule 7.1 is not required for the issue of the Options (because approval is being obtained under Listing Rule 10.11), the issue of the Options will not use up any of the Company's 15% annual placement capacity.

If Resolution 14 is not passed, the Company will not be able to proceed with the issue of the Consulting Shares and the consulting fees will be paid in cash.

12.5 Technical Information required by Listing Rule 10.13

Pursuant to and in accordance with Listing Rule 10.13, the following information is provided in relation to Resolution 14:

- (a) the Consulting Shares will be issued to Mr Brett Hackett (or their nominee), who falls within the category set out in Listing Rule 10.11.1 as Mr Hackett is a related party of the Company by virtue of being a Director;
- (b) the maximum number of Consulting Shares to be issued is 705,882;
- (c) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (d) the Consulting Shares will be issued no later than 1 month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that issue of the Consulting Shares will occur on the same date;
- (e) the issue price of the Consulting Shares will be nil, as such the Shares are being issued in lieu of directors fees otherwise payable in cash to Mr Hackett for the period 1 May 2023 to 31 May 2024;
- (f) the purpose of the issue of the Consulting Shares is to preserve the Company's cash reserves, enabling the Company to spend a greater proportion of its cash reserves on its operations than it would if alternative cash forms of remuneration were given to Mr Hackett;
- (g) the current total remuneration package for Mr Hackett is \$60,000 per annum, comprising directors' fees. If the Performance Rights the subject of Resolution 10 are issued, the total remuneration package of Mr Hackett will increase by \$134,915 (being the value of the Performance Rights

based on the Black Scholes (\$0.1349 per Incentive Performance Right)) to \$194,915;

- (h) the Consulting Shares are being issued under an offer letter pursuant to which Mr Hackett agreed to be issued the Consulting Shares in lieu of consulting fees otherwise payable in cash on the terms set out in this Notice; and
- (i) a voting exclusion statement is included in Resolution 14 of the Notice.

18. RESOLUTION 15 – RE-APPROVAL TO ISSUE CONVERTIBLE DEBENTURE – LISTING RULE 7.1

18.1 Background

On 12 September 2022, the Company entered into a debenture agreement with Queen's Road Capital Investment Ltd (**Queen's Road**) (**Debenture Agreement**) pursuant to which it issued an unsecured convertible debenture with a face value of US\$15 million to Queen's Road (**Convertible Debenture**).

The face value of the Convertible Debenture is convertible into Shares at Queen's Road's election in multiple drawdowns at a conversion price of A\$0.25 per Share (**Conversion Price**).

The Convertible Debenture bears interest of 9.0% per annum (7.0% payable in cash and 2.0% payable in either cash or Shares, at Queen's Road's election) quarterly in arrears. The number of Shares to be issued on conversion of the interest (**Interest Shares**) which is able to be paid via the issue of Shares is determined by dividing the relevant amount of interest by the 20-day VWAP of Shares ending 3 trading days prior to the date the interest is payable (**Interest Conversion Price**).

The Conversion Price and Interest Conversion Price are calculated by reference to the USD/AUD exchange rate reported by the Reserve Bank of Australia at 5:00pm AEST on the date for conversion.

The Convertible Debenture has a maturity date of 12 September 2026 (**Maturity Date**), which is also the date on which the last interest payment is due and payable.

The material terms of the Convertible Debenture are set out in further detail in Schedule 4.

18.2 Rationale for re-approval

The Convertible Debenture was issued on 12 September 2022 utilising the Company's available placement capacity under Listing Rule 7.1.

The issue of the Convertible Debenture was subsequently ratified at the Company's annual general meeting held on 25 November 2022 (**2022 AGM**).

At the 2022 AGM, the Company obtained Shareholder approval for the issuance of the Convertible Debenture and the future issue of up to 89,007,566 Shares, including 9,369,218 Interest Shares (**Previous Approval**).

As at the date of this Notice:

- (a) the total amount outstanding under the Convertible Debenture is US\$15,000,000 (US\$15,000,000 being the drawn, unconverted portion of the facility together with \$Nil unpaid interest accrued);
- (b) the Company has paid US\$1,575,000 since the Convertible Debenture was issued in satisfaction of its obligations to pay the cash portion of the interest payable under the Convertible Debenture; and
- (b) the Company has issued 10,409,290 Shares under the Convertible Debenture, including 6,985,833 Interest Shares in satisfaction of its obligations to pay the equity portion of the interest payable under the Convertible Debenture.

The Company is now seeking re-approval of the Convertible Debenture to ensure it can issue the requisite number of Shares under the Convertible Debenture should Queen's Road make an election to:

- (a) convert the face value of the Convertible Debenture (or a portion of it) at the Conversion Price, factoring in an assumed AUD/USD exchange rate of 1 AUD/0.65 USD; and
- (b) convert the equity portion of the interest payable under the Convertible Debenture into Interest Shares, having regard to:
 - (i) the exchange rate considerations set out above; and
 - (ii) the Company's share price having reduced from \$0.155 per Share as at the date of the 2022 AGM to \$0.083 per Share as at the date of this Notice (which may result in a greater number of Interest Shares being issued to Queen's Road than the number contemplated by the Previous Approval).

Using the inputs and assumptions set out in Schedule 6, the Company has determined that if Queen's Road:

- (a) elects to convert the interest it is entitled to be paid into Shares up to the Maturity Date it could be issued:
 - (ii) assuming an Interest Conversion Price of \$0.08, up to 14,423,080 Shares (10 quarters at 1,442,308 Shares per quarter); and
 - (ii) assuming an Interest Conversion Price of \$0.04, up to 31,730,765 Shares (10 quarters at 2,884,615 Shares per quarter); and
- (b) elects to convert the face value of the Convertible Debenture into Shares on the Maturity Date it could be issued up to 92,250,000 Shares.

Accordingly, the Company now considers that it is required to obtain re-approval of its shareholders for the purposes of Listing Rule 7.1 to enable it to issue up to a total of 123,980,765 Shares, including up to 31,730,765 Interest Shares, under the Convertible Debenture.

18.3 General

As summarised in Section 5.2 above, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary shares it had on issue at the start of that period.

The proposed issue of the Convertible Debenture does not fit within any of the exceptions set out in Listing Rule 7.2. While the issue does not exceed the 15% limit in Listing Rule 7.1 and can therefore be made without breaching that rule, the Company wishes to retain as much flexibility as possible to issue additional equity securities in the future without having to obtain Shareholder approval under Listing Rule 7.1. Accordingly, the Company is seeking Shareholder approval pursuant to Listing Rule 7.1 so that it does not use up any of its 15% placement capacity under Listing Rule 7.1.

18.4 Technical information required by Listing Rule 14.1A

If Resolution 15 is passed, the Company will be able to proceed with the issue of the Convertible Debenture. In addition, the issue of the Shares under the Convertible Debenture will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolution 15 is not passed, the issue of the Convertible Debenture can still proceed but it will reduce, to that extent, the Company's capacity to issue equity securities without Shareholder approval under Listing Rule 7.1 for 12 months following the re-issue of the Convertible Debenture.

Resolution 15 seeks Shareholder re-approval for the purposes of Listing Rule 7.1 for the issue of the Convertible Debenture.

18.5 Technical information required by Listing Rule 7.1

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to Resolution 15:

- (a) the Shares which may be issued under the Convertible Debenture will be issued to Queen's Road Capital Investment Ltd (subject to an election to be issued Shares being made);
- (b) the Convertible Debenture has a face value of US\$15,000,000;
- (c) the Convertible Debenture was issued on the terms and conditions set out in Schedule 4;
- (d) the maximum number of Shares which may be issued under the Convertible Debenture (in aggregate, including the Interest Shares) is 123,980,765 (being the number of Shares for which shareholder approval is sought by this Resolution);
- (e) any Shares issued under the Convertible Debenture will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (f) the Convertible Debenture is already on issue, having been issued on 12 September 2022 and it is intended that the Shares will be issued progressively under the Convertible Debenture utilising Exception 9 in Listing Rule 7.2;
- (g) the purpose of the re-issue of the Convertible Debenture is to satisfy the Company's obligation to issue Shares and Interest Shares in accordance with terms of the Debenture Agreement;

- (h) the Convertible Debenture was issued to Queen's Road under the Debenture Agreement. A summary of the material terms of the Debenture Agreement is set out in Schedule 5; and
- (i) the Convertible Debenture is not being issued under, or to fund, a reverse takeover.

19. RESOLUTION 16 – APPROVAL OF 7.1A MANDATE

19.1 General

As summarised in Section 5.2 above, ASX 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.

However, under ASX Listing Rule 7.1A, an eligible entity may seek shareholder approval by way of a special resolution passed at its annual general meeting to increase this 15% limit by an extra 10% to 25% (**7.1A Mandate**).

An eligible entity for the purposes of ASX Listing Rule 7.1A is an entity that:

- (a) is not included in the S&P/ASX 300 Index; and
- (b) has a market capitalisation of \$300 million or less,

(Eligible Entity).

The Company is an Eligible Entity for these purposes as it is not included in the S&P / ASX 300 Index and has a current market capitalisation of approximately \$108,764,658 (based on the number of Shares on issue and the closing price of Shares on the ASX on 19 April 2024).

Resolution 16 seeks Shareholder approval by way of a special resolution to have the additional 10% placement capacity provided for in Listing Rule 7.1A to issue Equity Securities without Shareholder approval.

For note, a special resolution is a resolution requiring at least 75% of votes cast by shareholders present and eligible to vote at the meeting in favour of the resolution.

If Resolution 16 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 16 is not passed, the Company will not be able to access the additional 10% capacity to issue Equity Securities without Shareholder approval under 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.

19.2 Technical information required by ASX Listing Rule 7.1A

Pursuant to and in accordance with ASX Listing Rule 7.3A, the information below is provided in relation to this Resolution 16:

(a) **Period for which the 7.1A Mandate is valid**

The 7.1A Mandate will commence on the date of the Meeting and expire on the first to occur of the following:

- (i) the date that is 12 months after the date of this Meeting;
- (ii) the time and date of the Company's next annual general meeting; and
- (iii) the time and date of approval by Shareholders of any transaction under ASX Listing Rule 11.1.2 (a significant change in the nature or scale of activities) or ASX Listing Rule 11.2 (disposal of the main undertaking).

(b) **Minimum Price**

Any Equity Securities issued under the 7.1A Mandate must be in an existing quoted class of Equity Securities and be issued for cash consideration at a minimum price of 75% of the volume weighted average price of Equity Securities in that class, calculated over the 15 ASX trading days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed by the entity and the recipient of the Equity Securities; or
- (ii) if the Equity Securities are not issued within 10 ASX trading days of the date in Section 19.2(b)(i), the date on which the Equity Securities are issued.

(c) **Use of funds raised under the 7.1A Mandate**

The Company intends to use funds raised from issues of Equity Securities under the 7.1A Mandate for the acquisition of new assets or investments (including expense associated with such acquisition), continued exploration and feasibility study expenditure on the Company's current assets and/or general working capital.

(d) **Risk of voting dilution**

Any issue of Equity Securities under the 7.1A Mandate will dilute the interests of Shareholders who do not receive any Shares under the issue.

If Resolution 16 is approved by Shareholders and the Company issues the maximum number of Equity Securities available under the 7.1A Mandate, the economic and voting dilution of existing Shares would be as shown in the table below.

The table below shows the dilution of existing Shareholders calculated in accordance with the formula outlined in ASX Listing Rule 7.1A.2, on the basis of the market price of Shares and the number of Equity Securities on issue as at 19 April 2024 .

The table also shows the voting dilution impact where the number of Shares on issue (Variable A in the formula) changes and the economic dilution where there are changes in the issue price of Shares issued under the 7.1A Mandate.

Number of Shares on Issue (Variable A in ASX Listing Rule 7.1A.2)		Shares issued – 10% voting dilution	Dilution		
			Issue Price		
			\$0.042	\$0.083	\$0.125
			50% decrease	Issue Price	50% increase
		Funds Raised			
Current	1,320,623,445 Shares	132,062,344	\$5,546,618	\$10,961,174	\$16,507,793
50% increase	1,980,935,168 Shares	198,093,516	\$8,319,927	\$16,441,761	\$24,761,689
100% increase	2,641,246,890 Shares	264,124,689	\$11,093,236	\$21,922,349	\$33,015,586

*The number of Shares on issue (Variable A in the formula) could increase as a result of the issue of Shares that do not require Shareholder approval (such as under a pro-rata rights issue or scrip issued under a takeover offer) or that are issued with Shareholder approval under ASX Listing Rule 7.1.

The table above uses the following assumptions:

- There are currently 1,320,623,445 Shares on issue comprising:
 - 1,310,417,563 existing Shares as at the date of this Notice; and
 - 8,500,000 Shares which will be issued if Resolution 11 is passed at this Meeting;
 - 1,000,000 Shares which will be issued if Resolution 13 is passed at this Meeting; and
 - 705,882 Shares which will be issued if Resolution 14 is passed at this Meeting.
- The issue price set out above is the closing price of the Shares on the ASX on 19 April 2024 being \$0.083.
- The Company issues the maximum possible number of Equity Securities under the 7.1A Mandate.
- The Company has not issued any Equity Securities in the 12 months prior to the Meeting that were not issued under an exception in ASX Listing Rule 7.2 or with approval under ASX Listing Rule 7.1.
- The issue of Equity Securities under the 7.1A Mandate consists only of Shares. It is assumed that no Options are exercised into Shares before the date of issue of the Equity Securities. If the issue of Equity Securities includes quoted Options, it is assumed that those quoted Options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.
- The calculations above do not show the dilution that any one particular Shareholder will be subject to. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.
- This table does not set out any dilution pursuant to approvals under ASX Listing Rule 7.1 unless otherwise disclosed.
- 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 7.1A Mandate, based on that Shareholder's holding at the date of the Meeting.

Shareholders should note that there is a risk that:

- the market price for the Company's Shares may be significantly lower on the issue date than on the date of the Meeting; and

- (ii) the Shares may be issued at a price that is at a discount to the market price for those Shares on the date of issue.

(e) **Allocation policy under the 7.1A Mandate**

The recipients of the Equity Securities to be issued under the 7.1A Mandate have not yet been determined. However, the recipients of Equity Securities could consist of current Shareholders or new investors (or both), none of whom will be related parties of the Company.

The Company will determine the recipients at the time of the issue under the 7.1A Mandate, having regard to the following factors:

- (i) the purpose of the issue;
- (ii) alternative methods for raising funds available to the Company at that time, including, but not limited to, an entitlement issue or other offer where existing Shareholders may participate;
- (iii) the effect of the issue of the Equity Securities on the control of the Company;
- (iv) the circumstances of the Company, including, but not limited to, the financial position and solvency of the Company;
- (v) prevailing market conditions; and
- (vi) advice from corporate, financial and broking advisers (if applicable).

19.3 Previous approval under Listing Rule 7.1A

The Company previously obtained approval from its Shareholders pursuant to ASX Listing Rule 7.1A at its annual general meeting held on 31 May 2023 (**Previous Approval**).

During the 12-month period preceding the date of the Meeting, being on and from 31 May 2023, the Company issued 89,790,331 Equity Securities which represent approximately 8% of the total diluted number of Equity Securities on issue in the Company on 31 May 2023 which was 1,191,520,799 Equity Securities.

Further details of the issues of Equity Securities by the Company pursuant to Listing Rule 7.1A.2 during the 12 month period preceding the date of the Meeting are set out below:

Date of Issue and Appendix 2A	Date of Issue: 8 April 2024 Date of Appendix 2A: 19 April 2024
Recipients	Regal Funds Management Pty Ltd
Number and Class of Equity Securities Issued	47,058,823 Shares ¹
Issue Price	\$0.085 per Share (at a 6% premium to the last trading price of \$0.08 cents and a 9% premium to the 20 day VWAP of \$0.078 per Share).
Total Cash Consideration and Use of Funds	Amount raised: \$4,000,000 Amount spent: \$nil

	Use of funds: will be applied towards accelerating exploration drilling at Company's Ecuador Projects and working capital ²
Date of Issue and Appendix 2A	Date of Issue: 28 March 2024 Date of Appendix 2A: 3 April 2024
Recipients	TYRUS S.A.
Number and Class of Equity Securities Issued	42,731,508 Shares ¹
Issue Price	\$0.085 per Share (at a 6% premium to the last trading price of \$0.08 cents and a 9% premium to the 20-day VWAP of \$0.078 per Share).
Total Cash Consideration and Use of Funds	Amount raised: \$5,642,069 Amount spent: \$nil Use of funds: which will be applied towards accelerating exploration and development activities like pre feasibility study, metallurgical testwork, expanded regional exploration program and geotechnical drill program at the Company's Hualilan Gold Project (\$3,400,000) and for working capital (\$2,242,069) ²

Notes:

1. Fully paid ordinary shares in the capital of the Company, ASX Code: CEL.
2. This is a statement of current intentions as at the date of this Notice. As with any budget, intervening events and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way the funds are applied on this basis.

19.4 Voting Exclusion

As at the date of this Notice, the Company is not proposing to make an issue of Equity Securities under ASX Listing Rule 7.1A. Accordingly, a voting exclusion statement is not included in this Notice.

GLOSSARY

7.1A Mandate has the meaning given in Section 19.1.

\$ means Australian dollars.

AEDT means Australian Eastern Daylight Time as observed in Sydney, NSW.

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

Associated Body Corporate means

- (a) a related body corporate (as defined in the Corporations Act) of the Company;
- (b) a body corporate which has an entitlement to not less than 20% of the voting Shares of the Company; and
- (c) a body corporate in which the Company has an entitlement to not less than 20% of the voting shares.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by ASX Limited, as the context requires.

ASX Listing Rules means the listing rules of ASX.

Board means the current board of directors of the Company.

Chair means the chair of the Meeting.

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

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent of the member or the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the Corporations Regulations 2001 (Cth) for the purposes of the definition of 'closely related party' in the Corporations Act.

Company means Challenger Gold Limited (ACN 123 591 382).

Constitution means the Company's constitution.

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

Directors mean the current directors of the Company.

Equity Securities includes a Share, a right to a Share or Option, an Option, a convertible security and any security that ASX decides to classify as an Equity Security.

Explanatory Statement means the explanatory statement accompanying the Notice.

Eligible Participant means a person that is a 'primary participant' (as that term is defined in Division 1A of Part 7.12 of the Corporations Act) in relation to the Company or an Associated Body Corporate (as defined in the Corporations Act) and has been determined by the Board to be eligible to participate in the Plan from time to time

Key Management Personnel has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, of the consolidated entity, directly or indirectly, including any director (whether executive or otherwise) of the Company, or if the Company is part of a consolidated entity, of an entity within the consolidated group.

Notice or **Notice of Meeting** means this notice of meeting, including the Explanatory Statement and the Proxy Form.

Option means an option to acquire a Share.

Performance Right means a right to acquire a Share, subject to satisfaction of any vesting conditions, on the terms and conditions set out in Schedule 2.

Proxy Form means the proxy form accompanying the Notice.

Remuneration Report means the remuneration report set out in the Directors' report section of the Company's annual financial report for the year ended 31 December 2023.

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

Schedule means a schedule to this Notice.

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

Shareholder means a registered holder of a Share.

US\$ means United States Dollars.

Variable A means "A" as set out in the formula in ASX Listing Rule 7.1A.2.

SCHEDULE 1 – TERMS AND CONDITIONS OF MARCH PLACEMENT OPTIONS AND APRIL PLACEMENT OPTIONS

(a) **Entitlement**

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

(b) **Exercise Price**

Subject to paragraph (i), the amount payable upon exercise of each Option will be \$0.14 (**Exercise Price**).

(c) **Expiry Date**

Each Option will expire at 5:00 pm (WST) on or before 28 March 2025 (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

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

(e) **Notice of Exercise**

The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(f) **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

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

Within five Business Days after the Exercise Date, the Company will:

- (i) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

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If a notice delivered under (g)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(h) **Shares issued on exercise**

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

(i) **Reconstruction of capital**

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

(j) **Participation in new issues**

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

(k) **Change in exercise price**

An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

(l) **Transferability**

The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

SCHEDULE 2 – TERMS AND CONDITIONS OF INCENTIVE PERFORMANCE RIGHTS

The terms and conditions of the Performance Rights are set out below:

(a) **Vesting Conditions**

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

- (i) **Milestone 1:** Performance Rights will convert into Shares upon the successful completion of a preliminary feasibility study (PFS) for the Hualilan Gold Project that leads to an announcement the Hualilan Gold Project will progress to either a bankable feasibility study (BFS) or a definitive feasibility study (DFS) or a change in control event.
- (ii) **Milestone 2:** Performance Rights will convert into Shares upon the successful completion of a BFS or a DFS for the Hualilan Gold Project that leads to an announcement the Hualilan Gold Project will progress to construction or a change in control event.
- (iii) **Milestone 3:** Performance Rights will convert into Shares upon the commissioning of a processing plant for the Hualilan Gold Project or a change in control event.

(together, the **Milestones** and each, a **Milestone**).

(b) **Notification to holder**

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

(c) **Conversion**

Subject to paragraph (a), upon vesting, each Performance Right will, at the election of the holder, convert into one Share.

(d) **Expiry Date**

Each Performance Right shall otherwise expire on the date that is seven (7) years from the date of issue.

(e) **Consideration**

The Performance Rights will be issued for nil consideration and no consideration will be payable upon the conversion of the Performance Rights into Shares.

(f) **Share ranking**

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

(g) **Application to ASX**

The Performance Rights will not be quoted on ASX. The Company must apply for the official quotation of a Share issued on conversion of a Performance Right on ASX within the time period required by the ASX Listing Rules.

(h) **Timing of issue of Shares on conversion**

Within 5 business days after the date that the Performance Rights are converted, the Company will:

- (i) issue the number of Shares required under these terms and conditions in respect of the number of Performance Rights converted;
- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- (iii) if admitted to the Official List of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the conversion of the Performance Rights.

If a notice delivered under paragraph (h)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 business days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(i) **Transfer of Performance Rights**

The Performance Rights are not transferable.

(j) **Participation in new issues**

A Performance Right does not entitle a holder (in their capacity as a holder of a Performance Right) to participate in new issues of capital offered to holders of Shares such as bonus issues and entitlement issues without exercising the Performance Right.

(k) **Reorganisation of capital**

If, at any time, the issued capital of the Company is reorganised (including consolidation, subdivision, reduction or return), all rights of a holder will be changed in a manner consistent with the applicable ASX Listing Rules and the *Corporations Act 2001* (Cth) at the time of reorganisation.

(l) **Adjustment for bonus issues of Shares**

If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment) the number of Shares or other securities which must be issued on the conversion of a Performance Right will be increased by the number of Shares or other securities which the holder would have received if the holder had converted the Performance Right before the record date for the bonus issue.

(m) **Dividend and voting rights**

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

(n) **Change in control**

Subject to paragraph (n), upon:

- (i) a takeover bid under Chapter 6 of the Corporations Act having been made in respect of the Company and:
 - (A) having received acceptances for not less than 50% of the Company's Shares on issue; and
 - (B) having been declared unconditional by the bidder; or
- (ii) a Court granting orders approving a compromise or arrangement for the purposes of or in connection with a scheme of arrangement for the reconstruction of the Company or its amalgamation with any other company or companies,

then, to the extent Performance Rights have not converted into Shares due to satisfaction of the Milestone, Performance Rights will accelerate vesting conditions and will automatically convert into Shares on a one-for-one basis.

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

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

- (i) holders may give written notification to the Company if they consider that the conversion of a Performance Right may result in the contravention of the General Prohibition. The absence of such written notification from the holder will entitle the Company to assume the conversion of a Performance Right will not result in any person being in contravention of the General Prohibition; and
- (ii) the Company may (but is not obliged to) by written notice to a holder request a holder to provide the written notice referred to in paragraph (n)(i) within seven (7) days if the Company considers that the conversion of a Performance Right may result in a contravention of the General Prohibition. The absence of such written notification from the holder will entitle the Company to assume the conversion of a Performance Right will not result in any person being in contravention of the General Prohibition.

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

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

(q) **Rights on winding up**

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

(r) **Subdivision 83AC-C**

Subdivision 83A-C of the Income Tax Assessment Act 1997 applies to the Performance Right.

(s) **ASX Listing Rule compliance**

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

(t) **No other rights**

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

SCHEDULE 3 – TERMS AND CONDITIONS OF SALARY SACRIFICE PLAN

A summary of the material terms of the Company's Salary Sacrifice Plan are set out below:

Eligible Participant	The Board may from time to time determine that an Eligible Participant may participate in the Salary Sacrifice Plan.
Purpose	<p>The purpose of the Salary Sacrifice Plan is to:</p> <ul style="list-style-type: none"> (u) align the interests of Eligible Participants and Shareholders by providing an opportunity to Eligible Participants to receive an equity interest in the Company in the form of Plan Securities; (v) provide competitive remuneration for the retention of key Eligible Participants; (w) support a culture of share ownership by Eligible Participants; (x) provide the Company with the ability to attract employees of a high calibre; (y) allow the Company to retain cash reserves; and (z) assist with remuneration planning for Eligible Participants.
Plan administration	The Salary Sacrifice Plan will be administered by the Board. The Board may exercise any power or discretion conferred on it by the Plan rules in its sole and absolute discretion (except to the extent that it prevents the Participant relying on the deferred tax concessions under Subdivision 83A-C of the <i>Income Tax Assessment Act 1997</i> (Cth)). The Board may delegate its powers and discretion.
Eligibility, invitation and application	<p>The Board may from time to time determine that an Eligible Participant may participate in the Plan and make an invitation to that Eligible Participant to apply for any (or any combination of) the Securities provided under the Plan on such terms and conditions as the Board decides. On receipt of an invitation, an Eligible Participant may apply for the Securities the subject of the invitation by sending a completed application form to the Company. The Board may accept an application from an Eligible Participant in whole or in part.</p> <p>If an Eligible Participant is permitted in the invitation, the Eligible Participant may, by notice in writing to the Board, nominate a party in whose favour the Eligible Participant wishes to renounce the invitation.</p>
Issue of Participant Shares	The Company will, to the extent that it has accepted a duly completed application form, and deduction of any salary sacrifice contribution, either issue, transfer or allocate to the Participant the prescribed number of Participant Shares, subject to the terms and conditions set out in the invitation, the rules of the Salary Sacrifice Plan and any ancillary documentation required.
Rights attaching to Participant Shares	All issued, transferred or allotted under the Salary Sacrifice Plan will rank pari passu in all respects with the Shares of the same class for the time being on issue except for any rights attaching to the Shares by reference to a record date prior to the date of the allotment or transfer of the Participant Shares. A Participant will be entitled to any dividends declared and distributed by the Company on the Participant Shares and may participate in any dividend reinvestment plan operated by the Company in respect of Participant Shares. A Participant may exercise any voting rights attaching to Participant Shares.

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Disposal restrictions on Participant Shares	<p>The Board may, at its discretion, impose restrictions on dealing in respect of any Participant Shares allocated under the Salary Sacrifice Plan and may implement any procedure it considers appropriate to enforce such restrictions including to allow for the deferred tax concessions under Subdivision 83A-C of the Income Tax Assessment Act 1997 (Cth) to apply.</p> <p>A Participant may, in Special Circumstances (including in the case of death or total or permanent disability of the Participant), request, in writing to the Board, to remove any restrictions on dealing, which the Board may accept or decline the request in its sole and absolute discretion.</p>
General Restrictions on the Transfer of Participant Shares	<p>Where required to enable Participant Shares issued to be freely tradeable on the ASX, the Company will use reasonable endeavours to issue a Cleansing Notice under Section 708A(5) of the Corporations Act, if eligible, or a cleansing prospectus under section 708A(11) of the Corporations Act, at the time Participant Shares are issued.</p>
Change of Control	<p>Notwithstanding any other provisions of the Rules, if a Change of Control Event occurs, or the Board determines such event is likely to occur, the Board may in its discretion determine the manner in which any or all of the Participant's Plan Securities will be dealt with including, without limitation, in a manner that allows the Participant to participate in and/or benefit from any transaction arising from or in connection with the Change of Control Event.</p>
Restrictions on amendments to the Salary Sacrifice Plan	<p>Subject to the following paragraph, the Board may at any time amend any provisions of the Salary Sacrifice Plan rules.</p> <p>No amendment may be made which would affect adversely any of the subsisting rights of a Participant except either with his consent in writing or with the consent of the majority of Participants affected by the amendment or addition.</p>
Termination of Salary Sacrifice Contributions	<p>A Participant may, in writing to the Board, request to terminate a prior Salary Sacrifice arrangement and their participation in the Plan at any time.</p> <p>Subject to applicable law, with effect from the time the Board receives a termination notice the salary sacrifice arrangement will be terminated and no further salary sacrifice contributions for Participant Share will be made in respect of the Participant and no Participant Shares will be granted, issued, transferred or allocated to the Participant in consideration for any salary sacrifice contributions made under the Salary Sacrifice Plan that have not at the time of receipt of the termination notice been used for or applied been used for or applied to the grant of Participant Shares and will be repaid to the Participant with any interest.</p>
Termination of Salary Sacrifice Plan	<p>The Salary Sacrifice Plan terminates and is to be wound up (as provided below) on the occurrence of any of the following events:</p> <ul style="list-style-type: none"> (a) if an order is made or an effective resolution is passed for the winding up of the Company other than for the purpose of amalgamation or reconstruction; or (b) if the Board determines that the Salary Sacrifice Plan is to be wound up.
Income Tax Assessment act	<p>The Salary Sacrifice Plan is a plan to which Subdivision 83A-C of the <i>Income Tax Assessment Act 1997 (Cth)</i> applies (subject to the conditions in that Act) except to the extent an invitation provides otherwise.</p>

<p>Maximum number of Securities</p>	<p>The Company will not make an invitation under the Plan which involves monetary consideration if the number of Plan Shares that may be issued, or acquired upon exercise of Convertible Securities offered under an invitation, when aggregated with the number of Shares issued or that may be issued as a result of all invitations under the Plan during the 3 year period ending on the day of the invitation, will exceed 5% of the total number of issued Shares at the date of the invitation (unless the Constitution specifies a different percentage and subject to any limits approved by Shareholders under Listing Rule 7.2 Exception 13(b).</p>
<p>Amendment of Plan</p>	<p>Subject to the following paragraph, the Board may at any time amend any provisions of the Plan rules, including (without limitation) the terms and conditions upon which any Securities have been granted under the Plan and determine that any amendments to the Plan rules be given retrospective effect, immediate effect or future effect.</p> <p>No amendment to any provision of the Plan rules may be made if the amendment materially reduces the rights of any Participant as they existed before the date of the amendment, other than an amendment introduced primarily for the purpose of complying with legislation or to correct manifest error or mistake, amongst other things, or is agreed to in writing by all Participants.</p>
<p>Plan duration</p>	<p>The Plan continues in operation until the Board decides to end it. The Board may from time to time suspend the operation of the Plan for a fixed period or indefinitely and may end any suspension. If the Plan is terminated or suspended for any reason, that termination or suspension must not prejudice the accrued rights of the Participants.</p> <p>If a Participant and the Company (acting by the Board) agree in writing that some or all of the Securities granted to that Participant are to be cancelled on a specified date or on the occurrence of a particular event, then those Securities may be cancelled in the manner agreed between the Company and the Participant.</p>
<p>Income Tax Assessment Act</p>	<p>The Plan is a plan to which Subdivision 83A-C of the <i>Income Tax Assessment Act 1997</i> (Cth) applies (subject to the conditions in that Act) except to the extent an invitation provides otherwise.</p>

SCHEDULE 4 – TERMS AND CONDITIONS OF CONVERTIBLE DEBENTURE

The material terms of the Convertible Debenture are as follows:

- (a) **Principal Amount:** Subject to the Settlement Condition (detailed below), Queen's Road agreed to advance the Company US\$15,000,000 (**Principal Amount**).
- (b) **Issue of Convertible Debenture:** Subject to the Settlement Condition (detailed below), in consideration for the Principal Amount, the Company agreed to issue Queen's Road a Convertible Debenture with a face value of US\$15,000,000 on 12 September 2022 (**Settlement Date**).
- (c) **Conversion Price:** The Conversion Price is A\$0.25 converted into United States Dollars at the exchange rate reported by the Reserve Bank of Australia at 5:00pm AEST on the date for calculation.
- (d) **Interest:** The Debenture, being the in the principal amount of US\$15,000,000 (**Principal Amount**) and the Convertible Debenture, bears interest at a rate of 9% per annum, payable quarterly in arrears, with the last interest payment to fall due on 12 September 2026.
- (e) **Maturity:** The Debenture will mature on 12 September 2026 (**Maturity Date**).
- (f) **Conversion:** The Company will convert, at Queen's Road's election and upon receipt of a duly executed conversion notice, at any time from the Settlement Date to the earlier of:
- (i) the business day preceding the Maturity Date; and
 - (ii) the business day preceding the date specified by the Company by way of notice in writing to Queen's Road in accordance with clause (g) below,
- the whole or part of the Principal Amount into that number of Shares equal to the Principal Amount divided by the Conversion Price.
- (g) **Redemption:** The Company may redeem the Debenture following the occurrence of:
- (i) the acquisition of more than 50% of the Company;
 - (ii) the amalgamation, consolidation or merger of the Company with another entity as a result of which Shareholders hold less than 50% voting power;
 - (iii) the sale, assignment or transfer of all the property or assets of the Company as a result of which Shareholders hold less than 50% voting power;
 - (iv) the announcement of a merger of scheme of arrangement by the Company; or
 - (v) the announcement of an unconditional takeover bid for 50% or more of the voting power of the Company,
- (each a **Change of Control Event**),

if, within five business days of completion of the Change of Control Event, the Company gives notice to Queen's Road of the Change of Control Event (**Change of Control Notice**).

The Company may redeem and Queen's Road may require the Company to redeem, on the date that is no later than 30 business days following the date on which the Company delivers the Change of Control Notice, all of the Debenture at a price equal to:

- (i) 130% of the Principal Amount if the Change of Control Event occurred on or before 12 September 2025; and
- (ii) 115% of the Principal Amount if the Change of Control Event occurred after 12 September 2025,

plus interest accrued and owing, payable in cash.

- (h) **Establishment Fee:** Within 5 business days of the Settlement Date, the Company agreed to issue that number of Shares equal to the establishment fee of A\$450,000 divided by the issue price of Shares e issued to BlackRock in a placement as announced in September 2022.

SCHEDULE 5 – TERMS AND CONDITIONS OF CONVERTIBLE DEBENTURE AGREEMENT

Terms and conditions of the Convertible Debenture Agreement

Principal Amount	Queen's Road agreed to pay the Principal Amount of US\$15,000,000 in cleared funds to the nominated account of the Company on 12 September 2022 (Settlement Date).
Payment of Principal Amount	On redemption or maturity of the Debenture, the Company agrees to pay the Principal Amount to Queen's Road.
Conversion of Convertible Debenture	<p>The Company will convert, at Queen's Road's election and upon receipt of a duly executed conversion notice, at any time from the Settlement Date to the earlier of:</p> <p>(a) the business day preceding the Maturity Date; and</p> <p>(b) the business day preceding the date specified by the Company in a Change of Control Notice,</p> <p>the whole or part of the Principal Amount into that number of Shares equal to the Principal Amount divided by the Conversion Price.</p>
Cleansing Notice or Prospectus	Within five business days of the issue of Shares on conversion, the Company shall provide ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such notice, lodge a prospectus with ASIC prepared in accordance with Section 708A(11) of the Corporations Act.
Termination	<p>Queen's Road may terminate the Debenture Agreement if a material adverse event occurs prior to the Settlement Date (Settlement Condition).</p> <p>Provision of the Principal Amount and issue of the Convertible Debenture is subject to the Settlement Condition.</p>
Default	<p>In the case of the following events of default, Queen's Road may, by notice in writing to the Company, make immediately due and payable any amounts payable under the Debenture Agreement:</p> <p>(a) failure to pay interest that is due and payable for a period of 30 days;</p> <p>(b) failure to pay the Principal Amount at the Maturity Date, on redemption or otherwise;</p> <p>(c) failure to redeem upon a Change of Control Event;</p> <p>(d) default of a covenant of the Convertible Debenture Agreement which is incapable of being remedied, or if capable of being remedied remains unremedied for a period of 30 days after notice in writing has been given to do so;</p> <p>(e) save for a bona fide solvent reconstruction, a controller, administrator, trustee, liquidator or similar officer being appointed to the Company, the Company being deemed insolvent by any applicable law, or the Company passing a resolution for the winding up of the Company.</p>

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SCHEDULE 6 – INTEREST SHARES

The following is an example of the number of Interest Shares which may be issued under the Convertible Debenture at various VWAPs in a calendar year.

Quarter	Interest (USD)*	Interest (AUD)**	VWAP	Interest Shares that may be issued
Q1	75,000	\$115,385	\$0.08	1,442,308
			\$0.06	1,923,077
			\$0.04	2,884,615
Q2	75,000	\$115,385	\$0.08	1,442,308
			\$0.06	1,923,077
			\$0.04	2,884,615
Q3	75,000	\$115,385	\$0.08	1,442,308
			\$0.06	1,923,077
			\$0.04	2,884,615
Q4	75,000	\$115,385	\$0.08	1,442,308
			\$0.06	1,923,077
			\$0.04	2,884,615

Notes:

* Interest accrues on the face value of the Convertible Debenture at a rate of 9.0% per annum (US\$300,000) (7.0% payable quarterly in cash and 2.0% payable quarterly in cash or Shares at Queen's Road's election).

** Using an assumed AUD/USD exchange rate of 1:0.65.

Your proxy voting instruction must be received by **11.00am (AEST) on Wednesday, 29 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.

STEP 2 - VOTES ON ITEMS OF BUSINESS

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

APPOINTMENT OF SECOND PROXY

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

SIGNING INSTRUCTIONS

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

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

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

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

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

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

CORPORATE REPRESENTATIVES

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

Lodging your Proxy Voting Form:

Online

Use your computer or smartphone to appoint a proxy at <https://investor.automic.com.au/#/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:

Automic
GPO Box 5193
Sydney NSW 2001

IN PERSON:

Automic
Level 5, 126 Phillip Street
Sydney NSW 2000

BY EMAIL:

meetings@automicgroup.com.au

BY FACSIMILE:

+61 2 8583 3040

All enquiries to Automic:

WEBSITE:

<https://automicgroup.com.au/>

PHONE:

1300 288 664 (Within Australia)
+61 2 9698 5414 (Overseas)

