MT MALCOLM MINES NL

ACN: 646 466 435

22 December 2023

Dear Shareholder

Extraordinary General Meeting – Notice and Proxy Form

Notice is hereby given that the Extraordinary General Meeting (Meeting) of Shareholders of Mt Malcolm Mines NL (**"Mt Malcolm"** or **"the Company"**) (ASX: M2M) will be held at Nexia Perth, located at Level 3, 88 William Street, Western Australia on Wednesday, on 31 January 2024 at 12.00pm (AWST).

In accordance with current legislation, the Company will not be dispatching physical copies of the Notice of Meeting (**NOM**). Instead, a copy of the NOM is available at https://mtmalcolm.com.au as well as on the ASX announcement platform. As you have not elected to receive notices by email, a copy of your proxy form is enclosed for your convenience. Shareholders are encouraged to complete and return their Proxy Form by:

- post to 8 Sarich Court, Osborne Park WA 6017, or
- in person to Mt Malcolm Mines NL, 8 Sarich Court, Osborne Park WA 6017; or
- email to the Company Secretary at admin@mtmalcolm.com.au

Your proxy voting instruction must be received by 12.00pm (AWST) on Monday 29 January 2024, being not less than 48 hours before the commencement of the Meeting.

Any proxy voting instructions received after that time will not be valid for the Meeting.

The NOM is important and should be read in its entirety. If you are in doubt as to the course of action you should follow, you should consult your financial adviser, lawyer, accountant or other professional adviser. If you have any difficulties obtaining a copy of the Notice of Meeting please contact the Company on +61 (08) 6244 6617 or the Company Secretary on +61 (08) 9463 2463.

For and on behalf of the Board

Henko Vos
Company Secretary

MT MALCOLM MINES NL

ACN 646 466 435

Notice of General Meeting, Explanatory Statement and Proxy Form

General Meeting to be held at

Nexia Perth
Level 3, 88 William Street Perth
WA 6000,
Western Australia

At 12.00pm (WST) on Wednesday, 31 January 2024

Important Information

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Important dates

An indicative timetable of key proposed dates is set out below. These dates are indicative only and are subject to change.

Event	Date
Last day for receipt of Proxy Forms – Proxy Forms received after this time will be disregarded	12.00pm (WST) on Monday, 29 January 2024
Snapshot date for eligibility to vote	5.00pm (WST) on Monday, 29 January 2024
General Meeting	12.00pm (WST) on Wednesday, 31 January 2024

Defined terms

Capitalised terms used in this Notice of General Meeting will, unless the context otherwise requires, have the same meaning given to them in the Glossary set out in the Explanatory Statement.

Important information

The Board of Directors have elected to hold a physical meeting and have undertaken to implement certain protocols and practices to ensure the safe conduct of the General Meeting in line with general health advisory recommendations.

Please note the following:

- The General Meeting will be a physical meeting held at Nexia Perth, Level 3, 88 William Street, Perth WA 6000, at which Shareholders may attend in person or by proxy.
- **Shareholders are encouraged to vote by proxy.**
- Voting on all Resolutions will be conducted by poll and not by show of hands.
- Questions for the Board of Directors can be emailed to the Company at admin@mtmalcolm.com.au and must be received no later than 5.00pm (WST) on Friday, 26 January 2024.

Notice of General Meeting

Notice is hereby given that a General Meeting of Mt Malcolm Mines NL ACN 646 466 435 (**Company**) (**ASX: M2M**) will be held at Nexia Perth, Level 3, 88 William Street, Perth WA 6000 at **12.00pm (WST) on Wednesday, 31 January 2024** for the purpose of transacting the business referred to in this Notice of General Meeting.

The Explanatory Statement that accompanies and forms part of this Notice describes the various matters to be considered.

AGENDA

Resolutions 1: Approval to issue Consideration Shares to Golden Venture Capital Pty Ltd

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

> *"That, pursuant to and in accordance with Listing Rule 7.1 and for all other purposes, Shareholders approve the issue of 4,500,000 Shares to Golden Venture Capital Pty Ltd (or their respective nominees) on the terms and conditions set out in the Explanatory Statement accompanying this Notice of Meeting."*

Resolution 2: Ratification of issue of Placement Shares to Tranche 1 Placement Participants (Non-Related Parties)

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

> *"That under and for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders hereby ratify the issue by the Company to the Tranche 1 Placement Participants of 15,000,000 Placement Shares issued at a price of $0.025 each, utilising the Company's placement capacity under Listing Rule 7.1, in the manner and on the terms and conditions set out in the Explanatory Statement."*

Resolution 3: Approval to Issue Placement Shares to Tranche 2 Placement Participants (Non-Related Parties)

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 7.1 and for all other purposes, Shareholders approve the issue by the Company to Tranche 2 Placement Participants of 27,000,000 Placement Shares issued at a price of $0.025 each, in the manner and on the terms and conditions set out in the Explanatory Statement."*

Resolution 4: Approval to Issue Placement Options to Placement Participants (Non-Related Parties)

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 7.1 and for all other purposes, Shareholders approve the issue by the Company to Tranche 1 and Tranche 2 Placement Participants of 21,000,000 Placement Options, each exercisable at $0.07 on or before 31 December 2025, in the manner and on the terms and conditions set out in the Explanatory Statement."*

Resolution 5: Approval to Issue Placement Securities to Mr Rob Downey (Related Party)

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

> *"That, under and for the purposes of ASX Listing Rule 10.11 and for all other purposes, Shareholders hereby approve the issue by the Company to Mr Rob Downey, or his nominee, a Director and Related Party of the Company, of 2,000,000 Placement Shares at an issue price of $0.025 each and 1,000,000 Placement Options, each exercisable at $0.07 on or before 31 December 2025, in the manner and on the terms and conditions set out in the Explanatory Statement.*

Resolutions 6(a), 6(b) and 6(c): Approval to issue Conversion Securities to Directors on debt conversion (Related Parties)

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

(a) "That under and for the purposes of Listing Rule 10.11, sections 208 and 195(4) of the Corporations Act and for all other purposes, Shareholders approve the issue by the Company to Mr Rob Downey, or his nominee, a Director and Related Party of the Company, of 800,000 Conversion Shares and 400,000 Conversion Options, each exercisable at $0.07 on or before 31 December 2025, upon debt conversion in the manner and on the terms and conditions set out in the Explanatory Statement."

(b) "That under and for the purposes of Listing Rule 10.11, sections 208 and 195(4) of the Corporations Act and for all other purposes, Shareholders approve the issue by the Company to Mr Gary Powell, or his nominee, a Director and Related Party of the Company, of 480,000 Conversion Shares and 240,000 Conversion Options, each exercisable at $0.07 on or before 31 December 2025, upon debt conversion in the manner and on the terms and conditions set out in the Explanatory Statement."

(c) "That under and for the purposes of Listing Rule 10.11, sections 208 and 195(4) of the Corporations Act and for all other purposes, Shareholders approve the issue by the Company to Mr Daniel Tuffin, or his nominee, a Director and Related Party of the Company, of 480,000 Conversion Shares and 240,000 Conversion Options, each exercisable at $0.07 on or before 31 December 2025, upon debt conversion in the manner and on the terms and conditions set out in the Explanatory Statement."

Resolution 7: Approval to issue Conversion Securities to Mr Trevor Dixon on debt conversion (Related Party)

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

> *"That, to the extent permitted by item 9 of section 611 of the Corporations Act 2001 (Cth), for the purposes of ASX Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of 20,000,000 Conversion Shares and 10,000,000 Conversion Options each exercisable at $0.07 on or before 31 December 2025 to Mr Trevor Dixon, or his nominee, a Director of the Company, in conversion and settlement of a Director Loan having a face value of $500,000, on the terms and conditions set out in the Explanatory Statement."*

Resolution 8: Potential Placement – Pre-Approval of Share issue to Raise up to $3 million

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

> *"That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, Shareholders approve the issue of Shares to raise up to $3 million, at a share price to be determined by the Directors, to the persons and entities as described in Explanatory Statement cl.9.1, and otherwise on the terms and conditions set out in the Explanatory Statement."*

By order of the Board

Mr Henko Vos
Company Secretary

12 December 2023

Voting Prohibitions and Exclusions

Corporations Act voting prohibitions

Pursuant to sections 224 and 250BD of the Corporations Act, a vote on the following Resolutions must not be cast (in any capacity) by or on behalf of the party specified in the table below or their respective Associates:

Resolution	Excluded Parties
Resolution 5	Rob Downey or any other Related Parties to whom Resolution 5 would permit a financial benefit to be given.
Resolution 6(a)	Rob Downey or any other Related Parties to whom Resolution 6(a) would permit a financial benefit to be given.
Resolution 6(b)	Gary Powell or any other Related Parties to whom Resolution 6(b) would permit a financial benefit to be given.
Resolution 6(c)	Daniel Tuffin or any other Related Parties to whom Resolution 6(c) would permit a financial benefit to be given.
Resolution 7	Trevor Dixon or any other Related Parties to whom Resolution 7 would permit a financial benefit to be given.

However, this voting prohibition does not prevent the casting of a vote on any of Resolutions 5, 6(a) to 6(c) and 7 if it is cast by a person as a proxy appointed by writing that specifies how the proxy is to vote on the Resolution, and it is not cast on behalf of a Related Party to whom the Resolution would permit a financial benefit to be given, or their Associate.

ASX voting exclusion statements

For the purposes of Listing Rule 14.11, the following voting exclusion statements apply to the Resolutions.

The Company will disregard any votes cast in favour of the following Resolutions by or on behalf of the following persons or an Associate of those persons.

Resolution	Excluded Parties
Resolution 1	Golden Venture Capital Pty Ltd (GVC) and any Associate of GVC, (or any of their nominees) and any other person who will obtain a material benefit as a result of the issue of the Consideration Shares.
Resolution 2	The Tranche 1 Placement Participants and any Associate of a Placement Participant, being the persons to whom the Placement Shares were issued.
Resolution 3	The Tranche 2 Placement Participants and any Associate of a Placement Participant, and any other person who will obtain a material benefit as a result of the issue of the Placement Securities (except a benefit received solely by reason of being a Shareholder in the Company).
Resolution 4	The Tranche 1 and Tranche 2 Placement Participants and any Associate of a Placement Participant, and any other person who will obtain a material benefit as a result of the issue of the Placement Securities (except a benefit received solely by reason of being a Shareholder in the Company).
Resolution 5	Rob Downey (or his nominee) and any Associate of Rob Downey (or his nominee) and any other person who will obtain a material benefit as a result of the issue of Placement Securities (except a benefit received solely by reason of being a Shareholder in the Company).

Resolution 6(a)	Rob Downey (or his nominee) and any Associate of Rob Downey (or his nominee) and any other person who will obtain a material benefit as a result of the issue of Conversion Securities (except a benefit received solely by reason of being a Shareholder in the Company).
Resolution 6(b)	Gary Powell (or his nominee) and any Associate of Gary Powell (or his nominee) and any other person who will obtain a material benefit as a result of the issue of Conversion Securities (except a benefit received solely by reason of being a Shareholder in the Company).
Resolution 6(c)	Daniel Tuffin (or his nominee) and any Associate of Daniel Tuffin (or his nominee) and any other person who will obtain a material benefit as a result of the issue of Conversion Securities (except a benefit received solely by reason of being a Shareholder in the Company).
Resolution 7	Trevor Dixon (or his nominee) and any Associate of Trevor Dixon (or his nominee) and any other person who will obtain a material benefit as a result of the issue of Conversion Securities (except a benefit received solely by reason of being a Shareholder in the Company).
Resolution 8	A person or entity who is expected to participate in, or will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being 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 the above Resolutions by:

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

- the chair of the meeting as proxy or attorney for a person who is entitled to vote on a Resolution, in accordance with a direction given to the chair to vote on a Resolution as the chair decides; or

- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary providing the following conditions are met:

  - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an Associate of a person excluded from voting, on a Resolution; and

  - the holder votes on a Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Time and Place of Meeting and How to Vote

Venue

The Extraordinary General Meeting of the Shareholders to which this Notice of Meeting relates will be held at 12.00pm (WST) on Wednesday, 31 January 2023 at:

Nexia Perth, Level 3, 88 William Street, Perth, Western Australia

Your Vote is Important

The business of the Annual General Meeting affects your shareholding and your vote is important.

Voting in Person

To vote in person, attend the General Meeting on the date and at the place or method set out below.

Voting by Proxy

The Proxy Form (and any power of attorney or other authority, if any, under which it is signed) must be received at an address below or email by on 12.00pm (WST) on Monday, 29 November 2023.

By mail:	8 Sarich Court, Osborne Park WA 6017, Australia
In person:	8 Sarich Court, Osborne Park WA 6017, Australia
By email:	admin@mtmalcolm.com.au

A Proxy Form received after that time will not be valid.

Appointment of a Proxy

A Shareholder entitled to attend and vote at the Meeting is entitled to appoint a proxy. The proxy may, but need not be, a Shareholder.

The Company encourages Shareholders to appoint the Chairperson as your proxy. To do so, mark the appropriate box on the Proxy Form. If the person you wish to appoint as your proxy is someone other than the Chairperson, please write the name of that person in the space provided on the Proxy Form. If you leave this section blank, or your named proxy does not attend the Meeting, the Chairperson will be your proxy.

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, you may photocopy the Proxy Form or an additional Proxy Form may be obtained by telephoning the Company on 08 6244 6617 (within Australia) or +61 (8) 6244 6617 (outside Australia).

Please note, it is recommended Shareholders complete the attached proxy form and send to the Company via the communication methods outlined above.

To appoint a second proxy you must, on each Proxy Form, state (in the appropriate box) the percentage of your voting rights which are the subject of the relevant proxy. If both Proxy Forms do not specify that percentage, each proxy may exercise half your votes. Fractions of votes will be disregarded.

Lodgement of a Proxy Form will not preclude a Shareholder from attending and voting at the Meeting in person.

Corporate Shareholders

Corporate Shareholders should comply with the execution requirements set out on the proxy form or otherwise with the provisions of section 127 of the Corporations Act. Section 127 of the Corporations Act provides that a company may execute a document without using its common seal if the document is signed by:

- two directors of the company;
- a director and a company secretary of the company; or
- or a proprietary company that has a sole director who is also the sole company secretary, that director.

Corporate Representatives

A corporation may elect to appoint an individual to act as its representative in accordance with section 250D of the Corporations Act, in which case the Company will require a certificate of appointment of the corporate representative executed in accordance with the Corporations Act. The certificate of appointment must be lodged with the Company and/or the Company's share registry before the Meeting or at the registration desk on the day of the Meeting.

Votes on Resolutions

You may direct your proxy how to vote by placing a mark in the 'FOR', 'AGAINST' or 'ABSTAIN' box opposite the Resolution. All your votes will be cast in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on the Resolution by inserting the percentage or number of Shares you wish to vote in the appropriate boxes. If you do not mark any of the boxes next to a Resolution, your proxy may vote as he or she chooses. If you mark more than one box on the Resolution, your vote will be invalid.

Chairperson Voting Undirected Proxies

If the Chairperson is your proxy, the Chairperson will cast your votes in accordance with your directions on the Proxy Form. If you do not mark any of the boxes on the Resolutions, then you expressly authorise the Chairperson to vote your undirected proxies at his/her discretion.

As at the date of this Notice of Meeting, the Chairperson intends to vote undirected proxies **FOR** each of the Resolutions. In exceptional cases the Chairperson's intentions may subsequently change and in this event, the Company will make an announcement to the market.

Voting Entitlement (Snapshot Date)

For the purposes of determining voting and attendance 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 Monday, 29 December 2023. Accordingly, transactions registered after that time will be disregarded in determining entitlements to attend and vote at the Meeting.

Questions from Shareholders

Questions for the Board of Directors can be emailed to the Company at admin@mtmalcolm.com.au and must be received no later than 5.00pm (WST) on Friday, 26 January 2024

The Board of Directors will endeavour to prepare answers to these questions, where necessary they will be moderated and curated to cover common ground.

Explanatory Statement

This Explanatory Statement has been prepared for the information of Shareholders in relation to the business to be conducted at the General Meeting.

The purpose of this Explanatory Statement is to provide Shareholders with all information known to the Company which is material to a decision on how to vote on the Resolutions in the accompanying Notice of General Meeting.

This Explanatory Statement should be read in conjunction with the Notice of General Meeting.

Capitalised terms in this Explanatory Statement are defined in the Glossary or otherwise in the Explanatory Statement.

1. Background to Resolutions 1 to 7

1.1 Transaction

As announced to ASX on 30 November 2023, the Company has entered into agreements (**Agreements**) with Golden Venture Capital Pty Ltd (ACN 639 258 245) (**GVC**) executing a binding heads of agreement (**HOA**), which set out terms with respect to the Company's proposed acquisition of exploration license E63/2258 (**Tenement**). On 13 November 2023, GVC entered into a terms sheet with Liconi Pty Ltd (ACN 659 406 167) (**Vendor**) (**Term Sheet**), pursuant to which the Vendor granted GVC the option to acquire the Tenement (Tenement Option). Under the Terms Sheet, GVC may assign its rights under the Terms Sheet to an ASX listed company.

1.2 Agreements

Under the HOA, the Company is acquiring GVC's right to exercise the Tenement Option to acquire the Tenement from the Vendor by taking an assignment of the Terms Sheet (**Assignmen**t).

In consideration for the Assignment, the Company agreed to:

(a) pay GVC (or its nominee) a cash payment of A$70,000 in immediately available funds (**Cash Consideration**);

(b) issue to GVC or its nominee that number of fully paid ordinary shares in the capital of the Company equal to A$90,000 based on the lower of A$0.02 per Share; or the issue price of Shares issued under the Placement (**Consideration Shares**); and

(c) grant a 0.5% NSR royalty in favour of GVC,

(together, the **Consideration**).

The Cash Consideration has been paid in full, and the Consideration Shares will be issued, on completion of the Assignment (**Completion**), subject to shareholder approval (being the subject of Resolution 1).

1.3 Placement

The Company has raised $1.1 million via a Placement to sophisticated and professional investors through the proposed issue of 44 million shares at 2.5 cents per share (**Placement Shares**). The Company will also issue one attaching option for every two Placement Shares subscribed, each exercisable at 7 cents and with an expiry date of 31 December 2025 (**Placement Options**) (together the **Placement**).

The Placement Shares are to be issued in two tranches as follows:

(a) 15,000,000 Placement Shares issued under Tranche 1; and

(b) 29,000,000 Placement Shares and 22,000,000 attaching Placement Options to be issued under Tranche 2.

On 8 December 2023, the Company issued the Tranche 1 Placement Shares under the Company's capacity pursuant to Listing Rule 7.1 and will seek ratification of the issue in Resolution 2.

The Company will issue the Tranche 2 Placement Shares and Placement Options subject to Shareholder approval under Resolution 3 and 4 respectively.

The Placement included a $50,000 commitment from the Company's Chairman. The participation by Mr Downey, being a Related Party, in the Placement is subject to Shareholder approval under Resolutions 5.

The Company will use the funds raised under the Placement, along with its existing cash, for the following purposes:

- Exploration and Evaluation activities at the Company's new and existing projects.
- High impact drilling programs to follow-up and expand known pegmatite occurrences at the Lake Johnston Project.
- Resource definition drilling at the Golden Crown prospect within the Malcolm Project, and
- for general working capital purposes.

1.4 Conversion Securities

As part of the Company's funding and cash management strategy, and in addition to the Placement, the Company's Directors have also agreed, subject to shareholder approval, to convert outstanding director and legal consulting fees of $44,000 and loan balances of $500,000 (refer ASX announcement of 31 October 2023) into 21,760,000 Conversion Shares and 10,880,000 Conversion Options, converted on the same terms as afforded to the Placement Participants under the Placement.

The approval to issue securities on conversion of outstanding director and legal consulting fees will be subject to approval under Resolutions 6a, 6b and 6c.

The approval to issue securities on conversion of the $500,000 loan balance (**Director Loan**) will be subject to approval under Resolution 7.

2. Resolution 1: Approval to Issue Consideration Shares to Golden Venture Capital Pty Ltd

2.1 Background

As set out in section 1.1 and 1.2 of the Explanatory Statement, Liconi Pty Ltd (Vendor) granted Golden Venture Capital Pty Ltd the option to acquire exploration license E 63/2258 (**Tenement**), a right GVC assigned to the Company. The Company wishes to exercise the right with Resolution 1 seeking Shareholder approval pursuant to Listing Rule 7.1 for the issue of the relevant Consideration Shares to GVC under the Agreements.

2.2 Regulatory Requirements

Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more Equity Securities during any 12-month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12-month period.

The issues of the Consideration Shares do not fit within any of these exceptions.. Accordingly, the issues of the Consideration Shares requires Shareholder approval under Listing Rule 7.1.

If Resolution 1 is passed, the Company will be able to proceed with the issue of the Consideration Shares.

If Resolution 1 is not passed, the Company will still be able to proceed with the issue of the Consideration Shares however the issue will count towards the Company's capacity under Listing Rule 7.1. Further, as Shareholder approval of the issue of Consideration Shares is a condition precedent under the Agreements, the Company and the GVC will have to agree to waive that condition for the Transaction to proceed.

2.3 Technical Information required by Listing Rule 7.3

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to Resolution 1:

(a) **Identity of the persons to whom securities are to be issued**

The Consideration Shares are to be issued to Golden Venture Capital Pty Ltd (GVC)(or their respective nominees). GVC are not Material Investors[1] in the Company. The Company understands that GVC may hold a nominal number of securities in the Company. GVC is not a Related Party of the Company.

(b) **The number and class of securities issued or agreed to issue**

4,500,000 Consideration Shares are proposed to be issued pursuant to Listing Rule 7.1.

(c) **A summary of the material terms of the securities, if not all fully paid ordinary securities**

The Consideration Shares will be fully paid ordinary shares in the capital of the Company, issued on the same terms and conditions as the Company's existing Shares (ASX: M2M).

(d) **Issue date**

The Consideration Shares will be issued within 5 business days of the Company chosing to exercise the Option and in any event within 3 months of the date of the Meeting. Accordingly, the latest date for the issue of the Consideration Shares is 30 April 2024, should the Company choose to exercise the Option. This is within 3 months of the date of the Meeting in accordance with Listing Rule 7.3.4.

(e) **Issue price**

The deemed issue price for the Consideration Shares is $0.02 per Share.

(f) **Purpose of the issue**

The Consideration Shares are to be issued as part consideration to acquire the Tenement (E63/2258) from GVC pursuant to the terms of the Agreements.

[1] ASX consider the following to be material investors:
(i) a related party of the entity
(ii) a member of the entity's Key Management Personnel;
(iii) a substantial holder in the entity;
(iv) an adviser to the entity; or
(v) an associate of any of the above,
where such person or entity is being issued more than 1% of the entity's current issued capital.

(g) **Issued under an Agreement**

A summary of the material terms of the Agreements is set in Sections 1.1 and 1.2 of the Explanatory Statement of this Notice and also in the Company's ASX Announcement of 30 November 2023.

(h) **Voting exclusion**

A voting exclusion statement for Resolution 1 is included in the Notice of Meeting preceding this Explanatory Statement.

3. Resolutions 2: Ratification of Issue of Placement Shares to Tranche 1 Placement Participants (Non-Related Parties)

3.1 Placement

As described in Section 1.3 of the Notice, the Company announced on 30 November 2023 that it had received firm commitments from various sophisticated and professional investors (**Placement Participants**) identified by Novus Capital Limited (**Lead Manager**) to raise $1,100,000 (before costs) (**Placement**) through the issue of 44 million shares at 2.5 cents per share (**Placement Shares**). The Company will also issue one attaching option for every two Placement Shares subscribed, each exercisable at 7 cents and with an expiry date of 31 December 2025 (**Placement Options**).

The Placement has been conducted in tranches, with Tranche 1 comprising the issue of 15,000,000 Placement Shares to Placement Participants (who are not Related Parties of the Company), at an issue price of $0.025 per Placement Share (**Tranche 1**), with shares issued pursuant to the Company's "15%" placement capacity under Listing Rule 7.1 on 8 December 2023. Subsequent ratification of this issue by Shareholders is sought under Resolution 2.

3.2 Requirement for Shareholder approval

As described in Section 3.1 above, the Company issued a total of 15,000,000 Tranche 1 Placement Shares under the Placement to the Placement Participants using its issuing capacity under Listing Rule 7.1.

None of the Placement Participants who participated in the issue of 15,000,000 Tranche 1 Placement Shares were or are Directors or other Related Parties of the Company.

Resolution 2 is an ordinary resolutions seeking approval by Shareholders of the ratification of the issue of the 15,000,000 Placement Shares.

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 shares it had on issue at the start of that period.

The issue of the Placement Shares does not fall within any of these exceptions and, as it has not yet been approved by the Company's Shareholders, it effectively uses up part of the 15% limit in Listing Rule 7.1, reducing the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1 for the 12-month period from the issue date of the Placement Shares.

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 Rules 7.1 or 7.1A 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 Rules 7.1 and 7.1A.

To this end, Resolution 2 seeks Shareholder approval for the issue of Placement Shares under and for the purposes of Listing Rule 7.4.

If Resolutions 2 is passed, the issue of the Placement Shares will be excluded in calculating the Company's 15% limit 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 issue date.

If Resolutions 2 is not passed, the issue of the Placement Shares will be included in calculating the Company's 15% limit 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 issue date.

3.3 Listing Rule information requirements

In accordance with the disclosure requirements of Listing Rule 7.5, the following information is provided in relation to Resolution 2:

(a) **Basis on which Placement Participants were identified**

Tranche 1 Placement Shares were issued to Placement Participants, being various sophisticated and professional investors identified by the Lead Manager and who are not Related Parties of the Company.

Each Placement Participant is a sophisticated or professional investor within the meaning of section 708(8), (10), (11) or (12) of the Corporations Act, being an investor to whom securities may be issued without a prospectus or other disclosure document.

None of the sophisticated and professional investors are a Related Party of the Company or a Material Investor.

(b) **The number of securities issued**

15,000,000 Placement Shares were issued to Placement Participants. The Placement Shares are fully paid ordinary shares ranking equally with the Company's existing Shares then on issue.

(c) **The date on which the securities were issued**

The Placement Shares in respect of Resolution 2 were issued by the Company on 8 December 2023.

(d) **The price at which the securities were issued**

The Placement Shares were issued to Placement Participants at an issue price of $0.025 per Placement Share.

(e) **The purpose of issue and the use or intended use of the funds raised**

The Company will use the funds raised under the Placement, along with its existing cash, for the following purposes:

- Exploration and Evaluation activities at the Company's new and existing projects.
- High impact drilling programs to follow-up and expand known pegmatite occurrences at the Lake Johnston Project.
- Resource definition drilling at the Golden Crown prospect within the Malcolm Project, and
- for general working capital purposes.

(f) **Issued under an Agreement**

A summary of the material terms of the Agreements is set in Section 1.2 of the Explanatory Statement of this Notice and also in the Company's ASX Announcement of 30 November 2023.

(g) **Voting exclusion**

A voting exclusion statement for Resolution 2 is included in the Notice of Meeting preceding this Explanatory Statement.

3.4 Directors' recommendation – Resolution 2

The Directors unanimously recommend that Shareholders vote in favour of Resolution 2 as it will refresh the Company's issuing capacity under Listing Rule 7.1 and give the Company the flexibility to raise additional working capital through the offer and issue of equity securities, if and as required.

4. Resolution 3 – Approval to Issue Placement Shares to Tranche 2 Placement Participants (Non-Related Parties)

4.1 Requirement for Shareholder approval

The Company proposes to issue 27,000,000 Placement Shares to the investors who were Tranche 2 Placement Participants and who are not Related Parties to the Company.

Resolution 3 is an ordinary resolution seeking approval by Shareholders for the proposed issue of 27,000,000 Placement Shares.

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 shares it had on issue at the start of that period.

The issue of the Placement Shares does not fall within any of these exceptions and exceeds the 15% limit in Listing Rule 7.1. It therefore requires approval of the Company's Shareholders under Listing Rule 7.1.

To that end, Resolution 3 seeks the required Shareholder approval for the issue under and for the purposes of Listing Rule 7.1.

If Resolution 3 is passed, the Company will be able to proceed with the issue of Placement Shares to Tranche 2 Placement Participants, and the Company will raise $675,000 before costs. In addition, the issue 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 3 is not passed, the Company will not be able to proceed with the issue of the Placement Shares and consequently, the Company will not raise $675,000.

4.2 Listing Rule information requirements

In accordance with the disclosure requirements of Listing Rule 7.3, the following information is provided in relation to Resolution 3:

(a) **Names of persons being issues securities or basis on which they were identified**

The Placement Shares are proposed to be issued to Tranche 2 Placement Participants, being various professional and sophisticated investors identified by the Lead Manager and the Company and who are not Related Parties of the Company.

Each Placement Participant is a sophisticated or professional investor within the meaning of section 708(8), (10), (11) or (12) of the Corporations Act, being an investor to whom securities may be issued without a prospectus or other disclosure document.

None of the sophisticated and professional investors are a Related Party of the Company or a Material Investor.

(b) **Number and class of securities**

27,000,000 Placement Shares will be issued to the Tranche 2 Placement Participants who are not Related Parties of the Company. The Placement Shares are fully paid ordinary shares ranking equally with the Company's existing Shares then on issue.

(c) **Date of issue**

The Company anticipates that the Placement Shares will be issued on one date shortly following the conclusion of the Meeting, otherwise, no later than 3 months after the date of the Meeting.

(d) **Issue price of Placement Shares**

The Placement Shares will be issued at an issue price of $0.025 per Placement Share.

(e) **Purpose of the issue and use funds raised**

The Company will use the funds raised under the Placement, along with its existing cash, for the following purposes:

- Exploration and Evaluation activities at the Company's new and existing projects.
- High impact drilling programs to follow-up and expand known pegmatite occurrences at the Lake Johnston Project.
- Resource definition drilling at the Golden Crown prospect within the Malcolm Project, and
- for general working capital purposes.

(f) **Issued under an Agreement**

A summary of the material terms of the Agreements is set in Section 1.2 of the Explanatory Statement of this Notice and also in the Company's ASX Announcement of 30 November 2023.

(g) **Voting exclusion**

A voting exclusion statement for Resolution 3 is included in the Notice of Meeting preceding this Explanatory Statement.

4.3 Directors' recommendations

The Directors unanimously recommend that Shareholders vote in favour of Resolution 3 as it will enable the Company to raise $675,000 in funds for the Company.

5. Resolution 4 - Approval to Issue Placement Options to Placement Participants (Non-Related Parties)

5.1 Requirement for Shareholder approval

The Company proposes to issue 21,000,000 attaching Placement Options to the investors who were Tranche 1 and 2 Placement Participants in the Placement announced on 30 November 2023 and who are not Related Parties to the Company.

Each Placement Option is exercisable to one Share at $0.07 per Option and expires on 31 December 2025.

In arranging the Placement, the Company has undertaken to the Tranche 1 and Tranche 2 Placement Participants to issue the Placement Options, subject to Shareholder approval of the issue of the Placement Options.

Resolution 4 is an ordinary resolution seeking approval by Shareholders for the proposed issue of 21,000,000 Placement Options.

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 shares it had on issue at the start of that period.

The issue of the Placement Options does not fall within any of these exceptions and exceeds the 15% limit in Listing Rule 7.1. It therefore requires approval of the Company's Shareholders under Listing Rule 7.1.

To that end, Resolution 4 seeks the required Shareholder approval for the issue under and for the purposes of Listing Rule 7.1.

If Resolution 4 is passed, the Company will be able to proceed with the issue of Placement Options to Tranche 1 and Tranche 2 Placement Participants. The Company will potentially raise up to $1,470,000 on the exercise of Placement Options if all Placement Options are exercised before their expiry date. In addition, the issue 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 4 is not passed, the Company will not be able to proceed with the issue of the Placement Options and consequently, the Company will not potentially raise up to $1,470,000 on the exercise of Placement Options.

5.2 Listing Rule information requirements

In accordance with the disclosure requirements of Listing Rule 7.3, the following information is provided in relation to Resolution 4:

(a) **Names of persons being issues securities or basis on which they were identified**

The Placement Options are proposed to be issued to Tranche 1 and 2 Placement Participants, being various professional and sophisticated investors identified by the Lead Manager and the Company and who are not Related Parties of the Company.

Each Placement Participant is a sophisticated or professional investor within the meaning of section 708(8), (10), (11) or (12) of the Corporations Act, being an investor to whom securities may be issued without a prospectus or other disclosure document.

None of the sophisticated and professional investors are a Related Party of the Company or a Material Investor.

(b) **Number and class of securities**

21,000,000 Placement Options will be issued to the Tranche 1 and 2 Placement Participants who are not Related Parties of the Company.

(c) **Material terms of Placement Options**

The Placement Options are exercisable at $0.07 each on or before 31 December 2025.

Each Placement Option is exercisable into one Share that ranks equally with all existing Shares on issue.

The terms of the Placement Options are set out in Schedule 1. The Placement Options will be quoted on ASX subject to meeting relevant ASX requirements.

(d) **Date of issue**

The Company anticipates that the Placement Options will be issued on one date shortly following the conclusion of the Meeting, otherwise, no later than 3 months after the date of the Meeting.

(e) **Issue price of Placement Options**

The Placement Options will be issue at a nil issue price per Placement Option.

(f) **Purpose of the issue and use funds raised**

The Placement Options are issued as free attaching to the Placement Shares on the basis of one Placement Option for every two Placement Shares subscribed. No amount will be raised on the issue of the Placement Options. If all the Placement Options the subject of this Resolution are exercised prior to expiry, the Company will raise $1,470,000 on receipt of the exercise price for the Options and the Company anticipates it will use those funds for the purposes described in Section 1.3.

(g) **Issued under an Agreement**

A summary of the material terms of the Agreements is set in Section 1.2 of the Explanatory Statement of this Notice and also in the Company's ASX Announcement of 30 November 2023.

(h) **Voting exclusion**

A voting exclusion statement for Resolution 4 is included in the Notice of Meeting preceding this Explanatory Statement.

6. Resolution 5 - Approval to Issue Placement Securities to Mr Rob Downey (Related Party)

6.1 Background

The Company is seeking Shareholder approval to obtain the ability to issue Placement Securities to the Company's Chairman, or his nominee, as part of the Placement announced on 30 November 2023.

Subject to Shareholder approval, the Company proposes to issue a total of 2,000,000 Placement Shares and 1,000,000 Placement Options to Mr Rob Downey – Non-Executive Chairman, raising $50,000.

6.2 Chapter 2E of the Corporations Act

Section 208 of the Corporations Act provides 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:

- obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and

- 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.

The Related Party participation in the Placement will result in the giving of a financial benefit and Mr Rob Downey is a Related Party of the Company by virtue of being a Director of the Company. The Directors (other than Mr Downey, who has a material personal interest in this Resolution) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue of the Placement Shares and free attaching Placement Options because the Securities will be issued to Mr Downey (and/or his nominee) on the same terms as the Placement Securities issued to non-Related Party participants in the Placement and as such the giving of the financial benefit is on arm's length terms.

6.3 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:

- 10.11.1 - a related party;

- 10.11.2 - a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (30%+) holder in the company;

- 10.11.3 - a person who is, or was at any time in the 6 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;

- 10.11.4 - an associate of a person referred to in Listing Rules 10.11.1 to 10.11.3; or

- 10.11.5 - a person whose relationship with the company or a person referred to in Listing Rule 10.11.1 to 10.11.4 is such that, ASX's opinion, the issue or agreement should be approved by its shareholders,

unless it obtains approval of its shareholders.

The proposed issue of Placement Securities to Mr Downey falls within Listing Rule 10.11.1 and does not fall within any of the exceptions in Listing rule 10.12. It therefore requires approval of the Company's Shareholders under Listing Rule 10.11.

Resolution 5 seeks the required shareholder approval for the issue of Placement Securities under and for the purposes of Listing Rule 10.11.

If Resolution 5 is passed, the Company will be able to proceed with the issue of Placement Shares and Placement Options on the same terms as those offered to other Placement Participants.

If Resolution 5 is not passed, the Company will not be able to proceed with the issue of Placement Shares and Placement Options on the same terms as those offered to other Placement Participants.

6.4 Information Required by Listing Rule 10.13

Listing Rule 10.13 requires that information be provided to Shareholders for the purposes of obtaining Shareholder approval pursuant to Listing Rule 10.11 as follows:

(a) **The names of the persons to whom securities will be issued**

Mr Rob Downey (or his nominee).

(b) **Which category in rules 10.11.1 – 10.11.5 the persons fall and why**

The person falls under Listing Rule 10.11.1 as he is a Director of the Company.

(c) **The number and class of securities to be issued to the persons**

The Company proposes to issue a total of 2,000,000 Placement Shares and 1,000,000 Placement Options, raising $50,000.

(d) **Terms of securities proposed to be issued**

The Placement Shares are fully paid ordinary Shares, ranking equally with existing Shares. The Placement Options have the an exercise price of $0.07 each and expire on 31 December 2025, with full the terms as those set out in Schedule 1 of this Notice. The Company will seek quotation of the Placement Options, subject to meeting ASX requirements.

(e) **The date or dates on which the Company will issue the securities to the persons**

Subject to Shareholder approval, the Company proposes to issue the Placement Shares and Placement Options shortly following the Meeting, or otherwise on one date 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).

(f) **The price or consideration the entity will receive for the issue**

The Placement Shares will be issued at $0.025 per Share, raising a total of $50,000. The Placement Options are free attaching to the Placement Shares and will be issued for no further consideration.

(g) **Purpose of the issue and use of funds raised**

The Company will use the funds raised under this resolution, along with funds raised from the Placement and its existing cash, for the following purposes:

- Exploration and Evaluation activities at the Company's new and existing projects.
- High impact drilling programs to follow-up and expand known pegmatite occurrences at the Lake Johnston Project.
- Resource definition drilling at the Golden Crown prospect within the Malcolm Project, and
- for general working capital purposes.

No amount will be raised from the issue of the Placement Options. If all the Placement Options the subject of this Resolution are exercised prior to expiry, the Company will raise up to $70,000 on receipt of the exercise price for the Options and the Company anticipates it will use those funds for the same purpose set out above.

(h) **Remunerate and incentivise**

The issue of the Placement Securities is not intended to remunerate or incentivise the participants, including Mr Downey.

(i) **Issued under an agreement**

The issue of the Placement Securities is not made under an agreement.

(j) **Voting exclusion**

A voting exclusion statement for Resolution 4 is included in the Notice of Meeting preceding this Explanatory Statement.

6.5 Directors' Recommendation – Resolution 5

The Directors (other than Mr Downey who has a material personal interest in the Resolution) believe Resolution 5 is in the best interest of the Company and its Shareholders as it will raise $50,000 in fresh capital for the Company and accordingly recommend that the Shareholders vote in favour of this Resolution.

7. Resolutions 6(a) to 6(c): Approval to issue Conversion Securities to Directors on debt conversion (Related Parties)

7.1 Background

The Company is seeking Shareholder approval to obtain the ability to issue Conversion Securities under the same terms as the Placement to the Company's Directors, or their nominees, upon the debt conversion of their individual outstanding director and/ or legal consulting fees, totalling $44,000.

Subject to Shareholder approval of Resolutions 6(a) to 6(c) respectively, the Company proposes to issue a total of 1,760,000 Conversion Shares and 880,000 Conversion Options (as free attaching options under the same terms as the Placement) in the following proportions to Related Parties, as follows:

(a) Mr Rob Downey : Non-Executive Chairman – 800,000 Conversion Shares and 400,000 Conversion Options in settlement of $20,000 legal consulting fees;

(b) Mr Gary Powell : Non-Executive Director – 480,000 Conversion Shares and 240,000 Conversion Options in settlement of $12,000 outstanding Director fees; and

(c) Mr Daniel Tuffin : Technical Non-Executive Director – 480,000 Conversion Shares and 240,000 Conversion Options in settlement of $12,000 outstanding Director fees.

7.2 Section 195 of the Corporations Act

Section 195(1) of the Corporations Act provides that a director who has a "material personal interest" in a matter being considered at a directors' meeting must not be present while the matter is being considered or vote on the matter.

Section 195(4) of the Corporations Act provides that where there are insufficient directors to form a quorum at a directors' meeting because of section 195(1), the directors may call a general meeting of shareholders to consider the matter.

The Directors are unable to form a quorum to consider any matters relating to the offer of Conversion Securities under Resolutions 6(a) to 6(c), as Messrs Downey, Powell and Tuffin, (and with Messrs Dixon seeking similar shareholder approval in Resolution 7) being the only Directors of the Company, have a material personal interest in the outcome of the Resolutions. Therefore, the Board is unable to form a quorum to consider the proposed issue of Conversion Securities to the Directors and the Company is seeking approval under section 195(4) of the Corporations Act to deal with the matter.

7.3 Chapter 2E of the Corporations Act

Section 208 of the Corporations Act provides 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:

- obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- 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.

The offer of Conversion Securities to the Directors or their nominees, as contemplated by Resolutions 6(a) to 6(c), constitutes the giving a financial benefit for the purposes of the Corporations Act, to each of Messrs Downey, Powell and Tuffin as Related Parties of the Company.

Accordingly, Shareholder approval is sought for the purposes of section 208 of the Corporations Act.

7.4 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:

- 10.11.1 - a related party;
- 10.11.2 - a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (30%+) holder in the company;
- 10.11.3 - a person who is, or was at any time in the 6 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;
- 10.11.4 - an associate of a person referred to in Listing Rules 10.11.1 to 10.11.3; or
- 10.11.5 - a person whose relationship with the company or a person referred to in Listing Rule 10.11.1 to 10.11.4 is such that, ASX's opinion, the issue or agreement should be approved by its shareholders,

unless it obtains approval of its shareholders.

The proposed issue of Conversion Securities to Directors falls within Listing Rule 10.11.1 and does not fall within any of the exceptions in Listing rule 10.12. It therefore requires approval of the Company's Shareholders under Listing Rule 10.11.

Resolutions 6(a) to 6(c) seek the required shareholder approval for the issue of Conversion Securities under and for the purposes of Listing Rule 10.11.

If Resolutions 6(a) to 6(c) (individually or collectively) are passed, the Company will be able to proceed with the issue of Conversion Securities in settlement of the outstanding debt.

If Resolutions 6(a) to 6(c) (individually or collectively) are not passed, the Company will not be able to proceed with the issue of Conversion Securities in settlement of the outstanding debt and will have to settle these using available cash otherwise intended for exploration, evaluation and other general working capital purposes.

7.5 Corporations Act information requirements

Section 219 of the Corporations Act requires that the following information be provided to Shareholders in relation to Resolutions 6(a) to 6(c) for the purposes of obtaining approval under Section 208 of the Corporations Act:

(a) **Names of the Related Party**

The Related Parties in respect of Resolutions 6(a) to 6(c) are Directors of the Company, being Mr Rob Downey (Resolution 6a), Mr Gary Powell (Resolution 6b) and Mr Daniel Tuffin (Resolution 6c).

(b) **Nature of the financial benefit**

The nature of financial benefit that will be given to the Related Parties (or their nominees) if Resolutions 6(a) to 6(c) individually are approved, is the issue of Conversion Securities, being Conversion Shares and Conversion Options in settlement of outstanding legal consulting fees of $20,000 (Resolution 6a), and $12,000 Director fees each for Resolutions 6b and 6c respectively.

(c) **Value of the financial benefit**

If Resolutions 6(a) to 6(c) are approved by Shareholders, the Company will settle $44,000 of outstanding debt owed to Directors as follows:

- Mr Rob Downey : Non-Executive Chairman – 800,000 Conversion Shares and 400,000 Conversion Options in settlement of $20,000 legal consulting fees;
- Mr Gary Powell : Non-Executive Director – 480,000 Conversion Shares and 240,000 Conversion Options in settlement of $12,000 outstanding Director fees; and
- Mr Daniel Tuffin : Technical Non-Executive Director – 480,000 Conversion Shares and 240,000 Conversion Options in settlement of $12,000 outstanding Director fees.

Securities will be issued to the Directors (or their nominees) under the same terms as the Placement announced on 30 November 2023, with Shares issued at the Placement price of $0.025 per Share, being for a total of 1,760,000 Conversion Shares for an amount of $44,000.

The free attaching Conversion Options (on the basis of one Conversion Options for every two Conversion Shares issued), have been valued using the Black-Scholes option pricing model (**Black-Scholes Model**). The Black-Scholes Model is based on a number of assumptions and variables, including the following:

(i) the exercise price for each Option is $0.07;

(ii) each Option has an expiry date of 31 December 2025, and it is assumed that the Options will be exercised immediately prior to the expiry date;

(iii) the share price of $0.025, being the Placement price as announced on 30 November 2023;

(iv) a risk-free rate of 4.1% has been adopted; and

(v) a volatility factor of 100% has been adopted.

The table below sets out the value of the Conversion Securities and the estimated financial benefit to be received by the Directors, applying the above valuation, as at the date of the Notice of Meeting.

Related Party	Conversion Shares		Conversion Options		Total value of Conversion Securities
	Number	Individual value	Number	Individual value	
Rob Downey	800,000	$0.025	400,000	$0.0074	$22,960
Gary Powell	480,000	$0.025	240,000	$0.0074	$13,776
Daniel Tuffin	480,000	$0.025	240,000	$0.0074	$13,776

The value of the Conversion Shares for the Company's accounting purposes will be determined by the issue price per Conversion Share ($0.025).

The value of the Conversion Options for the Company's accounting purposes will be determined at the time the Options are granted. The value will be directly related to the closing price of Shares traded on the ASX on the day of the Meeting, or if no Shares are traded on that day, the price at which the Company's shares most recently traded before that day.

Accordingly, the value of the Conversion Options issued to the Directors may differ from the value stated above.

It should be noted that the Directors will have to pay the Company a combined value of $61,600 upon conversion of the 880,000 Conversion Options into Shares (assuming all is converted).

(d) **Remuneration of Directors**

The table below sets out the total remuneration paid or payable to Messrs Downey, Powell and Tuffin, for the last financial year and the proposed total remuneration for the current financial year, including superannuation entitlements.

Director	Financial year ended 30 June 2024	Financial year ended 30 June 2023
Rob Downey	$48,000	$48,000
Gary Powell	$36,000	$36,000
Daniel Tuffin	$36,000	$36,000

(e) **Security holdings of Directors**

The table below sets out the securities and rights in the Company in which Messrs Downey, Powell and Tuffin has a direct or indirect interest at the date of the Notice. The table does not include Conversion Securities proposed to be issued to Messrs Downey, Powell and Tuffin as they are subject to the Shareholder approval of Resolutions 6a, 6b and 6c respectively.

Director	Shares		Options
	Direct	Indirect	
Rob Downey	Nil	1,051,500[1]	1,000,000[1]
Gary Powell	Nil	75,000[2]	1,000,000[2]
Daniel Tuffin	Nil	1,875,000[3]	1,000,000[3]

Notes:
1. Held by Stella Downey, spouse of Rob Downey.
2. Held by Maria Powell, spouse of Gary Powell.
3. Held by Tuffaco Pty Ltd, an entity associated with Daniel Tuffin.

(f) **Voting interest and voting power of the Directors**

The table below sets out details of the respective voting interests of Messrs Downey, Powell and Tuffin, including how these interests may change upon the events specified in the table occurring, based on a total of 117,343,504 Shares on issue as at the date of the Notice of Meeting (and with no other securities issued).

Event	**Shares received**	**Total Shares held after event**	**Voting power after event** (rounded)
Rob Downey			
Existing Shares held	-	1,051,500	0.90%
Placement Shares (assuming Resolution 5 is passed)	2,000,000	3,051,500	2.60%
Issue of Conversion Shares (assuming Resolution 6a is passed)	800,000	3,851,500	3.28%
Assuming Exercise of Placement Options (the subject of Resolution 5)	1,000,000	4,851,500	4.13%
Assuming the Exercise of Conversion Options (the subject of Resolution 6a)	400,000	5,251,500	4.48%
Gary Powell			
Existing Shares held	-	75,000	0.06%
Issue of Conversion Shares (assuming Resolution 6b is passed)	480,000	555,000	0.47%
Assuming the Exercise of Conversion Options (the subject of Resolution 6b)	240,000	795,000	0.68%
Daniel Tuffin			
Existing Shares held	-	1,875,000	1.60%
Issue of Conversion Shares (assuming Resolution 6c is passed)	480,000	2,355,000	2.01%
Assuming the Exercise of Conversion Options (the subject of Resolution 6c)	240,000	2,595,000	2.21%

(g) **Dilution**

If Resolutions 6(a) to 6(c) are approved a total of 1,760,000 Conversion Shares will be granted to Messrs Downey, Powell and Tuffin (or their nominees), diluting shareholding interests of existing Shareholders by approximately 1.48%.

The grant of Conversion Options will not dilute the shareholding interests of existing Shareholders unless and until they are exercised into fully paid ordinary Shares. In that eventuality and assuming there are no further issues of equity securities by the Company, upon the exercise of the Options, shareholding interests of existing Shareholders will be diluted by approximately 0.73%.

(h) **Trading history**

The most recent available data concerning the price of the Company's Shares traded on ASX since 8 December 2022 (i.e. approximately 12 months from the Notice date) is summarised in the table below.

	High	Low	Last
Price	$0.078	$0.019	$0.032
Date	16 November 2023	16 November 2023	8 December 2023

(i) **Funds raised**

The Company will not raise any funds from the issue of Conversion Securities to the Directors (or their nominees) however, considering the Shares are being issued as a conversion of debt, the Company is effectively raising $44,000.

The Company will not raise any funds from the issue of Conversion Options to the Directors (or their nominees). However, if all Conversion Options are exercised, the Company will raise $61,600.

(j) **Directors' interests in the proposed resolution**

The Directors (Rob Downey, Gary Powell and Daniel Tuffin) each have a material personal interest in the outcome of Resolutions 6(a) to 6(c) respectively, as the issue of Conversion Securities will benefit them.

(k) **Other information**

Other than as set out in this Explanatory Statement, the Directors do not consider there is any further information which the Shareholders would reasonably require in order to decide whether or not to approve Resolutions 6(a) to 6(c).

7.6 Information required by Listing Rule 10.13

Listing Rule 10.13 requires that information be provided to Shareholders for the purposes of obtaining Shareholder approval pursuant to Listing Rule 10.11 as follows:

(a) **The names of the persons to whom securities will be issued**

Rob Downey (Resolution 6a), Gary Powell (Resolution 6b) and Daniel Tuffin (Resolution 6c), or their nominees.

(b) **Which category in rules 10.11.1 – 10.11.5 the persons fall and why**

The persons fall under Listing Rule 10.11.1 as they are all Directors of the Company.

(c) **The number and class of securities to be issued to the persons**

Resolution 6a : Mr Rob Downey - 800,000 Conversion Shares and 400,000 Conversion Options in settlement of $20,000 legal consulting fees;

Resolution 6b : Mr Gary Powell - 480,000 Conversion Shares and 240,000 Conversion Options in settlement of $12,000 outstanding Director fees; and

Resolution 6c : Mr Daniel Tuffin - 480,000 Conversion Shares and 240,000 Conversion Options in settlement of $12,000 outstanding Director fees.

Refer to Section 7.1 for further details.

(d) **Terms of securities proposed to be issued**

The Conversion Shares will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as, and ranking equally (from the date of their issue) with, the Company's existing Shares, the terms of which are in the public domain.

The Conversion Options have an exercise price of $0.07 each and expire on 31 December 2025, with full terms set out in Schedule 1 (same terms as Placement Options).

The Company will seek quotation of the Options on ASX subject to meeting relevant ASX requirements.

(e) **The date or dates on which the Company will issue the securities to the persons**

Subject to Shareholder approval, the Company proposes to issue the Conversion Securities shortly following the Meeting, or otherwise on one date 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).

(f) **The price or consideration the entity will receive for the issue**

The Conversion Shares will be issued at a deemed price of $0.025 per Share, with the Conversion Options issued as free attaching (being on the same terms as offered under the Placement).

(g) **Purpose of the issue and use of funds raised**

The Conversion Securities will be issued in settlement of $44,000 debt owed by the Company, comprising $20,000 due to Mr Downey for legal consulting fees (Resolution 6a), and $12,000 in Director fees due to each of Mr Powell (Resolution 6b) and Mr Tuffin (Resolution 6c).

No amount will be raised from the issue of the Conversion Options. If all the Conversion Options are exercised prior to expiry, the Company will raise $61,600 on receipt of the exercise price for the Options and the Company anticipates it will use those funds for the same purpose set out in Section 1.3.

(h) **Remunerate and incentivise**

The issue of the Conversion Securities is not intended to remunerate or incentivise the participants, but is issued to settle debt. Notwithstanding, please refer to section 7.5(d) of this Notice for details of Director Remuneration.

(i) **Issued under an agreement**

The issue of the Conversion Securities is not made under an agreement.

(j) **Voting exclusion**

A voting exclusion statement for Resolution 6(a), 6(b) and 6(c) respectively are included in the Notice of Meeting preceding this Explanatory Statement.

7.7 Directors' recommendation

Each recipient of Conversion Securities contemplated by Resolutions 6(a) to 6(c) is a Related Party of the Company by virtue of being a Director of the Company. Mr Dixon, Managing Director of the Company, is seeking similar approval for the issue of Conversion Securities on the settlement of his Director Loan balance, the subject of Resolution 7.

Accordingly, all Directors have a material personal interest in the outcome of either Resolutions 6(a) to 6(c) or Resolution 7.

In the interests of good corporate governance, all Directors decline to make any recommendations as to how Shareholders should vote on Resolutions 6(a) to 6(c), or Resolution 7, as they may each acquire a relevant interest in the Conversion Securities if these Resolutions are approved.

8. Resolution 7: Approval to issue Conversion Securities to Mr Trevor Dixon on debt conversion (Related Party)

8.1 General

As announced to the ASX on 31 October 2023[2], the Managing Director of the Company, Mr Trevor Dixon (**Lender**), had agreed to provide an unsecured loan facility of $500,000 on commercial and arms' length terms to assist the Company with its working capital needs (**Director Loan**).

The material terms of the loan facility agreement are as follows:

- Loan facility amount: $500,000, of which the Company draw down $250,000 immediately.
- Loan term: 12 months (requiring repayment by 31 October 2024).
- Interest rate: 5% per annum on any amounts drawn down.
- Security: Nil.
- The agreement does not include any right to convert the loan to M2M shares (subsequently amended to allow conversion subject to shareholder approval, as announced to the ASX on 30 November 2023).
- Events of Default means the failure to repay any outstanding balance under the facility when it falls due, any judgement against the Company exceeding $50,000 not satisfied within 7 days, the appointment of a receiver (or similar), the Company becoming insolvent or the Company ceasing or threatening to cease its business.
- Termination: The agreement shall terminate on the first to occur of an Event of Default, written agreement between the parties or repayment of all outstanding balances.
- The agreement also contains warranty and covenant clauses standard for an agreement of this nature.

Pursuant to an ASX announcement dated 30 November 2023, the Company stated that shareholder approval will be sought for the issue of Securities under the same terms as the Placement for the debt conversion of the outstanding Director loan.

Resolution 7 seeks Shareholder approval pursuant to ASX Listing Rule 10.11 for the issue of Conversion Securities to the Lender in part or full conversion of the remaining balance of the Director Loan, to the extent permitted by item 9 of section 611 of the Corporations Act (see section 4.2 below).

If Shareholders approve the issue of the Conversion Securities under Listing Rule 10.11, approval is not required under Listing Rule 7.1 in relation to the 15% restriction in Listing Rule 7.1. This means that the Company's flexibility to issue Equity Securities in the future up to the 15% annual placement capacity set out in Listing Rule 7.1 is not affected.

If Shareholders do not approve the issue of the Conversion Securities pursuant to Listing Rule 10.11 on this or any subsequent occasion at which shareholder approval may be sought, then the Director Loan will not be capable of conversion to Conversion Securities at the election of the Company. It will then be necessary for the Company to repay the full outstanding balance of $500,000 (excluding interest) in cash on or before the maturity date under the Director Loan Agreement, being by 31 October 2024.

[2] See ASX announcement "Director Loan".

8.2 Corporations Act Issues

Section 606 prohibition

Section 606 of the Corporations Act prohibits a person acquiring a relevant interest in issued voting shares in a listed company if, as a result of the acquisition that person's or someone else's voting power in the company increases from 20% or below to more than 20%, or from a starting point that is above 20% and below 90%. A person's voting power is described in section 610 of the Corporations Act.

There are various exceptions to the prohibition in section 606 of the Corporations Act. Section 611 of the Corporations Act contains a table setting out circumstances in which acquisitions of relevant interests are exempt from the prohibition. Item 9 of the table in section 611 of the Corporations Act provides an exemption for acquisitions of no more than 3% in every 6 months, provided that throughout the 6 months before the acquisition that person has had voting power in the company of at least 19% (3% Creep Exemption).

Mr Dixon had a relevant interest in 29,299,000 Shares in the Company at the date the proposed Director Loan debt conversion was announced, being a percentage holding and voting power of 28.63%. Throughout the 6 months prior to the date of this Notice, Mr Dixon had voting power of at least 19% (and the Company does not propose to issue Shares between the date of this Notice and the date of issue of the Tranche 2 Placement Shares or Conversion Shares such that Mr Dixon's voting power would fall below 19%). The percentage holding and voting power of Mr Dixon 6 months prior to the scheduled date of the Extraordinary General Meeting was 28.55% (rounded to the nearest two decimals). Under the 3% Creep Exemption Mr Dixon's shareholding can increase by no more than 3% from this percentage (being a maximum of 29.41%).

If Shareholder approval is obtained pursuant to Resolution 7, the Company proposes to issue the Conversion Securities to the Lender within one month after the meeting (along with other securities proposed to be issued the subject of Resolutions 1 and 3 to 6(c)(inclusive)). In that case, the Lender may be issued that number of Conversion Securities such that Mr Dixon's voting power will increase from 28.55%, his voting power 6 months prior to that date, to 28.56% of the then enlarged capital structure, assuming Resolutions 1 and 3 to 6(c)(inclusive) are approved by shareholders and the related Shares have been issued. In such scenario, Mr Dixon's voting power will be under the 3% Creep Exemption. The Maximum voting power Mr Dixon could reach under the 3% Creep Exemption is 29.41%.

The Company will not issue any Conversion Securities that will result in a breach of this provision. This includes the outcome and impact on the 3% Creep Exemption calculation should any or all of Resolutions 1 and 3 to 6(c)(inclusive) not be passed at the Meeting.

Chapter 2E

Section 208 of the Corporations Act provides 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:

- obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- 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.

The offer of Conversion Securities to Mr Dixon or his nominee, as contemplated by Resolution 7, constitutes the giving a financial benefit for the purposes of the Corporations Act to Mr Dixon, as a Related Party of the Company.

Accordingly, Shareholder approval is sought for the purposes of section 208 of the Corporations Act.

8.3 Corporations Act information requirements

Section 219 of the Corporations Act requires that the following information be provided to Shareholders in relation to Resolutions 7 for the purposes of obtaining approval under Section 208 of the Corporations Act:

(a) **Names of the Related Party**

The Related Party in respect of Resolution 7 is Mr Trevor Dixon, Managing Director of the Company.

(b) **Nature of the financial benefit**

The nature of financial benefit that will be given to the Related Party (or his nominee) if Resolution 7 is approved, is the issue of Conversion Securities, being Conversion Shares and Conversion Options in settlement of outstanding Director Loan of $500,000 (excluding payment of interest due which the Company will settle in cash).

(c) **Value of the financial benefit**

If Resolution 7 is approved by Shareholders, the Company will settle $500,000 of outstanding Director Loan debt to Mr Dixon.

Securities will be issued to Mr Dixon (or his nominee) under the same terms as the Placement announced on 30 November 2023, with Shares issued at the Placement price of $0.025 per Share, being for a total of 20,000,000 Conversion Shares for an amount of $500,000.

The free attaching Conversion Options (on the basis of one Conversion Options for every two Conversion Shares issued), have been valued using the Black-Scholes option pricing model (**Black-Scholes Model**). The Black-Scholes Model is based on a number of assumptions and variables, including the following:

(vi) the exercise price for each Option is $0.07;

(vii) each Option has an expiry date of 31 December 2025, and it is assumed that the Options will be exercised immediately prior to the expiry date;

(viii) the share price of $0.025, being the Placement price as announced on 30 November 2023;

(ix) a risk-free rate of 4.1% has been adopted; and

(x) a volatility factor of 100% has been adopted.

The table below sets out the value of the Conversion Shares and the estimated financial benefit to be received by the Directors, applying the above valuation, as at the date of the Notice of Meeting.

Related Party	Conversion Shares		Conversion Options		Total value of Conversion Securities
	Number	Individual value	Number	Individual value	
Trevor Dixon	20,000,000	$0.025	10,000,000	$0.0074	$574,000

The value of the Conversion Shares for the Company's accounting purposes will be determined by the issue price per Conversion Share ($0.025).

The value of the Conversion Options for the Company's accounting purposes will be determined at the time the Options are granted. The value will be directly related to the closing price of Shares traded on the ASX on the day of the Meeting, or if no Shares are traded on that day, the price at which the Company's shares most recently traded before that day.

Accordingly, the value of the Conversion Options issued to Mr Dixon may differ from the value stated above.

It should be noted that Mr Dixon will have to pay the Company a combined value of $700,000 upon conversion of the 10,000,000 Conversion Options into Shares (assuming all is converted).

(d) **Remuneration of Directors**

The table below sets out the total remuneration paid or payable to Mr Dixon, for the last financial year and the proposed total remuneration for the current financial year, including superannuation entitlements.

Director	Financial year ended 30 June 2024	Financial year ended 30 June 2023
Mr Dixon	$230,000	$230,000

(e) **Security holdings of Directors**

The table below sets out the securities and rights in the Company in which Mr Dixon has a direct or indirect interest at the date of the Notice. The table does not include Conversion Securities proposed to be issued to Mr Dixon as they are subject to Shareholder approval.

Director	Shares		Options
	Direct	Indirect	
Mr Dixon	28,859,000	440,000[1]	2,000,000

Notes:

1 Held by Drylands Pty Ltd, an entity associated with Trevor Dixon.

(f) **Voting interest and voting power of the Directors**

The table below sets out details of the respective voting interests of Mr Dixon, including how these interests may change upon the events specified in the table occurring, based on a total of 117,343,504 Shares on issue as at the date of the Notice of Meeting (and not taking into account any of the Consideration, Placement or Conversion Shares issued as contemplated under Resolutions 1 and 3 to 6(c)).

Event	Shares received	Total Shares held after event	Voting power after event (rounded)
Rob Downey			
Existing Shares held	-	29,299,000	24.97%
Issue of Conversion Shares (assuming Resolution 7 is passed)	10,000,000	59,299,000	50.53%
Assuming the Exercise of Conversion Options (the subject of Resolution 7)	20,000,000	49,299,000	42.01%

Assuming all Consideration, Placement or Conversion Shares as contemplated under Resolutions 1 and 3 to 7 are approved and issued (including the Conversion Shares to be issued to Mr Dixon), Mr Dixon voting power will increase to 28.56% (refer Section 8.2).

(g) **Dilution**

If Resolution 7 is approved a total of 20,000,000 Conversion Shares will be granted to Mr Dixon (or his nominee), diluting shareholding interests of existing Shareholders by approximately 14.56% (assuming no other Share issues including all other issues contemplated in this Notice, other than Resolution 2).

The grant of Conversion Options will not dilute the shareholding interests of existing Shareholders unless and until they are exercised into fully paid ordinary Shares. In that eventuality and assuming there are no further issues of equity securities by the Company, upon the exercise of the Options, shareholding interests of existing Shareholders will be diluted by approximately 6.79% (assuming no other Share issues including all other issues contemplated in this Notice, other than Resolution 2).

(h) **Trading history**

The most recent available data concerning the price of the Company's Shares traded on ASX since 8 December 2022 (i.e. approximately 12 months from the Notice date) is summarised in the table below.

	High	**Low**	**Last**
Price	$0.078	$0.019	$0.032
Date	16 November 2023	16 November 2023	8 December 2023

(i) **Funds raised**

The Company will not raise any funds from the issue of Conversion Securities to Mr Dixon (or his nominee) however, considering the Shares are being issued as a conversion of a Director Loan debt, the Company is effectively raising $500,000.

The Company will not raise any funds from the issue of Conversion Options to Mr Dixon (or his nominee). However, if all Conversion Options are exercised, the Company will raise $700,000.

(j) **Directors' interests in the proposed resolution**

Mr Dixon, as Managing Director of the Company, has a material personal interest in the outcome of Resolution 7, as the issue of Conversion Securities will benefit him.

(k) **Other information**

Other than as set out in this Explanatory Statement, the Directors do not consider there is any further information which the Shareholders would reasonably require in order to decide whether or not to approve Resolutions 6(a) to 6(c).

8.4 Listing Rule 10.11

Listing Rule 10.11 provides that a company must not issue Equity Securities to a related party of a company, such as a director, without the company obtaining the approval by ordinary resolution of its shareholders. Accordingly the Company is seeking the approval of the Shareholders under Listing Rule 10.11 to allow the Company to issue the Conversion Securities to the Lender and Managing Director, Mr Trevor Dixon. Mr Dixon is a party referred to in listing rule 10.11.1.

A detailed summary of ASX Listing Rule 10.11 is set out in sections 6.3 and 7.4 of this Notice.

8.5 Information Required by Listing Rule 10.13

Listing Rule 10.13 requires that information be provided to Shareholders for the purposes of obtaining Shareholder approval pursuant to Listing Rule 10.11 as follows:

(a) **The names of the persons to whom securities will be issued**

The Conversion Securities will be issued to Mr Trevor Dixon, a Director and substantial shareholder of the Company.

(b) **Which category in rules 10.11.1 – 10.11.5 the persons fall and why**

Mr Dixon falls under Listing Rule 10.11.1 as he is a Director of the Company.

(c) **The number and class of securities to be issued to the person**

The Company will issue 20,000,000 Conversion Shares and 10,000,000 Conversion Options if the Resolution is passed.

(d) **Terms of securities proposed to be issued**

The Conversion Shares will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as, and ranking equally (from the date of their issue) with, the Company's existing Shares, the terms of which are in the public domain.

The Conversion Options have an exercise price of $0.07 each and expire on 31 December 2025, with full terms set out in Schedule 1 (same terms as Placement Options).

The Company will seek quotation of the Options on ASX subject to meeting relevant ASX requirements.

(e) **The date or dates on which the Company will issue the securities to the persons**

Subject to Shareholder approval, the Company proposes to issue the Conversion Securities shortly following the Meeting, or otherwise on one date 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).

(f) **The price or consideration the entity will receive for the issue**

The Conversion Shares will be issued at a deemed price of $0.025 per Share, with the Conversion Options issued as free attaching (being on the same terms as offered under the Placement).

(g) **Purpose of the issue and use of funds raised**

The Conversion Securities will be issued in settlement of a $500,000 Director Loan facility advanced by Mr Dixon, as announced to the ASX on 31 October 2023. This excludes interest on the loan which the Company will settle in cash.

No amount will be raised from the issue of the Conversion Options. If all the Conversion Options are exercised prior to expiry, the Company will raise up to $700,000 on receipt of the exercise price for the Conversion Options and the Company anticipates it will use those funds for the same purpose set out in Section 1.3.

(h) **Remunerate and incentivise**

The issue of the Conversion Securities is not intended to remunerate or incentivise Mr Dixon, but instead is issued to settle debt due to him. Notwithstanding, please refer to Section 8.3(d) of this Notice for details of Director Remuneration.

(i) **Issue under an Agreement**

The terms of the agreement under which the Conversion Securities are to be issued, if approved, is set out under Section 8.1 of this Notice.

(j) **Voting exclusion**

A voting exclusion statement for Resolution 7 is included in the Notice of Meeting preceding this Explanatory Statement.

8.6 Directors' Recommendation

Each recipient of Conversion Securities contemplated by Resolutions 6(a) to 6(c) is a Related Party of the Company by virtue of being a Director of the Company. Mr Dixon, Managing Director of the Company, is seeking similar approval for the issue of Conversion Securities on the settlement of his Director Loan, the subject of Resolution 7.

Accordingly, all Directors have a material personal interest in the outcome of either Resolutions 6(a) to 6(c) or Resolution 7.

In the interests of good corporate governance, all Directors decline to make any recommendations as to how Shareholders should vote on Resolutions 6(a) to 6(c), or Resolution 7, as they may each acquire a relevant interest in the Conversion Securities if these Resolutions are approved.

9. Resolution 8: Potential Placement – Pre-Approval of Share issue to Raise up to $3 million

9.1 General

Resolution 8 seeks shareholder pre-approval of a Share issue to raise up to $3 million (**Proposed Placement**).

If the Resolution is approved, funds raised from the Proposed Placement will allow the Company various options to access the growth capital needed for the advancements and future exploration work (including drilling) at the Company's projects and to help funds the Company's general working capital requirements. The Company currently anticipates that it will use such funding for (assuming the full amount is raised):

(a) Exploration and Evaluation activities at the Company's new and existing projects (approximately $1.2 million);

(b) High impact drilling programs to follow-up and expand known pegmatite occurrences at the Lake Johnston Project (approximately $ 0.7 million);

(c) Resource definition drilling at the Golden Crown prospect within the Malcolm Project (approximately $0.5 million), and

(d) for general working capital purposes (approximately $0.6 million).

The Company is currently considering a range of opportunities and no decisions have been made by the Board in relation to any specific transaction or funding source.

A capital raising may involve a placement to professional, sophisticated and institutional investors. Accordingly, the Company seeks approval to raise additional equity capital by way of the Proposed Placement to fund the abovementioned goals.

9.2 Listing Rule 7.1

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 shares it had on issue at the start of that period.

The issues contemplated by Resolution 8 does not fall within any of these exceptions and exceeds the 15% limit in Listing Rule 7.1. It therefore requires the approval of the Company's shareholders under Listing Rule 7.1.

Resolution 8 seeks the required shareholder approvals to the issue under and for the purposes of Listing Rule 7.1.

If Resolution 8 is passed, the Company will be able to proceed with the issue and Proposed Placement. In addition, the issue 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 8 is not passed, the Company will not be able to proceed with the issue and the Proposed Placement.

9.3 Number of Shares that may be Issued under the Proposed Placement

The table below shows the number of Shares that may be issued, total funds raised under the Proposed Placement and total number of Shares on issue after the Proposed Placement using the minimum, maximum and average closing share price over the past 30 days prior to the date of this Notice, by way of example only (as the Company has not agreed or determined a share price for the Proposed Placement):

	Minimum **$0.019**	**Average** **$0.027**	**Maximum** **$0.035**
Number of Shares issued under the Proposed Placement	157.9 million	109.0 million	85.7 million
Total funds raised under the Proposed Placement	A$ 3 million	A$ 3 million	A$ 3 million
Total number of Shares on issue after the Proposed Placement	275.2 million	226.3 million	203.1 million
% of new Shares issued against the total number of Shares on issue after the Proposed Placement	57%	48%	42%

Note: Based on the Company currently having 117,343,504 Shares on issue at the date of this Notice, no Options being exercised, and no other Shares having been issued, including any that might be issued under any other Resolution proposed in this Notice.

The above calculated numbers will change based on the actual funds raise and the actual Share price at which the funds are raised. The above is an illustrative example only.

9.4 Technical Information Required by Listing Rule 7.3

In accordance with Listing Rule 7.3, the Company provides the following information:

(a) The Placement Shares will be allotted to sophisticated investors (in accordance with sections 708(8) and (10) of the Corporations Act), professional investors (in accordance with section 708(11) of the Corporations Act), other institutional and accredited investors to whom no disclosure is required under the Corporations Act. The names of these investors are not known to the Company and will likely be sourced from an independent corporate broker who will introduce the investors and who will likely be clients of them.

At the date of this Notice, the Company has not entered into any negotiations with any corporate broker or any other party in regards the fundraise contemplated under this

Resolution and is therefore unable to name or identify who the corporate broker or lead manager might be. None of the proposed investors will be related parties or persons in a position of influence as described in Listing Rule 10.11.

(b) The number of Placement Shares to be allotted will be calculated by dividing the amount to be raised i.e. $3 million by the issue price which will be calculated in accordance with Section 9.4(e).

(c) The Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares.

(d) If approved, and the Proposed Placement occurs, Shares will be issued on one date on or before 3 months after the date of the meeting as required by the Listing Rules.

(e) <u>The Company has not agreed or determined a share price for the Proposed Placement</u>, however the issue price of any Placement Shares will not be less than 80% of the volume weighted average closing price for ordinary shares calculated over the last 5 days on which sales of ordinary shares were recorded before the date on determining the Placement Shares issue price.

(f) Any issue of Shares will be to fund the business goals as detailed in Section 9.1.

(g) The Company has not entered into any agreement for the issue of any of the Proposed Placement securities.

(h) A voting exclusion applies to this Resolution.

9.5 Technical Information Required for Listing Rule 14.1A

The Company does not currently have sufficient placement capacity under Listing Rule 7.1 to issue the Shares under the Proposed Placement the subject of this Resolution. Resolution 8 seeks pre-approval from Shareholders to issue such number of Shares and for the purposes as described in Section 9.1 of this Notice.

If Resolution 8 is passed, the equity securities issued by the Company will be excluded from the calculation of the Company's 15% issue capacity in Listing Rule 7.1, effectively increasing the number of equity securities the Company can issue without Shareholder approval over the 12 month period following the date of issue.

If Resolution 8 is not passed, the Company will not be able to raise any of the proposed $3 million under the Proposed Placement and would have to consider alternative methods for funding.

9.6 Recommendation

The Board recommends that Shareholders vote in favour of Resolution 8.

Schedule 1 - Terms of Options

The Placement Options and/or Conversion Options are to be issued on the following terms:

1. **Entitlement:** Each Option entitles the holder (**Option Holder**) to subscribe for one fully paid ordinary Share in the Company.

2. **No payment on grant:** The Option Holder is not required to pay any amount on the grant of an Option.

3. **Exercise price:** The exercise price of each Option is A$0.07 (**Exercise Price**).

4. **Expiry date:** Each Option may be exercised at any time before 5.00pm (WST) on 31 December 2025 (**Expiry Date**). Any Option not exercised by the Expiry Date will automatically expire.

5. **Certificate or holding statement:** The Company must give the Option Holder a certificate or holding statement stating:

   (a) the number of Options issued to the Option Holder;

   (b) the Exercise Price of the Options; and

   (c) the date of issue of the Options.

6. **Transfer:**

   (a) Options are transferable, subject to applicable law.

   (b) Subject to the Listing Rules and the Corporations Act, the Option Holder may transfer some or all of the Options at any time before the Expiry Date by:

      (i) a proper ASTC regulated transfer (as defined in the Corporations Act) or any other method permitted by the Corporations Act; or

      (ii) a prescribed instrument of transfer.

   (c) An instrument of transfer of an Option must be:

      (i) in writing;

      (ii) in any usual form or in any other form approved by the Directors that is otherwise permitted by law;

      (iii) subject to the Corporations Act, executed by or on behalf of the transferor, and if required by the Company, the transferee; and

      (iv) delivered to the Company, at the place where the Company's register of option holders is kept, together with the certificate (if any) of the Option to be transferred and any other evidence as the Directors require to prove the title of the transferor to that Option, the right of the transferor to transfer that Option and the proper execution of the instrument of transfer.

7. **Quotation of Options:** The Company may apply to ASX for quotation of Options subject to meeting relevant ASX requirements.

8. **Quotation of Shares:** The Company will apply to ASX for quotation of the Shares issued on exercise of Options.

9. **New issues:** The Option Holder is not entitled to participate in any new issue to Shareholders of Securities in the Company unless it has exercised its Options before the record date for

determining entitlements to the new issue of Securities and participate as a result of holding Shares. The Company must give the Option Holder notice of the proposed terms of the issue or offer in accordance with the Listing Rules. In the event of a pro rata issue, except a bonus issue, the Exercise Price and the number of underlying Shares over which the Options are exercisable will not change.

10. **Bonus issues:** If the Company makes a bonus issue of Shares or other Securities to Shareholders (except an issue in lieu of dividends or by way of dividend reinvestment) and a Share has not been issued in respect of the Option before the record date for determining entitlements to the issue, then the number of underlying Shares over which the Option is exercisable will be increased by the number of Shares which the Option Holder would have received if the Option Holder had exercised the Option before the record date for determining entitlements to the issue.

11. **Reorganisation:**

(a) If there is a reorganisation (including consolidation, sub-division, reduction or return) of the share capital of the Company, then the rights of the Option Holder (including the number of Options to which the Option Holder is entitled to and the Exercise Price) will be changed to the extent necessary to comply with the Listing Rules applying to a reorganisation of capital at the time of the reorganisation.

(b) Any calculations or adjustments which are required to be made will be made by the Company's Board and will, in the absence of manifest error, be final and conclusive and binding on the Company and the Option Holder.

(c) The Company must, within a reasonable period, give to the Option Holder notice of any change to the Exercise Price of any Options held by the Option Holder or the number of Shares which the Option Holder is entitled to subscribe for on exercise of an Option.

12. **Exercise of Options:**

(a) To exercise Options, the Option Holder must give the Company or its Securities Registry, at the same time:

(i) a written exercise notice (in the form approved by the board of the Company from time to time) specifying the number of Options being exercised and Shares to be issued;

(ii) payment of the Exercise Price for the Shares, the subject of the exercise notice, by way of bank cheque or by other means of payment, approved by the Company; and

(iii) any certificate for the Options.

(b) The Option Holder may only exercise Options in multiples of 10,000 Options unless the Option Holder exercises all Options held by the Option Holder.

(c) Options will be deemed to have been exercised on the date the exercise notice and Exercise Price are received by the Company.

(d) If the Option Holder exercises less than the total number of Options registered in the Option Holder's name:

(i) the Option Holder must surrender their Option certificate (if any); and

(ii) the Company must cancel the Option certificate (if any) and issue the Option Holder a new Option certificate or Holding Statement stating the remaining number of Options held by the Option Holder.

13. **Issue of Shares on exercise of Options:** Within ten (10) business days after the later of the following:

(a) receipt of a Notice of Exercise given in accordance with these terms and conditions and payment of the Exercise Price for each Option being exercised; and

(b) 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 of receipt of a Notice of Exercise as detailed in paragraph 12(a)(i) above,

the Company will:

(c) allot and issue the Shares pursuant to the exercise of the Options;

(d) if required, as soon as reasonably practicable after the issue of Shares on the exercise of Options, 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 exercise of the Options.

14. **Change in exercise price:** An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

15. **Governing law:** These terms and the rights and obligations of the Option Holder are governed by the laws of Western Australia. The Option Holder irrevocably and unconditionally submits to the non-exclusive jurisdiction of the courts of Western Australia.

Glossary of terms

In this Explanatory Statement, the following terms have the following meaning unless the context otherwise requires:

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 the Listing Rules.
Chairperson	The chair of the General Meeting.
Company	Mt Malcolm Mines NL (ACN 646 466 435).
Constitution	The constitution of the Company.
Consideration Share	A Share issued as part payment to acquire Tenement E63/2258.
Conversion Share	A Share issued under the same terms as the Placement upon debt conversion.
Conversion Option	An Option exercisable at $0.07 each on or before 31 December 2025 to be granted by the Company to the Director (or their nominee) on terms set out in Schedule 1.
Corporations Act	The *Corporations Act 2001* (Cth).
Director	A director of the Company.
Director Loan	Loan of $500,000 advanced to the Company by the Managing Director as announced to ASX on 30 October 2023.
Explanatory Statement	This explanatory statement which accompanies and forms part of the Notice.
Novus Capital	Novus Capital Limited (ABN 32 006 711 995).
General Meeting or **Meeting**	The general meeting of Shareholders or any adjournment thereof, convened by the Notice.
Lead Manager	Novus Capital, the lead manager to the Placement.
Listing Rules	The listing rules of ASX, as amended from time to time.
Managing Director	Mr Trevor Dixon
Material Investor	Consider by ASX to include anyone that is a Related Party of the Company, a member of the Company's Key Management Personnel; a substantial holder in the Company; an adviser to the Company; or an associate of any of these, where such person or entity is being issued more than 1% of the Company's current issued capital.
Notice or **Notice of General Meeting**	The notice of general meeting which accompanies this Explanatory Statement.
Option	An option to acquire a Share on the terms set out in Schedule 1.
Option Holder	The holder of an Option.
Placement	The placement of a total of 44,000,000 Shares and 22,000,000 Options to the Placement Participants (including Directors).
Placement Participant	A person to whom Placement Securities have been issued or are to be issued under the Placement.
Placement Option	An Option exercisable at $0.07 each on or before 31 December 2025 to be granted by the Company to Placement Participants on terms set out in Schedule 1.
Placement Securities	Placement Shares and Placement Options.
Placement Share	A Share issued under the Placement.

Proxy Form	The proxy form accompanying the Notice.
Related Party	Has the meaning given to that term in the Listing Rules.
Resolution	A resolution set out in the Notice.
Section	A section of the Explanatory Statement.
Securities	The securities of the Company within the meaning of section 761A of the Corporations Act and includes a Share and an Option.
Share	A fully paid ordinary share in the Company.
Shareholder	The holder of a Share in the Company.
Tranche 1	Has the meaning in Section 1.3 and 3.1 of the Explanatory Statement.
Tranche 2	Has the meaning in Section 1.3 and 4.1 of the Explanatory Statement.
WST	Australian Western Standard Time, being the time in Perth, Western Australia.

PROXY FORM	2024 EXTRAORDINARY GENERAL MEETING

I/We

of:

being a Shareholder entitled to attend and vote at the Meeting, hereby appoint:

Name:

OR: ☐ the Chair of the Meeting as my/our proxy.

or failing the person so named or, if no person is named, the Chairman, or the Chairman's nominee, to vote in accordance with the following directions, or, if no directions have been given, and subject to the relevant laws as the proxy sees fit, at the Meeting to be held at **12.00pm (WST)** on **Wednesday, 31 January 2024 at Nexia Perth, Level 3, 88 William Street, Perth WA 6000**, and at any adjournment thereof.

Important for Resolutions 5 to 7: The Chairman of the Meeting intends to vote all available proxies in favour of Resolutions 5 to 7. If the Chairman of the Meeting is your proxy or is appointed your proxy by default, unless you indicate otherwise by ticking either the 'for', 'against' or 'abstain' box in relation to Resolutions 5 to 7, you will be authorising the Chairman to vote in accordance with the Chairman's voting intentions on Resolutions 5 to 7 even if the Chairman has an interest in these Resolutions which is connected directly or indirectly with him and other Key Management Personnel.

If you appoint a proxy, the Company encourages you to direct your proxy how to vote on each item of business.

The Chair of the Meeting intends to vote all undirected proxies, which the Chairman is entitled to vote, in favour of each item of business.

	For	Against	Abstain
Resolution 1: Approval to Issue Consideration Shares to Golden Venture Capital Pty Ltd	☐	☐	☐
Resolution 2: Ratification of Issue of Placement Shares to Tranche 1 Placement Participants (Non-Related Parties)	☐	☐	☐
Resolution 3: Approval to Issue Placement Shares to Tranche 2 Placement Participants (Non-Related Parties)	☐	☐	☐
Resolution 4: Approval to Issue Placement Options to Placement Participants (Non-Related Parties)	☐	☐	☐
Resolution 5: Approval to Issue Placement Securities to Mr Rob Downey (Related Party)	☐	☐	☐
Resolution 6a: Approval to issue Shares and Options to Mr Rob Downey on debt conversion (Related Party)	☐	☐	☐
Resolution 6b: Approval to issue Shares and Options to Mr Gary Powell on debt conversion (Related Party)	☐	☐	☐
Resolution 6c: Approval to issue Shares and Options to Mr Daniel Tuffin on debt conversion (Related Party)	☐	☐	☐
Resolution 7: Approval to issue Shares and Options to Mr Trevor Dixon on debt conversion (Related Party)	☐	☐	☐
Resolution 8: Potential Placement – Pre-Approval of Share issue to Raise up to $3 million	☐	☐	☐

Please note: If you mark the abstain box for a particular Resolution, you are directing your proxy not to vote on that Resolution on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

By: Individuals and joint holders

Signature

Companies (affix common seal if appropriate)

Director

Director / Company Secretary

INSTRUCTIONS FOR COMPLETING PROXY FORM

1. A member entitled to attend and vote at an Extraordinary General Meeting is entitled to appoint not more than two proxies to attend and vote on a poll on their behalf. The appointment of a second proxy must be done on a separate copy of the Proxy Form. Where more than one proxy is appointed, such proxy must be allocated a proportion of the member's voting rights. If a member appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half the votes. A duly appointed proxy need not be a shareholder of the Company.

2. If you wish to appoint the Chairman of the Meeting as your proxy, mark the box. If the person you wish to appoint as your proxy is someone other than the Chairman of the Meeting, please write the full name of that individual or body corporate in the space provided. If you leave both the box and this section blank, or your named proxy does not attend the meeting, the Chairman of the Meeting will be your proxy. A proxy need not be a security holder of the Company. A proxy may be an individual or a body corporate. If your appointment of a proxy specifies the way the proxy is to vote on a particular resolution and your appointed proxy is not the Chairman of the meeting and at the meeting a poll is duly demanded on the question that the resolution be passed, then if either your proxy is not recorded as attending the meeting (if a record of attendance is made) or your proxy does not vote on the resolution, the Chairman is taken, before voting on the resolution closes, to have been appointed as your proxy for the purposes of voting on the resolution at that meeting.

3. You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your securities 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 securities you wish to vote in the appropriate place. If you do not mark any of the boxes on a given item, 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. If you direct your proxy how to vote on a particular resolution, the proxy need not vote on a show of hands but if the proxy does so, the proxy must vote as directed. If the proxy has 2 or more appointments that specify different ways to vote on the resolution, the proxy must not vote on a show of hands. If the proxy is the Chairman, the proxy must vote on a poll, and must vote as directed and if the proxy is not the Chairman, the proxy need not vote on the poll, but if the proxy does so, the proxy must vote as directed. If any member of the Key Management Personnel of the Company, other than the Chairman of the Meeting, or a Closely Related Party of a member of the Key Management Personnel is your nominated proxy and you have not directed the proxy how to vote on Resolutions 5 to 7, that person will not cast any votes on Resolutions 5 to 7.

4. Where a member's holding is in one name the holder must sign. Where the holding is in more than one name, all members should sign.

5. Where a Proxy Form of a corporate representative is lodged and is executed under a power of attorney, the power of attorney must be lodged in like manner as this Proxy Form.

6. Corporate members should comply with the execution requirements set out on the Proxy Form or otherwise with the provisions of Section 127 of the Corporations Act. Section 127 of the Corporations Act provides that a company may execute a document without using its common seal if the document is signed by:

   - 2 directors of the company;
   - a director and a company secretary of the company; or
   - for a proprietary company that has a sole director who is also the sole company secretary – that director.

   For the Company to rely on the assumptions set out in Section 129(5) and (6) of the Corporations Act, a document must appear to have been executed in accordance with Section 127(1) or (2). This effectively means that the status of the persons signing the document or witnessing the affixing of the seal must be set out and conform to the requirements of Section 127(1) or (2) as applicable. In particular, a person who witnesses the affixing of a common seal and who is the sole director and sole company secretary of the company must state that next to his or her signature.

7. Completion of a Proxy Form will not prevent individual members from attending the Extraordinary General Meeting in person if they wish. Where a member completes and lodges a valid Proxy Form and attends the Extraordinary General Meeting in person, then the proxy's authority to speak and vote for that member is suspended while the member is present at the Extraordinary General Meeting.

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

   (a) in person to 8 Sarich Court, Osborne Park WA 6017;

   (b) post to 8 Sarich Court, Osborne Park WA 6017; or

   (c) email to the Company Secretary at admin@mtmalcolm.com.au

   so that it is received not later than 12.00pm (WST) on Monday, 29 January 2024.

   Proxy forms received later than this time will be invalid.