



**Future Battery  
Minerals Ltd**

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**FUTURE BATTERY MINERALS LIMITED**

**ACN 148 966 545**

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**NOTICE OF ANNUAL GENERAL MEETING**

**The annual general meeting of Future Battery Minerals Limited will be held at 11:30am (WST) on Wednesday, 22 November 2023 at Level 29, Central Park Tower, 152-158 St Georges Terrace, Perth WA 6000.**

*This Notice should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser prior to voting.*

*Shareholders may vote by directed proxy in lieu of attending the Meeting in person. Proxy Forms for the Meeting should be lodged before 11:30am (WST) on Monday, 20 November 2023.*

*Shareholders can also submit, and are encouraged to submit, any questions in advance of the Meeting by emailing the questions to [info@futurebatteryminerals.com.au](mailto:info@futurebatteryminerals.com.au) by no later than 5:00pm (WST) on Monday, 20 November 2023.*

***Should you wish to discuss any matter please do not hesitate to contact the Company by telephone on +61 8 6383 7817.***

For personal use only

# FUTURE BATTERY MINERALS LIMITED

ACN 148 966 545

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## NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the annual general meeting of shareholders of Future Battery Minerals Limited (**Company**) will be held at 11:30am (WST) on Wednesday, 22 November 2023 at Level 29, Central Park Tower, 152-158 St Georges Terrace, Perth WA 6000 (**Meeting**).

The Explanatory Memorandum provides additional information on matters to be considered at the Meeting. The Explanatory Memorandum and the Proxy Form form part of this Notice.

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 as Shareholders on Monday, 20 November 2023 at 5:00pm (WST).

The Company advises that a poll will be conducted for all Resolutions.

Terms and abbreviations used in this Notice and the Explanatory Memorandum will, unless the context requires otherwise, have the meaning given to them in Schedule 1.

## AGENDA

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### ANNUAL REPORT

To consider the Annual Report of the Company and its controlled entities for the year ended 30 June 2023, which includes the Financial Report, Directors' Report and Auditor's Report.

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### 1 RESOLUTION 1 – ADOPTION OF THE REMUNERATION REPORT

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

*'That, pursuant to and in accordance with section 250R(2) of the Corporations Act and for all other purposes, approval is given by the Shareholders for the adoption of the Remuneration Report on the terms and conditions in the Explanatory Memorandum.'*

#### Voting Prohibition

A vote on this Resolution must not be cast (in any capacity) by or on behalf of any of the following persons:

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

However, a person described above may cast a vote on this Resolution if the vote is not cast on behalf of a person described in subparagraphs (a) or (b) above and either:

- (a) the person is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or
- (b) the person is the Chairperson and the appointment of the Chairperson as proxy does not specify the way the proxy is to vote on this Resolution but expressly authorises the

Chairperson to exercise the proxy, even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

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## 2 RESOLUTION 2 – RE-ELECTION OF MR MICHAEL EDWARDS AS A DIRECTOR

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

*'That, pursuant to and in accordance Listing Rule 14.5, article 6.3(c) of the Constitution and for all other purposes, Mr Michael Edwards, retires and being eligible, is re-elected as a Director on the terms and conditions in the Explanatory Memorandum.'*

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## 3 RESOLUTION 3 – ELECTION OF MR NICHOLAS RATHJEN AS A DIRECTOR

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

*'That, pursuant to and in accordance with Listing Rule 14.4, article 6.3(i) of the Constitution and for all other purposes, Mr Nicholas Rathjen, appointed as chief executive officer and Managing Director effective from 18 October 2023, retires and being eligible, is elected as a Director on the terms and conditions in the Explanatory Memorandum.'*

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## 4 RESOLUTION 4 – RATIFY TRANCHE 1 PLACEMENT SHARES ISSUED UNDER LISTING RULE 7.1

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

*'That, pursuant to and in accordance with Listing Rule 7.4 and for all other purposes, Shareholders ratify and approve the prior issue by the Company of 9,165,911 Shares issued under Listing Rule 7.1 (at an issue price of \$0.10 per Share) pursuant to the Tranche 1 Placement, on the terms and conditions in the Explanatory Memorandum.'*

### **Voting Exclusion**

The Company will disregard any votes cast in favour of this Resolution by or on behalf of persons who participated in the issue of Shares pursuant to the Tranche 1 Placement or an associate of that person (or those persons).

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

- (a) a person as proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with directions given to the proxy or attorney to vote on this Resolution in that way; or
- (b) the Chairperson as proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with a direction given to the Chairperson to vote on this Resolution as the Chairperson 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 this Resolution; and
  - (ii) the holder votes on this Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

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## 5 RESOLUTION 5 – RATIFY TRANCHE 1 PLACEMENT SHARES ISSUED UNDER LISTING RULE 7.1A

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

*'That, pursuant to and in accordance with Listing Rule 7.4 and for all other purposes, Shareholders ratify and approve the prior issue by the Company of 42,784,513 Shares issued under Listing Rule 7.1A (at an issue price of \$0.10 per Share) pursuant to the Tranche 1 Placement, on the terms and conditions in the Explanatory Memorandum.'*

### Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of persons who participated in the issue of Shares pursuant to the Tranche 1 Placement or an associate of that person (or those persons).

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

- (a) a person as proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with directions given to the proxy or attorney to vote on this Resolution in that way; or
- (b) the Chairperson as proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with a direction given to the Chairperson to vote on this Resolution as the Chairperson 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 this Resolution; and
  - (ii) the holder votes on this Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

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## 6 RESOLUTION 6 – ISSUE OF SHARES TO HANCOCK UNDER THE TRANCHE 2 PLACEMENT

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

*'That, pursuant to and in accordance with Listing Rule 7.1 and for all other purposes, Shareholders authorise and approve the issue of up to 21,600,000 Shares (at an issue price of \$0.10 per Share) to Hancock (and/or its nominee(s)) pursuant to the Tranche 2 Placement, on the terms and conditions in the Explanatory Memorandum.'*

### Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of Hancock (and/or its nominee(s)) and any other person who will obtain a material benefit as a result of the proposed issue of the Shares (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of Hancock or of any of the other abovementioned persons.

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

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

- (b) the Chairperson as proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with a direction given to the Chairperson to vote on this Resolution as the Chairperson 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 this Resolution; and
  - (ii) the holder votes on this Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

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## 7 RESOLUTION 7 – ISSUE OF SHARES TO MR MICHAEL EDWARDS UNDER THE TRANCHE 2 PLACEMENT

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

*'That, pursuant to and in accordance with Listing Rule 10.11, Chapter 2E of the Corporations Act (including section 208 of the Corporations Act) and for all other purposes, Shareholders authorise and approve the issue of up to 500,000 Shares (at an issue price of \$0.10 per Share) to Mr Michael Edwards (and/or his nominee(s)) pursuant to the Tranche 2 Placement, on the terms and conditions in the Explanatory Memorandum.'*

### **Voting Exclusion**

The Company will disregard any votes cast in favour of this Resolution by or on behalf of Mr Michael Edwards (and/or his nominee(s)) and any other person who will obtain a material benefit as a result of the proposed issue of the Shares (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of Mr Michael Edwards or of any of the other abovementioned persons.

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

- (a) a person as proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with directions given to the proxy or attorney to vote on this Resolution in that way; or
- (b) the Chairperson as proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with a direction given to the Chairperson to vote on this Resolution as the Chairperson 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 this Resolution; and
  - (ii) the holder votes on this Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

### **Voting Prohibition**

In accordance with section 224 of the Corporations Act, a vote on this Resolution must not be cast (in any capacity) by or on behalf of Mr Michael Edwards or his nominee(s) or any of his, or their, associates. However, subject to the voting exclusion above and the further voting prohibition below, this does not prevent the casting of a vote if:

- (a) it is cast by a person as a proxy appointed by writing that specifies how the proxy is to vote on this Resolution; and
- (b) it is not cast on behalf of Mr Michael Edwards or his nominee(s) or any of his, or their, associates.

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## 8 RESOLUTION 8 – ISSUE OF SHARES TO MR NICHOLAS RATHJEN UNDER THE TRANCHE 2 PLACEMENT

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

*'That, pursuant to and in accordance with Listing Rule 10.11, Chapter 2E of the Corporations Act (including section 208 of the Corporations Act) and for all other purposes, Shareholders authorise and approve the issue of up to 1,000,000 Shares (at an issue price of \$0.10 per Share) to Mr Nicholas Rathjen (and/or his nominee(s)) pursuant to the Tranche 2 Placement, on the terms and conditions in the Explanatory Memorandum.'*

### **Voting Exclusion**

The Company will disregard any votes cast in favour of this Resolution by or on behalf of Mr Nicholas Rathjen (and/or his nominee(s)) and any other person who will obtain a material benefit as a result of the proposed issue of the Shares (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of Mr Nicholas Rathjen or of any of the other abovementioned persons.

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

- (a) a person as proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with directions given to the proxy or attorney to vote on this Resolution in that way; or
- (b) the Chairperson as proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with a direction given to the Chairperson to vote on this Resolution as the Chairperson 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 this Resolution; and
  - (ii) the holder votes on this Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

### **Voting Prohibition**

In accordance with section 224 of the Corporations Act, a vote on this Resolution must not be cast (in any capacity) by or on behalf of Mr Nicholas Rathjen or his nominee(s) or any of his, or their, associates. However, subject to the voting exclusion above and the further voting prohibition below, this does not prevent the casting of a vote if:

- (a) it is cast by a person as a proxy appointed by writing that specifies how the proxy is to vote on this Resolution; and
- (b) it is not cast on behalf of Mr Nicholas Rathjen or his nominee(s) or any of his, or their, associates.

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## 9 RESOLUTION 9 – ISSUE OF SHARES TO MR ROBIN COX UNDER THE TRANCHE 2 PLACEMENT

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

*'That, pursuant to and in accordance with Listing Rule 10.11, Chapter 2E of the Corporations Act (including section 208 of the Corporations Act) and for all other purposes, Shareholders authorise and approve the issue of up to 250,000 Shares (at an issue price of \$0.10 per Share) to Mr Robin Cox (and/or his nominee(s)) pursuant to the Tranche 2 Placement, on the terms and conditions in the Explanatory Memorandum.'*

### Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of Mr Robin Cox (and/or his nominee(s)) and any other person who will obtain a material benefit as a result of the proposed issue of the Shares (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of Mr Robin Cox or of any of the other abovementioned persons.

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

- (a) a person as proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with directions given to the proxy or attorney to vote on this Resolution in that way; or
- (b) the Chairperson as proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with a direction given to the Chairperson to vote on this Resolution as the Chairperson 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 this Resolution; and
  - (ii) the holder votes on this Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

### Voting Prohibition

In accordance with section 224 of the Corporations Act, a vote on this Resolution must not be cast (in any capacity) by or on behalf of Mr Robin Cox or his nominee(s) or any of his, or their, associates. However, subject to the voting exclusion above and the further voting prohibition below, this does not prevent the casting of a vote if:

- (a) it is cast by a person as a proxy appointed by writing that specifies how the proxy is to vote on this Resolution; and
- (b) it is not cast on behalf of Mr Robin Cox or his nominee(s) or any of his, or their, associates.

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## 10 RESOLUTION 10 – ISSUE OF SHARES TO MR PAUL BROWN UNDER THE TRANCHE 2 PLACEMENT

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

*'That, pursuant to and in accordance with Listing Rule 10.11, Chapter 2E of the Corporations Act (including section 208 of the Corporations Act) and for all other purposes, Shareholders authorise and approve the issue of up to 500,000 Shares (at an issue price of \$0.10 per Share) to Mr Paul Brown*

*(and/or his nominee(s)) pursuant to the Tranche 2 Placement, on the terms and conditions in the Explanatory Memorandum.'*

### **Voting Exclusion**

The Company will disregard any votes cast in favour of this Resolution by or on behalf of Mr Paul Brown (and/or his nominee(s)) and any other person who will obtain a material benefit as a result of the proposed issue of the Shares (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of Mr Paul Brown or of any of the other abovementioned persons.

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

- (a) a person as proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with directions given to the proxy or attorney to vote on this Resolution in that way; or
- (b) the Chairperson as proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with a direction given to the Chairperson to vote on this Resolution as the Chairperson 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 this Resolution; and
  - (ii) the holder votes on this Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

### **Voting Prohibition**

In accordance with section 224 of the Corporations Act, a vote on this Resolution must not be cast (in any capacity) by or on behalf of Mr Paul Brown or his nominee(s) or any of his, or their, associates. However, subject to the voting exclusion above and the further voting prohibition below, this does not prevent the casting of a vote if:

- (a) it is cast by a person as a proxy appointed by writing that specifies how the proxy is to vote on this Resolution; and
- (b) it is not cast on behalf of Mr Paul Brown or his nominee(s) or any of his, or their, associates.

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## **11 RESOLUTION 11 – ISSUE OF LEAD MANAGER OPTIONS TO CANACCORD**

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

*'That, pursuant to and in accordance with Listing Rule 7.1 and for all other purposes, Shareholders authorise and approve the issue of up to 3,000,000 Options to Canaccord (and/or its nominee(s)) on the terms and conditions in the Explanatory Memorandum.'*

### **Voting Exclusion**

The Company will disregard any votes cast in favour of this Resolution by or on behalf of Canaccord (and/or its nominee(s)) and any other person who will obtain a material benefit as a result of the proposed issue of the Options (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of Canaccord or of any of the other abovementioned persons.

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

- (a) a person as proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with directions given to the proxy or attorney to vote on this Resolution in that way; or
- (b) the Chairperson as proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with a direction given to the Chairperson to vote on this Resolution as the Chairperson 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 this Resolution; and
  - (ii) the holder votes on this Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

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## 12 RESOLUTION 12 – RATIFY CONSIDERATION SHARES ISSUED TO GOLDFELLAS

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

*'That, pursuant to and in accordance with Listing Rule 7.4 and for all other purposes, Shareholders ratify and approve the prior issue by the Company of 27,505,429 Consideration Shares issued to Goldfellas pursuant to the Acquisition on the terms and conditions in the Explanatory Memorandum.'*

### **Voting Exclusion**

The Company will disregard any votes cast in favour of this Resolution by or on behalf of Goldfellas or an associate of that person (or those persons).

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

- (a) a person as proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with directions given to the proxy or attorney to vote on this Resolution in that way; or
- (b) the Chairperson as proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with a direction given to the Chairperson to vote on this Resolution as the Chairperson 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 this Resolution; and
  - (ii) the holder votes on this Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

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## 13 RESOLUTION 13 – RATIFY CONSIDERATION PERFORMANCE RIGHTS ISSUED TO GOLDFELLAS

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

*'That, pursuant to and in accordance with Listing Rule 7.4 and for all other purposes, Shareholders ratify and approve the prior issue by the Company of 27,505,429 Consideration Performance Rights issued to Goldfellas pursuant to the Acquisition on the terms and conditions in the Explanatory Memorandum.'*

#### **Voting Exclusion**

The Company will disregard any votes cast in favour of this Resolution by or on behalf of Goldfellas or an associate of that person (or those persons).

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

- (a) a person as proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with directions given to the proxy or attorney to vote on this Resolution in that way; or
- (b) the Chairperson as proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with a direction given to the Chairperson to vote on this Resolution as the Chairperson 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 this Resolution; and
  - (ii) the holder votes on this Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

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## **14 RESOLUTION 14 – ISSUE OF PERFORMANCE RIGHTS TO MR MICHAEL EDWARDS**

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

*'That, pursuant to and in accordance with Listing Rule 10.14 and Chapter 2E of the Corporations Act (including section 208 of the Corporations Act) and for all other purposes, Shareholders approve the issue of up to 7,500,000 Performance Rights to Mr Michael Edwards (and/or his nominee(s)), under the Plan on the terms and conditions in the Explanatory Memorandum.'*

#### **Voting Exclusion**

The Company will disregard any votes cast in favour of this Resolution by or on behalf of Mr Michael Edwards (and/or his nominees(s)) and each person referred to in Listing Rules 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the Plan or an associate of that person (or those persons).

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

- (a) a person as proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with directions given to the proxy or attorney to vote on this Resolution in that way; or
- (b) the Chairperson as proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with a direction given to the Chairperson to vote on this Resolution as the Chairperson 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 this Resolution; and
- (ii) the holder votes on this Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

### Voting Prohibition

In accordance with section 224 of the Corporations Act, a vote on this Resolution must not be cast (in any capacity) by or on behalf of Mr Michael Edwards or his nominee(s) or any of his, or their, associates. However, subject to the voting exclusion above and the further voting prohibition below, this does not prevent the casting of a vote if:

- (a) it is cast by a person as a proxy appointed by writing that specifies how the proxy is to vote on this Resolution; and
- (b) it is not cast on behalf of Mr Michael Edwards or his nominee(s) or any of his, or their, associates.

Further, in accordance with section 250BD of the Corporations Act, a vote on this Resolution must not be cast by a person appointed as a proxy, where that person is either a member of the Key Management Personnel or a Closely Related Party of such member.

However, a vote may be cast by such person if the vote is not cast on behalf of a person who is otherwise excluded from voting, and:

- (a) the person is appointed as a proxy and the appointment specifies how the proxy is to vote; or
- (b) the person appointed as proxy is the Chairperson and the appointment does not specify how the Chairperson is to vote but expressly authorises the Chairperson to exercise the proxy even if this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

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## 15 RESOLUTION 15 – ISSUE OF PERFORMANCE RIGHTS TO MR ROBIN COX

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

*'That, pursuant to and in accordance with Listing Rule 10.14 and Chapter 2E of the Corporations Act (including section 208 of the Corporations Act) and for all other purposes, Shareholders approve the issue of up to 7,500,000 Performance Rights to Mr Robin Cox (and/or his nominee(s)), under the Plan on the terms and conditions in the Explanatory Memorandum.'*

### Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of Mr Robin Cox (and/or his nominees(s)) and each person referred to in Listing Rules 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the Plan or an associate of that person (or those persons).

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

- (a) a person as proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with directions given to the proxy or attorney to vote on this Resolution in that way; or
- (b) the Chairperson as proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with a direction given to the Chairperson to vote on this Resolution as the Chairperson 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 this Resolution; and
- (ii) the holder votes on this Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

### Voting Prohibition

In accordance with section 224 of the Corporations Act, a vote on this Resolution must not be cast (in any capacity) by or on behalf of Mr Robin Cox or his nominee(s) or any of his, or their, associates. However, subject to the voting exclusion above and the further voting prohibition below, this does not prevent the casting of a vote if:

- (a) it is cast by a person as a proxy appointed by writing that specifies how the proxy is to vote on this Resolution; and
- (b) it is not cast on behalf of Mr Robin Cox or his nominee(s) or any of his, or their, associates.

Further, in accordance with section 250BD of the Corporations Act, a vote on this Resolution must not be cast by a person appointed as a proxy, where that person is either a member of the Key Management Personnel or a Closely Related Party of such member.

However, a vote may be cast by such person if the vote is not cast on behalf of a person who is otherwise excluded from voting, and:

- (a) the person is appointed as a proxy and the appointment specifies how the proxy is to vote; or
- (b) the person appointed as proxy is the Chairperson and the appointment does not specify how the Chairperson is to vote but expressly authorises the Chairperson to exercise the proxy even if this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

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## 16 RESOLUTION 16 – ISSUE OF PERFORMANCE RIGHTS TO MR NICHOLAS RATHJEN

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

*'That, pursuant to and in accordance with Listing Rule 10.14 and Chapter 2E of the Corporations Act (including section 208 of the Corporations Act) and for all other purposes, Shareholders approve the issue of up to 19,500,000 Performance Rights to Mr Nicholas Rathjen (and/or his nominee(s)), under the Plan on the terms and conditions in the Explanatory Memorandum.'*

### Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of Mr Nicholas Rathjen (and/or his nominees(s)) and each person referred to in Listing Rules 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the Plan or an associate of that person (or those persons).

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

- (a) a person as proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with directions given to the proxy or attorney to vote on this Resolution in that way; or
- (b) the Chairperson as proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with a direction given to the Chairperson to vote on this Resolution as the Chairperson 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 this Resolution; and
- (ii) the holder votes on this Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

### **Voting Prohibition**

In accordance with section 224 of the Corporations Act, a vote on this Resolution must not be cast (in any capacity) by or on behalf of Mr Nicholas Rathjen or his nominee(s) or any of his, or their, associates. However, subject to the voting exclusion above and the further voting prohibition below, this does not prevent the casting of a vote if:

- (a) it is cast by a person as a proxy appointed by writing that specifies how the proxy is to vote on this Resolution; and
- (b) it is not cast on behalf of Mr Nicholas Rathjen or his nominee(s) or any of his, or their, associates.

Further, in accordance with section 250BD of the Corporations Act, a vote on this Resolution must not be cast by a person appointed as a proxy, where that person is either a member of the Key Management Personnel or a Closely Related Party of such member.

However, a vote may be cast by such person if the vote is not cast on behalf of a person who is otherwise excluded from voting, and:

- (a) the person is appointed as a proxy and the appointment specifies how the proxy is to vote; or
- (b) the person appointed as proxy is the Chairperson and the appointment does not specify how the Chairperson is to vote but expressly authorises the Chairperson to exercise the proxy even if this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

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## **17 RESOLUTION 17 – APPROVAL OF THE EMPLOYEE INCENTIVE PLAN**

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

*'That, pursuant to and in accordance with Listing Rule 7.2, exception 13(b) and for all other purposes, Shareholders authorise and approve the renewal of the Company's "Employee Incentive Plan" (**Plan**), on the terms and conditions in the Explanatory Memorandum.'*

### **Voting Exclusion**

The Company will disregard any votes cast in favour of this Resolution by or on behalf of a person who is eligible to participate in the Plan or an associate of that person (or those persons).

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

- (a) a person as proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with directions given to the proxy or attorney to vote on this Resolution that way; or
- (b) the Chairperson as proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with a direction given to the Chairperson to vote on this Resolution as the Chairperson 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 this Resolution; and
- (ii) the holder votes on this Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

### Voting Prohibition

In accordance with section 250BD of the Corporations Act, a vote on this Resolution must not be cast by a person appointed as a proxy, where that person is either a member of the Key Management Personnel or a Closely Related Party of such member.

However, a vote may be cast by such person if the vote is not cast on behalf of a person who is otherwise excluded from voting, and:

- (a) the person is appointed as a proxy and the appointment specifies how the proxy is to vote; or
- (b) the person appointed as proxy is the Chairperson and the appointment does not specify how the Chairperson is to vote but expressly authorises the Chairperson to exercise the proxy even if this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

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## 18 RESOLUTION 18 – APPROVAL OF 10% PLACEMENT CAPACITY

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

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

### Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of a person who is expected to participate in the proposed issue or who will obtain a material benefit as a result of the proposed issue of securities (except a benefit solely in the capacity of a holder of ordinary securities in the entity) or an associate of that person (or those persons).

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

- (a) a person as proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with directions given to the proxy or attorney to vote on this Resolution that way; or
- (b) the Chairperson as proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with a direction given to the Chairperson to vote on this Resolution as the Chairperson 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 this Resolution; and
  - (ii) the holder votes on this Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

*Note: As at the date of this Notice, it is not known who may participate in any Equity Securities issued under Resolution 18 and the Company has not approached any Shareholder or identified a class of*

existing Shareholders to participate in any issue of Equity Securities under the 10% Placement Capacity. Accordingly, no Shareholders are excluded from voting on Resolution 18.

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## 19 RESOLUTION 19 – RENEWAL OF PROPORTIONAL TAKEOVER PROVISIONS

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

*'That, pursuant to and in accordance with section 648G of the Corporations Act, schedule 5 of the Constitution and for all other purposes, the proportional takeover provisions contained in schedule 5 of the Constitution be renewed for a further period of three years with effect from the date of this Meeting.'*

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## 20 RESOLUTION 20 – SECTION 195 APPROVAL

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

*'That, pursuant to and in accordance with subsection 195(4) of the Corporations Act and for all other purposes, Shareholders approve the transactions contemplated in Resolutions 7, 8, 9, 10, 14, 15 and 16 (inclusive).'*

Dated: 18 October 2023

By order of the Board



Silfia Morton  
Joint Company Secretary

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## **EXPLANATORY MEMORANDUM**

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### **1 INTRODUCTION**

This Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be conducted at the Meeting to be held at Level 29, Central Park Tower, 152-158 St Georges Terrace, Perth WA 6000 on Wednesday, 22 November 2023 at 11:30am (WST).

This Explanatory Memorandum forms part of the Notice which should be read in its entirety. This Explanatory Memorandum contains the terms and conditions on which the Resolutions will be voted upon.

This Explanatory Memorandum includes the following information to assist Shareholders in deciding how to vote on the Resolutions:

Section 2	Action to be taken by Shareholders
Section 3	Annual Report
Section 4	Resolution 1 – Adoption of the Remuneration Report
Section 5	Resolution 2 – Re-Election of Mr Michael Edwards as Director
Section 6	Resolution 3 – Election of Mr Nicholas Rathjen as Director
Section 7	Background to Resolutions 4 to 11 (inclusive)
Section 8	Resolutions 4 and 5 – Ratify Tranche 1 Placement Shares issued under Listing Rules 7.1 and 7.1A
Section 9	Resolution 6 – Issue of Shares to Hancock under the Tranche 2 Placement
Section 10	Resolutions 7, 8, 9 and 10 – Issue of Shares to Related Parties under the Tranche 2 Placement
Section 11	Resolution 11 – Issue of Lead Manager Options to Canaccord
Section 12	Resolutions 12 and 13 – Ratify Consideration Securities issued to Goldfellas
Section 13	Resolutions 14, 15 and 16 – Issue of Performance Rights to Directors
Section 14	Resolution 17 – Approval of the Employee Incentive Plan
Section 15	Resolution 18 – Approval of 10% Placement Capacity
Section 16	Resolution 19 – Renewal of Proportional Takeover Provisions
Section 17	Resolution 20 – Section 195 Approval

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Schedule 1	Definitions
Schedule 2	Lead Manager Option Terms and Conditions
Schedule 3	Summary of Agreement
Schedule 4	Consideration Performance Rights Terms and Conditions
Schedule 5	Performance Rights Terms and Conditions
Schedule 6	Summary of Employee Incentive Plan

A Proxy Form is attached to the Notice.

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## 2 ACTION TO BE TAKEN BY SHAREHOLDERS

Shareholders should read the Notice, including this Explanatory Memorandum, carefully before deciding how to vote on the Resolutions.

The Company advises that a poll will be conducted for all Resolutions.

### 2.1 Proxies

A Proxy Form is attached to the Notice. This is to be used by Shareholders if they wish to appoint a representative (a 'proxy') to vote in their place. All Shareholders are invited and encouraged to participate in the Meeting (see details below) or, if they are unable to attend, sign and return the Proxy Form to the Company in accordance with the instructions detailed in the Proxy Form. Lodgement of a Proxy Form will not preclude a Shareholder from attending and voting at the Meeting (subject to the voting exclusions detailed in the Notice).

To vote by proxy, please complete and sign the enclosed Proxy Form and return it by:

(a) **post to:**

Future Battery Minerals Limited

C/- Automic Registry Services

GPO Box 5193

Sydney NSW 2001;

(b) **facsimile to:** Automic Registry Services:

(within Australia) +61 (2) 8583 3040

(outside Australia) – not applicable;

(c) **online at:** <https://investor.automic.com.au/#/loginsahusing> using your secure access information or use your mobile device to scan your personalised QR code on the Proxy Form;

(d) **email to:** [meetings@automicgroup.com.au](mailto:meetings@automicgroup.com.au),

so that it is received not later than 11:30am (WST) on Monday, 20 November 2023, being at least 48 hours before the Meeting. Proxy Forms received later than this time will be invalid.

Please note that:

- (a) a member of the Company entitled to attend and vote at the Meeting is entitled to appoint a proxy;
- (b) a proxy need not be a member of the Company; and
- (c) a member of the Company entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise. Where the proportion or number is not specified, each proxy may exercise half of the votes.

If a Shareholder appoints a body corporate as its proxy and the body corporate wishes to appoint an individual as its representative, the body corporate should provide that person with a certificate or letter executed in accordance with the Corporations Act authorising him or her to act as that body corporate's representative. The authority may be sent to the Company or its share registry in advance of the Meeting or handed in at the Meeting when registering as a corporate representative.

## 2.2 Attendance at the Meeting

If you attend the Meeting, please bring your personalised Proxy Form with you to assist with registration and (if possible) arrive at the venue 15 to 30 minutes before the start of the Meeting. Representatives from the Company's share registry, Automatic Registry Services, will verify your shareholding against the Company's share register and note your attendance. If you do not bring your Proxy Form with you, you will still be able to attend the Meeting but you will need to verify your identity.

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## 3 ANNUAL REPORT

In accordance with section 317(1) of the Corporations Act the Annual Report must be laid before the annual general meeting. There is no requirement for Shareholders to approve the Annual Report.

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

- (a) discuss the Annual Report which is available online at <https://futurebatteryminerals.com.au/>;
- (b) ask questions about, or comment on, the management of the Company; and
- (c) ask the auditor questions about the conduct of the audit and the preparation and content of the Auditor's Report.

In addition to taking questions at the Meeting, written questions to the Chairperson about the management of the Company, or to the Company's auditor about:

- (a) the preparation and the content of the Auditor's Report;
- (b) the conduct of the audit;
- (c) accounting policies of the Company in relation to the preparation of the financial statements; and
- (d) the independence of the auditor in relation to the conduct of the audit,

may be submitted no later than five business days before the Meeting (being, no later than 11:30am (WST) on Wednesday, 15 November 2023) to the Company's company secretary at the Company's registered office.

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## 4 RESOLUTION 1 – REMUNERATION REPORT

In accordance with section 250R(2) of the Corporations Act, the Company must put the Remuneration Report to the vote of Shareholders. The Director's Report contains the Remuneration Report which sets out:

- (a) the remuneration policy for the Company; and
- (b) the remuneration arrangements in place for the executive Directors, specified executives and non-executive Directors.

In accordance with section 250R(3) of the Corporations Act, Resolution 1 is advisory only and does not bind the Directors. If Resolution 1 is not passed, the Directors will not be required to alter any of the arrangements in the Remuneration Report.

Shareholders will have the opportunity to remove the whole Board except the Managing Director (if applicable) if the Remuneration Report receives a 'no' vote of 25% or more (**Strike**) at two consecutive annual general meetings.

Where a resolution on the Remuneration Report receives a Strike at two consecutive annual general meetings, the Company will be required to put to Shareholders at the second annual general meeting a resolution on whether another meeting should be held (within 90 days) at which all Directors (other than the Managing Director) who were in office at the date of approval of the applicable Directors' Report must stand for re-election.

The Remuneration Report did not receive a Strike at the 2022 annual general meeting. Please note if the Remuneration Report receives a Strike at the Meeting and if a second Strike is received at the 2024 annual general meeting, this may result in the re-election of the Board.

The Chairperson will allow reasonable opportunity for Shareholders to ask questions about or comment on the Remuneration Report.

Resolution 1 is an ordinary resolution.

The Chairperson intends to exercise all available proxies in favour of Resolution 1.

If the Chairperson is appointed as your proxy and you have not specified the way the Chairperson is to vote on Resolution 1, by signing and returning the Proxy Form, you are considered to have provided the Chairperson with an express authorisation for the Chairperson to vote the proxy in accordance with the Chairperson's intention, even though Resolution 1 is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

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## **5 RESOLUTION 2 – RE-ELECTION OF MR MICHAEL EDWARDS AS DIRECTOR**

### **5.1 General**

In accordance with Listing Rule 14.5, an entity which has directors must hold an election of directors at each annual general meeting.

Article 6.3(c) of the Constitution requires one third of all Directors, or if their number is not a multiple of three, then the number nearest one-third (rounded down to the nearest whole number) to retire at each general meeting.

Article 6.3(f) of the Constitution states that a Director who retires under article 6.3(c) is eligible for re-election.

Resolution 2 provides that Mr Michael Edwards retires and seeks re-election as a Director under article 6.3(f) of the Constitution.

Details of the qualifications and experience of Mr Edwards are detailed in the Annual Report.

Mr Edwards was appointed to the Board on 31 August 2020. The Board considers that Mr Edwards, if re-elected, will be classified as an independent Director.

If Resolution 2 is passed, Mr Edwards will be a Director of the Company.

If Resolution 2 is not passed, Mr Edwards will cease to be a Director of the Company.

Resolution 2 is an ordinary resolution.

The Chairperson intends to exercise all available proxies in favour of Resolution 2.

## 5.2 Board Recommendation

The Board (excluding Mr Michael Edwards) supports the re-election of Mr Michael Edwards and recommends that Shareholders vote in favour of Resolution 2.

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## 6 RESOLUTION 3 – ELECTION OF MR NICHOLAS RATHJEN AS DIRECTOR

### 6.1 General

Listing Rule 14.4 provides that a director appointed to fill a casual vacancy or as an addition to the board must not hold office, without re-election, past the next annual general meeting of the entity.

Article 6.1(b) of the Constitution allows the Directors to appoint a person as an addition to the Board at any time, providing that the total number of Directors does not at any time exceed the maximum number specified by the Constitution. Any Director so appointed holds office until the next general meeting of members of the Company and is eligible for re-election at that meeting.

On 11 September 2023, the Company announced the appointment of Mr Nicholas Rathjen as chief executive officer and Managing Director with effect from 18 October 2023. Mr Rathjen will be appointed as an addition to the Board.

Resolution 3 provides that Mr Nicholas Rathjen retires from office and seeks re-election as a Director under article 6.3(i) of the Constitution.

Details of the qualifications and experience of Mr Rathjen are detailed in the Annual Report.

If elected, Mr Rathjen will not be an independent director.

If Resolution 3 is passed, Mr Rathjen will be a Director of the Company with effect from 18 October 2023.

If Resolution 3 is not passed, Mr Rathjen will not be elected a Director of the Company.

Resolution 3 is an ordinary resolution.

The Chairperson intends to exercise all available proxies in favour of Resolution 3.

### 6.2 Board Recommendation

The Board (excluding Mr Nicholas Rathjen) supports the re-election of Mr Nicholas Rathjen and recommends that Shareholders vote in favour of Resolution 3.

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## 7 BACKGROUND TO RESOLUTIONS 4 to 11 (INCLUSIVE)

### 7.1 Background

On 15 September 2023, the Company announced that it had received firm commitments for a placement of 75,800,424 Shares each at an issue price of \$0.10 per Share to be issued by the Company to raise \$7.6 million (before costs) (**Placement**). The Placement comprises:

- (a) 51,950,424 Shares issued to cornerstone, institutional, sophisticated and professional investors using the Company's existing Listing Rule 7.1 and 7.1A placement capacity (**Tranche 1 Placement**); and
- (b) a further 23,850,000 Shares proposed to be issued to certain Related Parties of the Company (and/or their respective nominee(s)), and Hancock Prospecting Pty Ltd (**Hancock**) (and/or its

nominee(s)) subject to Shareholder approval (which approval is being sought pursuant to Resolutions 6 to 10 (inclusive)) (**Tranche 2 Placement**).

The Shares under the Tranche 1 Placement were issued on 21 September 2023.

The investors who have participated in the Tranche 1 Placement comprise cornerstone, institutional, sophisticated and professional investors identified by the lead manager for the Placement, Canaccord Genuity (Australia) Limited (**Lead Manager** or **Canaccord**). Subject to Shareholder approval, the Company agreed to issue (as partial consideration for the lead manager services), 3,000,000 Options (on the terms and conditions in Schedule 2) to Canaccord (and/or their nominee(s)). Resolution 11 seeks the Shareholders' approval of the proposed issue of Options.

Resolutions 4 to 11 (inclusive) seek the Shareholders' ratification or approval (as applicable) of the issue or proposed issue of Shares and Options pursuant to the Placement. Each of those Resolutions concerns a different component of the Placement.

Refer to the Company's ASX announcements on, and after, 15 September 2023 for further details of the Placement.

## 7.2 Indicative use of funds

The proceeds raised from the Placement are intended to be used for the following activities:

- (a) Kangaroo Hills Lithium Project (100%):
  - (i) completion of the Phase 3 reverse circulation (**RC**) drill programme with 7,000m drilled to date and awaiting assay results for circa 50 holes;
  - (ii) ongoing diamond drill (**DD**) testing of the regional targets at the Big Red and Rocky prospects with 1,100m drilled to date and awaiting assays;
  - (iii) ongoing metallurgical and mineralogical assessment on core samples with initial results expected in October 2023;
  - (iv) ongoing target generative geophysical surveys including Ground Gravity and Resistivity; and
  - (v) completion of baseline environmental surveys which are expected to be completed in November 2023;
- (b) Nevada Lithium Project (80%):
  - (i) phase 3 RC and DD resource drilling programme at Lone Mountain - commencing late September 2023;
  - (ii) maiden Mineral Resource Estimate at Lone Mountain – scheduled Q1 2024; and
  - (iii) initial metallurgical test work; and
- (c) general working capital purposes and corporate costs requirements.

The Board reserves the right to reallocate funds for alternative purposes, as may be deemed necessary by the Board.

## 7.3 Resolutions are not inter-conditional

Neither Resolution 4, 5, 6, 7, 8, 9, 10 or 11 (inclusive) is conditional upon any other Resolution being passed. To the extent Resolution 4, 5, 6, 7, 8, 9, 10 or 11 (inclusive) is not passed, subject to compliance with applicable laws and the Listing Rules, the Board reserves its discretion to issue the securities the subject of such Resolution, including pursuant to the Company's placement capacities available at the time under Listing Rule 7.1 and/or 7.1A. The Board also reserves its discretion to utilise those placement capacities for other purposes, as permitted by the Listing Rules.

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## 8 RESOLUTIONS 4 AND 5 – RATIFICATION OF TRANCHE 1 PLACEMENT SHARES

### 8.1 General

As detailed in Section 7.1, the Company issued 51,950,424 Shares at an issue price of \$0.10 per Share under the Tranche 1 Placement (**Tranche 1 Placement Shares**).

All 51,950,424 Tranche 1 Placement Shares were issued on 21 September 2023 without Shareholder approval pursuant to the Company's placement capacity under Listing Rules 7.1 and 7.1A.

Refer to Section 7.1 for further details of the Placement.

Resolution 4 seeks Shareholder ratification and approval pursuant to Listing Rule 7.4 (and for all other purposes) of the issue of the 9,165,911 Tranche 1 Placement Shares issued pursuant to the Company's placement capacity under Listing Rule 7.1.

Resolution 5 seeks Shareholder ratification and approval pursuant to Listing Rule 7.4 (and for all other purposes) of the issue of the 42,784,513 Tranche 1 Placement Shares issued pursuant to the Company's placement capacity under Listing Rule 7.1A.

Resolutions 4 and 5 are ordinary resolutions.

The Chairperson intends to exercise all available proxies in favour of Resolutions 4 and 5.

### 8.2 Listing Rules 7.1 and 7.1A

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

In addition to its 15% Placement Capacity, the Company has obtained Shareholder approval pursuant to Listing Rule 7.1A at its 2022 annual general meeting to issue Equity Securities up to 10% of its issued share capital through placements over a 12 month period after the Company's 2022 annual general meeting, without needing prior Shareholder approval (**10% Placement Capacity**).

Listing Rule 7.4 provides that if the Company in general meeting ratifies the previous issue of Equity Securities made pursuant to Listing Rule 7.1 or Listing Rule 7.1A (and provided that the previous issue did not breach Listing Rule 7.1 or Listing Rule 7.1A) those Equity Securities will be deemed to have been made with Shareholder approval for the purpose of Listing Rule 7.1 or Listing Rule 7.1A.

The Company wishes to retain as much flexibility as possible to issue additional Equity Securities into the future up to the 15% Placement Capacity set out in Listing Rule 7.1 and the 10% Placement Capacity set out in Listing Rule 7.1A without having to obtain prior Shareholder approval under those rules.

If Resolutions 4 and 5 are passed, the Tranche 1 Placement Shares will be excluded in calculating the Company's 15% Placement Capacity in Listing Rule 7.1 and the 10% Placement Capacity in Listing Rule 7.1A, respectively, effectively increasing the number of Equity Securities it can issue without Shareholder approval over the 12 month period following the date of issue of the Tranche 1 Placement Shares.

If Resolutions 4 and 5 are not passed, the Tranche 1 Placement Shares will be included in calculating the Company's 15% Placement Capacity in Listing Rule 7.1 and the 10% Placement Capacity in Listing Rule 7.1A, respectively, effectively decreasing the number of Equity Securities it can issue without Shareholder approval over the 12 month period following the date of issue of the Tranche 1 Placement Shares.

### 8.3 Specific information required by Listing Rule 7.5

The following information in relation to Resolutions 4 and 5 is provided to Shareholders for the purposes of Listing Rule 7.5:

- (a) 51,950,424 Tranche 1 Placement Shares were issued to cornerstone, institutional, sophisticated and professional investors identified by the Lead Manager for the Placement (including Hancock who participated in the Placement as a cornerstone investor). No investor under the Tranche 1 Placement was a related party of the Company, a member of the Key Management Personnel, a substantial shareholder of the Company or an adviser of the Company or an associate of any of those persons.
- (b) The Tranche 1 Placement Shares were issued on the following basis:
  - (i) 9,165,911 Shares were issued pursuant to Listing Rule 7.1, ratification of which is sought pursuant to Resolution 4; and
  - (ii) 42,784,513 Shares were issued pursuant to Listing Rule 7.1A, ratification of which is sought pursuant to Resolution 5.
- (c) The Tranche 1 Placement Shares are fully paid ordinary shares in the capital of the Company and rank equally in all respects with the Company's existing Shares on issue.
- (d) The Tranche 1 Placement Shares were issued on 21 September 2023.
- (e) The Tranche 1 Placement Shares were issued at an issue price of \$0.10 per Share, raising a total of approximately \$5,195,042 (before costs).
- (f) Funds raised from the issue of the Tranche 1 Placement Shares are intended to be used as detailed in Section 7.2.
- (g) The Tranche 1 Placement Shares were issued pursuant to placement letters pursuant to which cornerstone, institutional, sophisticated and professional investors agreed to participate in the Tranche 1 Placement.
- (h) A voting exclusion statement is included in the Notice for Resolutions 4 and 5.

#### 8.4 Board Recommendation

The Board recommends that Shareholders vote in favour of Resolutions 4 and 5.

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## 9 RESOLUTION 6 – ISSUE OF SHARES TO HANCOCK UNDER THE TRANCHE 2 PLACEMENT

### 9.1 General

Resolution 6 seeks Shareholder approval pursuant to and in accordance with Listing Rule 7.1 (and for all other purposes) for the issue of 21,600,000 Shares to Hancock (and/or its nominee(s)) under the Tranche 2 Placement (**Tranche 2 Placement Shares**). The Tranche 2 Placement Shares will be offered at the same issue price as the Shares under the Placement (being \$0.10 per Share), to raise up to \$2,160,000 (before costs).

Refer to Section 7.1 for further details of the Placement.

Resolution 6 is an ordinary resolution.

The Chairperson intends to exercise all available proxies in favour of Resolution 6.

### 9.2 Listing Rule 7.1

A summary of Listing Rule 7.1 is detailed in Section 8.2.

The issue of the Tranche 2 Placement Shares pursuant to Resolution 6 does not fall within any of the exceptions to Listing Rule 7.1 (and it exceeds the Company's 15% Placement Capacity). Therefore, it requires the approval of Shareholders under Listing Rule 7.1.

If Resolution 6 is passed, the Company will be able to proceed with the issue of the Tranche 2 Placement Shares. In addition, the Tranche 2 Placement Shares 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 6 is not passed, the issue of the Tranche 2 Placement Shares will not be able to proceed and the Company may need to find alternatives ways to raise capital.

### 9.3 Specific information required by Listing Rule 7.3

The following information in relation to Resolution 6 is provided to Shareholders for the purposes of Listing Rule 7.3:

- (a) The Tranche 2 Placement Shares will be issued to Hancock (and/or its nominee(s)). Hancock is not a related party of the Company, a member of the Key Management Personnel, a substantial shareholder of the Company or an adviser of the Company or an associate of any of those persons.
- (b) The maximum number of Shares that the Company may issue to Hancock (and/or its nominee(s)) under Resolution 6 is 21,600,000 Shares.
- (c) The Tranche 2 Placement Shares will be fully paid ordinary shares in the capital of the Company and will rank equally in all respects with the Company's existing Shares on issue.
- (d) The Tranche 2 Placement Shares will have an issue price of \$0.10 per Share, raising a total of approximately \$2,160,000 (before costs).
- (e) The Tranche 2 Placement Shares will be issued no later than three months following the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules).
- (f) Funds raised from the issue of the Tranche 2 Placement Shares are intended to be used as detailed in Section 7.2.
- (g) The Tranche 2 Placement Shares are to be offered pursuant to a placement letter pursuant to which Hancock (and/or its nominee(s)) will subscribe for Shares at an issue price of \$0.10 per Share.
- (h) A voting exclusion statement is included in the Notice for Resolution 6.

### 9.4 Board Recommendation

The Board recommends that Shareholders vote in favour of Resolution 6.

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## 10 RESOLUTIONS 7, 8, 9 AND 10 – ISSUE OF SHARES TO RELATED PARTIES UNDER THE TRANCHE 2 PLACEMENT

### 10.1 General

Resolutions 7, 8, 9 and 10 seek Shareholder approval pursuant to and in accordance with Listing Rule 10.11, Chapter 2E of the Corporations Act (including section 208 of the Corporations Act) (and for all other purposes) to issue (in aggregate) 2,250,000 Shares to certain Related Parties of the Company, being Mr Michael Edwards, Mr Nicholas Rathjen, Mr Robin Cox and Mr Paul Brown (and/or their respective nominee(s)) under the Tranche 2 Placement (together, the **Related Party Shares**). The Related Party Shares will be offered at the same issue price as the Shares under the Placement (being \$0.10 per Share), to raise up to \$225,000 (before costs).

Refer to Section 7.1 for further details of the Placement.

The Company is proposing to issue:

- (a) 500,000 Related Party Shares to Mr Michael Edwards (and/or his nominee(s)) pursuant to Resolution 7;
- (b) 1,000,000 Related Party Shares to Mr Nicholas Rathjen (and/or his nominee(s)) pursuant to Resolution 8;
- (c) 250,000 Related Party Shares to Mr Robin Cox (and/or his nominee(s)) pursuant to Resolution 9; and
- (d) 500,000 Related Party Shares to Mr Paul Brown (and/or his nominee(s)) pursuant to Resolution 10.

In accordance with Listing Rule 10.11, Shareholder approval is required for the issue of Shares to a Related Party. Messrs Edwards, Rathjen and Cox are each Directors and therefore are Related Parties of the Company. Mr Brown was a Director within the previous six months (resigning as a Director on 11 October 2023).

The issues of the Related Party Shares does not fall within any of the exceptions to Listing Rule 10.11 and are therefore conditional upon Shareholder approval (which is being sought pursuant to Resolutions 7, 8, 9 and 10).

Resolutions 7, 8, 9 and 10 are ordinary resolutions.

The Chairperson intends to exercise all available proxies in favour of Resolutions 7, 8, 9 and 10.

## 10.2 Chapter 2E of the Corporations Act

Chapter 2E of the Corporations Act requires that 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.

Messrs Edwards, Rathjen and Cox are Directors and Mr Brown was a Director within the previous six months and therefore are Related Parties of the Company for the purposes of section 208 of the Corporations Act.

There is no quorum of the Board capable forming the view that the exception for dealing on arm's length terms in section 210 of the Corporations Act applies, due to Messrs Edwards, Rathjen and Cox having an interest in the outcome of Resolutions 7, 8, 9 and 10. Accordingly, the Board has determined to seek Shareholder approval pursuant to section 208 of the Corporations Act for Resolutions 7, 8, 9 and 10.

## 10.3 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:

- (a) a Related Party;
- (b) a person who is, or was at any time in the six months before the issue or agreement, a substantial (30%+) holder in the company;
- (c) a person who is, or was at any time in the six months before the issue or agreement, a substantial (10%+) holder in the company and who has nominated a director to the board of the company pursuant to a relevant agreement which gives them a right or expectation to do so;
- (d) an associate of a person referred to in (a) to (c); or

- (e) a person whose relationship with the company or a person referred to in (a) to (d) is such that, in ASX's opinion, the issue or agreement should be approved by its shareholders,

unless it obtains shareholder approval.

The issue of the Related Party Shares to Mr Michael Edwards, Mr Nicholas Rathjen, Mr Robin Cox and Mr Paul Brown (and/or their respective nominee(s)) falls within paragraph (a) above (being Listing Rule 10.11.1), as Messrs Edwards, Rathjen, Cox and Brown are Related Parties to the Company, 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 7 seeks the required Shareholder approval to issue 500,000 Related Party Shares to Mr Michael Edwards (and/or his nominee(s)) under and for the purposes of Listing Rule 10.11 (and for all other purposes).

Resolution 8 seeks the required Shareholder approval to issue 1,000,000 Related Party Shares to Mr Nicholas Rathjen (and/or his nominee(s)) under and for the purposes of Listing Rule 10.11 (and for all other purposes).

Resolution 9 seeks the required Shareholder approval to issue 250,000 Related Party Shares to Mr Robin Cox (and/or his nominee(s)) under and for the purposes of Listing Rule 10.11 (and for all other purposes).

Resolution 10 seeks the required Shareholder approval to issue 500,000 Related Party Shares to Mr Paul Brown (and/or his nominee(s)) under and for the purposes of Listing Rule 10.11 (and for all other purposes).

If Resolution 7, 8, 9 or 10 is passed, the Company will be able to proceed with the issue of the relevant Related Party Shares to the relevant Related Party (and/or his nominee(s)) and pursuant to Listing Rule 7.2 (exception 14), the issue of the relevant Related Party Shares 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 7, 8, 9 or 10 is not passed, the Company will not be able to proceed with the issue of the relevant Related Party Shares to the relevant Related Party (and/or his nominee(s)), and the Company will not be able to raise funds from issuing Related Party Shares to that Director and may seek to raise them from alternate investors.

#### **10.4 Specific information required by Listing Rule 10.13 and section 219 of the Corporations Act**

The following information in relation to Resolutions 7, 8, 9 and 10 is provided to Shareholders for the purposes of Listing Rule 10.13 and section 219 of the Corporations Act:

- (a) The Related Party Shares under the Tranche 2 Placement will be issued to:
- (i) Mr Michael Edwards (and/or his nominee(s)) under Resolution 7;
  - (ii) Mr Nicholas Rathjen (and/or his nominee(s)) under Resolution 8;
  - (iii) Mr Robin Cox (and/or his nominee(s)) under Resolution 9; and
  - (iv) Mr Paul Brown (and/or his nominee(s)) under Resolution 10.
- (b) Messrs Edwards, Rathjen, Cox and Brown fall within Listing Rule 10.11.1 as they are Related Parties of the Company by virtue of Messrs Edwards, Rathjen and Cox being Directors and Mr Brown being a Director in the previous six months.
- (c) The maximum number of Related Party Shares to be issued to:
- (i) Mr Michael Edwards (and/or his nominee(s)) is 500,000 Related Party Shares pursuant to Resolution 7;
  - (ii) Mr Nicholas Rathjen (and/or his nominee(s)) is 1,000,000 Related Party Shares pursuant to Resolution 8;

- (iii) Mr Robin Cox (and/or his nominee(s)) is 250,000 Related Party Shares pursuant to Resolution 9; and
- (iv) Mr Paul Brown (and/or his nominee(s)) is 500,000 Related Party Shares pursuant to Resolution 10.
- (d) The Related Party Shares will be fully paid ordinary shares in the capital of the Company and will rank equally in all respects with the Company's existing Shares on issue.
- (e) The Related Party Shares will have an issue price of \$0.10 per Share, raising a total of \$225,000 (before costs).
- (f) The Related Party Shares will be issued no later than one 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).
- (g) Funds raised from the issue of the Related Party Shares to Messrs Edwards, Rathjen, Cox and Brown (and/or their respective nominee(s)) are intended to be used as detailed in Section 7.2.
- (h) The estimated value of the financial benefit provided to the Related Parties on the basis of the issue price per Share under the Tranche 2 Placement (being \$0.10 per Share) is as follows:

Related Party	Number of Related Party Shares	Value at \$0.10 per Share
Mr Michael Edwards	500,000	\$50,000
Mr Nicholas Rathjen	1,000,000	\$100,000
Mr Robin Cox	250,000	\$25,000
Mr Paul Brown	500,000	\$50,000

- (i) The current remuneration package of the Directors, being Messrs Edwards, Cox and Rathjen is as follows:

Director	Cash Salary & Fees <sup>1</sup> (\$)	Share based payments (\$)		Total (\$)
		Performance Rights <sup>2</sup>	Options <sup>2</sup>	
Mr Mike Edwards <sup>3</sup>	168,000	(2,073)	13,216	179,143
Mr Nicholas Rathjen <sup>4</sup>	300,000	-	-	300,000
Mr Robin Cox <sup>3</sup>	132,600	162,410	5,137	300,147

**Note:**

- Inclusive of superannuation.
- Refer to the Annual Report for further details.
- Remuneration for the year ended 30 June 2023 as detailed in the Annual Report.
- Mr Rathjen's base salary as announced on the ASX on 11 September 2023.

- (j) As at the date of the Notice, Messrs Brown, Edwards, Cox and Rathjen hold the following interests in the Company's securities:

Name	Shares	Options	Performance Rights
Mr Mike Edwards	1,280,000	500,000	7,450,000

Mr Nicholas Rathjen	Nil	Nil	Nil
Mr Robin Cox	3,276,839	250,000	5,225,000
Mr Paul Brown	Nil	Nil	Nil

**Note:**

1. Refer to Appendix 3Ys released on 25 September 2023 for further details.

- (k) The Related Party Shares to be issued to Messrs Brown, Edwards, Cox and Rathjen (and/or their respective nominee(s)) will result in a dilution of all other Shareholders' holdings in the Company of 0.44% based on issued Shares as at the date of the Notice and 0.39% on a fully diluted basis.
- (l) The historical quoted price information for Shares for the last twelve months is as follows:

Shares	Price	Date
Highest	\$0.15	21 June 2023
Lowest	\$0.046	17 March 2023
Last	\$11.50	6 October 2023

- (m) The Related Party Shares are to be offered pursuant to placement letters pursuant to which Messrs Edwards, Rathjen, Cox and Brown (and/or their respective nominee(s)) will subscribe for Shares at an issue price of \$0.10 per Share.
- (n) Mr Edwards has an interest in Resolution 7 and therefore believes it inappropriate to make a recommendation.
- (o) Mr Rathjen has an interest in Resolution 8 and therefore believes it inappropriate to make a recommendation.
- (p) Mr Cox has an interest in Resolution 9 and therefore believes it inappropriate to make a recommendation.
- (q) Other than the information above and otherwise detailed in the Notice, the Company believes that there is no other information that would reasonably be required by Shareholders to pass to Resolutions 7, 8, 9 and 10.
- (r) A voting exclusion statement is included in the Notice for Resolutions 7, 8, 9 and 10.

## 10.5 Board Recommendation

The Board (excluding Mr Michael Edwards, due to his personal interest in Resolution 7) recommends that Shareholders vote in favour of Resolution 7.

The Board (excluding Mr Nicholas Rathjen, due to his personal interest in Resolution 8) recommends that Shareholders vote in favour of Resolution 8.

The Board (excluding Mr Robin Cox, due to his personal interest in Resolution 9) recommends that Shareholders vote in favour Resolution 9.

The Board recommends that Shareholders vote in favour of Resolution 10.

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## 11 RESOLUTION 11 – ISSUE OF LEAD MANAGER OPTIONS TO CANACCORD (AND/OR ITS NOMINEE(S))

### 11.1 General

Canaccord acted as lead manager to the Placement. The Company agreed to issue 3,000,000 Options (**Lead Manager Options**) to Canaccord (and/or its nominee(s)) as part of the consideration for Canaccord providing lead manager services to the Company pursuant to the Placement.

The Lead Manager Options each have an exercise price of \$0.15 per Option and expire three years from the date of issue. The terms and conditions of the Lead Manager Options are detailed in Schedule 2.

Refer to Section 7.1 for further details of the Placement.

Resolution 11 seeks Shareholder approval pursuant to and in accordance with Listing Rule 7.1 (and for all other purposes) for the issue of 3,000,000 Lead Manager Options to Canaccord (and/or its nominee(s)).

Resolution 11 is an ordinary resolution.

The Chairperson intends to exercise all available proxies in favour of Resolution 11.

### 11.2 Listing Rule 7.1

A summary of Listing Rule 7.1 is detailed in Section 8.2.

The issue of the Lead Manager pursuant to Resolution 11 does not fall within any of the exceptions to Listing Rule 7.1 (and it exceeds the Company's 15% Placement Capacity) and is conditional upon Shareholder approval (which is being sought pursuant to Resolution 11).

If Resolution 11 is passed, the Company will be able to proceed with the issue of the Lead Manager Options (and Shares issued on exercise of the Lead Manager Options). In addition, the issue of the Lead Manager Options (and Shares issued on exercise of the Lead Manager 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 11 is not passed, the issue of the Lead Manager Options will not be able to proceed. In that event, the Company may need to satisfy its obligation under the mandate with some other form of consideration, likely cash, which would otherwise be directed to the Company's existing assets and new opportunities.

### 11.3 Specific information required by Listing Rule 7.3

The following information in relation to Resolution 11 is provided to Shareholders for the purposes of Listing Rule 7.3:

- (a) The Lead Manager Options will be issued to Canaccord (and/or its nominee(s)). Canaccord is not a related party of the Company.
- (b) The maximum number of Lead Manager Options that the Company may issue to Canaccord (and/or its nominee(s)) under Resolution 11 is 3,000,000 Options.
- (c) The Lead Manager Options each have an exercise price of \$0.15 per Option and will expire three years from the date of issue. The terms and conditions of the Lead Manager Options are detailed in Schedule 2. The Shares to be issued on exercise of the Lead Manager Options will be fully paid ordinary shares in the capital of the Company and will rank equally in all respects with the Company's existing Shares on issue.
- (d) The Lead Manager Options will be issued no later than three months following the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules). The Lead Manager Options may be issued progressively so that the Company complies with Listing Rule 7.16.

- (e) The Lead Manager Options will be issued for nil cash consideration. The Lead Manager Options are proposed to be issued as part consideration for Canaccord providing lead manager services to the Company pursuant to the Placement.
- (f) No funds will be raised from the issue of the Lead Manager Options as they are being issued for nil cash consideration to Canaccord (and/or its nominee(s)).
- (g) The Company entered into a mandate with Canaccord pursuant to which Canaccord agreed to act as lead manager to the Placement. Pursuant to the mandate, the Company agreed to issue 3,000,000 Options to Canaccord, subject to Shareholder approval. The Company also agreed to pay a 2% management fee and a 4% capital raising fee to Canaccord on the gross amount raised under the Placement.
- (h) A voting exclusion statement is included in the Notice for Resolution 11.

#### 11.4 Board Recommendation

The Board recommends that Shareholders vote in favour of Resolution 11.

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## 12 RESOLUTIONS 12 AND 13 – RATIFY CONSIDERATION SECURITIES ISSUED TO GOLDFELLAS

### 12.1 General

On 7 August 2023, the Company announced that it had entered into an agreement (**Agreement**) with Goldfellas Pty Ltd (**Goldfellas**), pursuant to which the Company agreed to purchase the remaining 20% of the Kangaroo Hills Lithium Project from Goldfellas, the wholly-owned subsidiary of Lodestar Minerals Limited (ASX: LSR) (**Acquisition**).

As part of the consideration for the Acquisition, the Company agreed to issue:

- (a) 27,505,429 Shares to Goldfellas (**Consideration Shares**); and
  - (b) 27,505,429 Performance Rights to Goldfellas (**Consideration Performance Rights**),
- (together, the **Consideration Securities**).

Under the Agreement, 18,336,952 of the Consideration Shares will be restricted from trading on the ASX as follows:

- (a) 1/3 of the Consideration Shares (being, 9,168,476 Shares) are subject to voluntary escrow until the date which is six (6) months from completion, being 11 February 2024; and
- (b) 1/3 of the Consideration Shares (being, 9,168,477 Shares) are subject to voluntary escrow until the date which is twelve (12) months from completion, being 11 August 2024.

The material terms of the Agreement are summarised in Schedule 3.

The Consideration Securities were issued on 11 August 2023 without Shareholder approval pursuant to the Company's 15% Placement Capacity.

Resolution 12 seeks Shareholder ratification and approval pursuant to Listing Rule 7.4 (and for all other purposes) of the issue of the 27,505,429 Consideration Shares pursuant to the Acquisition.

Resolution 13 seeks Shareholder ratification and approval pursuant to Listing Rule 7.4 (and for all other purposes) of the issue of the 27,505,429 Consideration Performance Rights pursuant to the Acquisition.

Resolutions 12 and 13 are ordinary resolutions.

The Chairperson intends to exercise all available proxies in favour of Resolutions 12 and 13.

## 12.2 Listing Rule 7.1

A summary of Listing Rule 7.1 is detailed in Section 8.2.

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 into the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1. To this end, Resolutions 12 and 13 seek Shareholder ratification and approval for the Consideration Securities under and for the purposes of Listing Rule 7.4 (and for all other purposes).

If Resolutions 12 and 13 are passed, the Consideration Securities will be excluded in calculating the Company's 15% Placement Capacity in Listing Rule 7.1, effectively increasing the number of Equity Securities it can issue without Shareholder approval over the 12 month period following the date of issue of the Consideration Securities.

If Resolutions 12 and 13 are not passed, the Consideration Securities will be included in calculating the Company's 15% Placement Capacity in Listing Rule 7.1, effectively decreasing the number of Equity Securities it can issue without Shareholder approval over the 12 month period following the date of issue of the Consideration Securities.

## 12.3 Specific information required by Listing Rule 7.5

The following information in relation to Resolutions 12 and 13 is provided to Shareholders for the purposes of Listing Rule 7.5:

- (a) The Consideration Securities were issued to Goldfellas. Goldfellas is not a related party, a member of the Key Management Personnel, a substantial shareholder or an adviser of the Company or an associate of those persons.
- (b) The Consideration Securities comprised the issue of:
  - (i) 27,505,429 Consideration Shares issued pursuant to Listing Rule 7.1, ratification of which is sought pursuant to Resolution 12; and
  - (ii) 27,505,429 Consideration Performance Rights issued pursuant to Listing Rule 7.1, ratification of which is sought pursuant to Resolution 13.
- (c) The terms and conditions of the Consideration Performance Rights is detailed in Schedule 4.
- (d) The Consideration Shares (and the Shares to be issued on conversion of the Consideration Performance Rights) are fully paid ordinary shares in the capital of the Company and rank equally in all respects with the Company's existing Shares on issue.
- (e) The Consideration Shares were issued at a deemed issue price of \$0.105 per Share.
- (f) The Consideration Securities were issued on 11 August 2023.
- (g) The Consideration Securities were issued by the Company as part of the consideration for the Acquisition. Accordingly, no funds were raised from the issue of Consideration Securities.
- (h) The Consideration Securities were issued under the Agreement. A summary of the material terms of the Agreement is detailed in Schedule 3.
- (i) A voting exclusion statement is included in the Notice for Resolutions 12 and 13.

## 12.4 Board Recommendation

The Board recommends that Shareholders vote in favour of Resolutions 12 and 13.

## 13 RESOLUTIONS 14, 15 AND 16 – ISSUE OF PERFORMANCE RIGHTS TO CERTAIN DIRECTORS (AND/OR THEIR NOMINEE(S)) UNDER THE EMPLOYEE INCENTIVE PLAN

### 13.1 General

Resolutions 14, 15 and 16 seek Shareholder approval in accordance with Listing Rule 10.14 and Chapter 2E of the Corporations Act to grant an aggregate of 34,500,000 Performance Rights to Directors, Mr Michael Edwards, Mr Robin Cox and Mr Nicholas Rathjen (and/or their respective nominee(s)), under the Plan.

The Company is proposing to issue:

- (a) 7,500,000 Performance Rights to Mr Edwards (and/or his nominee(s)) pursuant to Resolution 14 as follows:
  - (i) 2,500,000 Tranche 1 Performance Rights;
  - (ii) 2,500,000 Tranche 2 Performance Rights; and
  - (iii) 2,500,000 Tranche 3 Performance Rights;
- (b) 7,500,000 Performance Rights to Mr Cox (and/or his nominee(s)) pursuant to Resolution 15 as follows:
  - (i) 2,500,000 Tranche 1 Performance Rights;
  - (ii) 2,500,000 Tranche 2 Performance Rights; and
  - (iii) 2,500,000 Tranche 3 Performance Rights; and
- (c) 19,500,000 Performance Rights to Mr Rathjen (and/or his nominee(s)) pursuant to Resolution 16 as follows:
  - (i) 3,000,000 Tranche 1 Performance Rights;
  - (ii) 3,000,000 Tranche 2A Performance Rights;
  - (iii) 3,000,000 Tranche 2B Performance Rights;
  - (iv) 1,500,000 Tranche 2C Performance Rights;
  - (v) 3,000,000 Tranche 3 Performance Rights;
  - (vi) 3,000,000 Tranche 4 Performance Rights; and
  - (vii) 3,000,000 Tranche 5 Performance Rights.

The Board considers that the grant of Performance Rights to Messrs Edwards, Cox and Rathjen would be a cost effective and efficient reward for the Company to appropriately incentivise their continued performance and is consistent with the strategic goals and targets of the Company.

Each Performance Rights shall vest and convert into Shares on a one for one basis subject to the satisfaction of the following vesting conditions:

#### Mike Edwards

Tranche	Number of Performance Rights	Vesting Conditions	Performance Period
1	2,500,000	The Company delineating and announcing a Mineral Resource (JORC Code compliant) of at	5 years from issue date

		least 10mt at 1.0% Li2O at the Kangaroo Hills Lithium Project.	
2	2,500,000	The Company disposes/divest any of its mineral projects that is considered significant enough to warrant an announcement on the ASX.	5 years from issue date
3	2,500,000	Subject to the continuous service as a Director (either in an executive or non-executive capacity) from the date of issue of the Performance Rights to the date that is 24 months from the issue date, the Performance Rights will vest on the date that is 24 months from the issue date.	2 years from issue date

#### Robin Cox

Tranche	Number of Performance Rights	Vesting Conditions	Performance Period
1	2,500,000	The Company delineating and announcing a Mineral Resource (JORC Code compliant) of at least 10mt at 1.0% Li2O at the Kangaroo Hills Lithium Project.	5 years from issue date
2	2,500,000	The Company delineating and announcing a Mineral Resource (JORC Code compliant) of at least 700mt at 750ppm Li at the Nevada Lithium Project.	5 years from issue date
3	2,500,000	Subject to the continuous service as a Director (either in an executive or non-executive capacity) from the date of issue of the Performance Rights to the date that is 24 months from the issue date, the Performance Rights will vest on the date that is 24 months from the issue date.	2 years from issue date

#### Nicholas Rathjen

Tranche	Number of Performance Rights	Vesting Conditions	Performance Period
1	3,000,000	Subject to the continuous service as Managing Director from the date of issue of the Performance Rights to the date that is 12 months from the issue date, the Performance Rights will vest on the date that is 12 months from the issue date.	12 months from issue date
2A	3,000,000	The Company achieving a Share price of at least \$0.20 per Share based on a 30-day VWAP.	3 years from issue date
2B	3,000,000	The Company achieving a Share price of at least \$0.35 per Share based on a 30-day VWAP.	3 years from issue date
2C	1,500,000	The Company achieving a Share price of at least \$0.35 per Share based on a 30-day VWAP <sup>1</sup>	12 months from issue date

<sup>1</sup> These Performance Rights are in addition to Tranche 2B and will vest if the milestone is achieved within 12 months from the date of issue.

3	3,000,000	The Company announcing a JORC or NI43-101 compliant Mineral Resource of more than 10m tonnes at 1% Li <sub>2</sub> O (or contained Li <sub>2</sub> O-equivalent) for any of the Company's projects and subject to the continuous service as Managing Director from the date of issue of the Performance Rights to the date that is 6 months from the issue date.	5 years from issue date
4	3,000,000	The Company announcing the release of a scoping study or preliminary economic assessment for any of the Company's projects and subject to the continuous service as Managing Director from the date of issue of the Performance Rights to the date that is 12 months from the issue date.	5 years from issue date
5	3,000,000	The earlier to occur of:  (i) the Company achieving a Share price of at least \$0.40 per Share based on a 30-day VWAP; or  (ii) the Company announcing the completion of an acquisition of a mineral exploration project and/or company from a third party ( <b>New Project</b> ) and the Company announcing a JORC (or NI 43-101) compliant resource of 10m tonnes at 1% Li <sub>2</sub> O (or contained Li <sub>2</sub> O-equivalent) in respect to the New Project.	5 years from issue date

Refer to Schedule 5 for the terms and conditions of the Performance Rights. Refer to Schedule 6 for a summary of the material terms of the Plan.

If the vesting condition of a Performance Right is satisfied prior to the relevant milestone date, the Performance Right will vest.

Unless otherwise determined by the Board:

- (a) all unvested Performance Rights issued to Mr Edwards will lapse and be cancelled if:
- (i) the performance condition of a Performance Right is not achieved by the relevant milestone date; or
  - (ii) Mr Edwards ceases to be employed by the Company for any reason other than where Mr Edwards is a Good Leaver.
- (b) all unvested Performance Rights issued to Mr Cox will lapse and be cancelled if:
- (i) the performance condition of a Performance Right is not achieved by the relevant milestone date; or
  - (ii) Mr Cox ceases to be employed by the Company for any reason other than where Mr Cox is a Good Leaver.
- (c) all unvested Performance Rights issued to Mr Rathjen will lapse and be cancelled if:
- (i) the performance condition of a Performance Right is not achieved by the relevant milestone date; or

- (ii) Mr Rathjen ceases to be a director of the Company for any reason other than where Mr Rathjen is a Good Leaver.

Resolutions 14, 15 and 16 are ordinary resolutions.

The Chairperson intends to exercise all available proxies in favour of Resolutions 14, 15 and 16.

### **13.2 Chapter 2E of the Corporations Act**

A summary of Chapter 2E of the Corporations Act is detailed in Section 10.2.

The issue of the Performance Rights to each of Messrs Edwards, Cox and Rathjen (and/or their respective nominee(s)) constitutes giving a financial benefit and Messrs Edwards, Cox and Rathjen are all related parties of the Company by virtue of being Directors.

The Board is unable to form a quorum to consider whether one of the exceptions detailed in sections 210 to 216 of the Corporations Act applies to the grant of the Performance Rights due to Messrs Edwards, Cox and Rathjen having an interest in the outcome of Resolutions 14, 15 and 16. Accordingly, the Board has determined to seek Shareholder approval pursuant to section 208 of the Corporations Act for Resolutions 14, 15 and 16.

### **13.3 Listing Rule 10.14**

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

- (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 Listing Rule 10.14.1 or 10.14.2 is such that, in ASX's opinion, the acquisition should be approved by its shareholders,

unless it obtains the approval of its shareholders.

The issue of Performance Rights to Messrs Edwards, Cox and Rathjen falls within paragraph (a) above (being Listing Rule 10.14.1) and therefore requires the approval of Shareholders under Listing Rule 10.14.

If Resolution 14, 15 or 16 is passed, the Company will be able to proceed with the issue of the relevant Performance Rights to the relevant Director (and/or his respective nominee(s)). Approval pursuant to Listing Rule 7.1 will not be required as approval is being obtained under Listing Rule 10.14 (exception 14 under Listing Rule 7.2). Accordingly, the issue of Performance Rights (and Shares issued on exercise of the relevant Performance Rights) will not be included in calculating the Company's 15% Placement Capacity under Listing Rule 7.1.

If Resolution 14, 15 or 16 is not passed, the Company will not be able to proceed with the issue of the relevant Performance Rights to the relevant Director (and/or his respective nominee(s)) and the Company may need to consider alternative arrangements which may include a cash payment made in accordance with the Company's ordinary remuneration process.

Refer to Schedule 6 for a summary of the material terms of the Plan. The Company obtained Shareholder approval on 3 February 2023 for the adoption of the Plan, which is to be re-adopted pursuant to Resolution 17. If Resolutions 14, 15 and 16 are passed, the Performance Rights will be excluded from calculating the maximum number of Performance Rights and Options issued under the Plan.

### **13.4 Specific information required by Listing Rule 10.15 and section 219 of the Corporations Act**

The following information in relation to Resolutions 14, 15 and 16 is provided to Shareholders for the purposes of Listing Rule 10.15 and section 219 of the Corporations Act:

- (a) The Performance Rights will be issued to:

- (i) Mr Michael Edwards (and/or his nominee(s)) – Executive Chairman pursuant to Resolution 14;
  - (ii) Mr Robin Cox (and/or his nominee(s)) – Technical Director pursuant to Resolution 15; and
  - (iii) Mr Nicholas Rathjen (and/or his nominee(s)) – Managing Director pursuant to Resolution 16.
- (b) Messrs Edwards, Cox and Rathjen fall within Listing Rule 10.11.1 as they are all related parties of the Company by virtue of being Directors.
- (c) The maximum number of Performance Rights to be granted to:
- (i) Mr Michael Edwards (and/or his nominee(s)) is 7,500,000 Performance Rights as follows:
    - (A) 2,500,000 Tranche 1 Performance Rights;
    - (B) 2,500,000 Tranche 2 Performance Rights; and
    - (C) 2,500,000 Tranche 3 Performance Rights;
  - (ii) Mr Robin Cox (and/or his nominee(s)) is 7,500,000 Performance Rights as follows:
    - (A) 2,500,000 Tranche 1 Performance Rights;
    - (B) 2,500,000 Tranche 2 Performance Rights; and
    - (C) 2,500,000 Tranche 3 Performance Rights; and
  - (iii) Mr Nicholas Rathjen (and/or his nominee(s)) is 19,500,000 Performance Rights as follows:
    - (A) 3,000,000 Tranche 1 Performance Rights;
    - (B) 3,000,000 Tranche 2A Performance Rights;
    - (C) 3,000,000 Tranche 2B Performance Rights;
    - (D) 1,500,000 Tranche 2C Performance Rights;
    - (E) 3,000,000 Tranche 3 Performance Rights;
    - (F) 3,000,000 Tranche 4 Performance Rights; and
    - (G) 3,000,000 Tranche 5 Performance Rights.
- (d) The current remuneration package of Messrs Edwards, Cox and Rathjen is as follows:

Director	Cash Salary & Fees <sup>1</sup> (\$)	Share based payments (\$)		Total (\$)
		Performance Rights <sup>2</sup>	Options <sup>2</sup>	
Mr Mike Edwards <sup>3</sup>	168,000	(2,073)	13,216	179,143
Mr Robin Cox <sup>3</sup>	132,600	162,410	5,137	300,147
Mr Nicholas Rathjen	300,000	-	-	300,000

**Note:**

1. Inclusive of superannuation.
2. Refer to Annual Report for further details.

3. Remuneration for the year ended 30 June 2023 as detailed in the Annual Report.

- (e) As at the date of the Notice, Messrs Edwards, Cox and Rathjen hold the following interests in the Company's securities:

Name	Shares	Options	Performance Rights
Mr Mike Edwards	1,280,000	500,000	7,450,000
Mr Robin Cox	3,276,839	250,000	5,225,000
Mr Nicholas Rathjen	Nil	Nil	Nil

**Note:**

1. Refer to Appendix 3Ys released on 25 September 2023 for further details.

- (f) At the date of the Notice, the following Performance Rights have previously been issued under the Plan (to be adopted pursuant to Resolution 17) for nil cash consideration:

- (i) 2,000,000 Performance Rights to Mr Trevor Eton;
- (ii) 7,000,000 Performance Rights to Mr Edwards; and
- (iii) 7,000,000 Performance Rights to Mr Cox.

The Company has not granted any securities under the Plan to Mr Rathjen.

- (g) The terms and conditions of the Performance Rights are detailed in Schedule 5.
- (h) The Performance Rights are proposed to be issued as a cost effective and efficient reward for the Company to appropriately incentivise the continued performance of Messrs Edwards, Cox and Rathjen and is considered by the Board to be consistent with the strategic goals and targets of the Company.
- (i) The Board has received advice from an independent expert, Nexia Perth Corporate Finance Pty Ltd, on the value of the Performance Rights and determined on the basis of the assumptions detailed below. The value of the Performance Rights is as follows:

**Mike Edwards**

Performance Rights	Number Performance Rights	of Value per Performance Right	Total Value
Tranche 1	2,500,000	\$0.1150	\$287,500
Tranche 2	2,500,000	\$0.1150	\$215,625
Tranche 3	2,500,000	\$0.1150	\$287,500

**Robin Cox**

Performance Rights	Number Performance Rights	of Value per Performance Right	Total Value
Tranche 1	2,500,000	\$0.1150	\$287,500
Tranche 2	2,500,000	\$0.1150	\$287,500
Tranche 3	2,500,000	\$0.1150	\$287,500

**Nicholas Rathjen**

Performance Rights	Number of Performance Rights	Value per Performance Right	Total Value
Tranche 1	3,000,000	\$0.1150	\$345,000
Tranche 2A	3,000,000	\$0.1150	\$265,500
Tranche 2B	3,000,000	\$0.1150	\$198,300
Tranche 2C	1,500,000	\$0.1150	\$16,350
Tranche 3	3,000,000	\$0.1150	\$345,000
Tranche 4	3,000,000	\$0.1150	\$345,000
Tranche 5(i)	3,000,000	\$0.1150	\$260,400
Tranche 5(ii)	3,000,000	\$0.1150	\$172,500

The valuation imputes a total value of \$3,428,675 to the Performance Rights. The value may go up or down after the date of valuation as it will depend on the future price of a Share.

For the purpose of valuing Tranche 1, Tranche 3, Tranche 4 and Tranche 5(ii) of Mr Rathjen's Performance Rights, Tranche 1, Tranche 2 and Tranche 3 of Mr Edwards' Performance Rights, and Tranche 1, Tranche 2, and Tranche 3 of Mr Cox's Performance Rights, the following assumptions were used:

- (i) the 'per security' value of the Performance Rights of \$0.115 used for the purposes of this valuation is based on the Share price on the valuation date of 5 October 2023;
- (ii) for the purpose of the valuation the number of Performance Rights expected to vest was based on a range of probabilities, and the:
  - (A) the probability of meeting the vesting condition was assumed to be 100% for:
    - (I) Tranche 1 of Mr Rathjen's Performance Rights;
    - (II) Tranche 3 of Mr Rathjen's Performance Rights;
    - (III) Tranche 4 of Mr Rathjen's Performance Rights;
    - (IV) Tranche 1 of Mr Edwards' Performance Rights;
    - (V) Tranche 3 of Mr Edwards' Performance Rights;
    - (VI) Tranche 1 of Mr Cox's Performance Rights;
    - (VII) Tranche 2 of Mr Cox's Performance Rights; and
    - (VIII) Tranche 3 of Mr Cox's Performance Rights;
  - (B) the probability of meeting the vesting condition was assumed to be 75% for Tranche 2 of Mr Edward's Performance Rights; and
  - (C) the probability of meeting the vesting condition was assumed to be 50% for Tranche 5(ii) of Mr Rathjen's Performance Rights.

For the purposes of valuing Tranche 2A, Tranche 2B, Tranche 2C and Tranche 5(i) of Mr Rathjen's Performance Rights, the Hoadley Barrier<sup>1</sup> Model and Hoadley's Parisian Model was used, with the following assumptions:

- (iii) a 'per security' value of the Performance Rights of \$0.115 used for the purposes of this valuation is based on the Share price on the valuation date of 5 October 2023;
- (iv) the Performance Rights will have a nil exercise price;
- (v) the Share price target used in the Performance Rights valuation is:
  - (A) a 30-day VWAP of at least \$0.20 for Tranche 2A;
  - (B) a 30-day VWAP of at least \$0.35 for Tranche 2B;
  - (C) a 30-day VWAP of at least \$0.35 for Tranche 2C; and
  - (D) a 30-day VWAP of at least \$0.40 for Tranche 5(i);
- (vi) the implied barrier price used in the Performance Rights valuation was calculated from Hoadley's Parisian Model based on the respective Share price targets of the Performance Rights and the equivalent of 42 calendar days based on the 30-day VWAP requirement, and is:
  - (A) approximately \$0.2815 for Tranche 2A;
  - (B) approximately \$0.4926 for Tranche 2B;
  - (C) approximately \$0.4706 for Tranche 2C; and
  - (D) approximately \$0.5724 for Tranche 5(i);
- (vii) for the purposes of the valuation it is assumed that the vesting / expiry period will be:
  - (A) 1096 days for Tranche 2A and Tranche 2B;
  - (B) 366 days for Tranche 2C; and
  - (C) 1827 days for Tranche 5(i);
- (viii) the estimated volatility valuation used in the Performance Rights valuation is:
  - (A) approximately 81% for Tranche 2A and Tranche 2B;
  - (B) approximately 70% for Tranche 2C; and
  - (C) approximately 85% for Tranche 5(i);
- (ix) the risk free rate is based on the relevant money market end of day (EOD)-6 month, two-year, three-year and five-year discrete Australian Government bond yields as at 5 October 2023, and is:
  - (A) 3.95% per annum for Tranche 2A and Tranche 2B;
  - (B) 4.18% per annum for Tranche 2C; and
  - (C) 4.06% per annum for Tranche 5(i); and
- (x) for the purposes of the valuation, a dividend yield of nil was used.
- (j) The Company intends to grant the Performance Rights to Messrs Edwards, Cox and Rathjen (and/or their respective nominee(s)) within one month after the date of the Meeting, and by no later than three years after the date of the Meeting.

- (k) The Performance Rights will be granted for nil cash consideration to incentivise Messrs Edwards, Cox and Rathjen.
- (l) No funds will be raised by the grant of the Performance Rights as they are being granted for nil cash consideration.
- (m) A summary of the material terms of the Plan is detailed in Schedule 6.
- (n) No loans will be provided to Messrs Edwards, Cox and Rathjen in relation to the acquisition of the Performance Rights under the Plan.
- (o) The historical quoted price information for the Company's listed securities for the last twelve months is as follows:

Shares	Price	Date
Highest	\$0.15	21 June 2023
Lowest	\$0.046	17 March 2023
Last	\$11.50	6 October 2023

- (p) The conversion of the Performance Rights to be issued to Messrs Edwards, Cox and Rathjen will result in a dilution of all other Shareholders' holdings in the Company of 6.77% based on issued Shares as at the date of the Notice and 6.04% on a fully diluted basis.
- (q) The Company notes that:
  - (i) details of any securities issued under the 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
  - (ii) any additional persons covered by Listing Rule 10.14 who become entitled to participate in an issue of securities under the Plan after the resolution is approved and who were not named in the notice of meeting will not participate until approval is obtained under that rule.
- (r) Mr Edwards has an interest in Resolution 14 and therefore believes it inappropriate to make a recommendation.
- (s) Mr Cox has an interest in Resolution 15 and therefore believes it inappropriate to make a recommendation.
- (t) Mr Rathjen has an interest in Resolution 16 and therefore believes it inappropriate to make a recommendation.
- (u) The Board is not aware of any other information that is reasonably required by Shareholders to allow them to decide whether it is in the best interests of the Company to pass Resolutions 14, 15 and 16.
- (v) A voting exclusion statement is included in the Notice for Resolutions 14, 15 and 16.

### 13.5 Information for the purposes of ASX Guidance Note 19

The Performance Rights:

- (a) are not transferable (and, consequently, will not be quoted on the ASX or any other exchange);
- (b) do not confer any right to vote, except as otherwise required by law;
- (c) do not confer any entitlement to a dividend, whether fixed or at the discretion of the Directors;

- (d) do not confer any right to a return of capital, whether in a winding up, upon a reduction of capital or otherwise;
- (e) do not confer any right to participate in the surplus of profit or assets of the entity upon a winding up; and
- (f) do not confer any right to participate in new issues of securities such as bonus issues or entitlement issues,

unless and until the applicable vesting conditions are achieved and the Performance Rights convert into Shares.

### 13.6 Board Recommendation

The Board declines to make a recommendation on Resolutions 14, 15 and 16 as Messrs Edwards, Cox and Rathjen have a material interest in these Resolutions and cannot form a quorum. The Board does not consider it appropriate that they make a recommendation.

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## 14 RESOLUTION 17 — APPROVE THE EMPLOYEE INCENTIVE PLAN

### 14.1 Background

The employee and officer incentive plan known as the Future Battery Minerals Limited Employee Incentive Plan (**Plan**) enables the Company to grant Shares, Performance Rights, Options and Shares upon the exercise or conversion of those Performance Rights and Options (**Employee Incentives**) to be issued to eligible Directors, employees and service providers of the Company (**Eligible Participants**).

The Plan was approved at the general meeting of the Company held on 3 February 2023 (**2023 General Meeting**) and, for the purposes of Listing Rule 7.2 (exception 13), is due to be renewed in 2026. Shareholders approved a maximum of 42,632,013 Employee Incentives to be issued under the Plan at the 2023 General Meeting. The Company seeks approval of the Plan to have the ability to issue further Employee Incentives under the Plan (without using up any of the Company's 15% Placement Capacity).

Resolution 17 seeks Shareholder approval pursuant to Listing Rule 7.2, exception 13(b), to approve the Plan, and to enable Shares, Options and Performance Rights (and Shares upon exercise or conversion of those Performance Rights or Options) to be issued under the Plan to Eligible Participants to be exempted from Listing Rule 7.1 for a period of three years from the date on which Resolution 17 is passed.

A summary of the Plan, to be approved pursuant to Resolution 17, is detailed in Schedule 6. Additionally, a copy of the Plan is available for review by Shareholders at the registered office of the Company until the date of the Meeting. A copy of the Plan can also be sent to Shareholders upon request to the Company's company secretary. Shareholders are invited to contact the Company if they have any queries or concerns.

No Directors will receive securities pursuant to Resolution 17. For the avoidance of doubt, the Company must seek separate Shareholder approval under Listing Rule 10.14 in respect of any future issues of Employee Incentives under the Plan to a Director or any other related party or person whose relationship with the Company or the related party is, in ASX's opinion, such that approval should be obtained.

The Plan is intended to assist the Company to attract and retain key staff. The Board believes that grants made to Eligible Participants under the Plan will provide a powerful tool to underpin the Company's employment and engagement strategy, and that the Plan will:

- (a) enable the Company to incentivise and retain existing Key Management Personnel needed to achieve the Company's business objectives;

- (b) enable the Company to recruit, incentivise and retain additional Key Management Personnel needed to achieve the Company's business objectives;
- (c) link the reward of key staff with the achievement of strategic goals and the long-term performance of the Company;
- (d) align the financial interest of Eligible Participants of the Plan with those of Shareholders; and
- (e) provide incentives to participants under the Plan to focus on superior performance that creates Shareholder value.

Resolution 17 is an ordinary resolution.

The Chairperson intends to exercise all available proxies in favour of Resolution 17.

#### **14.2 Listing Rule 7.1 and Listing Rule 7.2 (exception 13)**

Listing Rule 7.1 provides that a company must not (subject to specified exceptions), without the approval of shareholders, issue or agree to issue during any 12 month period any Equity Securities, or other securities with rights to convert to equity (such as an Option or Performance Right), if the number of those securities exceeds 15% of the number of ordinary securities on issue at the commencement of that 12 month period.

Listing Rule 7.2 (exception 13) provides an exception to Listing Rule 7.1. The effect of Shareholder approval under Listing Rule 7.2 (exception 13) is that any issues of Employee Incentives under the Plan are treated as having been made with the approval of Shareholders for the purposes of Listing Rule 7.1. Approval under Listing Rule 7.2 (exception 13) lasts for a period of three years.

If Resolution 17 is passed, the Company will be able to issue Employee Incentives to Eligible Participants under the Plan without using up any of the Company's 15% Placement Capacity. However, the Company will be required to seek Shareholder approval for the issue of any Employee Incentives issued under the Plan to eligible Directors pursuant to Listing Rule 10.14.

If Resolution 17 is not passed, the Company may still issue Employee Incentives to Eligible Participants under the Plan but any issue will reduce, to that extent, the Company's 15% Placement Capacity for 12 months following the issue.

#### **14.3 Specific Information Required by Listing Rule 7.2**

The following information in relation to Resolution 17 is provided to Shareholders for the purposes of Listing Rule 7.2 (exception 13):

- (a) The material terms of the Plan are summarised in Schedule 6.
- (b) Since the adoption of the Plan at the 2023 General Meeting, a total of 19,700,000 Employee Incentives have been issued under the Plan.
- (c) The maximum number of securities that can be issued under the Plan following Shareholder approval is 50,990,599 Employee Incentives, which is equivalent to 10% of the Company's issued share capital at the date of the Notice.
- (d) A voting exclusion statement is included in the Notice for Resolution 17.

#### **14.4 Board Recommendation**

The Board is excluded from voting on Resolution 17 pursuant to the Listing Rules as they are eligible to participate under the Plan. Accordingly, the Board declines to make a recommendation to Shareholders on Resolution 17.

## 15 RESOLUTION 18 – APPROVAL OF 10% PLACEMENT CAPACITY

### 15.1 General

As detailed in Section 8.2, Listing Rule 7.1A provides that an Eligible Entity (as defined below) may seek shareholder approval by special resolution passed at an annual general meeting to have the capacity to issue up to that number of Equity Securities equal to 10% of its issued capital without using that company's existing 15% Placement Capacity granted under Listing Rule 7.1.

An Eligible Entity is one that, as at the date of the relevant annual general meeting:

- (a) is not included in the S&P/ASX 300 Index; and
- (b) has a market capitalisation equal to or less than A\$300,000,000.

As at the date of the Notice, the Company is an Eligible Entity as it is not included in the S&P/ASX 300 Index and has a current market capitalisation of approximately A\$59 million (based on the number of Shares on issue and the closing price of Shares on the ASX on 6 October 2023). If on the date of the Meeting, the Company's market capitalisation exceeds A\$300,000,000 or the Company has been included in the S&P/ASX 300 Index, then Resolution 18 will no longer be effective and must be withdrawn.

The Company is seeking Shareholder approval to issue Equity Securities under the 10% Placement Capacity. The number of Equity Securities to be issued under the 10% Placement Capacity will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to Section 15.2(c)).

If Resolution 18 is passed, the Company will be able to issue Equity Securities under Listing Rule 7.1A up to 10% of its issued share capital over a 12 month period after the annual general meeting, in addition to the Company's 15% Placement Capacity under Listing Rule 7.1.

If Resolution 18 is not passed, the Company will not be able to access the 10% Placement Capacity to issue Equity Securities without Shareholder approval provided for in Listing Rule 7.1A and will remain subject to the 15% limit on issuing Equity Securities without Shareholder approval under Listing Rule 7.1.

Resolution 18 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

The Chairperson intends to exercise all available proxies in favour of Resolution 18.

### 15.2 Listing Rule 7.1A

#### (a) Shareholder approval

The ability to issue Equity Securities under the 10% Placement Capacity is subject to Shareholder approval by way of a special resolution at an annual general meeting.

#### (b) Equity Securities

Any Equity Securities issued under the 10% Placement Capacity must be in the same class as an existing quoted class of Equity Securities of the Company.

The Company, as at the date of the Notice, has on issue one quoted classes of Equity Securities, being Shares.

#### (c) Formula for calculating 10% Placement Capacity

Listing Rule 7.1A.2 provides that Eligible Entities which have obtained Shareholder approval at an annual general meeting may issue or agree to issue, during the 12 month period after the date of the annual general meeting, a number of Equity Securities calculated in accordance with the following formula:

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

- A** is the number of Shares on issue at the commencement of the relevant period:
- (A) plus the number of Shares issued in the relevant period under an exception in Listing Rule 7.2 other than exception 9, 16 or 17;
  - (B) plus the number of Shares issued in the relevant period on the conversion of convertible securities within Listing Rule 7.2 exception 9 where:
    - (I) the convertible securities were issued or agreed to be issued before the commencement of the relevant period; or
    - (II) the issue of, or agreement to issue, the convertible securities was approved, or taken under the Listing Rules to have been approved under Listing Rule 7.1 or 7.4;
  - (C) plus the number of Shares issued in the relevant period under an agreement to issue securities within Listing Rule 7.2 exception 16 where:
    - (I) the agreement was entered into before the commencement of the relevant period; or
    - (II) the agreement was approved, or taken under these rules to have been approved, under Listing Rule 7.1 or 7.4;
  - (D) plus the number of any other Shares issued in the relevant period with approval under Listing Rule 7.1 or 7.4;
  - (E) plus the number of partly paid ordinary shares that became fully paid in the relevant period;
  - (F) less the number of Shares cancelled in the relevant period.

Note that A is has the same meaning in Listing Rule 7.1 when calculating an entity's 15% Placement Capacity.

**D** is 10%

**E** is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the relevant period where the issue or agreement has not been subsequently approved by Shareholders under Listing Rule 7.4.

(d) **Listing Rule 7.1 and Listing Rule 7.1A**

The ability of an entity to issue Equity Securities under Listing Rule 7.1A is in addition to the entity's 15% Placement Capacity under Listing Rule 7.1.

At the date of the Notice, the Company has on issue 509,905,986 Shares and, subject to Resolutions 4 to 16 (inclusive) being approved by Shareholders, therefore has a capacity to issue:

- (i) 76,485,898 Equity Securities under Listing Rule 7.1; and
- (ii) subject to Shareholder approval being sought under Resolution 18, 50,990,599 Equity Securities under Listing Rule 7.1A.

The actual number of Equity Securities that the Company will have capacity to issue under Listing Rule 7.1A will be calculated at the date of issue of the Equity Securities in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to Section 15.2(c)).

(e) **Minimum Issue Price**

The issue price of Equity Securities issued under Listing Rule 7.1A must be not less than 75% of the VWAP of Equity Securities in the same class calculated over the 15 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; or
- (ii) if the Equity Securities are not issued within 10 Trading Days of the date in paragraph 15.2(e)(i) above, the date on which the Equity Securities are issued.

(f) **10% Placement Period**

Shareholder approval of the 10% Placement Capacity under Listing Rule 7.1A is valid from the date of the annual general meeting at which the approval is obtained and expires on the earlier to occur of:

- (i) the date that is 12 months after the date of the annual general meeting at which the approval is obtained;
- (ii) the time and date of the entity's next annual general meeting; or
- (iii) the time and date of Shareholder approval of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking),

(the **10% Placement Period**).

**15.3 Effect of Resolution**

The effect of Resolution 18 will be to allow the Directors to issue the Equity Securities under Listing Rule 7.1A during the 10% Placement Period without using the Company's 15% Placement Capacity under Listing Rule 7.1.

**15.4 Specific information required by Listing Rule 7.3A**

In accordance with Listing Rule 7.3A, information is provided as follows:

- (a) The Equity Securities will be issued at an issue price of not less than 75% of the VWAP for the Company's Equity Securities over the 15 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; 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.
- (b) If Resolution 18 is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Capacity, the existing Shareholders' voting power in the Company will be diluted as shown in the below table (in the case of listed Options, only if the listed Options are exercised). 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 Meeting; 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,

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

- (c) The below table shows the dilution of existing Shareholders on the basis of the current market price of Shares and the current number of ordinary securities for variable 'A' calculated in accordance with the formula in Listing Rule 7.1A(2) as at 6 October 2023.
- (d) The table also shows:

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

Variable 'A' in Listing Rule 7.1A.2		Dilution		
		\$0.06 50% decrease in Issue Price	\$0.115 Issue Price	\$0.23 100% increase in Issue Price
Current Variable A 509,905,986 Shares	10% Voting Dilution	50,990,599	50,990,599	50,990,599
	Funds raised	\$2,931,959	\$5,863,919	\$11,727,838
50% increase in current Variable A 764,858,979 Shares	10% Voting Dilution	76,485,898	76,485,898	76,485,898
	Funds raised	\$4,397,939	\$8,795,878	\$17,591,757
100% increase in current Variable A 1,019,811,972 Shares	10% Voting Dilution	101,981,197	101,981,197	101,981,197
	Funds raised	\$5,863,919	\$11,727,838	\$23,455,675

The table has been prepared on the following assumptions:

- (iii) The Company issues the maximum number of Equity Securities available under the 10% Placement Capacity.
- (iv) No Options (including any Options issued under the 10% Placement Capacity) are exercised into Shares before the date of the issue of the Equity Securities.
- (v) 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%.
- (vi) The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Capacity, based on that Shareholder's holding at the date of the Meeting.
- (vii) The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% Placement Capacity under Listing Rule 7.1.
- (viii) The issue of Equity Securities under the 10% Placement Capacity consists only of Shares.

- (ix) The issue price is \$0.115, being the closing price of the Shares on ASX on 6 October 2023.
- (e) The Company will only issue the Equity Securities during the 10% Placement Period. The approval under Resolution 18 for the issue of the Equity Securities will cease to be valid in the event that Shareholders approve a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities or Listing Rule 11.2 (disposal of main undertaking).
- (f) The Company may seek to issue the Equity Securities for cash consideration. In such circumstances, the Company intends to use the funds raised towards an acquisition of new assets or investments (including expenses associated with such an acquisition), continued exploration and feasibility study expenditure on the Company's current assets and/or general working capital.
- (g) The Company will comply with the disclosure obligations under Listing Rules 3.10.3 and 7.1A(4) upon issue of any Equity Securities.
- (h) The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Capacity. The identity of the subscribers of Equity Securities will be determined on a case-by-case basis having regard to the 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 issue or other issue 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).
- (i) The subscribers under the 10% Placement Capacity have not been determined as at the date of the Notice but may include existing substantial Shareholders and/or new Shareholders who are not a related party or an associate of a related party of the Company.
- (j) In the 12 months preceding the date of the Meeting the Company has issued a total of 42,784,513 Equity Securities under Listing Rule 7.1A.2 which represents approximately 8.39% of the total number of Equity Securities on issue at 6 October 2023. Details of each issue of Equity Securities by the Company during the 12 months preceding the date of the Meeting under Listing Rule 7.1A.2 are set out below:

<b>Date of Issue</b>	21 September 2023
<b>Issued to or basis of issue</b>	Cornerstone, institutional, sophisticated and professional investors identified by the lead manager, Canaccord Genuity (Australia) Limited.
<b>Equity Securities issued</b>	42,784,513 Shares
<b>Issue price per Equity Security</b>	\$0.10
<b>Discount of issue price to closing market price on date of agreement</b>	13% discount to the last closing price of \$0.115 per Share on 12 September 2023.
<b>Total cash consideration, amount of case spend and use of funds, or intended use of funds for remaining cash</b>	\$4,278,451.30 (before costs) which is proposed to be utilised as detailed in Section 7.2.

- (k) The Company previously obtained Shareholder approval under Listing Rule 7.1A at its 2022 annual general meeting.
- (l) A voting exclusion statement is included in the Notice for Resolution 18.
- (m) At the date of the Notice, the Company has not approached any particular existing Shareholder or security holder or an identifiable class of existing security holder to participate in the issue of the Equity Securities. No existing Shareholder's votes will therefore be excluded under the voting exclusion in the Notice.

## 15.5 Board Recommendation

The Board recommends that Shareholders vote in favour of Resolution 18.

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## 16 RESOLUTION 19 – RENEWAL OF PROPORTIONAL TAKEOVER PROVISIONS

### 16.1 General

Section 648G(1) of the Corporations Act provides that a company's proportional takeover provisions, unless sooner omitted from its constitution, cease to apply at the end of three years from adoption or renewal as appropriate unless otherwise specified.

Resolution 19 seeks Shareholder approval to renew the proportional takeover provisions in schedule 5 of the Constitution (**Proportional Takeover Provisions**). The Proportional Takeover Provisions provides that a proportional takeover bid for Shares may only proceed after the bid has been approved by a meeting of Shareholders held in accordance with the terms set out in the Corporations Act.

The Constitution (including the Proportional Takeover Provisions) was adopted on 23 March 2016. The Proportional Takeover Provisions were renewed by Shareholders at the Company's annual general meeting on 16 December 2020. Accordingly, the Proportional Takeover Provisions included in the Constitution will cease to have effect on 16 December 2023 (being three years from the date of renewal) unless renewed by a special resolution of Shareholders. Accordingly, the Directors request that Shareholders approve the renewal of the Proportional Takeover Provisions for a further three years from the date of the Meeting.

Resolution 19 is a special resolution which will enable the Company to modify its Constitution by renewing clause 11 for a period of three years from the date of Shareholder approval.

### 16.2 Specific information required by section 648G of the Corporations Act

The following information in relation to Resolution 19 is provided to Shareholders for the purposes of obtaining Shareholder approval.

#### (a) Effect of the Proportional Takeover Provisions

Where offers have been made under a proportional off-market bid in respect of a class of securities in a company, the registration of a transfer giving effect to a contract resulting from the acceptance of an offer made under such a proportional off-market bid is prohibited unless and until a resolution to approve the proportional off-market bid is passed.

The effect of the Proportional Takeover Provisions is that in the event a proportional takeover bid is made, the Directors must ensure that a general meeting is held more than 14 days before the last day of the bid period for the purpose of allowing Shareholders to vote on the resolution approving the registration of a transfer giving effect to a contract resulting from the acceptance of an offer made under the proportional bid (**Approving Resolution**).

Each Shareholder will have one vote for each bid Share that the Shareholder holds. The bidder and its associates are not allowed to vote on the Approving Resolution.

If the Approving Resolution is not passed, transfers which would have resulted from the acceptance of a bid will not be registered and the bid will be taken to have been withdrawn.

The bid will be taken to have been approved if the Approving Resolution is not voted on within the deadline specified under the Corporations Act. However, the Directors will breach the Corporations Act if they fail to ensure the Approving Resolution is voted on.

If the bid is approved (or taken to have been approved), the transfers must be registered if they comply with the Corporations Act and the Constitution.

(b) **Reasons for renewing the proportional takeover provisions**

A proportional takeover bid may result in control of the Company changing without Shareholders having the opportunity to dispose of all their Shares. By making a partial bid, a bidder can obtain practical control of the Company by acquiring less than a majority interest. Shareholders are exposed to the risk of being left as a minority in the Company and the risk of the bidder being able to acquire control of the Company without payment of an adequate control premium. These amended provisions allow Shareholders to decide whether a proportional takeover bid is acceptable in principle, and assist in ensuring that any partial bid is appropriately priced.

(c) **Knowledge of any acquisition proposals**

As at the date of the Notice, no Director is aware of any proposal by any person to acquire, or to increase the extent of, a substantial interest in the Company.

(d) **Potential advantages and disadvantages of Proportional Takeover Provisions**

The Board consider that the Proportional Takeover Provisions have no potential advantages or disadvantages for them and that they remain free to make a recommendation on whether an offer under a proportional takeover bid should be accepted.

The potential advantages of the Proportional Takeover Provisions for Shareholders include:

- (i) the right to decide by majority vote whether an offer under a proportional takeover bid should proceed;
- (ii) assisting in preventing Shareholders from being locked in as a minority;
- (iii) increasing the bargaining power of Shareholders which may assist in ensuring that any proportional takeover bid is adequately priced; and
- (iv) each individual Shareholder may better assess the likely outcome of the proportional takeover bid by knowing the view of the majority of Shareholders which may assist in deciding whether to accept or reject an offer under the takeover bid.

The potential disadvantages of the Proportional Takeover Provisions for Shareholders include:

- (i) proportional takeover bids may be discouraged;
- (ii) lost opportunity to sell a portion of their Shares at a premium; and
- (iii) the likelihood of a proportional takeover bid succeeding may be reduced.

### 16.3 Board Recommendation

The Board do not believe the potential disadvantages outweigh the potential advantages of adopting the Proportional Takeover Provisions and as a result consider that the Proportional Takeover Provisions set out in schedule 5 of the Constitution is in the interest of Shareholders and unanimously recommend that Shareholders vote in favour of Resolution 19.

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**17 RESOLUTION 20 – SECTION 195 APPROVAL**

In accordance with section 195 of the Corporations Act, a director of a public company may not vote or be present during meetings of directors when matters in which that director holds a 'material personal interest' are being considered.

Messrs Mike Edwards, Robin Cox and Nicholas Rathjen have a material personal interest in the outcome of Resolutions 7, 8, 9, 10, 14, 15 and 16 (inclusive).

In the absence of this Resolution 20, the Directors may not be able to form a quorum at directors meetings necessary to carry out the terms Resolutions 7, 8, 9, 10, 14, 15 and 16 (inclusive).

The Directors accordingly exercise their right under section 195(4) of the Corporations Act to put the issue to Shareholders to resolve.

Resolution 20 is an ordinary resolution.

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## Schedule 1 – Definitions

In the Notice and this Explanatory Memorandum, words importing the singular include the plural and vice versa.

**\$** means Australian Dollars.

**10% Placement Capacity** has the meaning given in Section 8.2.

**15% Placement Capacity** has the meaning given in Section 8.2.

**10% Placement Period** has the meaning given in Section 15.2(f).

**2023 General Meeting** has the meaning given in Section 14.1.

**Acquisition** has the meaning given in Section 12.1.

**Agreement** means the share sale agreement between the Company and Goldfellas dated 5 August 2023.

**Annual Report** means the Directors' Report, the Financial Report and the Auditor's Report in respect to the financial period ended 30 June 2023.

**Approving Resolution** has the meaning given in Section 16.2(a).

**ASX** means ASX Limited (ACN 008 624 691) and, where the context permits, the Australian Securities Exchange operated by ASX.

**Auditor's Report** means the auditor's report on the Financial Report.

**Board** means the board of Directors of the Company.

**Canaccord** or **Lead Manager** means Canaccord Genuity (Australia) Limited ACN 075 071 466.

**Chairperson** means the person appointed to chair the Meeting, or any part of the Meeting, convened by the Notice.

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

**Company** means Future Battery Minerals Limited ACN 148 966 545.

**Consideration Securities** has the meaning given in Section 12.1.

**Consideration Shares** has the meaning given in Section 12.1.

**Consideration Performance Rights** has the meaning given in Section 12.1.

**Constitution** means the constitution of the Company as amended from time to time.

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

**Director** means a director of the Company.

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

**Eligible Entity** has the same meaning as in the Listing Rules.

**Eligible Participant** has the meaning given in Section 14.1.

**Equity Securities** has the meaning given in the Listing Rules.

**Employee Incentives** has the meaning given in Section 14.1.

**Explanatory Memorandum** means the explanatory memorandum which forms part of the Notice.

**Financial Report** means the annual financial report prepared under Chapter 2M of the Corporations Act of the Company and its controlled entities.

**Goldfellas** means Goldfellas Pty Ltd ACN 642 859 630.

**Good Leaver** has the meaning given in paragraph 1.5 of Schedule 6.

**Hancock** means Hancock Prospecting Pty Ltd ACN 008 676 417.

**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.

**Lead Manager Options** has the meaning given in Section 11.1.

**Listing Rules** means the listing rules of ASX.

**Managing Director** means the managing director of the Company.

**Meeting** has the meaning in the introductory paragraph of the Notice.

**Notice** means the notice of meeting which comprises of the notice, agenda, Explanatory Memorandum and Proxy Form.

**Option** means an option which entitles the holder to subscribe for a Share.

**Performance Period** means the period in which the Vesting Conditions must be satisfied in respect of an Employee Incentive.

**Performance Rights** means a performance right which converts into a Share on satisfaction of a specified milestone.

**Placement** has the meaning given in Section 7.1.

**Plan** means the Future Battery Minerals Limited (formerly known as Auroch Minerals Limited) Employee Incentive Plan approved by Shareholders on 3 February 2023.

**Proportional Takeover Provisions** has the meaning given in Section 16.1.

**Proxy Form** means the proxy form attached to the Notice.

**Related Party** has the meaning given in section 228 of the Corporations Act or the Listing Rules (as applicable).

**Related Party Shares** has the meaning given in Section 10.1.

**Remuneration Report** means the remuneration report of the Company contained in the Directors' Report.

**Resolution** means a resolution detailed in the Notice.

**Schedule** means a schedule to this Explanatory Memorandum.

**Section** means a section of this Explanatory Memorandum.

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

**Shareholder** means a holder of one or more Shares in the Company.

**Strike** has the meaning given in Section 4.

**Trading Day** means a day determined by ASX to be a trading day in accordance with the Listing Rules.

**Tranche 1 Placement** has the meaning given in Section 7.1.

**Tranche 1 Placement Shares** has the meaning given in Section 8.1.

**Tranche 2 Placement** has the meaning given in Section 7.1.

**Tranche 2 Placement Shares** has the meaning given in Section 9.1.

**VWAP** means the volume weighted average price.

**WST** means Australian Western Standard Time.

## Schedule 2 – Lead Manager Option Terms and Conditions

### 1 Entitlement

Each Option entitles the holder (**Holder**) to subscribe for one Share upon exercise.

### 2 Exercise Price and Expiry Date

The exercise price of the Options is \$0.15 (**Exercise Price**).

Each Option will expire on the date that is three (3) years from the date of issue (**Expiry Date**).

### 3 Exercise Period

Each Option is exercisable at any time prior to the Expiry Date (**Exercise Period**). After this time, any unexercised Options will automatically lapse.

### 4 Notice of Exercise

The Options may be exercised by notice in writing to the Company (**Notice of Exercise**) and payment of the applicable Exercise Price for each Option being exercised.

### 5 Shares Issued on Exercise

Shares issued on exercise of the Options rank equally with the Shares on issue and will be free of all encumbrances, liens and third party interests.

### 6 Quotation of the Shares

If admitted to the official list of ASX at the time, application will be made by the Company to ASX for quotation of the Shares issued upon the exercise of the Options.

### 7 Timing of the Issue of Shares and Quotation

Within five (5) business days after the later of the following:

- (a) receipt of a Notice of Exercise and payment of the applicable Exercise Price for each Option being exercised in accordance with clause 4; and
- (b) when excluded information in respect to the Company (as defined in section 708A(7) of the Corporations Act) (if any) ceases to be excluded information. If there is no such information the relevant date will be the date of receipt of a Notice of Exercise as detailed in clause 4 above),

the Company will:

- (c) allot and 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;
- (d) as soon as reasonably practicable and 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
- (e) 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.

If, for any reason, a Notice of Exercise delivered under clause 4 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.

## 8 **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.

## 9 **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):

- (a) the number of Shares which must be issued on the exercise of an Option will be increased by the number of Shares which the Holder would have received if the Holder of an Option had exercised the Option before the record date for the bonus issue; and
- (b) no change will be made to the Exercise Price.

## 10 **Adjustment for Rights Issue**

If the Company makes an issue of Shares pro rata to existing Shareholders (other than an issue in lieu of in satisfaction of dividends or by way of dividend reinvestment) the Exercise Price of an Option will be reduced according to the following formula:

$$O' = O - \frac{E[P - (S + D)]}{N + 1}$$

where:

- O' = the new Exercise Price of the Option.
- O = the old Exercise Price of the Option.
- E = the number of underlying Shares into which one Option is exercisable.
- P = average market price per Share weighted by reference to volume of the underlying Shares during the 5 trading days ending on the day before the ex rights date or ex entitlements date.
- S = the subscription price of a Share under the pro rata issue.
- D = the dividend due but not yet paid on the existing underlying Shares (except those to be issued under the pro rata issue).
- N = the number of Shares with rights or entitlements that must be held to receive a right to one new share.

## 11 **Adjustments for Reorganisation**

If there is any reconstruction of the issued share capital of the Company, the rights of the Holder may be varied to comply with the Listing Rules that apply to the reconstruction at the time of the reconstruction.

## 12 **Quotation**

The Company will not seek official quotation of any Options.

## 13 **Transferability**

The Options are not transferable.

## 14 **Lodgement Requirements**

Cheques shall be in Australian currency made payable to the Company and crossed 'Not Negotiable'. The application for Shares on the exercise of the Options with the appropriate remittance must be lodged at the Share Registry.

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### Schedule 3 – Summary of Agreement

The material terms of the Agreement are detailed below.

<b>Seller</b>	Goldfellas Pty Ltd
<b>Buyer</b>	Future Battery Minerals Limited
<b>Completion</b>	Five (5) business days after the Execution Date, being 11 August 2023 ( <b>Completion</b> ).
<b>Consideration</b>	<p>The total consideration for the Acquisition is as follows:</p> <ul style="list-style-type: none"> <li>• At Completion: <ul style="list-style-type: none"> <li>○ consideration of \$250,000 in cash;</li> <li>○ \$3,000,000 worth of Shares, such number of Shares to be calculated by dividing \$3,000,000 by the 15-day VWAP for Shares in the period immediately prior to Completion (<b>Consideration Shares</b>); and</li> <li>○ an equivalent number of performance rights as the Consideration Shares, which will vest upon the Buyer delineating and announcing a Mineral Resource (JORC Code compliant) of at least 10mt at 1.0% Li2O at the Kangaroo Hills Lithium Project.</li> </ul> </li> <li>• The remaining cash consideration of \$250,000 will be paid as follows: <ul style="list-style-type: none"> <li>○ \$125,000 payable three (3) months from Completion; and</li> <li>○ \$125,000 payable six (6) months from Completion.</li> </ul> </li> </ul>
<b>Voluntary Escrow</b>	<p>The Seller agrees that the Consideration Shares will be restricted from trading on the ASX as follows:</p> <ul style="list-style-type: none"> <li>• 1/3 of the Consideration Shares will be subject to voluntary escrow until the date which is six (6) months from Completion; and</li> <li>• 1/3 of the Consideration Shares will be subject to voluntary escrow until the date which is twelve (12) months from Completion.</li> </ul>
<b>First Right of Refusal</b>	<p>In relation to any proposed sale of the Consideration Shares, the Seller:</p> <ul style="list-style-type: none"> <li>• must consult with the Buyer and provide a transfer notice detailing the number of sale securities (<b>Sale Securities</b>), the price for each Sale Security, the proposed timing and method of sale (<b>Transfer Notice</b>);</li> <li>• grants to the Buyer a period of 15 business days from the date of the Transfer Notice to facilitate the proposed sale of Sale Securities, including by finding third party buyer(s) to acquire the Sale Securities (<b>Sale Period</b>); and</li> <li>• undertakes that it will not enter into any agreement, arrangement or understanding for the disposal of any Sale Securities during the Sale Period.</li> </ul>
<b>Tenement Option</b>	<p>The Seller grants to the Buyer an option to acquire certain tenements held by the Seller (<b>Tenements</b>), free from any encumbrances (<b>Tenement Option</b>) and undertakes that during the Tenement Option period, it will not encumber and/or dispose of the Tenements and will keep the Tenements in good standing.</p> <p>The Buyer may at any time during the period commencing on the date of the Agreement and ending on the date that is 24 months from the date of the Agreement</p>

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	<p>(<b>Tenement Option Period</b>), require that the Seller sells to the Buyer the Tenements for nominal consideration of \$1.</p> <p>The Buyer may exercise the Tenement Option by providing written notice to the Seller of its intention to exercise the Tenement Option during the Tenement Option Period.</p>
<b>Joint Venture Agreement</b>	<p>On and from Completion, the joint venture agreement between the Buyer and the Seller will be terminated and shall have no further effect.</p>
<b>Other Terms</b>	<p>Customary terms for agreements of this nature, including in relation to representations and warranties.</p>

## Schedule 4 – Consideration Performance Rights Terms and Conditions

### 1 Entitlement

Each Performance Right confers an entitlement to be provided with one fully paid ordinary share in the Company (**Share**), at no cost, upon the full satisfaction of the Performance Criteria specified by the Company's board of directors (**Board**) in relation to the Consideration Performance Rights.

### 2 Performance Criteria, Variation to Performance Criteria and Expiry Date

- (a) The Performance Criteria and Expiry Date for each Performance Right is detailed to in the table below:

Performance Criteria	Expiry Date
The Company delineating and announcing a Mineral Resource (JORC Code compliant) of at least 10mt at 1.0% Li <sub>2</sub> O at the Kangaroo Hills Lithium Project.	Five (5) years from the date of issue.

- (b) Consideration Performance Rights will only vest and entitle the holder (**Holder**) to be issued Shares if the applicable Performance Criteria has been satisfied prior to the end of the Expiry Date (**Performance Period**).

### 3 The Satisfaction of Performance Criteria

The Board will determine in its sole discretion whether the Holder has satisfied the Performance Criteria. As soon as practicable after making that determination the Board must allot and issue, or transfer, the number of Shares for which the Holder is entitled to acquire upon satisfaction of the Performance Criteria for the relevant number of Consideration Performance Rights held in accordance with clause 5.

### 4 Lapse of Consideration Performance Rights

Where the Consideration Performance Rights have not satisfied the Performance Criteria on or before the Expiry Date, the Consideration Performance Rights will automatically lapse and be cancelled.

### 5 Timing of the Issue of Shares and Quotation

- (a) The Company must within 15 business days after the later of the following:
- (i) the satisfaction of the Performance Criteria; and
  - (ii) when excluded information in respect of the Company (as defined in section 708A(7) of the Corporations Act) (if any) ceases to be excluded information. If there is no such information, the relevant date will be the date the relevant Performance Criteria are satisfied pursuant to clause 3,

the Company will:

- (iii) allot and issue the Shares pursuant to the vesting of the Consideration Performance Rights;
- (iv) as soon as reasonably practicable and 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

- (v) apply for official quotation on ASX of Shares issued pursuant to the vesting of the Consideration Performance Rights.

6 **Shares Issued**

Shares issued on the satisfaction of the Performance Criteria attaching to the Consideration Performance Rights rank equally with all existing Shares.

7 **Quotation**

If admitted to the official list of ASX at the time, application will be made by the Company to ASX for quotation of the Shares issued upon the vesting of the Consideration Performance Rights.

8 **Reorganisation**

If there is any reorganisation of the issued share capital of the the Company, the terms of Consideration Performance Rights and the rights of the Holder who holds such Consideration Performance Rights will be varied, including an adjustment to the number of Consideration Performance Rights, in accordance with the Listing Rules that apply to the reorganisation at the time of the reorganisation.

9 **Holder Rights**

A Holder of the Consideration Performance Rights is not entitled to:

- (a) notice of, or to vote or attend at, a meeting of the shareholders of the the Company;
- (b) receive any dividends declared by the the Company;
- (c) participate in any new issues of securities offered to shareholders of the the Company during the term of the Consideration Performance Rights; or
- (d) cash for the Consideration Performance Rights or any right to participate in surplus assets of profits of the the Company on winding up,

unless and until the Consideration Performance Rights are satisfied and the Holder holds Shares.

10 **Pro Rata Issue of Securities**

- (a) If during the term of any Performance Right, the Company makes a pro rata issue of securities to the shareholders of the Company by way of a rights issue, a Holder shall not be entitled to participate in the rights issue in respect of any Consideration Performance Rights, only in respect of Shares issued in respect of vested Consideration Performance Rights.
- (b) A Holder will not be entitled to any adjustment to the number of Shares they are entitled to or adjustment to any Performance Criteria which is based, in whole or in part, upon the Company's share price, as a result of the Company undertaking a rights issue.

11 **Adjustment for Bonus Issue**

If, during the term of any Performance Right, securities are issued pro rata to the shareholders of the Company generally by way of bonus issue, the number of Shares to which the Holder is then entitled, shall be increased by that number of securities which the Holder would have been issued if the Consideration Performance Rights then held by the Holder were vested immediately prior to the record date for the bonus issue.

12 **Change of Control**

- (a) For the purposes of these terms and conditions, a "Change of Control Event" occurs in relation to the Company if:
  - (i) the Company announces that its shareholders have at a Court convened meeting of shareholders voted in favour, by the necessary majority, of a proposed scheme of arrangement (excluding a merger by way of scheme of arrangement for the purposes

of a corporate restructure (including change of domicile, or any reconstruction, consolidation, sub-division, reduction or return) of the issued capital of the Company or Eastern Coolgardie Goldfields Pty Ltd ACN 628 812 902 (**Eastern Coolgardie**) and the Court, by order, approves the scheme of arrangement;

- (ii) a Takeover Bid:
  - (A) is announced;
  - (B) has become unconditional; and
  - (C) the person making the Takeover Bid has a relevant interest (as that term is defined in the Corporations Act) (**Relevant Interest**) in fifty percent (50%) or more of the issued Shares of the Company;
- (iii) any person acquires a Relevant Interest in fifty and one-tenths percent (50.1%) or more of the issued Shares of the Company by any other means; or
- (iv) the announcement by the Company that a sale or transfer (in one transaction or a series of related transactions) of the whole or substantially the whole of the undertaking and business of the Company has been completed; or
- (v) the announcement by the Company that a sale of Eastern Coolgardie or Eastern Coolgardie's Kangaroo Hills Lithium Project has been completed.

(b) Where a Change of Control Event has (i) occurred or (ii) been announced by the Company and, in the opinion of the Board, will or is likely to occur, all granted Consideration Performance Rights which have not yet vested or lapsed shall automatically and immediately vest, regardless of whether any Performance Criteria have been satisfied, and the Company will allot and issue the Shares in respect to all the vested Consideration Performance Rights.

### 13 **Quotation**

The Company will not seek official quotation of any Consideration Performance Rights.

### 14 **Consideration Performance Rights Not Property**

A Holder's Consideration Performance Rights are personal contractual rights granted to the Holder only and do not constitute any form of property.

### 15 **No Transfer of Consideration Performance Rights**

Unless otherwise determined by the Board, Consideration Performance Rights cannot be transferred to or vest in any person other than the Holder.

## Schedule 5 – Performance Rights Terms and Conditions

### 1 Entitlement

Each Performance Right that vests entitles the holder (**Holder**) to redeem the Performance Right during the redemption period (without having to pay any cash consideration) for one (1) Share.

### 2 Performance Rights

The Performance Rights are subject to different performance periods (each a **Performance Period**) which are as follows:

#### Mike Edwards

Tranche	Number of Performance Rights	Vesting Conditions	Performance Period
1	2,500,000	The Company delineating and announcing a Mineral Resource (JORC Code compliant) of at least 10mt at 1.0% Li <sub>2</sub> O at the Kangaroo Hills Lithium Project.	5 years from issue date
2	2,500,000	The Company disposes/divest any of its mineral projects that is considered significant enough to warrant an announcement on the ASX.	5 years from issue date
3	2,500,000	Subject to the continuous service as a Director (either in an executive or non-executive capacity) from the date of issue of the Performance Rights to the date that is 24 months from the issue date, the Performance Rights will vest on the date that is 24 months from the issue date.	2 years from issue date

#### Robin Cox

Tranche	Number of Performance Rights	Vesting Conditions	Performance Period
1	2,500,000	The Company delineating and announcing a Mineral Resource (JORC Code compliant) of at least 10mt at 1.0% Li <sub>2</sub> O at the Kangaroo Hills Lithium Project.	5 years from issue date
2	2,500,000	The Company delineating and announcing a Mineral Resource (JORC Code compliant) of at least 700mt at 750ppm Li at the Nevada Lithium Project.	5 years from issue date
3	2,500,000	Subject to the continuous service as a Director (either in an executive or non-executive capacity) from the date of issue of the Performance Rights to the date that is 24 months from the issue date, the Performance Rights will vest on the date that is 24 months from the issue date.	2 years from issue date

#### Nicholas Rathjen

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Tranche	Number of Performance Rights	Vesting Conditions	Performance Period
1	3,000,000	Subject to the continuous service as Managing Director from the date of issue of the Performance Rights to the date that is 12 months from the issue date, the Performance Rights will vest on the date that is 12 months from the issue date.	12 months from issue date
2A	3,000,000	The Company achieving a Share price of at least \$0.20 per Share based on a 30-day VWAP.	3 years from issue date
2B	3,000,000	The Company achieving a Share price of at least \$0.35 per Share based on a 30-day VWAP.	3 years from issue date
2C	1,500,000	The Company achieving a Share price of at least \$0.35 per Share based on a 30-day VWAP <sup>2</sup>	12 months from issue date
3	3,000,000	The Company announcing a JORC or NI43-101 compliant Mineral Resource of more than 10m tonnes at 1% Li <sub>2</sub> O (or contained Li <sub>2</sub> O-equivalent) for any of the Company's projects and subject to the continuous service as Managing Director from the date of issue of the Performance Rights to the date that is 6 months from the issue date.	5 years from issue date
4	3,000,000	The Company announcing the release of a scoping study or preliminary economic assessment for any of the Company's projects and subject to the continuous service as Managing Director from the date of issue of the Performance Rights to the date that is 12 months from the issue date.	5 years from issue date
5	3,000,000	The earlier to occur of: <ul style="list-style-type: none"> <li>(i) the Company achieving a Share price of at least \$0.40 per Share based on a 30-day VWAP; or</li> <li>(ii) the Company announcing the completion of an acquisition of a mineral exploration project and/or company from a third party (<b>New Project</b>) and the Company announcing a JORC (or NI 43-101) compliant resource of 10m tonnes at 1% Li<sub>2</sub>O (or contained Li<sub>2</sub>O-equivalent) in respect to the New Project.</li> </ul>	5 years from issue date

### 3 Redemption Period

Performance Rights that vest on the relevant vesting date may each be redeemed for a Share at any time during the subsequent redemption period, by the Holder in accordance with clause 5 below.

<sup>2</sup> These Performance Rights are in addition to Tranche 2B and will vest if the milestone is achieved within 12 months from the date of issue.

The Performance Rights have a two year redemption period following the relevant vesting date. A vested Performance Right not redeemed by its Holder by the end of the redemption period will be immediately automatically cancelled for nil consideration.

#### 4 **Notice of Redemption of vested Performance Rights**

A Holder of a vested Performance Right who continues to be a Director (or who is the nominee of a continuing Director) has the right to redeem vested Performance Rights for a number of Shares as are equal to the number of such vested Performance Rights on written notice given to the Company prior to the end of the redemption period. Those Performance Rights will automatically be cancelled upon their redemption.

#### 5 **Timing of the Issue of Shares and Quotation**

Within five (5) business days after the later of the following:

- (a) receipt by the Company of a notice of redemption of vested Performance Rights given in accordance with clause 5; and
- (b) when excluded information in respect to the Company (as defined in section 708A(7) of the Corporations Act) (if any) ceases to be excluded information (if there is no such information the relevant date will be five (5) business days after the date of receipt of a notice of redemption as set out in clause (a) immediately above),

the Company will:

- (c) allot and issue the Shares pursuant to the vesting of the Performance Rights;
- (d) as soon as reasonably practicable and 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
- (e) apply for official quotation on ASX of Shares issued pursuant to the redemption of the Performance Rights.

#### 6 **Shares Issued**

Shares issued on the satisfaction of the performance milestone attaching to the Performance Rights rank equally with all existing Shares.

#### 7 **Quotation of the Shares Issued on Exercise**

If admitted to the official list of ASX at the time, application will be made by the Company to ASX for quotation of the Shares issued upon the vesting of the Performance Rights.

#### 8 **Reorganisation**

If there is any reorganisation of the issued share capital of the Company, the terms of Performance Rights and the rights of the Holder who holds such Performance Rights will be varied, including an adjustment to the number of Performance Rights, in accordance with the Listing Rules that apply to the reorganisation at the time of the reorganisation.

#### 9 **Holder Rights**

A Holder of the Performance Rights is not entitled to:

- (a) notice of, or to vote or attend at, a meeting of the Shareholders;
- (b) receive any dividends declared by the Company;
- (c) any right to a return of capital, whether in winding up of the Company, upon a reduction of capital in the Company or otherwise;

- (d) participate in any new issues of securities offered to Shareholders during the term of the Performance Rights; or
- (e) cash for the Performance Rights or any right to participate in surplus assets or profits of the Company on winding up,

unless and until the Performance Rights are satisfied and the Holder holds Shares.

#### 10 **Pro Rata Issue of Securities**

If during the term of any Performance Right, the Company makes a pro rata issue of securities to the Shareholders by way of a rights issue, a Holder shall not be entitled to participate in the rights issue in respect of any Performance Rights, only in respect of Shares issued in respect of vested Performance Rights.

A Holder will not be entitled to any adjustment to the number of Shares they are entitled to or adjustment to any performance milestone which is based, in whole or in part, upon the Company's share price, as a result of the Company undertaking a rights issue.

#### 11 **Adjustment for Bonus Issue**

If, during the term of any Performance Right, securities are issued pro rata to Shareholders generally by way of bonus issue, the number of Shares to which the Holder is then entitled, shall be increased by that number of securities which the Holder would have been issued if the Performance Rights then held by the Holder were vested immediately prior to the record date for the bonus issue.

#### 12 **Change of Control**

- (a) For the purposes of these terms and conditions, a "Change of Control Event" occurs if:
  - (i) the Company announces that its Shareholders have at a Court convened meeting of Shareholders voted in favour, by the necessary majority, of a proposed scheme of arrangement (excluding a merger by way of scheme of arrangement for the purposes of a corporate restructure (including change of domicile, or any reconstruction, consolidation, sub-division, reduction or return) of the issued capital of the Company) and the Court, by order, approves the scheme of arrangement;
  - (ii) a Takeover Bid:
    - (A) is announced;
    - (B) has become unconditional; and
    - (C) the person making the Takeover Bid has a relevant interest (as that term is defined in the Corporations Act) (**Relevant Interest**) in fifty percent (50%) or more of the issued Shares;
  - (iii) any person acquires a Relevant Interest in fifty and one-tenths percent (50.1%) or more of the issued Shares by any other means; or
  - (iv) the announcement by the Company that a sale or transfer (in one transaction or a series of related transactions) of the whole or substantially the whole of the undertaking and business of the Company has been completed.
- (b) Where a Change of Control Event has (i) occurred or (ii) been announced by the Company, all granted Performance Rights which have not yet vested or lapsed shall automatically and immediately vest, regardless of whether any performance milestone has been satisfied.

#### 13 **Quotation**

The Company will not seek official quotation of any Performance Rights.

#### 14 **Performance Rights Not Property**

A Holder's Performance Rights are personal contractual rights granted to the Holder only and do not constitute any form of property.

15 **No Transfer of Performance Rights**

Unless otherwise determined by the Board, Performance Rights cannot be transferred to or vest in any person other than the Holder.

16 **Employee Incentive Plan**

The Performance Rights will be issued under the Employee Incentive Plan.

For personal use only

## Schedule 6 – Summary of Employee Incentive Plan

The terms of the Employee Incentive Plan (**Plan**) are summarised below. A copy of the Plan can be obtained by contacting the Company.

### Definitions

1 For the purposes of the Plan:

1.1 **Eligible Participant** means:

1.1.1 Directors and Employees who are determined by the Board in its sole and absolute discretion to be eligible to receive grants of Employee Incentives; or

1.1.2 any other person who is determined by the Board in its sole and absolute discretion to be eligible to receive grants of Employee Incentives.

1.2 **Employee** means an employee or service provider of the Company or any of its subsidiaries.

1.3 **Employee Incentive** means any:

1.3.1 Share, Option or Performance Right granted, issued or transferred; or

1.3.2 Share(s) issued pursuant to the exercise of an Option or conversion of a Performance Right,

under the Plan.

1.4 **Participant** means:

1.4.1 an Eligible Participant who has been granted Employee Incentives under the Plan; or

1.4.2 where an Eligible Participant has made a nomination:

(a) the Eligible Participant; or

(b) the nominee of the Eligible Participant who has been granted Employee Incentives under the Plan,

as the context requires.

1.5 **Good Leaver** means a Participant who ceases to be an Eligible Participant in any of the following circumstances:

1.5.1 the Participant and Board have agreed in writing that the Participant has entered into bona fide retirement;

1.5.2 the Participant and the Board have agreed in writing that the Participant's role has been made redundant;

1.5.3 the Participant is resigning after at least 3 years of service to the Company;

1.5.4 the Participant's role has been terminated without cause;

1.5.5 the Board has determined (in its sole and absolute discretion) that:

(a) Special Circumstances apply to the Participant; or

(b) the Participant is no longer able to perform their duties under their engagement or employment arrangements with the Company due to poor health, injury or disability;

1.5.6 the Participant's death; or

1.5.7 any other circumstance determined by the Board in writing.

1.6 **Bad Leaver** means a Participant who ceases to be an Eligible Participant and does not meet the Good Leaver criteria.

1.7 **Special Circumstance** means the total and permanent disablement of the Participant such that the Participant is unlikely ever to engage in any occupation for which the Participant is reasonably qualified by education, training or experience.

1.8 **Vesting Conditions** means any condition(s) (as specified in the Offer and determined by the Board in its sole and absolute discretion) which must be satisfied or waived prior to the Employee Incentives vesting in a Participant.

### Participation

2 The Board may from time to time in its sole and absolute discretion determine that an Eligible Participant may participate in the Plan.

3 Following determination that an Eligible Participant may participate in the Plan, the Board may at any time, and from time to time, make an Offer to the Eligible Participant.

### Offer

4 The manner, form, content, timing and frequency of Offers will be as determined by the Board in its sole and absolute discretion.

5 An Offer must be set out in an Offer Letter delivered to the Eligible Participant. The Offer Letter may specify (as determined by the Board):

5.1 the number of Shares, Options or Performance Rights;

5.2 the Grant Date;

5.3 the fee payable by the Eligible Participant on the grant of Shares, Options or Performance Rights (if any);

5.4 the Vesting Conditions (if any);

5.5 the Exercise Price (if any);

5.6 the Exercise Period (if applicable);

5.7 the Performance Period (if applicable); and

5.8 the Expiry Date and Term (if applicable).

6 An Offer must be accompanied by an Application, the terms and conditions of the relevant Employee Incentives and a copy of this Plan.

### Nominee

7 Unless expressly permitted in the Offer or by the Board, an Eligible Participant may only submit an Application in the Eligible Participant's name and not on behalf of any other person.

8 If an Eligible Participant is permitted in the Offer or by the Board, the Eligible Participant may nominate a Related Party (**Nominee**) to be issued the Employee Incentives the subject of the Offer.

9 The Board may in its discretion resolve not to allow a Nominee to be issued or transferred the Employee Incentives the subject of the Offer without giving any reason for that decision.

### Employee Share Trust

- 10 The Board may in its sole and absolute discretion use an employee share trust or other mechanism for the purposes of holding Shares for Participants under the Plan and delivering Shares to Participants for an issue of Shares upon exercise of the Options or the vesting of a Performance Right or otherwise.

### Employee Loan

- 11 The Board may, in its absolute discretion, offer to a Participant a limited recourse, interest free loan to be made by the Company to the Participant for an amount equal to the issue price for the Shares offered to the Participant pursuant to the relevant Offer.

### Vesting Conditions

- 12 The Board may at its sole discretion determine the Vesting Conditions which will apply to any Employee Incentives. The Vesting Conditions will specify the criteria that the Eligible Participant is required to meet in the specified Performance Period (if any) in order to exercise Options or for Performance Rights to vest to become entitled to receive Shares under this Plan.
- 13 The Board may vary the Vesting Conditions and/or the Performance Period after the grant of those Employee Incentives, subject to:
- 13.1 the Company complying with any applicable laws;
  - 13.2 the Vesting Conditions and/or the Performance Period as varied being no less favourable to the Participant than the terms upon which the Employee Incentives were originally granted; and
  - 13.3 the Board promptly notifying a Participant of any such variation.
- 14 The Board will determine in its sole discretion whether (and, where applicable, to what extent) the Participant has satisfied the Vesting Conditions applicable to the relevant Performance Period. As soon as practicable after making that determination the Board must inform the Participant of that determination by issuing the Participant a Vesting Notification.
- 15 Where Employee Incentives have not satisfied the Vesting Conditions within the Performance Period, those Employee Incentives will automatically lapse.

### Cashless Exercise

- 16 The terms of any Options may provide that a Participant may elect to pay the exercise price for each Option by setting off the total exercise price against the number of Shares which they are entitled to receive upon exercise (**Cashless Exercise Facility**). By using the Cashless Exercise Facility, the holder will receive Shares to the value of the surplus after the exercise price has been set off.

### Lapsing of Employee Incentives

- 17 Subject to the Board's absolute discretion, any vested and unexercised and/or unconverted Employee Incentives and unvested Employee Incentives shall automatically lapse and be cancelled for no consideration on the earliest to occur of the following:
- 17.1 where the Participant is a Bad Leaver;
  - 17.2 where a Participant has engaged in fraudulent or dishonest actions;
  - 17.3 if the applicable Vesting Conditions are not achieved by the end of the relevant Performance Period;
  - 17.4 if the Board determines in its reasonable opinion that the applicable Vesting Conditions have not been met or cannot be met prior to the Expiry Date or the end of the relevant Performance Period (as applicable);
  - 17.5 the Expiry Date;
  - 17.6 the receipt by the Company of notice from the Participant that the Participant has elected to surrender the Employee Incentives; or

- 17.7 any other circumstances specified in any Offer Letter pursuant to which the Employee Incentives were issued.

#### **Good Leaver**

- 18 Subject to clause 19, where a Participant who holds Employee Incentives becomes a Good Leaver, the Board may at any time, in its sole and absolute discretion, do one or more of the following:
- 18.1 permit unvested Employee Incentives held by the Good Leaver to vest;
  - 18.2 permit such unvested Employee Incentives held by the Good Leaver or his or her nominee(s) to continue to be held by the applicable holder, with the Board having the discretion to amend the Vesting Conditions or reduce the Exercise Period of such unvested Employee Incentives; or
  - 18.3 determine that the unvested Employee Incentives will lapse.
- 19 Where a person is a Good Leaver due to a Special Circumstance, the Nominated Beneficiary shall be entitled to benefit from any exercise of the above discretionary powers by the Board.

#### **Bad Leaver**

- 20 Where a Participant who holds Employee Incentives becomes a Bad Leaver unless the Board determines otherwise, in its sole and absolute discretion:
- 20.1 all vested and unexercised and/or unconverted Employee Incentives; and
  - 20.2 all unvested Employee Incentives,
- will lapse.

#### **Fraudulent or Dishonest Actions**

- 21 Where, in the reasonable opinion of the Board, a Participant or Former Participant (which for the avoidance of doubt may include a Good Leaver):
- 21.1 acted fraudulently or dishonestly;
  - 21.2 willfully breached his or her duties to the Company or any member of the Group; or
  - 21.3 had, by any act or omission, in the opinion of the Board (determined in its absolute discretion):
    - 21.3.1 brought the Company, the Group, its business or reputation into disrepute; or
    - 21.3.2 is contrary to the interest of the Company or the Group;
  - 21.4 committed any material breach of the provisions of any employment contract entered into by the Participant with any member of the Group;
  - 21.5 committed any material breach of any of the policies of the Group or procedures or any applicable laws applicable to the Company or Group;
  - 21.6 is subject to allegations, had been accused of, charged with or convicted of fraudulent or dishonest conduct in the performance of the Participant's (or Former Participant's) duties, which in the reasonable opinion of the relevant directors of the Group effects the Participant's suitability for employment with that member of the Group, or brings the Participant or the relevant member of the Group into disrepute or is contrary to the interests of the Company or the Group;
  - 21.7 is subject to allegations, had been accused of, charged with or convicted of any criminal offence which involves fraud or dishonesty or any other criminal offence which Board determines (in its absolute discretion) is of a serious nature;

- 21.8 had committed any wrongful or negligent act or omission which has caused any member of the Group substantial liability;
- 21.9 had become disqualified from managing corporations in accordance with Part 2D.6 of the Corporations Act or has committed any act that, pursuant to the Corporations Act, may result in the Participant being banned from managing a corporation;
- 21.10 had committed serious or gross misconduct, willful disobedience or any other conduct justifying termination of employment without notice.
- 21.11 had willfully or negligently failed to perform their duties under any employment contract entered into by the Participant with any member of the Group;
- 21.12 had engaged in a transaction which involves a conflict of interest to their employment with the Company resulting in the Participant or Former Participant obtaining a personal benefit;
- 21.13 accepted a position to work with a competitor of the Company or Group;
- 21.14 acted in such a manner that could be seen as being inconsistent with the culture and values of the Company or the Group; or
- 21.15 any other act that the Board determines in its absolute discretion to constitute fraudulent or dishonest by the Participant or Former Participant,

then the Board may (in its absolute discretion) deem that all, or part of, any:

- 21.16 vested and unexercised and/or unconverted Employee Incentives; and/or
- 21.17 unvested Employee Incentives,

held by the Participant or Former Participant will automatically be forfeited.

#### **Discretion of the Board**

- 22 The Board may decide to allow a Participant to:
  - 22.1 retain and exercise any or all of their Options, whether or not the Vesting Conditions have been satisfied during the Performance Period, and whether or not the Options would otherwise have lapsed, provided that no Options will be capable of exercise later than the relevant Expiry Date for those Options; and
  - 22.2 retain any Performance Rights regardless of:
    - 22.2.1 the expiry of the Performance Period to which those Performance Rights relate; or
    - 22.2.2 any failure by the Participant to satisfy in part or in full the Vesting Conditions specified by the Board in respect of those Performance Rights;
 in which case, the Board may:
    - 22.2.3 determine that any or all of those retained Performance Rights shall vest and the corresponding Shares shall be provided to the Participant; or
    - 22.2.4 determine a new Performance Period or Vesting Conditions (as applicable) for those retained Performance Rights and notify the Participant of the determination as soon as practicable.

#### **Change of Control**

- 23 The terms of any Performance Rights or Options may provide that where a Change of Control Event has (i) occurred or (ii) been announced by the Company and, in the opinion of the Board, will or is likely to occur:

- 23.1 all granted Performance Rights which have not yet vested or lapsed shall automatically and immediately vest, regardless of whether any Vesting Conditions have been satisfied;
- 23.2 all Options will vest and a Participant may exercise any or all of their Options, regardless of whether the Vesting Conditions have been satisfied, provided that no Option will be capable of exercise later than the Expiry Date; and
- 23.3 if the Board has procured an offer for all holders of Options on like terms (having regard to the nature and value of the Options) to the terms proposed under the Change in Control Event and the Board has specified (in its absolute discretion) a period during which the holders of Options may elect to accept the offer and, if the Participant has not so elected at the end of that offer period, the Options, if not exercised within 10 days of the end of that offer period, shall expire.
- 24 For the purposes of these terms and conditions, a **Change of Control Event** occurs if:
- 24.1 the Company announces that its Shareholders have at a Court convened meeting of Shareholders voted in favour, by the necessary majority, of a proposed scheme of arrangement (excluding a merger by way of scheme of arrangement for the purposes of a corporate restructure (including change of domicile, or any reconstruction, consolidation, sub-division, reduction or return) of the issued capital of the Company) and the Court, by order, approves the scheme of arrangement;
- 24.2 a Takeover Bid:
- 24.2.1 is announced;
- 24.2.2 has become unconditional; and
- 24.2.3 the person making the Takeover Bid has a Relevant Interest in fifty percent (50%) or more of the issued Shares;
- 24.3 any person acquires a Relevant Interest in fifty and one-tenth percent (50.1%) or more of the issued Shares by any other means; or
- 24.4 the announcement by the Company that a sale or transfer (in one transaction or a series of related transactions) of the whole or substantially the whole of the undertaking and business of the Company has been completed.

#### **Holding Lock**

- 25 The Board may at any time request that the Company's share registry to impose a holding lock on any Employee Incentives issued pursuant to the Plan where the Board determines or reasonably believes (in its absolute discretion) that a Participant (or a Former Participant) has or may breach these Rules.

#### **Contravention of Rules**

- 26 The Board may at any time, in its sole and absolute discretion, take any action it deems reasonably necessary in relation to any Employee Incentives if it determines or reasonably believes a Participant has breached the Plan or the terms of issue of any Employee Incentives, including but not limited to, signing transfer forms in relation to Employee Incentives, signing all documents and doing all acts necessary to effect a buy-back placing, a holding lock on Employee Incentives, accounting for the proceeds of the sale of forfeited Employee Incentives, refusing to transfer any Employee Incentives and/or refusing to issue any Shares.

#### **Amendments**

- 27 The Board may at any time amend the Rules or the terms and conditions upon which any Employee Incentives have been issued.
- 28 No amendment to the Rules or to Employee Incentives may be made if the amendment, in the opinion of the Board, materially reduces the rights of any Participant in respect of Employee Incentives granted to them prior to the date of the amendment, other than:

- 28.1 an amendment introduced primarily:
  - 28.1.1 for the purposes of complying with or conforming to present or future applicable laws governing or regulating the Plan or like plans;
  - 28.1.2 to correct any manifest error or mistake;
  - 28.1.3 to allow the implementation of a trust arrangement in relation to the holding of Shares granted under the Plan;
  - 28.1.4 for the purpose of complying with the applicable laws; and/or
  - 28.1.5 to take into consideration possible adverse taxation implications in respect of the Plan including changes to applicable taxation legislation or the interpretation of that legislation by a court of competent jurisdiction or any rulings from taxation authorities administering such legislation; or
- 28.2 an amendment agreed to in writing by the Participant(s).



Your proxy voting instruction must be received by **11.30am (AWST) on Monday, 20 November 2023**, 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 KMP.

### 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:

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