Star Minerals Limited

ACN 648 048 631

Notice of Annual General Meeting and Explanatory Statement

Date of Meeting: Monday, 20 November 2023

Time of Meeting: 10.00am WST

Place of Meeting: 191B Carr Place, Leederville, Western Australia 6007

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This is an important document. Please read it carefully.

If you are unable to attend the Meeting, please complete the Proxy Form **enclosed** and return it in accordance with the instructions set out on that form.

In compliance with ASX guidelines, each Resolution will be decided by poll, based on proxy votes and by votes from Shareholders in attendance at the Annual General Meeting. Shareholders are strongly encouraged to vote by lodging the Proxy Form accompanying this Notice of Meeting in accordance with the instructions set out on that form **by no later than 10.00am WST on Saturday, 18 November 2023**.

Notice of Annual General Meeting

Notice is given that an Annual General Meeting of shareholders of Star Minerals Limited ACN 648 048 631 (**Company**) will be held at **191B Carr Place, Leederville, Western Australia 6007** at **10.00am (WST)** on **Monday, 20 November 2023**.

Agenda

Ordinary business

Financial Statements and Reports

To receive and consider the annual financial report of the Company for the financial period ended 30 June 2023 together with the declaration of the Directors, the Director's report, the Remuneration Report and the auditor's report.

1. Resolution 1: Adoption of Remuneration Report

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

"That, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Company's annual financial report for the financial period ended 30 June 2023."

Note: the vote on this Resolution 1 is advisory only and does not bind the Directors or the Company.

2. Resolution 2: Re-election of Director – Mr Ashley Jones

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

"*That, Mr Ashley Jones, who ceases to hold office in accordance with clause 7.3(c) of the Constitution, and being eligible, offers himself for election, be elected as a Director of the Company*."

3. Resolution 3: Approval of non-executive Director remuneration limit

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 10.17, clause 7.4(a) of the Company's Constitution, and for all other purposes, the maximum aggregate remuneration that the Company may pay to non-executive Directors for their services as Directors in a financial year be set at $500,000*."

4. Resolution 4: Approval of Additional Issuance Capacity

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

"*That, for the purposes of Listing Rule 7.1A and for all other purposes, approval is given for the Company to issue up to that number of Equity Securities equal to 10% of the issued capital of the Company at the time of issue, calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and otherwise on the terms and conditions set out in the Explanatory Statement*."

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Corporations Act voting prohibitions

Resolution	Voting prohibition	Exception
Resolution 1	In accordance with sections 250BD and 250R(4) of the Corporations Act, a vote on the Resolution must not be cast by: • a member of Key Management Personnel the details of whose remuneration is included in the Remuneration Report or their Closely Related Parties, regardless of the capacity in which the vote is cast; or • by a proxy for a member of Key Management Personnel at the date of the Meeting or their Closely Related Parties.	The prohibition does not apply if: • the vote is cast in accordance with the directions on how the proxy is to vote, as specified in the proxy appointment; or • the appointment expressly authorises the Meeting Chair to exercise the proxy even though the Resolution is in connection directly or indirectly with remuneration of a member of the Key Management Personnel.
Resolution 3	In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on the Resolution if: • the proxy is either: o a member of the Key Management Personnel; or o a Closely Related Party of such a member; and • the appointment does not specify the way the proxy is to vote on the Resolution.	The prohibition does not apply if: • the proxy is the Meeting Chair; or • the appointment expressly authorises the Meeting Chair to exercise the proxy even though the Resolution is in connection directly or indirectly with remuneration of a member of the Key Management Personnel.

Listing Rule voting exclusion statements

Resolution	Excluded Parties	Exception
Resolution 3	For the purposes of Listing Rules 10.17 and 14.11, the Company will disregard any votes cast in favour of the Resolution by or on behalf of a Director of the Company or any 'associate' (as defined in the Listing Rules) of the directors.	The Company need not disregard a vote cast in favour of the Resolution if it is cast by: • a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; • the Meeting Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Meeting Chair on the Resolution as the Meeting Chair decides; or • a holder acting solely in a nominee, trustee, custodial or

		other fiduciary capacity on behalf of a beneficiary provided the following conditions are met: ○ the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an 'associate' (as defined in the Listing Rules) of a person excluded from voting, on the Resolution; and ○ the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.
Resolution 4	At the date of this Notice, the Company is not proposing to make an issue of Equity Securities under Listing Rule 7.1A.2. Accordingly, a voting exclusion statement for the purposes of Listing Rules 7.3A.7 and 14.11 does not apply to the Resolution.	

Notes

Terms used in this Notice of Meeting are defined in Section 6 (Interpretation) of the accompanying Explanatory Statement.

A detailed summary of the Resolution(s) is contained within the Explanatory Statement.

The resolution(s) at this Meeting will be voted on by poll and Shareholders who are entitled to vote may vote either prior to the Meeting by appointing a proxy or by poll during the Meeting.

By order of the board



Chris Achurch
Company Secretary
3 October 2023

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Proxies and representatives

Shareholders are entitled to appoint a proxy to attend and vote on their behalf. Where a shareholder is entitled to cast two or more votes at the meeting, they may appoint two proxies. Where more than one proxy is appointed, each proxy may be appointed to represent a specific proportion or number of votes the shareholder may exercise. If the appointment does not specify the proportion or number of votes each proxy may exercise, each proxy may exercise half of the votes. The proxy may, but need not, be a shareholder of the Company.

Shareholders who are a body corporate are able to appoint representatives to attend and vote at the meeting under section 250D of the Corporations Act. The Proxy Form must be signed by the shareholder or his/her attorney duly authorised in writing or, if the shareholder is a corporation, in a manner permitted by the Corporations Act.

The Proxy Form (and the power of attorney or other authority, if any, under which the Proxy Form is signed) or a copy or facsimile which appears on its face to be an authentic copy of the Proxy Form (and the power of attorney or other authority) must be deposited at, posted to, scanned and emailed or sent by facsimile transmission to the Company's share registry not less than 48 hours before the time for holding the meeting, or adjourned meeting as the case may be, at which the individual named in the Proxy Form proposes to vote.

If a representative of the corporation is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission. A form of the certificate may be obtained from the Company's share registry.

A Proxy Form accompanies this Notice.

Voting entitlement

For the purposes of determining voting entitlements at the Meeting, shares will be taken to be held by the persons who are registered as holding the shares at **5.00pm (WST) on Saturday, 18 November 2023**.

Accordingly, transactions registered after that time will be disregarded in determining entitlements to attend and vote at the Meeting.

Signing instructions

You must sign the Proxy Form as follows in the spaces provided:

Individual:	Where the holding is in one name, the holder must sign.
Joint Holding:	Where the holding is in more than one name, either holder may sign.
Power of Attorney:	To sign under Power of Attorney, please attach a certified photocopy of the Power of Attorney to this form when you return it.
Companies:	Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act) does not have a Company Secretary, a Sole Director can sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

This Explanatory Statement is provided to Shareholders to explain the resolutions to be put to Shareholders at the Annual General Meeting.

The Directors recommend Shareholders read the accompanying Notice of Meeting and this Explanatory Statement in full before making any decision in relation to the resolutions.

Subject to the abstentions noted below, the Directors unanimously recommend that Shareholders vote in favour of all Resolutions. The Chairperson of the Meeting intends to vote all available undirected proxies in favour of each Resolution.

Capitalised terms used in the Notice and this Explanatory Statement are defined in Section 6.

1. Financial Statements and Reports

In accordance with the Constitution, the business of the Annual General Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 30 June 2023 together with the declaration of the Directors, the Directors' report, the Remuneration Report, and the auditor's report.

There is no requirement for shareholders to approve these reports. However, time will be allowed during the Meeting for consideration by shareholders of the financial statements and the associated directors' and auditors' reports.

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

The Company's Annual Report is placed before the Shareholders for discussion.

No voting is required for this item.

2. Resolution 1: Adoption of Remuneration Report

2.1 General

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

The Chairperson of the Meeting must allow a reasonable opportunity for its shareholders to ask questions about or make comments on the Remuneration Report at the annual general meeting.

2.2 Corporations Act requirements

Section 250R(2) of Corporations Act requires a listed public company put a resolution to its shareholders that the remuneration report set out in the directors' report for the preceding financial year be adopted. The resolution is advisory only and does not bind the relevant company or its directors.

If 25% or more of votes that are cast on the resolution are voted against the adoption of the remuneration report at two consecutive annual general meetings of a company, its shareholders will be required to vote at the second of those annual general meetings on a resolution that a further meeting be held within 90 days at which all of the offices of director are vacated (other than the office of managing director) and each such office will be put to a vote.

2.3 Resolution

Resolution 1 is an ordinary resolution to approve the Remuneration Report. The Remuneration Report is set out in the Directors' report which forms part of the 2023 Annual Report.

The vote on Resolution 1 is advisory only and does not bind the Board or the Company. Notwithstanding, the Board will take the outcome of the vote into consideration when considering remuneration policy of the Company going forward.

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2.4 Directors' recommendation

The Directors decline to make a recommendation as to how Shareholders should vote in respect of Resolution 1 as they each have an interest in the outcome of the Resolution.

3. Resolution 2: Re-election of Director – Mr Ashley Jones

3.1 General

Resolution 2 is an ordinary resolution to approve the re-election of Ashley Jones as a Director.

Mr Jones was first appointed as a Director on 18 February 2021.

Mr Jones will retire at the Meeting, and being eligible will submit himself for re-election. If Resolution 2 is not passed, Mr Jones will not be re-elected to his current directorship position.

3.2 Listing Rule and constitutional requirements

Listing Rule 14.5 requires that an entity which has directors must hold an election of directors at each annual general meeting. The note to the rule provides that if no director is required to stand for re-election under Listing Rule 14.4, an entity must select at least one director to stand for re-election by calling for a volunteer or by drawing lots. This rule is substantially reflected in clause 7.3(c) of the Constitution.

Ashley Jones will retire in accordance with Listing Rule 14.5 and clause 7.3(c) of the Constitution.

3.3 Biography

Mr Jones is a geologist with over 25 years of a diverse range of exploration, mine geology and management experience in Australia and Africa. He has project development expertise in feasibility level projects with particular focus on resources and mine development. He was based in Africa for over 11 years exploring a range of commodities for ASX, AIM and TSX listed public companies. Ashley currently is the CEO for ASX company Bryah Resources Limited. Ashley graduated in 1997 with a B.Sc. Hons in Geology from the University of Canterbury, New Zealand. He has a Master of Applied Finance in 2014 from Kaplan University, Australia and an MBA with Distinction from Imperial College London, UK in 2017. He is a Member of the Australian Institute of Mining and Metallurgy (AusIMM) and a Member of the Financial Services Institute of Australasia (FINSIA).

3.4 Directors' recommendation

The Directors (other than Ashley Jones) support the re-election of Mr Jones and recommend that Shareholders vote in favour of Resolution 2. Mr Jones declines to make a voting recommendation noting his interest in the Resolution.

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4. Resolution 3: Approval of non-executive Director remuneration limit

4.1 General

The Board proposes a limit of $500,000 be applied to the aggregate remuneration payable to non-executive Directors in a financial year, as permitted by the Constitution.

In determining this limit, the Nomination and Remuneration Committee undertook benchmarking of non-executive director remuneration with reference to companies of a similar size in Australia, as indicated by market capitalisation.

The Nomination and Remuneration Committee consider the proposed limit of $500,000 is appropriate to allow sufficient capacity to appoint additional non-executive Directors, including overlapping tenures as part of the Board's orderly succession planning, and for future adjustments of non-executive Director fees due to the increased time commitment and workload. It will also allow remuneration of non-executive Directors which will assist the Company in attracting and retaining appropriately skilled non-executive Director candidates.

4.2 Resolution

Resolution 3 is an ordinary resolution for Shareholders to approve a limit of $500,000 on the aggregate remuneration payable to non-executive Directors in a financial year, for the purposes of clause 7.4(a) of the Constitution and Listing Rule 10.17.

4.3 Constitutional provisions

Clause 7.4(a) of the Constitution provides that if the Company in general meeting has fixed a limit on the amount of remuneration payable to the non-executive Directors, the aggregate remuneration of those non-executive Directors must not in any financial year exceed that limit.

This does not apply to or limit any amount paid by the Company or a Related Body Corporate of the Company:

- to a superannuation, retirement or pension fund for a Director so that the Company is not liable to pay the superannuation guarantee charge or similar statutory charge;
- for any insurance premium paid or agreed to be paid for a Director under clause 13.4 of the Constitution; or
- to an executive Director of the Company as remuneration.

The aggregate remuneration limit for non-executive Directors is currently approved at $250,000.

If Resolution 3 is approved, the aggregate remuneration of non-executive Directors in a financial year will be capped at $500,000.

If Resolution 3 is not approved, the maximum aggregate remuneration that can be paid by the Company to the non-executive Directors in a financial year will remain at $250,000.

4.4 Listing Rule requirements

Listing Rule 10.17 provides that an entity must not increase the total aggregate amount of directors' fees payable to all of its non-executive directors without the approval of shareholders.

Further, Listing Rules 10.17A and 10.17B provide that the total amount of directors' fees paid to the non-executive directors of an entity by the entity or any of its child entities (i.e. subsidiaries) must not exceed the total amount of such fees approved by shareholders under Listing Rule 10.17.

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Resolution 3 seeks to apply a limit to the aggregate remuneration of non-executive Directors in a financial year for the purposes of Listing Rule 10.17.

4.5 **Listing Rule information requirements**

The following information is provided to Shareholders in relation to Resolution 3, for the purposes of Listing Rule 10.17:

(a) **Amount of non-executive directors' fee increase**

Resolution 3 proposes to increase the previous limit to the aggregate remuneration of non-executive Directors set by Shareholders (being $250,000) by $250,000.

(b) **Maximum aggregate number of directors' fees payable to non-executive Directors**

$500,000 per financial year.

(c) **Details of securities issued to non-executive Directors in last 3 years**

At the date of this Notice, the Company has not issued any Equity Securities to its non-executive Directors under Listing Rules 10.11 or 10.14 with Shareholder approval in the last 3 years prior to this Notice.

The Company proposes to issue the non-executive Directors the following Equity Securities, subject to obtaining Shareholder approval at the Company's general meeting to be held on 18 October 2023 (as announced to ASX on 13 September 2023).

Director	Securities proposed to be issued
Ian Stuart	1,000,000 Shares 1,000,000 Options with an exercise price of $0.06 and an expiry 3 years from the date of issue (**Placement Options**) 2,250,000 Performance Rights
Ashley Jones	625,000 Shares 625,000 Placement Options 1,500,000 Performance Rights
Gemma Lee	1,500,000 Performance Rights

(d) **Voting exclusion statement**

A voting exclusion statement in relation to Resolution 3 is included on page 2 of the Notice.

4.6 **Directors' recommendation**

The Board, which is comprised of non-executive Directors, declines to make a recommendation in relation to Resolution 3, as each Director has a material personal interest in the outcome of the Resolution.

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5. Resolution 4: Approval of Additional Issuance Capacity

5.1 General

Resolution 4 seeks Shareholder approval for an additional issuing capacity under Listing Rule 7.1A (**Additional Issuance Capacity**).

If approved, the Resolution will enable the Company to issue additional Equity Securities (calculated below) over a 12-month period without having to obtain Shareholder approval. If the Resolution is not approved, the Company's ability to issue Equity Securities without Shareholder approval will remain limited to the amount permitted under Listing Rule 7.1.

Resolution 4 is a special resolution. It must be passed by at least 75% of the votes cast by Shareholders present and entitled to vote on the Resolution.

5.2 Applicable Listing Rules

Listing Rule 7.1A provides that an eligible entity may seek shareholder approval by way of a special resolution passed at its annual general meeting, to allow it to issue Equity Securities totalling up to 10% of its issued share capital through placements over a 12-month period after the annual general meeting (i.e. the Additional Issuance Capacity). This capacity is in addition to the 15% annual issuance capacity under Listing Rule 7.1.

An "eligible entity" for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of $300 million or less. The Company meets the requirements of an eligible entity for this purpose because it is not included in the S&P/ASX 300 Index and has a market capitalisation of less than $300 million.

5.3 Overview of Listing Rule 7.1A

(a) Quoted securities

Equity Securities issued under the Additional Issuance Capacity must be the same as an existing class of Equity Securities of the Company quoted on ASX.

As at the date of the Notice, the Company has two classes of quoted Equity Securities on issue, being fully paid ordinary Shares and Options with an exercise price of $0.30 and expiring 15 October 2024.

(b) Formula for calculating Additional Issuance Capacity

Listing Rule 7.1A.2 provides that the Company may issue or agree to issue a number of Equity Securities calculated in accordance with the following formula under the Additional Issuance Capacity:

Additional Placement Capacity = (A x D) – E

where:

A is the number of Shares on issue 12 months before the commencement of the relevant period:

- plus the number of Shares issued in the period from the date the Company was admitted to the official list of ASX to the date immediately preceding the date of the issue or agreement (**Relevant Period**) under an exception in Listing Rule 7.2 (other than exceptions 9, 16 or 17);

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- plus the number of Shares issued in the Relevant Period on the conversion of convertible securities within Listing Rule 7.2 exception 9 where:
    - the convertible securities were issued or agreed to be issued before the commencement of the Relevant Period; or
    - the issue of, or agreement to issue, the convertible securities was approved, or taken under these rules to have been approved, under Listing Rules 7.1 or 7.4;
- plus the number of Shares issued in the Relevant Period under an agreement to issue securities within Listing Rule 7.2 exception 16 where:
    - the agreement was entered into before the commencement of the Relevant Period; or
    - the agreement or issue was approved, or taken under these rules to have been approved, under Listing Rules 7.1 or rule 7.4;
- plus the number of Shares issued in the Relevant Period with approval under Listing Rules 7.1 or 7.4;
- plus the number of partly paid ordinary securities that became fully paid in the Relevant Period; and
- less the number of Shares cancelled in the Relevant Period;

D is 10%; and

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 the Shareholders under Listing Rule 7.4.

(c) **Interaction with Listing Rule 7.1**

Listing Rule 7.1 limits the number of Equity Securities that an entity may issue without the approval of its shareholders over any 12 month period to 15% of the fully-paid ordinary shares it had on issue at the start of that period, subject to certain exceptions.

The Additional Issuance Capacity under Listing Rule 7.1A is in addition to the Company's 15% placement capacity under Listing Rule 7.1.

5.4 **Listing Rule requirements**

The following information is provided in relation to Resolution 4, in accordance with Listing Rule 7.3A:

(a) **Period over which approval will be valid**

The Additional Issuance Capacity will commence on date of the Meeting and expire on the earlier of:

- 12 months from the Meeting date;
- the Company's next annual general meeting; and
- when a transaction under Listing Rules 11.1.2 (change to nature or scale of activities) or 11.2 (change involving main undertaking) is approved by Shareholders.

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(b) **Minimum price at which Equity Securities may be issued**

The issue price of any Equity Security under the Additional Issuance Capacity will not be less than 75% of the VWAP for securities in the same class, calculated over the 15 trading days on which trades in that class were recorded immediately before:

- the date on which the price at which the securities are to be issued is agreed; or
- if the securities are not issued within 10 trading days of the date above, the date on which the securities are issued.

(c) **Purposes for which funds may be used**

The Company does not have any current intention to issue Equity Securities using the Additional Issuance Capacity. However, it may decide to do so for cash consideration to fund working capital requirements, advancing projects (including those outlined in its initial public offer prospectus), potential acquisitions, meet financial commitments and capital management activities.

The Company will comply with the disclosure obligations under Listing Rules 7.1A.4 and 3.10.3 upon any issue of Equity Securities under Listing Rule 7.1A.

(d) **Risk of economic and voting dilution**

Any issue of Equity Securities under the Additional Issuance Capacity will dilute the interests of Shareholders who do not receive Shares under the issue.

If Resolution 4 is approved and the Company issues Equity Securities under the Additional Issuance Capacity, then there is a risk to existing Shareholders of economic and voting dilution, including the risk that:

- the market price for Equity Securities in the same class may be significantly lower on the issue date of the new Equity Securities than on the date of the Meeting; and
- the new Equity Securities may be issued at a price that is at a discount to the market price for Equity Securities in the same class on the issue date.

This may have an effect on the amount of funds raised by the issue of the Equity Securities.

The table below identifies the potential dilution to existing Shareholders following the issue of Equity Securities under the Additional Issuance Capacity (based on the formula set out above) using different variables for the number of issued Shares and the market price of Shares.

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Number of Shares on issue	Share price	New Shares issued	Funds raised	Voting dilution	Economic dilution
59,672,799 (Shares currently on issue / current variable 'A' in Listing Rule 7.1A)	$0.040 (current market price)	5,967,280	$238,691.20	10.00%	0.00%
	$0.030 (25% decrease)	5,967,280	$179,018.40	10.00%	2.27%
	$0.020 (50% decrease)	5,967,280	$119,345.60	10.00%	4.55%
89,509,199 (50% increase)	$0.040 (current market price)	8,950,920	$358,036.79	10.00%	0.00%
	$0.030 (25% decrease)	8,950,920	$268,527.60	10.00%	2.27%
	$0.020 (50% decrease)	8,950,920	$179,018.40	10.00%	4.55%
119,345,598 (100% increase)	$0.040 (current market price)	11,934,560	$477,382.39	10.00%	0.00%
	$0.030 (25% decrease)	11,934,560	$358,036.79	10.00%	2.27%
	$0.020 (50% decrease)	11,934,560	$238,691.20	10.00%	4.55%

Notes: The above table has been prepared on the following assumptions:

1. the current market price is the closing price at which Shares were last traded prior to the date of this notice (being $0.040);

2. the current Shares on issue are the Shares at 3 October 2023 (being 59,672,799 Shares);

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3. the Company issues the maximum number of Equity Securities available under the Additional Issuance Capacity;

4. existing Shareholders' holdings do not change from the date of this Meeting to the date of the issue under the Additional Issuance Capacity;

5. the Company issues Shares only and does not issue other types of Equity Securities (such as Options) under the Additional Issuance Capacity;

6. the impact of placements under Listing Rule 7.1 or following the conversion of convertible securities (e.g. Options) is not included in the calculations; and

7. economic dilution (**ED**) is calculated using the following formula:

ED = (MP - (NMC / TS)) / MP

where:

MP = the market price of shares traded on ASX, expressed in dollars;

MC = market capitalisation prior to issue of Equity Securities, being the MP multiplied by the number of shares on issue;

NMC = notional market capitalisation, being the market capitalisation plus the NSV;

NSV = new security value, being the number of new Equity Securities multiplied by the issue price of those Equity Securities; and

TS = total shares on issue following new Equity Security issue.

(e) **Allocation policy**

The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the Additional Issuance Capacity.

The Company has not yet identified allottees to receive the Equity Securities under the Additional Issuance Capacity. However, they may include current Shareholders, new investors, or both. None of the allottees will be Related Parties or Associates of Related Parties.

Potential allottees will be determined on a case-by-case basis having regard to the factors including but not limited to the following:

- the purpose of the issue;
- the methods of raising funds that are available to the Company including, but not limited to, an entitlements issue or other issue in which existing security holders can participate;
- the effect of the issue of the Equity Securities on the control of the Company;
- the financial situation and solvency of the Company;
- prevailing market conditions; and
- advice from corporate, financial and broking advisers (if applicable).

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(f) **Details of prior issues**

Since the approval of the Company's Additional Issuance Capacity under Listing Rule 7.1A at the Company's 2022 Annual General Meeting, the Company has not issued any Equity Securities under Listing Rule 7.1A in the 12 months prior to the Meeting.

5.5 **Directors' recommendation**

The Directors unanimously recommend that Shareholders vote in favour of Resolution 4 as it will give the Company the flexibility to raise additional working capital whilst preserving the Company's cash reserves.

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6. Interpretation

In the Notice of Annual General Meeting and this Explanatory Statement, the following terms have the following meaning unless the context otherwise requires:

A$ or $	Australian dollars.
Additional Issuance Capacity	Has the meaning given to that term in Section 5.1 of this Explanatory Statement.
Annual General Meeting or **Meeting**	The annual general meeting of Shareholders or any adjournment thereof, convened by the Notice.
Annual Report	The annual report of the Company for the financial year ended 30 June 2023, including the annual financial report, the Directors' report and the Auditor's report.
ASIC	The Australian Securities & Investments Commission.
Associate	Has the meaning given to that term in the Listing Rules.
ASX	ASX Limited (ACN 008 624 691) or the financial market known as the Australian Securities Exchange operated by ASX Limited, as the context requires.
Board	The Board of Directors of the Company.
Business Day	Has the meaning given to that term in Chapter 19 of the Listing Rules.
Chairperson	The chair of the Meeting.
Closely Related Party	Has same meaning given to that term in section 9 of the Corporations Act, being, in relation to a member of Key Management Personnel: (a) a spouse or child of the member; (b) a child of the member's spouse; (c) a dependent of the member or the member's spouse; (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity; (e) a company the member controls; or (f) a person prescribed by the Corporations Regulations 2001 (Cth) (currently none are prescribed).
Company	Star Minerals Limited ACN 648 048 631.
Constitution	The constitution of the Company.
Corporations Act	The *Corporations Act 2001* (Cth).
Director	A director of the Company.
Equity Security	Has the meaning given to that term in ASX Listing Rule 19.12, and includes a Share, a right to a Share or Option, an Option, a convertible Security and any Security that ASX decides to classify as an Equity Security.
Exempt Investor	An investor to whom, pursuant to section 708 of the Corporations Act, securities may be offered without disclosure under Chapter 6D of the Corporations Act, including a 'sophisticated investor' or 'professional investor' under the Corporations Act.

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Explanatory Statement	This explanatory statement which accompanies and forms part of the Notice.
Key Management Personnel	Has the same meaning as the definition of that term in section 9 of the Corporations Act, being those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise).
Listing Rules	The Listing Rules of ASX, as amended from time to time.
Notice or **Notice of Annual General Meeting**	The notice of annual general meeting which accompanies this Explanatory Statement.
Option	An option to subscribe for a Share.
Proxy Form	A proxy form accompanying the Notice.
Remuneration Report	The Remuneration Report of the Company for the period ended 30 June 2023, appearing in the Director's report as set out in the Annual Report.
Resolution	A resolution set out in the Notice.
Section	A section of this Explanatory Statement.
Share	A fully paid ordinary share in the Company.
Shareholder	The holder of a Share.
WST	Australian Western Standard Time, being the time in Perth, Western Australia.

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