



Notice of Annual General Meeting and Explanatory Notes

Date of Meeting

Wednesday, 28 May 2025

Time of Meeting

10:00am AWST

Place of Meeting

The Boardroom
The Park Business Centre
45 Ventnor Avenue, West Perth WA 6005

A Proxy Form is enclosed

Please read this Notice and Explanatory Notes carefully.

If you are unable to attend the Meeting please complete and return your Proxy Form in accordance with the specified directions.

LEO LITHIUM LIMITED

NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the 2025 Annual General Meeting of Shareholders of Leo Lithium Limited will be held at The Boardroom, The Park Business Centre, 45 Ventnor Avenue, West Perth WA 6005 on Wednesday 28 May 2025 at 10:00am AWST for the purpose of transacting the following business. Definitions and abbreviations used in this Notice are set out in the Glossary to the Explanatory Notes.

AGENDA

FINANCIAL STATEMENTS AND REPORTS

To receive and to consider the financial statements and the reports of the Directors and Auditors for the year ended 31 December 2024.

RESOLUTION 1 - APPOINTMENT OF AUDITOR

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

"That, for the purposes of section 327B of the Corporations Act 2001 (Cth) and for all other purposes, BDO Audit Pty Ltd, having been duly nominated by a Shareholder of the Company and having consented in writing to act as auditor, be appointed as the auditor of the Company and its controlled entities with effect from the conclusion of this Meeting."

RESOLUTION 2 - ELECTION OF MR BRENDAN BORG AS DIRECTOR

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

"That, for the purposes of rules 6.1(f) and 6.1(i) of the Constitution, ASX Listing Rule 14.5 and for all other purposes, Mr Brendan Borg, a Director, retires by rotation and being eligible is re-elected as a Director of the Company."

RESOLUTION 3 - GRANT OF 2025 PERFORMANCE RIGHTS TO MR SIMON HAY

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:

- (i) the grant to the Executive Chairman, Mr Simon Hay or his nominee, of 1,196,431 Performance Rights under the Employee Awards Plan; and*
- (ii) the issue or transfer to the Executive Chairman, Mr Simon Hay or his nominee, of up to 1,196,431 resulting Shares on vesting and exercise of those Performance Rights,*

is approved."

A voting exclusion applies and is set out in the Explanatory Notes.

RESOLUTION 4 - NON-BINDING RESOLUTION TO ADOPT REMUNERATION REPORT

To consider and, if thought fit, pass 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, the Remuneration Report be adopted."

Note: The vote on Resolution 4 is an advisory vote of Shareholders only and does not bind the Directors or the Company.

A voting exclusion applies and is set out in the Explanatory Notes.

CONTINGENT BUSINESS

Resolution 5 is conditional and will only be put to the Meeting if **at least 25%** of the votes validly cast on Resolution 4 are cast **against** Resolution 4. If you do not want a Spill Meeting (defined below) to take place, you should vote 'Against' Resolution 5. If you want a Spill Meeting to take place, you should vote 'For' Resolution 5.

Resolution 5 is not supported by the Directors and the Directors unanimously recommend that you vote against this item if it is put to the Meeting. The Chairman of the Meeting intends to vote all available proxies against this Resolution if it is put to the Meeting

CONDITIONAL RESOLUTION 5: BOARD SPILL MEETING RESOLUTION

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

"That, subject to and conditional on at least 25% of the votes validly cast on Resolution 4 being cast against the adoption of the Remuneration Report for the financial year ended 31 December 2024:

- (i) an extraordinary general meeting of the Company (**Spill Meeting**) be held within 90 days of the passing of this Resolution;*
- (ii) all of the Directors in office when the resolution to make the Directors' Report, which includes the Remuneration Report, for the financial year ended 31 December 2024 was passed (being Ms Amber Banfield, Mr Brendan Borg and Mr Alan Rule and excluding Mr Simon Hay, who previously occupied the role of Managing Director and who continues to fulfil that function within his broader role as Executive Chairman) and who remain in office at the time of the Spill Meeting, cease to hold office immediately before the end of the Spill Meeting; and*
- (iii) resolutions to appoint persons to offices that will be vacated immediately before the end of the Spill Meeting be put to the vote at the Spill Meeting."*

A voting exclusion applies and is set out in the Explanatory Notes.

OTHER BUSINESS

To deal with any other business which may be brought forward in accordance with the Constitution and the Corporations Act

VOTING AND PROXY INFORMATION

Voting entitlements

The Board has determined that under regulation 7.11.37 of the *Corporations Regulations 2001* (Cth), for the purposes of the Annual General Meeting, Shares will be taken to be held by the persons who are the registered holders at 5:00pm (Perth Time) on Monday, 26 May 2025. Accordingly, share transfers registered after that time will be disregarded in determining entitlements to attend and vote at the Annual General Meeting.

Chair

Mr Simon Hay will act as Chair of the Meeting. If Mr Hay is unable to attend, another Director will act as Chair of the Meeting.

How to vote

Shareholders can vote by either:

- attending the Meeting and voting in person or by attorney or, in the case of corporate Shareholders, by appointing a corporate representative to attend and vote; or
- appointing a proxy to attend and vote on their behalf using the Proxy Form accompanying this Notice of Meeting and by submitting their proxy appointment and voting instructions in person, by post, electronically via the internet or by facsimile.

Voting in person (or by attorney)

Shareholders, or their attorneys, who plan to attend the Meeting are asked to arrive at the venue 15 minutes prior to the time designated for the Meeting, if possible, so that their holding may be checked against the Company's share register and their attendance recorded. To be effective, a certified copy of the Power of Attorney, or the original Power of Attorney, must be received by the Company in the same manner, and by the same time as outlined for proxy forms below.

Voting by a Corporation

A Shareholder that is a corporation may appoint an individual to act as its representative and vote in person at the Meeting. The appointment must comply with the requirements of section 250D of the Corporations Act. The representative should bring to the Meeting evidence of his or her appointment, including any authority under which it is signed.

Voting by proxy

- A Shareholder entitled to attend and vote is entitled to appoint no more than two proxies. Each proxy will have the right to vote on a poll and also to speak at the Meeting.
- The appointment of the proxy may specify the proportion or the number of votes that the proxy may exercise. Where more than one proxy is appointed and the appointment does not specify the proportion or number of the Shareholder's votes each proxy may exercise, the votes will be divided equally among the proxies (i.e. where there are two proxies, each proxy may exercise half of the votes).
- A proxy need not be a Shareholder.
- The proxy can be either an individual or a body corporate.
- If a proxy is not directed how to vote on an item of business, the proxy may generally vote, or abstain from voting, as they think fit.
- Should any resolution, other than those specified in this Notice, be proposed at the Meeting, a proxy may vote on that resolution as they think fit.
- If a proxy is instructed to abstain from voting on an item of business, they are directed not to vote on the Shareholder's behalf on the poll and the Shares that are the subject of the proxy appointment will not be counted in calculating the required majority.
- Shareholders who return their Proxy Forms with a direction how to vote, but who do not nominate the identity of their proxy, will be taken to have appointed the Chair as their proxy to vote on their behalf. If a Proxy Form is returned but the nominated proxy does not attend the Meeting, the Chair will act in place of the nominated proxy and vote in accordance with any instructions. Proxy appointments in favour of the Chair, the secretary or any Director that do not contain a direction how to vote will be used, where possible, to support Resolutions 1 to 4 proposed in this Notice and against Resolution 5 if put to the Meeting, provided they are entitled to cast votes as a proxy under the voting exclusion rules which apply to the Resolution. These rules are explained in this Notice.
- To be effective, proxies must be received by 10:00am (Perth Time) on Monday, 26 May 2025. Proxies received after this time will be invalid.

- The Proxy Form must be signed by the Shareholder or the Shareholder's attorney. Proxies given by corporations must be executed in accordance with the Corporations Act. Where the appointment of a proxy is signed by the appointer's attorney, a certified copy of the Power of Attorney, or the power itself, must be received by the Company at the address below, or by facsimile, and by 10:00am (Perth Time) on Monday, 26 May 2025. If facsimile transmission is used, the Power of Attorney must be certified.

Proxy lodgement

Proxies may be lodged using any of the following methods:

- (i) By internet:

Log on to www.investorvote.com.au

If you are a custodian and an Intermediary Online subscriber, you can log on to www.intermediaryonline.com

- (ii) By post:

Computershare Investor Services Pty Limited,
GPO Box 242
Melbourne Victoria 3001 Australia

- (iii) By fax:

(within Australia) 1800 783 447
(outside Australia) +61 3 9473 2555

By order of the Board**John Sanders**

Company Secretary

Dated: 28 April 2025

For personal use only

EXPLANATORY NOTES

These Explanatory Notes are intended to provide Shareholders with sufficient information to assess the merits of the Resolutions contained in the accompanying Notice of Meeting.

Certain abbreviations and other defined terms are used throughout these Explanatory Notes. Defined terms are generally identifiable by the use of an upper case first letter. Details of the definitions and abbreviations are set out in the Glossary to the Explanatory Notes.

DISCUSSION OF FINANCIAL STATEMENTS AND REPORTS

The first item of the Notice deals with the presentation of the consolidated annual financial report of the Company for the financial year ended 31 December 2024, together with the Directors' declaration and report in relation to that financial year and the Auditor's Report on the financial report as contained in the Annual Report. Shareholders should consider these documents and raise any matters of interest with the Directors.

At the Meeting, Shareholders will be offered the opportunity to:

- discuss the Annual Report which contains each of the reports and statements noted above;
- ask questions about, or comment on, the management of the Company; and
- ask the Auditor questions about the conduct of the audit and the preparation and content of the Auditor's Report.

The Chair will also allow a reasonable opportunity for the Auditor or their representative to answer any written questions submitted to the Auditor under section 250PA of the Corporations Act.

If you would like to submit a written question about the content of the Auditor's Report or the conduct of the audit of the annual financial report by the Auditor, please send your question to info@leolithium.com. Please note that all written questions must be received at least five business days before the Meeting, which is by Wednesday, 21 May 2025.

RESOLUTION 1 - APPOINTMENT OF AUDITOR

Following the completion of the Goulamina Sale and the adoption of a revised strategy for the Company, the Board considered it good corporate governance to also review the Auditor appointment to ensure it continues to align with and respond to the current scale of the Company's operations and its objectives.

The Company sought proposals from leading audit service providers, following which the Directors proposed the appointment of BDO Audit Pty Ltd as auditor of the Company.

BDO Audit Pty Ltd has been nominated for appointment as the Company's auditor by a member of the Company, as required by section 328B(1) of the Corporations Act. A copy of the member's written notice of nomination is set out in Schedule 3. BDO Audit Pty Ltd has given its written consent to act as the Company's auditor.

The Company's existing Auditor, PricewaterhouseCoopers has applied for, and has received, ASIC consent to resign as the Auditor of Leo Lithium with effect from the conclusion of this Meeting in accordance with section 329(5) of the Corporations Act. If Resolution 1 is passed, BDO Audit Pty Ltd will be appointed as the Company's Auditor with effect from the conclusion of this Meeting.

Directors' recommendation and voting intention

The Directors unanimously recommend that Shareholders **vote in favour** of Resolution 1.

Each Director intends to vote all Shares controlled by them in favour of Resolution 1.

The Chair intends to vote any undirected proxies in favour of Resolution 1.

RESOLUTION 2 - ELECTION OF MR BRENDAN BORG AS DIRECTOR

Listing Rule 14.5 provides that a company which has directors must hold an election of directors at each annual general meeting. Rule 6.1(f) of the Constitution requires that one third of Directors must retire at each annual general meeting, and rule 6.1(i) of the Constitution provides that a Director who retires under rule 6.1(f) is eligible for re-election.

Mr Borg is currently a Non-Executive Director of the Company and is Chair of the Remuneration and Nominations Committee. Pursuant to rule 6.1(f) of the Constitution, Mr Borg retires by way of rotation and, being eligible, offers himself for re-election in accordance with rule 6.1(i) of the Constitution.

Mr Borg was appointed to the Board on 13 October 2021 and was last re-elected on 18 May 2023. Mr Borg is a consultant geologist who specialises in the battery materials sector including lithium, graphite, cobalt and copper mineralisation, participating in numerous successful projects in an investment and/or operational capacity.

Mr Borg has 28 years' experience gained working in management, operational and project development roles in the exploration and mining industries, with companies including Rio Tinto Iron Ore, Magnis Resources Limited, IronClad Mining Limited, Lithex Resources Limited and Sibelco Australia Limited. Mr Borg operates a geological consulting business Borg Geoscience Pty Ltd.

Mr Borg is currently a Non-Executive Director of Kuniko Limited and Managing Director of Bubalus Resources Limited.

Mr Borg holds a Master of Science in Hydrogeology and Groundwater Management (University of Technology Sydney), a Bachelor of Science in Geology/Environmental Science (Monash University) and is a member of AusIMM and IAH.

The Board considers that Mr Borg, if elected, will continue to be classified as an independent director.

Directors' recommendation and voting intention

The Directors (other than Mr Borg because of his personal interest in the outcome of Resolution 2) consider that the election of Mr Borg is in the best interests of Shareholders and recommend that Shareholders **vote in favour** of Resolution 2.

Each Director intends to vote all Shares controlled by them in favour of Resolution 2.

The Chair intends to vote any undirected proxies in favour of Resolution 2.

RESOLUTION 3 - GRANT OF 2025 PERFORMANCE RIGHTS TO MR SIMON HAY

As part of the Company's 2025 Incentive Program, the Company has agreed, subject to obtaining Shareholder approval, to issue 1,196,431 Performance Rights to Mr Simon Hay (or his nominee) pursuant to the Employee Awards Plan and on the terms and conditions set out below.

The key terms of these Performance Rights are set out in Schedule 1. The Performance Rights are subject to a vesting condition requiring the Company to complete an asset acquisition and obtain re-quotation on the ASX during 2025. If this condition is not satisfied all of the Performance Rights will lapse and be cancelled.

Chapter 2E of the Corporations Act

Chapter 2E of the Corporations Act requires that for a public company to give a financial benefit to a Related Party of the public company:

- (a) the public company must obtain the approval of the public company's members and give the benefit within 15 months following such approval; or
- (b) the giving of the financial benefit must fall within an exception set out in sections 210 to 216 of the Corporations Act.

The issue of Performance Rights to Mr Hay (or his nominee) constitutes giving a financial benefit and Mr Hay is a Related Party of the Company by virtue of being a Director.

The Directors (other than Mr Hay, because of his interest in Resolution 3) consider that the issue of Performance Rights to Mr Hay as part of the Company's 2025 Incentive Program constitutes reasonable remuneration payable to Mr Hay in accordance with the exception to the financial benefits provisions set out in section 211 of the Corporations Act. On this basis, Shareholder approval is not required pursuant to Chapter 2E of the Corporations Act in respect of the issue of Performance Rights to Mr Hay.

ASX Listing Rule 10.14

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

- (a) a director of the Company;
- (b) an Associate of a director of the Company; or
- (c) a person whose relationship with the Company or a person referred to in (a) or (b) above is such that, in ASX's opinion, the acquisition should be approved by its Shareholders.

As Mr Hay is a Director, the issue of Performance Rights to Mr Hay requires the approval of Shareholders under ASX Listing Rule 10.14.

Information required by ASX Listing Rule 10.15

In accordance with the requirements of ASX Listing Rule 10.15 the following information is provided in relation to the proposed issue of Performance Rights to Mr Hay.

- 10.15.1. The Performance Rights will be issued to Mr Simon Hay or his nominee.
- 10.15.2. Mr Hay is a Director and any nominee will be an Associate of Mr Hay.
- 10.15.3. The number of Performance Rights to be issued to Mr Hay (or his nominee) is 1,196,431.
- 10.15.4. The current total remuneration package for Mr Hay comprises:
- (i) total fixed remuneration (**TFR**) of \$382,858 including statutory superannuation;
 - (ii) A maximum cash incentive of \$287,144 (equal to 75% of TFR); and
 - (iii) A maximum equity incentive of 1,196,431 Performance Rights (equal to 100% of TFR).
- 10.15.5. No Performance Rights have previously been issued to Mr Hay under the Employee Awards Plan. Mr Hay has been issued 5,000,000 options (with an exercise price of \$0.644) and 2,399,859 Performance Rights (excluding those the subject of this resolution) under the Company's previous employee awards plan. No acquisition price was payable in respect of these securities. Of the Performance Rights previously issued to Mr Hay, 2,027,109 have vested and been exercised and 372,750 have lapsed and been cancelled. No options have been exercised.
- 10.15.6. A summary of the material terms of the Performance Rights is set out in Schedule 1.
- The Company has chosen to grant the Performance Rights to Mr Hay for the following reasons:
- (i) the Performance Rights are unlisted, therefore the grant of the Performance Rights has no immediate dilutionary impact on Shareholders;
 - (ii) the issue of Performance Rights to Mr Hay will align the interests of Mr Hay with those of Shareholders;
 - (iii) the issue of the Performance Rights is a reasonable and appropriate method to provide cost effective remuneration to Mr Hay, as the non-cash form of this benefit will allow the Company to spend a greater proportion of its cash reserves on pursuing its strategic objectives than it would otherwise be able to if alternative cash forms of remuneration were given to Mr Hay; and
 - (iv) there are no significant opportunity costs to the Company or benefits foregone by the Company in granting the Performance Rights on the terms proposed.

The conservative value used to determine the number of Performance Right to be issued was \$0.32. This amount has been determined by the Board by aggregating the value of the Company's assets as at January 2025, being the TPSF, the Tranche 2 consideration from the Goulamina Sale and other cash on hand and excluding the Tranche 1 consideration distributed to Shareholders. This valuation was then divided by the number of shares on issue to determine an indicative value of a Company's share, and therefore the value to be used when determining the number of Performance Rights to be issued.

An independent valuation has subsequently been prepared by RSM Australia Pty Ltd which attributes a total value to the Performance Rights of \$282,188 and a value to each Performance Right of \$0.24¹ as follows:

Assumptions	
Number	1,196,431
Valuation Date	27-Feb-25
Calculated Spot Price	\$0.24
Exercise Price	\$0.00
Vesting Date	31-Dec-25

Expiry Date	30-Jun-26
Expected Future Volatility	70%
Risk Free Rate	3.78%
Dividend Yield	Nil
Valuation per Right	\$0.24 ¹
Total Value	\$282,188

Note 1: rounded to the nearest cent

Of the two values, the more conservative, higher share price valuation was utilised in determining the number of Performance Right to be issued.

- 10.15.7. The Performance Rights will be issued to Mr Hay (or 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). It is anticipated that the Performance Rights will be issued as soon as reasonably practicable after receipt of shareholder approval.
- 10.15.8. No consideration is payable in respect of the issue, vesting or exercise of each Performance Right.
- 10.15.9. A summary of the material terms of the Employee Awards Plan (under which the Performance Rights will be granted) is set out in Schedule 2.
- 10.15.10. No loan is being made to Mr Hay in relation to the acquisition of the Performance Rights.
- 10.15.11. Details of any Performance Rights issued under the Employee Awards 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.

Any additional persons covered by Listing Rule 10.14 who become entitled to participate in an issue of Performance Rights under the Employee Awards Plan after Resolutions 3 is approved and who were not named in this Notice will not participate until approval is obtained under Listing Rule 10.14.

If Resolution 3 is not passed, the Company will not be able to proceed with the issue of the Performance Rights to Mr Hay under the Employee Award Plan. In that instance, the Directors (other than Mr Hay) intend to provide Mr Hay with an alternative form of remuneration.

ASX Listing Rule 7.1

If Shareholders approve Resolution 3 pursuant to ASX Listing Rule 10.14, then approval is not separately required for the purposes of ASX Listing Rule 7.1. Accordingly, if Resolution 3 is approved and the Performance Rights are issued, neither the grant of the Performance Rights or the issue of any resulting Shares will be included in the calculation of the Company's 15% annual placement capacity pursuant to ASX Listing Rule 7.1.

Voting exclusions

In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on the Resolution if the person is a member of the KMP or a Closely Related Party and the appointment does not specify the way the proxy is to vote on this Resolution.

However, this does not apply if the person is the Chair of the Meeting and the appointment expressly authorises the Chair of the Meeting to exercise the proxy even if the Resolution is connected directly or indirectly with the remuneration of a member of the KMP.

In accordance with Listing Rule 14.11 the Company will disregard any votes cast in favour of this Resolution by or on behalf of a person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the employee incentive scheme in question (including Mr Hay) or an associate of that person or those persons.

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

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

Directors' recommendation and voting intention

The Directors (other than Mr Hay, because of his personal interest in the outcome of Resolution 3) consider that the grant of Performance Rights to Mr Hay is in the best interests of Shareholders and recommend that Shareholders **vote in favour** of Resolution 3.

The Chair intends to vote any undirected proxies in favour of Resolution 3.

RESOLUTION 4 - NON-BINDING RESOLUTION TO ADOPT REMUNERATION REPORT

Section 250R(2) of the Corporations Act requires the Company to put to its Shareholders a resolution that the Remuneration Report be adopted.

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

The Remuneration Report explains the Board's policies in relation to the nature and level of remuneration paid to Key Management Personnel, sets out remuneration and service agreement details for Key Management Personnel and sets out the details of any equity-based compensation.

In the period since July 2024 (when Shareholders voted on the 2023 Remuneration Report), the Company has undergone a significant transformation and downsizing as follows:

- (a) The Goulamina Sale has completed and the one-off bonus and retention programs implemented to ensure the successful sale and handover of the Goulamina Project have been concluded. The payments made to Mr Simon Hay and other KMP were approved by shareholders at the 2024 Annual General Meeting.
- (b) Since completion of the Goulamina Sale, the Company has reduced in scale as roles not required to implement the Company's revised corporate strategy were made redundant.
- (c) The 2024 corporate scorecard was assessed by the Board based on:
 - (i) the successful delivery of the Goulamina Lithium Project during the period in which the Company was operator of that project; and
 - (ii) the successful completion of the Goulamina Sale and handover of the Goulamina Project to Ganfeng.

Cash STI awards were paid out based on the corporate scorecard and personal performance outcomes.

- (d) Long term incentive performance rights vested on completion of the Goulamina Sale. The vesting of performance rights held by KMP in this instance was approved by Shareholders at the 2024 Annual General Meeting.
- (e) A 2025 incentive program has been implemented for the small number of remaining staff, which comprises a cash and equity component consistent with previous years. The primary objective of this incentive program is for the Company to acquire a new asset and achieve re-quotation of the Company's Shares on ASX. The issue of Performance Rights to the Executive Chairman as part of this program is the subject of Resolution 3 above. Vesting of performance rights will only occur in the event of an acquisition of an asset or company and the re-quotation of the Company's shares on the ASX. If this vesting condition is not satisfied all Performance Rights will lapse and be cancelled.
- (f) The Company is well progressed in delivering against the 2025 corporate strategy, with further updates to be provided at the Meeting.

The Chair will give Shareholders a reasonable opportunity to ask questions about, or make comments on, the Remuneration Report.

Under the Corporations Act, if a listed company receives a Strike (that is, at least 25 per cent of the votes cast on the advisory resolution to adopt the remuneration report are against adopting the remuneration report) at two consecutive annual general meetings, the company is required to put to shareholders at the second meeting a resolution on whether another meeting should be held (within 90 days) at which all directors of the company who were in office at the time the relevant Directors' Report was approved (excluding the Executive Chairman, who also fulfils the role of managing director as part of this office) must stand for re-election.

At last year's annual general meeting the Company received a Strike in relation to the 2023 Remuneration Report. If the Company receives a second Strike at this Meeting, Resolution 5 will be put to Shareholders to consider whether the Company ought to convene a Spill Meeting. Further details relating to the Spill Meeting are set out in section 5 of these Explanatory Notes.

Voting exclusions

The Company will disregard any votes cast on this Resolution:

- (a) by or on behalf of a member of the KMP, details of whose remuneration are included in the Remuneration Report, or a Closely Related Party of such a member, regardless of the capacity in which the vote is cast; or
- (b) as a proxy, by a member of KMP as at the date of the Meeting, or a Closely Related Party or such a member,

unless the vote on this Resolution is cast as a proxy for a person who is entitled to vote on this Resolution and:

- (c) the voter votes on this Resolution in accordance with the directions on how to vote as set out in the proxy appointment; or
- (d) the voter is the Chair and the appointment of the Chair as proxy does not specify the way the proxy is to vote on this Resolution and expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of KMP.

Directors' recommendation and voting intention

The Directors consider that adoption of the Remuneration Report is in the best interests of Shareholders and unanimously recommend that Shareholders **vote in favour** of Resolution 4.

The Chair intends to vote any undirected proxies in favour of Resolution 4.

CONDITIONAL RESOLUTION 5 - BOARD SPILL MEETING RESOLUTION

As outlined in section 4 of these Explanatory Notes, the Company received a first Strike at the 2024 Annual General Meeting.

Resolution 5 (the "**Spill Resolution**") is a conditional item of business which will only be put to a vote at the Meeting if at least 25 per cent of the votes validly cast on Resolution 4 are against the adoption of the 2024 Remuneration Report (constituting a second Strike).

If less than 25 per cent of the votes validly cast on Resolution 4 are against of the adoption of the Remuneration Report, the Spill Resolution will not be put to the Meeting.

If the Company receives a second Strike and the Spill Resolution is passed at the Meeting, the Board will need to convene a Spill Meeting within 90 days of this Meeting to consider the composition of the Board. If a Spill Meeting is required, details of that meeting will be notified to Shareholders in due course.

If a Spill Meeting is held, Ms Amber Banfield, Mr Brendan Borg¹ and Mr Alan Rule will cease to hold office immediately before the end of the Spill Meeting. These are the Directors (excluding the Executive Chairman, who also fulfils the role of managing director as part of this office) who held office on the date that the 2024 Directors' Report (including the Remuneration Report) was approved. Each of those Directors will be eligible to seek re-election at the Spill Meeting, however there is no assurance that any of them will do so.

In accordance with section 250V(1)(b) of the Corporations Act and ASX Listing Rule 14.4, Mr Simon Hay is not subject to the requirements for re-election and would therefore continue to hold office during, and following, any potential Spill Meeting.

¹ This assumes Mr Borg is re-elected at this Meeting.

Resolutions to appoint individuals to the offices vacated immediately before the end of the Spill Meeting will be put to the vote at the Spill Meeting. Eligibility for election as a Director at the Spill Meeting will be determined in accordance with the Constitution.

For the Spill Resolution to be passed at the Meeting, more than 50 per cent of the votes validly cast will need to be cast in favour of Resolution 5. In deciding how to vote on the Spill Resolution, the Board recommends that Shareholders take the following factors into account:

- (a) The Board has recently undergone a significant reduction in size, with two non-executive Directors retiring and the Managing Director assuming a part time Executive Chairman's role (which continues to include the function of Managing Director). These changes were driven by a desire to "right-size" the Board for the Company's current operations and reduce costs.
- (b) The current Board has successfully delivered the Goulamina Sale and the Company's exit from Mali, and has returned to Shareholders the net proceeds from the first tranche of consideration received from the Goulamina Sale.
- (c) The current Board is implementing the revised Company strategy of acquiring a new asset with a view to obtaining re-quotation on the ASX. A Board spill at this stage will undermine the Company's stability and its ability to identify and acquire a new asset and assume re-quotation of the Company's shares on ASX.
- (d) The current Board already has the requisite skills and experience to provide effective oversight of the Company.
- (e) Substantial additional costs will be incurred if the Company is required to call and hold the Spill Meeting.
- (f) There is no assurance that any or all of the Directors will stand for re-election at the Spill Meeting.

Voting exclusions

The Company will disregard any votes cast on this Resolution:

- (a) by or on behalf of a member of the KMP, details of whose remuneration are included in the Remuneration Report, or a Closely Related Party of such a member, regardless of the capacity in which the vote is cast; or
- (b) as a proxy, by a member of KMP as at the date of the Meeting, or a Closely Related Party or such a member,

unless the vote on this Resolution is cast as a proxy for a person who is entitled to vote on this Resolution and:

- (c) the voter votes on this Resolution in accordance with the directions on how to vote as set out in the proxy appointment; or
- (d) the voter is the Chair and the appointment of the Chair as proxy does not specify the way the proxy is to vote on this Resolution and expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of KMP.

Directors' recommendation and voting intention

The Directors consider that the Spill Resolution is not in the best interests of Shareholders and unanimously recommend that Shareholders **vote against** Resolution 5 if put to the Meeting.

The Chair intends to vote all available, undirected proxies against Resolution 5.

GLOSSARY

A\$ or \$ means Australian dollars.

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

Annual Report means the annual report of the Company for the year ended 31 December 2024 released on ASX on 27 February 2025 and available at www.leolithium.com and www.asx.com.au.

Associate has the meaning given to it by the Listing Rules.

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

ASX Listing Rules or **Listing Rules** means the official ASX Listing Rules of the ASX and any other rules of the ASX which are applicable while the Company is admitted to the official list of the ASX, as amended or replaced from time to time, except to the extent of any express written waiver by the ASX.

Auditor means the Company's auditor from time to time.

Auditor's Report means the report of the Auditor contained in the Annual Report.

AWST means western standard time as recognised in Perth, Western Australia.

Board means the current board of Directors of the Company.

Chair or **Chairman** means the individual elected to chair any meeting of the Company from time to time in accordance with rule 5.7 of the Constitution.

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

Company or **Leo Lithium** means Leo Lithium Limited ACN 638 065 068.

Constitution means the Company's constitution, as amended from time to time.

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

Director means a current director of the Company.

Employee Awards Plan means the Leo Lithium Employee Awards Plan approved by shareholders in May 2023.

Explanatory Notes means the explanatory notes accompanying the Notice of Meeting.

Goulamina Sale means the sale of the Company's interest in the Goulamina Lithium Project in Mali to GFL International Co., Ltd.

Key Management Personnel or **KMP** means the key management personnel of the Company as defined in AASB Standard 124 (and includes each of the Directors) which are set out in the Remuneration Report.

Notice of Meeting or **Notice** means this Notice of Annual General Meeting, including the Explanatory Notes.

Option means an option to acquire a Share.

Performance Rights means a right to acquire a Share in accordance with the Employee Awards Plan.

Proxy Form means the proxy form accompanying this Notice of Meeting.

Related Party has the meaning given to it by the Corporations Act.

Remuneration Report means the remuneration report which forms part of the Directors' Report set out in the Annual Report.

Resolution means a resolution set out in this Notice of Meeting.

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

Shareholder means a holder of a Share.

Spill Meeting means an extraordinary general meeting of the Company to be convened if Resolution 5 is passed.

Spill Resolution has the meaning set out in section 5 of the Explanatory Notes.

Strike means a 'no' vote of 25% or more on a resolution to adopt a Remuneration Report.

Total Fixed Remuneration or **TFR** includes gross annual base salary plus superannuation.

TPSF means the trailing product sales fee payable to the Company on the revenue from the Goulamina Lithium Project.

SCHEDULE 1 - Executive Chairman equity incentive terms

1. Key Terms

(a) Number and value of Performance Rights

The cash equivalent value of the equity incentive opportunity is \$382,858, and the maximum number of Performance Rights to be issued is 1,196,431. The number of Performance Rights has been calculated by dividing the cash equivalent value by \$0.32, being the estimated value of a Share at the time of the offer of Performance Rights.²

(b) Performance Rights vesting condition

The Performance Rights will only vest upon the Company acquiring an asset and obtaining re-quotation on the ASX (**Objective**) in satisfaction of the objective contained in the Corporate Scorecard set out in section 3 below (**Scorecard**). If the Objective is not satisfied all Performance Rights will lapse and be cancelled.

(c) Other key terms

- (i) Each Performance Right entitles the holder, upon the vesting and exercise of the Performance Right, to subscribe for one Share, subject to the terms and conditions of the Performance Rights offer document and the Employee Awards Plan.
- (ii) The Performance Rights will be issued as soon as reasonably practicable after receipt of any shareholder or regulatory approval required in connection with the offer of Performance Rights.
- (iii) The number of Performance Rights that vest and are capable of being exercised will be determined in the manner described in section 2 below.
- (iv) No consideration will be payable for the grant or exercise of Performance Rights.
- (v) Performance Rights will not be quoted on ASX.
- (vi) Performance Rights will expire at 5pm (Perth, Western Australian time) on the date which is six months after the vesting date. Vested Performance Rights not exercised by this date will automatically lapse.
- (vii) The Board may elect, at its absolute discretion, to satisfy the equity incentive obligations by paying the participant an amount in cash rather than by the granting and/or vesting of Performance Rights. Where the Board elects to satisfy the equity incentive obligations by paying cash, any unvested Performance Rights on issue will lapse and be cancelled.
- (viii) Performance Rights will be subject to the rights and restrictions set out in the offer document and the Employee Awards Plan. Except as permitted under the Employee Awards Plan, Performance Rights may not be sold, transferred, assigned, novated or encumbered.
- (ix) Unvested Performance Rights will be treated in accordance with clause 18 of the Employee Awards Plan in the event of cessation of employment.
- (x) Subject to the following exception, if a "Change of Control Event" occurs all unvested Performance Rights will vest and become immediately exercisable in accordance with clause 19 of the Employee Awards Plan.

Exception: The Company completing an acquisition in line with the Objective will not constitute a "Change of Control Event" if it results in Company shareholders prior to completion holding less than 50% of Company shares after completion. This exception only applies where the Company remains the ultimate holding company of the merged group on completion of the acquisition.
- (xi) All other terms and conditions are as set out in the Employee Award Plan.

2. Calculating the number of vested Performance Rights

(a) Scorecard Objective

The number of Performance Rights that will vest and be capable of exercise will be determined based on the extent to which:

- (i) the Objective is achieved during the 2025 calendar year; and
- (ii) the participant's conduct during the year has satisfied the minimum requirements of the Leo Lithium values and the participant's position description (**Minimum Expectations**).

Where the Minimum Expectations are not met (as determined by the Board) the number of Performance Rights received may be reduced.

² This amount has been determined by the Board by aggregating the value of the Company's assets as at January 2025, being the TPSF, the Tranche 2 consideration and other cash on hand and excluding the Tranche 1 consideration distributed to Shareholders. This valuation was then divided by the number of shares on issue to determine an indicative value of a Company's share, and therefore the value to be used when determining the number of Performance Rights to be issued.

Unless determined otherwise by the Board at its discretion, where the Objective is not satisfied during calendar year 2025 all issued Performance Rights will lapse with effect from 31 December 2025 and will be cancelled.

(b) Determining Scorecard Percentage Outcome

Where the Company has completed an acquisition and obtained re-quotation on the ASX, and therefore satisfied the Objective, the Board of Directors will determine the final percentage outcome as a percentage between 66% and 100% (**Final Percentage Outcome**) having regard to the criteria contained in the Scorecard. The Board retains complete discretion as to what the Final Percentage Outcome will be.

Where the Objective is satisfied and the participant has met the Minimum Expectations the number of Performance Right that will vest and become capable of exercise will be calculated as follows:

Number of Vested Performance Rights = Maximum Performance Rights Entitlement x Final Percentage Outcome

The balance of Performance Rights which do not vest will lapse and be cancelled.

The Board will determine the Final Percentage Outcome as soon as practicable (and no more than 30 days) after satisfaction of the Objective and the number of vested Performance Rights will be determined and a vesting notice issued.

3. Corporate Scorecard

Objective - Acquire an Asset	
Target outcome (min 66%) <ul style="list-style-type: none">Complete an acquisition (asset, entity or merger)Obtain re-quotation on ASX	Stretch outcome (max 100%) <p>Target + one or more of the following:</p> <ul style="list-style-type: none">International jurisdictionMultiple stock exchangesT2 cash/shareholder approval requiredRelist prospectus / info memo requiredASX re-quotation applicationRating of target, i.e. cost curve position, scale (or potential), tier 1 category, etcPositive shareholder reaction and trading performance post resumption of trading

The stretch outcome indicators will be used by the Board when determining the Final Percentage Outcome and reflect the view that increased reward should be available for complex transactions and transactions resulting in the acquisition of a superior asset or entity.

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SCHEDULE 2 - Summary of Employee Awards Plan

A summary of the key terms of the Employee Awards Plan is set out below:

Term	Description
Eligible Employees	An Eligible Employee is an Employee who the Board determines is to be issued Awards under the Employee Awards Plan. Employees include full, part time and casual employees of a Leo Lithium group company, non-executive Directors and certain individual Company contractors.
Purpose	The purpose of the Employee Awards Plan is to: <ul style="list-style-type: none"> (a) assist in the award, retention and motivation of Eligible Employees; (b) link the reward of Eligible Employees to performance and the creation of Shareholder value; (c) align the interests of Eligible Employees more closely with the interests of Shareholders by providing an opportunity for Eligible Employees to receive an equity interest in the form of Awards; (d) provide Eligible Employees with the opportunity to share in any future growth in the value of the Company; and (e) provide greater incentive for Eligible Employees to focus on the Company's long-term goals.
Awards	The Company may offer or issue to Eligible Employees (or their nominated party): <ul style="list-style-type: none"> (a) Options – an option granted pursuant to the rules of the Employee Awards Plan to subscribe for one Share upon and subject to the rules of the Employee Awards Plan and the terms of the offer; (b) Performance Rights – a conditional right issued to a Participant under the Employee Awards Plan to receive a Share, subject to the terms of the offer and the rules of the Employee Awards Plan; or (c) Shares – fully paid ordinary shares in the Company, together, the Awards . The number of Awards the subject of an offer to an Eligible Employee will be determined by the Board in its discretion and in accordance with the Employee Awards Plan and applicable law. An Eligible Employee who receives Awards is a Participant .
Form and terms of offer	An offer of Awards must be made in an offer document which contains the matters prescribed in the Employee Awards Plan. The Board has discretion to determine the terms and conditions applicable to the offer, including issue price and / or exercise price of the Awards, the exercise date, any grant conditions, any vesting conditions and any vesting period.
Vesting and exercise of Awards	Awards may be issued subject to conditions or performance hurdles, which must be satisfied or waived before the Awards can vest and be exercised. The Awards held by a Participant will vest and become exercisable upon satisfaction or waiver of any vesting or other conditions specified in the offer and in accordance with the rules of the Employee Awards Plan. The Company must give a vesting notice to a Participant upon vesting conditions having been satisfied or waived. Once an Option or Performance Right is capable of exercise it can be exercised at any time up to 5pm on the date specified in the offer as the last exercise date by the Participant providing a notice of exercise to the Company Secretary together with any certificates and applicable exercise price. Shares will be issued within 15 business days of receipt of these exercise documents.
Adjustment to terms of exercise	The Board will have the power to make adjustments to or vary the terms of exercise of an Option or a Performance Right, including reducing or waiving the vesting conditions in whole or part at any time and in any particular case. All variations or adjustments will be subject to the requirements of the Corporations Act and/or the Listing Rules (including shareholder approval). No adjustment or variation will be made without the consent of the Participant who holds the relevant Option or Performance Right if that adjustment or variation would have a materially prejudicial effect upon the Participant (unless the change is required by law, Listing Rules or to correct manifest error).
Lapse of Options or Performance Rights	Unless otherwise specified in the applicable vesting conditions or determined otherwise by the Board, an Option or a Performance Right will lapse on the earlier of: <ul style="list-style-type: none"> (a) the Board determining that the vesting conditions attaching the Options or Performance Rights have not been satisfied, reached or met in accordance with its terms or is not capable of being satisfied, reached or met; (b) the day immediately following the last exercise date; or (c) the Participant ceasing to be employed by the Company or ceasing to hold office in the Company, (subject to certain exceptions), being in breach of contract or committing fraud or misconduct.

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	<p>Subject to Board discretion, if a Participant ceases to be an Employee due to special circumstances or otherwise for reasons other than as a Bad Leaver (being a person who resigns, is dismissed for cause or leaves for other circumstances determined by the Board to constitute a Bad Leaver) all unvested Shares, Options and Performance Rights will lapse or be forfeited and vested Options and Performance Rights will continue in force and remain exercisable until the last exercise date.</p> <p>Where a Participant ceases to be an Employee during the vesting period, notwithstanding the above, the Board may (subject to compliance with the Listing Rules and the Corporations Act) determine to treat any unvested Awards held by the Participants in a manner other than as set out above if the Board determine that the relevant circumstances warrant such treatment. Where a departing Participant is a Bad Leaver all unvested Awards, and all vested Awards that have not been exercised, will lapse.</p>
Transfer restrictions	<p>(a) A Participant may not engage in any dealing with any Options or Performance Rights issued under the Plan, unless:</p> <ul style="list-style-type: none"> (i) the prior consent of the Board is obtained, which consent may impose such terms and conditions on such assignment, transfer, novation, encumbrance or disposal as the Board sees fit in its sole and absolute discretion; or (ii) such assignment or transfer occurs by force of law upon the death of a Participant to the Participant's legal personal representative. <p>(b) Unless otherwise decided by the Board, where a Participant purports to deal with an Option or Performance Right in breach of this condition the Option or Performance Right immediately lapses.</p> <p>(c) Subject to the Listing Rules, the Company must refuse to register a paper-based transfer, and must apply or cause to be applied a holding lock to prevent a transfer, of any Shares to which share vesting conditions attach, and the Board on behalf of the Company may take any other steps that it considers necessary or appropriate, to enforce and give effect to any dealing restrictions under Share vesting conditions.</p>
Change of control	<p>If a Change of Control Event occurs all unvested Shares, Options and Performance Rights will vest and become immediately exercisable with such vesting deemed to have taken place immediately prior to the effective date of the change of control event, regardless of whether or not the employment, engagement or office of the Participant is terminated or ceases in connection with the Change of Control Event.</p> <p>A Change of Control Event occurs where:</p> <ul style="list-style-type: none"> (a) an offer is made for Shares pursuant to a takeover bid under Chapter 6 of the Corporations Act and is, or is declared, unconditional; or (b) the Court sanctions under Part 5.1 of the Corporations Act a compromise or arrangement relating to the Company or a compromise or arrangement proposed for the purposes of or in connection with a scheme for the reconstruction of the Company or its amalgamation with any other company or companies; or (c) any other merger, consolidation or amalgamation involving the Company occurs which results in the holders of Shares immediately prior to the merger, consolidation or amalgamation being entitled to 50 per cent or less of the voting shares in the body corporate resulting from the merger, consolidation or amalgamation; or (d) any Group Company enters into agreements to sell in aggregate a majority in value of the businesses or assets (whether or not in the form of shares in a Group Company) of the Group to a person, or a number of persons, none of which are Group Companies; or (e) the Board determines in its reasonable opinion, control of the Company has or is likely to change or pass to one or more persons, none of which are Group Companies.
Cashless exercise	<p>In lieu of paying the aggregate exercise price to purchase Shares, the Board may permit a Participant to elect to receive, without payment of cash or other consideration, upon surrender of the applicable portion of exercisable Options or Performance Rights to the Company, a number of Shares determined in accordance with the following formula:</p> $A = \frac{B(C - D)}{C}$ <p>where:</p> <ul style="list-style-type: none"> A = the number of Shares (rounded down to the nearest whole number) to be issued to the Participant; B = the number of Shares otherwise issuable upon the exercise of the Option or Performance Right (as applicable) or portion of the Option or Performance Right (as applicable) being exercised; C = the market value of one Share determined as of the date of delivery to the Company Secretary of: <ul style="list-style-type: none"> (a) the certificate of the Options or Performances Rights; and

	(b) a notice of exercise of an Option or Performance Right signed by the Participant; and D = the exercise price.
Appointment of trustee	The Board may at any time: (a) appoint a trustee on any terms and conditions to do all such things and perform all such functions to operate and administer the Employee Awards Plan, including to acquire and hold Shares on behalf of Participants, for transfer to future Participants or otherwise for the purposes of the Employee Awards Plan; and (b) establish a trust for the above purpose.
Adjustments	If there is a reorganisation of the issued share capital of the Company (including a consolidation, subdivision or reduction of capital or return of capital to Shareholders), then the rights of the Participant will be adjusted in a manner required by the Listing Rules.
Ranking of Shares	Unless otherwise determined by the Board at the time of an offer, all Shares issued pursuant to the offer will rank equally with existing Shares on and from their date of issue.
Amendments to the Plan	Subject to the Listing Rules, the Board may amend all or any provisions of the rules in the Employee Awards Plan, by an instrument in writing, provided that rights or entitlements in respect of any Share, Option or Performance Right granted before the date of amendment will not be reduced or adversely affected unless prior written approval from the affected Participant(s) is obtained.
Administration	The Board may appoint for the proper administration and management of the Employee Awards Plan such persons as it considers desirable and may delegate thereto such authorities as may be necessary or desirable for the administration and management of the Plan. The Board may make such regulations and establish such procedures for the administration and management of the Plan as they consider appropriate. The decision of the Board as to the interpretation, effect or application of the Rules will be final.
No hedging	If restricted by applicable law, a Participant may not enter into any arrangement for the purpose of hedging or otherwise affecting their economic exposure to any Awards.

SCHEDULE 3 - Nomination of Auditor

2 April 2025

The Secretary
Leo Lithium Limited
Level 2, 16 Ventnor Ave
WEST PERTH WA 6005

SUBJECT: Nomination of Auditor

Dear Sir

In accordance with the provisions of section 328B of the Corporations Act 2001, Farlam Pty Ltd, being a member of Leo Lithium Limited, hereby nominates BDO Audit Pty Ltd for appointment as auditor of Leo Lithium Limited with effect from the Leo Lithium AGM to be held in May 2025.

Yours faithfully



Director, Farlam Pty Ltd

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