

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of members of Prospech Limited is to be convened at Level 2, 66 Hunter Street, Sydney, NSW, 2000 on 7 May 2025 at 11.00 am.

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 7.00pm at 5 May 2025.

AGENDA

ORDINARY BUSINESS

The items of business should be read in conjunction with the explanatory notes on the pages to follow. The explanatory notes form part of this Notice of Meeting.

Financial Statements

To receive and consider the Company's annual financial report, the directors' report and the auditors' report for the year ended 31 December 2024.

Ordinary Resolutions

Resolution 1. Adoption of Remuneration Report

To consider and, if thought fit, to pass the following as a non-binding resolution:

'That, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, the Remuneration Report for the year ended 31 December 2024 be and is hereby adopted.'

Resolution 2. Re-election of a Director

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

'That, for the purpose of Clause 11.4 of the Constitution, Listing Rule 14.4 and for all other purposes, John Levings, a Director, retires by rotation and being eligible, is re-elected as a Director.'

Resolution 3 Ratification of the Issue of 32,479,033 Shares

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

'That pursuant to and in accordance with Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 32,479,033 Shares on 24 June 2024, on the terms and conditions in the Explanatory Memorandum.'

To transact any other business that may be brought forward in accordance with the Company's Constitution as set out in the Explanatory Memorandum accompanying this Notice of Meeting.

Resolution 4 Additional capacity to issue securities

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

'That the additional capacity to issue equity securities up to 10% of the issued capital of the Company as set out in the Explanatory Memorandum attached to this Notice of Meeting be and is hereby approved for the purposes of ASX Listing Rule 7.1A.'

To transact any other business that may be brought forward in accordance with the Company's Constitution as set out in the Explanatory Memorandum accompanying this Notice of Meeting.

By order of the Board



Richard J. Edwards
Company Secretary

2 April 2025

EXPLANATORY MEMORANDUM

This is an Explanatory Memorandum to in the Notice of Annual General Meeting of Prospech Limited to be convened at Level 2, 66 Hunter Street, Sydney, NSW, 2000 on 7 May 2025 at 11.00 am.

Financial Reports

The Company's annual financial report, the directors' report and the auditors' report for the year ended 31 December 2024 will be laid before the meeting. There is no requirement for shareholders to approve these reports, however, the Chairman of the meeting will allow a reasonable opportunity to ask questions about the content of the financial reports.

Resolution 1 Approval of Remuneration Report

The Remuneration Report, which forms part of the Directors' Report in the Company's 2024 Annual Report, contains certain prescribed details, sets out the policy adopted by the Board of Directors and discloses the Company's payments to its Directors.

None of the Corporations Act, the ASX Listing Rules or the Company's Constitution requires a vote of shareholders at the Annual General Meeting on such report. In accordance with section 250R of the Corporations Act, a resolution that the Remuneration Report be adopted must be put to the vote. The resolution is advisory only and does not bind the Directors or the Company.

Shareholders will be given a reasonable opportunity at the meeting to comment on and ask questions about the Company's Remuneration Report.

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.

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 Meeting.

The Chair intends to exercise all undirected proxies in favour of Resolution 1. If the Chair of the Meeting is appointed as your proxy and you have not specified the way the Chair is to vote on Resolution 1, by signing and returning the Proxy Form, you are considered to have provided the Chair with an express authorisation for the Chair to vote the proxy in accordance with the Chair's intention.

Voting Prohibition Statement

The Company will disregard any votes cast on Resolution 1 (in any capacity, whether as proxy or as shareholder) by any of the following persons:

Key Management Personnel and Closely Related Parties of Key Management Personnel.

However, the Company need not disregard a vote if it is:

- Cast by a person as a proxy or attorney for a person who is entitled to vote on the resolution, in accordance with the directions of the proxy form that specifies how the proxy is to vote on Resolution 1; or
- Cast by the Chair of the Meeting as proxy or attorney appointed in accordance with the directions of the proxy form for a person who is entitled to vote, and such appointment on the proxy form expressly authorises the Chair to exercise the proxy even if the resolution is connected directly with the remuneration report; or
- Cast by a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - The beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting on the resolution; and
 - The holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

The Directors recommend that you vote IN FAVOUR of this advisory Resolution 1.

The Chair of the Meeting intends to vote undirected proxies IN FAVOUR of Resolution 1.

Resolution 2 Re-election of John Levings as a Director

Mr John Levings

Executive Director

Director since 17 May 2016

Mr Levings gained a Bachelor of Science degree from the University of Tasmania in 1977 and then worked for several years as a field geologist and geophysicist for Anglo American Limited. In 1985, as Chief Geologist for Australian Development Limited (later re-named Normandy Gold Limited), Mr Levings was responsible for the discovery of the high-grade White Devil gold deposit (760,000 ounces of gold at 14.6 grams per tonne) in Tennant Creek. In 1986 Australian Development Limited was the best performing stock on the ASX on the back of this discovery. Relocating to Indonesia, Mr Levings became a founding partner of a successful geological consultancy which was very active during the 1990s. In more recent times, he identified the Romang Island polymetallic opportunity which was acquired by Robust Resources Limited.

John is a Fellow of the Australasian Institute of Mining and Metallurgy.

The Directors recommend that you vote IN FAVOUR of Resolution 2.

The Chair of the Meeting intends to vote undirected proxies IN FAVOUR of Resolution 2.

Resolution 3 Ratification of the issue of Shares

Resolution 3 seeks the ratification by Shareholders of the prior issue of securities that occurred in the 12 months prior to the date of this Notice that have not already been approved by Shareholders for the purposes of Listing Rule 7.4.

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

The Issue does not fit within any of these exceptions and, as it has not yet been approved by Prospech's shareholders, it effectively uses up part of the 15% limit in Listing Rule 7.1, reducing the Prospech's capacity to issue further equity securities without shareholder approval under Listing Rule 7.1 for the 12 month period following the Issue Date. 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 effect of the ratification is to restore the Company's maximum discretionary power to issue further shares up to 15% of the fully paid ordinary issued capital of the Company without requiring shareholder approval during the next 12 months. Should ratification by Shareholders not be approved the issue of securities will continue to be included in the Company's 15% issuance capacity until 12 months after the date the securities were issued. This ratification will provide the Company with the ability to raise further funds, if required, will maximise the flexibility of the Company's funds management and will facilitate planning for the Company's ongoing activities.

On 24 June 2024, pursuant to its then available listing rule 7.1 capacity, the Company issued 32,479,033 fully paid ordinary shares ranking pari passu with existing fully paid ordinary shares at \$0.033 per share to professional and sophisticated investors (none of whom were related parties of the Company, a member of the Company's key management personnel, a substantial shareholder of the Company, an advisor to the Company or an associate of any of the above), raising \$1,071,808 before costs. The placement was undertaken to advance the Company's projects in Finland and Slovakia. The Lead Managers to the placement were Baker Young Limited and BW Equities Pty Ltd. A voting exclusion statement is included in the Notice.

The Company will disregard any votes cast in favour of Resolution 3 by or on behalf of:

- any professional and sophisticated investors who participated in the issue; or
- an associate of any professional and sophisticated investors person who participated in the issue.

The Company will not disregard a vote cast if it is cast in favour of the resolution of by:

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

The Directors recommend that you vote IN FAVOUR of Resolution 3.

The Chair of the Meeting intends to vote undirected proxies IN FAVOUR of Resolution 3.

Resolution 4 Approval of additional capacity to issue securities

ASX Listing Rule 7.1A enables the Company to issue equity securities up to 10% of its issued share capital through placements over a 12 month period after the AGM ('10% Placement Facility'). The 10% Placement Facility is in addition to the Company's 15% placement capacity under ASX Listing Rule 7.1. Listed entities with a market cap of \$300 million or less are eligible to seek shareholder approval under Listing Rule 7.1A and the Company's approximate market cap at the time of this Notice of Meeting is \$8.2 million.

If Resolution 4 is not passed, the Company would not be able to issue securities and it will not be able to raise funds under this 10% placement facility. The Company would still have its existing placement capacity under Listing Rule 7.1.

If Resolution 4 is passed, the Company will be able to raise funds to the maximum of 10% of the placement facility in accordance with Listing Rule 7.1A, in addition to its existing placement capacity under Listing Rule 7.1.

Resolution 4, which is a Special Resolution requiring 75% of votes cast to be in favour of the resolution, seeks shareholder approval for the Company to have the ability to issue equity securities under the 10% Placement Facility on the following terms:

(a) Placement Period

Shareholder approval of the 10% Placement Facility is valid from the date of this AGM and expires on the earlier of:

- (i) the date that is 12 months after the date of this AGM;
- (ii) the time and date of the Company's next AGM; or
- (iii) the date of the approval by shareholders of a transaction under ASX Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking).

(b) Equity Securities

Any equity securities issued under the 10% Placement Facility must be in the same class as an existing quoted class of equity securities of the Company which, in the Company's case, are fully paid ordinary shares.

(c) Formula for calculating 10% Placement Facility.

The maximum number of shares that can be issued under the 10% Placement Facility is calculated as follows:

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

Where: *A* is the number of fully paid ordinary shares on issue 12 months before the date of issue or agreement:

- (i) plus the number of fully paid ordinary shares issued in the 12 months under an exception in ASX Listing Rule 7.2 other than exception 9, 16 or 17;
- (ii) plus the number of fully paid ordinary shares issued in the 12 months on the conversion of convertible securities within ASX Listing Rule 7.2 exception 9 where:
 - a. the convertible securities were issued or agreed to be issued before the commencement of the 12 month period; or
 - b. the issue of, or agreement to issue, the convertible securities was approved or taken under the ASX Listing Rules to have been approved under ASX Listing Rule 7.1 or ASX Listing Rule 7.4;
- (iii) plus the number of fully paid ordinary shares issued in the relevant period under an agreement to issue securities within ASX Listing Rule 7.2 exception 16 where:
 - a. the agreement was entered into before the commencement of the 12 month period; or
 - b. the agreement or issue was approved or taken under the ASX Listing Rules to have been approved under ASX Listing Rule 7.1 or ASX Listing Rule 7.4;
- (iv) plus the number of partly paid ordinary shares that became fully paid in the 12 months;
- (v) plus the number of fully paid shares issued in the 12 months with approval of holders of shares under ASX Listing Rule 7.1 and 7.4;
- (vi) less the number of fully paid shares cancelled in the 12 months.

D is 10%.

E is the number of fully paid ordinary shares issued or agreed to be issued under ASX Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue that are not issued with the approval of shareholders under ASX Listing Rules 7.1 or 7.4.

(d) Minimum Issue Price

The minimum issue price of equity securities issued for the purpose of Listing Rule 7.1.A.3 must not be less than 75% of the volume weighted average price of equity securities in the same class calculated over the 15 trading days on which trades were recorded immediately before:

- (i) the date on which the price at which the equity securities are to be issued is agreed by the Company and the recipient of the equity securities; or
- (ii) if the equity securities are not issued within 10 trading days of the date in paragraph (i) above, the date on which the equity securities are issued.

(e) Purposes for which the funds raised by an issue of equity securities may be used

The Company may issue Equity Securities under the 10% Placement Capacity for cash consideration only, and the Company intends to use any funds raised under such an issue for continued exploration and evaluation of the Company's exploration projects and general working capital.

(f) Risk of Economic and Voting Dilution

If Resolution 4 is approved by shareholders and the Company issues equity securities under the 10% Placement Facility, the existing shareholders' voting power in the Company will be diluted as shown in the table below. Further, there is a risk that:

- (i) the market price for the Company's equity securities may be significantly lower on the date of the issue of the equity securities than on the date of the AGM; and
- (ii) the equity securities may be issued at a price that is at a discount to the market price for the Company's equity securities on the issue date.

Because variable A in the formula for calculating 10% Placement Facility, and consequently the number of shares that can be issued under the 10% Placement Facility, can change during the Placement Period, the table below shows a matrix of scenarios of the potential dilution of existing shareholders as at the date of the AGM on the basis of:

- (i) the issue price of equity securities being the current approximate market price of fully paid ordinary shares, plus 50% and minus 50%; and
- (ii) the maximum number of shares that can be issued under the 10% Placement Facility in accordance with the definition of Variable A in the formula for calculating 10% Placement Facility increasing by 50% and 100%.

Variable A in 10% Placement Facility under ASX Listing Rule 7.1A.2	Listing Rule 7.1A Capacity	Issue Price and Funds Raised		
		50% Decrease in Current Approximate Market Price \$0.0125	Current Approximate Market Price \$0.025*	50% Increase in Current Approximate Market Price \$0.0375
Current Variable A 328,825,887 shares	32,882,588 Shares	\$411,032	\$822,065	\$1,233,097
50% increase in current Variable A 493,238,830 shares	49,238,883 Shares	\$615,549	\$1,233,097	\$1,849,646
100% increase in current Variable A 657,651,774 shares	65,765,177 shares	\$822,065	\$1,644,129	\$2,466,194

*The current approximate market price of \$0.025 was the closing price as at 1 April 2025.

The above table is based on the following assumptions:

- (i) There are currently 328,825,887 shares on issue and all figures in the table are calculated on an undiluted basis.
- (ii) The Company issues the maximum possible number of equity securities under the 10% Placement Capacity.
- (iii) The issue of equity securities under the 10% Placement Capacity consists only of shares. 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.
- (iv) 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.
- (v) This table does not set out any dilution pursuant to approvals under ASX Listing Rule 7.1.
- (vi) 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%.

(g) Allocation policy

The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility. As there is no issue currently proposed, the identity of the allottees is not currently known and will be determined on a case-by-case basis at the time of allotment, having regard to factors including, but not limited to, the following:

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

The allottees under the 10% Placement Facility have not currently been determined but may include existing substantial shareholders and/or new shareholders who are not related parties or associates of a related party of the Company.

(h) Prior approval

The Company has not previously obtained shareholder approval under ASX Listing Rule 7.1A.

The Company has not issued any securities under Listing Rule 7.1A during the 12 months preceding the date of this Notice of Annual General Meeting.

No shareholder is excluded from voting on the resolution, as the Company is not currently undertaking an issue of equity securities under this Listing Rule 7.1A capacity.