

PANTORO LIMITED

ACN 621 105 995

ADDENDUM TO 2023 NOTICE OF ANNUAL GENERAL MEETING

Pantoro Limited (ACN 003 207 467) (**Company**) gives notice to shareholders of amendments to the Notice of Annual General Meeting dated 6 October 2023 (**Notice**) and accompanying explanatory memorandum (**Explanatory Memorandum**) for the annual general meeting of the Company to be held at 11.00 am (WST) on 6 November 2023 at The Country Women's Association 1176 Hay Street West Perth WA 6005 (**Meeting**).

This Addendum is supplemental to the original Notice and Explanatory Memorandum and should be read together with the Notice and Explanatory Memorandum. To the extent of any inconsistency, this Addendum will prevail over the original Notice and Explanatory Memorandum.

Definitions in the Notice have the same meaning in this Addendum unless otherwise updated in this Addendum.

BACKGROUND

An incorrect draft of the Notice of Meeting and Explanatory Statement was sent out to Shareholders. Accordingly, this Addendum corrects material inconsistencies between the released version and the final version as approved by ASX.

AMENDMENTS TO RESOLUTION 7 AND SECTION 8 OF THE EXPLANATORY STATEMENT

Resolution 7 and Section 8 of the Explanatory Statement (which relates to Resolution 7) are replaced with the wording set out in Schedule 1 to this Addendum. The definitions in Schedule 1 are also added to the Glossary to the Explanatory Statement as they relate to Resolution 7 and section 8 of the Explanatory Statement.

Reference is made to Section 8.4(e) of the Explanatory Statement as set out in Schedule 1. The Company has applied for a waiver to the 3 month period referenced in that section. The waiver was needed so that the approval would cover the entire 4 year conversion period not just the 3 month period following the Meeting as otherwise required by the ASX Listing Rules.

The waiver application was rejected by ASX on 23 October 2023.

The Company hereby withdraws Resolution 7 from the Meeting given the waiver was rejected and given that Shareholders having reduced time to consider the updated disclosures for Resolution 7 as set out in this Addendum.

AMENDMENT TO SECTION 3 OF THE EXPLANATORY MEMORANDUM

The fifth paragraph of section 3 of the Explanatory Memorandum is replaced with the following wording:

The Board does not consider Mr Maloney to be an independent director because Mr Maloney has a relevant interest in 891,168,407 Shares of the Company (17.12%).

Aside from the above, the Board is not aware of any interest, position or relationship that might influence, or reasonably be perceived to influence, in a material respect, Mr Kevin Maloney's capacity to bring an independent judgment on issues before the Board and to act in the best interests of the Company as a whole.

AMENDMENT TO SECTION 4 OF THE EXPLANATORY MEMORANDUM

The fifth paragraph of section 4 of the Explanatory Memorandum is replaced with the following wording:

The Board does not consider Mr Maloney to be an independent director because Mr Maloney has a relevant interest in 891,168,407 Shares of the Company (17.12%).

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Aside from the above, the Board is not aware of any interest, position or relationship that might influence, or reasonably be perceived to influence, in a material respect, Mr Mark Maloney's capacity to bring an independent judgment on issues before the Board and to act in the best interests of the Company as a whole.

AMENDMENT TO SECTION 7.3 OF THE EXPLANATORY STATEMENT

Section 7.3(d) of the Explanatory Statement is amended by replacing the reference to 'Norseman Gold Project' with the following 'existing projects'.

AMENDMENT TO SECTION 9 OF THE EXPLANATORY STATEMENT

The first paragraph of Section 9.1 of the Explanatory Statement is replaced with the following:

*As announced by the Company to ASX on 9 August 2023, the Company had received firm bids for a placement of Shares to professional and sophisticated investors at an issue price of \$0.06 per Share (**Placement**). A total of 500,000,000 Shares were issued under the Placement (**Placement Shares**).*

Section 9.4(b) of the Explanatory Statement is replaced with the following:

Regal Funds Management Pty Limited received 65,000,000 Placement Shares (being approximately 1.25% of the Company's currently issued capital). That Company was a substantial shareholder of the Company at the time of the Placement having a relevant interest in approximately 8.45% of the Shares on issue in the Company prior to the Placement (based upon publicly available information at the time);

IMPORTANT NOTICE

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

VOTING BY PROXY

Valid Proxy Forms already received by the Company in accordance with the instructions in the Notice will still be accepted by the Company and will be counted in relation to the Resolutions to be voted on by Shareholders at the Meeting.

Shareholders who would like to alter their vote that has already been cast, can do so online at www.investorvote.com.au.

To be effective, proxies must be received by 11.00am (WST) on **4 November 2023**. Proxies lodged after this time will be invalid.

Shareholders who have not yet cast their vote may vote online or by using their pre-existing Proxy Form that accompanied the Notice.

By order of the Board.

David Okeby
Company Secretary
Date: 24 October 2023

SCHEDULE 1 – REPLACEMENT WORDING FOR RESOLUTION 7 AND SECTION 8 OF THE EXPLANATORY STATEMENT

1. Replacement wording for Resolution 7 in the Notice of Meeting is as follows:

Resolution 7 – Ratification of Agreement to issue – Loan Conversion Shares

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

“That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the agreement to grant a right to Nebari be issued up to 197,209,820 Shares under the Loan Agreement on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion Statement: *The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who participated in the issue or is a counterparty to the agreement being approved and any associate of that person or those persons. However, this does not apply to a vote cast in favour of a Resolution by:*

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

2. Replacement wording for Section 8 in the Explanatory Statement is as follows:

8. Resolution 7 – Ratification of agreement to issue – Loan Conversion Shares

8.1 Background

As announced by the Company to ASX on 19 June 2023, the Company conducted a refinance of the debt facilities held by the Company and Tulla Resources Plc as part of the merger of those two companies. As part of the refinance, the Company entered into the new Loan Agreement with Nebari.

The material terms of the Loan Agreement include:

- (a) *there is the provision of an amortising term loan facility of US\$25.2 million (A\$37.2 million) net of a 7% original issue discount. The interest rate is the Secured Overnight Financing Rate (**SOFR**) + 8.0% per annum on the outstanding loan balance;*
- (b) *provision of a convertible loan facility of US\$12.1 million (A\$17.8 million) (**Convertible Loan**) net of a 3.0% original issue discount. The interest rate*

- is the SOFR + 3.5% per annum on the outstanding loan balance;
- (c) the loans and accrued interest must be repaid on the maturity date being 30 June 2027;
 - (d) interest is payable monthly unless the Company elects to capitalise the interest into the principal amount;
 - (e) the principal loan amount and accrued interest under the Convertible Loan may be converted into Shares in the Company in one or more parts any time prior to the maturity date at the election of Nebari;
 - (f) the conversion price is A\$0.0937 per Share subject to certain allowable adjustments (**Conversion Price**);
 - (g) the maximum number of fully paid ordinary shares that would be issued on conversion of the principal loan amount is 197,209,820 Shares (**Conversion Securities**);
 - (h) the Company has the option to prepay the loans early in whole or part;
 - (i) if the Company elects to prepay the Converting Loan early, the Company must issue such number of options to Nebari equal to 85% of the prepaid amount (converted from USD into AUD at the Settlement FX Rate) divided by the Conversion Price, exercisable at a price equal to the Conversion Price expiring on the later of the Maturity Date and the date that is 18 months after the date of prepayment; and
 - (j) amortisation is a straight-line amortisation profile after a 12 month interest only period.

The Loan Agreement contain other terms and conditions which are customary for an agreement of this nature.

Resolution 7 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the agreement to issue the Conversion Securities as set out in the Loan Agreement.

8.2 ASX Listing Rules 7.1 and 7.4

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 approval of its shareholders over any 12 month period to 15% of the fully paid ordinary shares it had on issue at the start of that period.

Listing Rule 7.4 sets out an exception to Listing Rule 7.1. It provides that where a company in general meeting ratifies the previous issue of securities or an agreement to issue securities, those securities will be deemed to have been made with shareholder approval for the purpose of Listing Rule 7.1.

By ratifying the proposed issue of Conversion Shares under the Loan Agreement, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

8.3 Technical information required by Listing Rule 14.1A

If Resolution 7 is passed, the Conversion Shares will be excluded in calculating the Company's 15% placement capacity under Listing Rule 7.1, effectively increasing the number of equity securities it can issue without Shareholder approval over the 12 month period following the issue date.

If Resolution 7 is not passed, the Conversion Shares will be included in calculating the Company's 15% placement capacity under Listing Rule 7.1, effectively decreasing the number of equity securities it can issue without Shareholder approval over the 12 month period following the issue date.

8.4 Technical information required by Listing Rule 7.4

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

- (a) *the Conversion Shares will be issued to any or all of the following Nebari Natural Resources Credit Fund I, LP, Nebari Natural Resources Credit Fund II, LP and Nebari Gold Fund 1, LP, each of 130 Fifth Avenue, 5th Floor, New York, NY 10011, USA.*
- (b) *none of the above are:*
 - (i) *related parties of the Company, members of the Company's Key Management Personnel, substantial holders of the Company, advisors of the Company or any associate of any of these parties; and*
 - (ii) *and will be issued more than 1% of the issued capital of the Company;*
- (c) *a total of up to 197,209,820 Shares may be issued as Conversion Shares;*
- (d) *the Conversion Shares, if issued, will be issued as ordinary shares in the capital of the Company credited as fully paid and issued on the same terms and conditions as the Company's existing Shares;*
- (e) *the Conversion Shares will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that issue of the Conversion Shares will occur on the same date. The Company intends to apply for a waiver to extend the 3 month period;*
- (f) *the Conversion Shares will be issued at a price of A\$0.0937 per Share;*
- (g) *the purpose of the issue of the Conversion Shares will be to repay some or all of the principal under the Converting Loan under the Loan Agreement if Nebari elects to do so. Accordingly, no funds will be raised from the issue of the Conversion Shares; and*
- (h) *the Conversion Shares, if issued, will be issued under the Loan Agreement summarised in clause 8.1.*

3. New definitions for the Glossary:

Lender means Nebari.

Loan Agreement means the document titled "Loan Agreement Pantoro Financing" between the Company, the Lender, Pantoro South Pty Ltd, Pacific Niugini Minerals Pty Ltd and Halls Creek Mining Pty Ltd dated 18 June 2023.

Nebari means Nebari Natural Resources Credit Fund I, LP, Nebari Natural Resources Credit Fund II, LP and Nebari Gold Fund 1, LP, each of 130 Fifth Avenue, 5th Floor, New York, NY 10011, USA.