LOTUS RESOURCES LIMITED

ACN 119 992 175

NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Meeting will be held at:

TIME: 2.00pm (AWST)

DATE: Tuesday 28 November 2023

PLACE: Level 20, 140 St Georges Terrace, Perth, Western Australia

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

Should you wish to discuss any matter please do not hesitate to contact the Company by telephone on +61 8 9200 3427

LOTUS RESOURCES LIMITED
ACN 119 992 175

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of Shareholders of Lotus Resources Limited (**Company**) will be held at 2.00pm (AWST) on Tuesday 28 November 2023 at Level 20, 140 St Georges Terrace, Perth, Western Australia (**Meeting**).

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

The Directors have determined pursuant to regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the Meeting are those who are registered as Shareholders at 4.00pm (AWST) on Sunday 26 November 2023.

Terms and abbreviations used in this Notice and the Explanatory Memorandum are defined in Schedule 1.

AGENDA

1. FINANCIAL STATEMENTS AND REPORTS

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

2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

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

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

Note: The vote on Resolution 1 will be an advisory vote of Shareholders only and will not bind the Directors or the Company.

The Company will disregard any votes cast on this Resolution by or on behalf of any Key Management Personnel ("KMP"), associate or other and Closely Related Parties of KMP.

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

1. A person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
2. The chair of the Meeting as proxy or attorney for a person who is entitled to vote on the resolution in accordance with a direction given to the chair to vote on the Resolution as the chair decides, and such appointment on the proxy form expressly authorises the chair to exercise the proxy even if the Resolution is connected directly with the Remuneration Report; or
3. A holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
    a. The beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting on the Resolution; and
    b. The holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

3. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – MICHAEL BOWEN

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 article 14.2 of the Constitution and for all other purposes, Mr Michael Bowen, a Director, retires and being eligible and offering himself for re-election, is elected as a Director."

4. RESOLUTION 3 – ISSUE OF PERFORMANCE OPTIONS TO KEITH BOWES

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 10.14, chapters 2D and 2E of the Corporations Act and for all other purposes, Shareholders authorise and approve the issue of up to 3,354,595 Options to Mr Keith Bowes (and/or nominee/s) under the Company's Employee Share Option Plan on the terms and conditions in the Explanatory Memorandum.

Listing Rules Voting Exclusion Statement

The Company will disregard any votes cast in favour of this Resolution by or on behalf of any person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the employee incentive scheme referred to in this Resolution, or any of their associates.

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

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

Corporations Act Voting Exclusion Statement

In accordance with section 200B and 224 of the Corporations Act, the Company will also disregard any votes cast on the Resolution (in any capacity) by or on behalf of a related party of the Company to whom the Resolution would permit a termination benefit and a financial benefit to be given or an associate* of such a related party. However, the Company need not disregard a vote 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 of the Company to whom the Resolution would permit a termination benefit and financial benefit to be given or an associate* of such a related party.

* Note: In relation to the immediately preceding paragraph, the word "associate" has the meaning given to that term in the Corporations Act.

Further, a Restricted Voter who is appointed as a proxy will not vote on the Resolution unless:

(a) the appointment specifies the way the proxy is to vote on the Resolution; or

(b) the proxy is the Chair of the Meeting and the appointment expressly authorises the Chair to exercise the proxy even though the Resolution is connected directly or indirectly with the remuneration of a

member of the Key Management Personnel. Shareholders should note that the Chair intends to vote any undirected proxies in favour of the Resolution.

Shareholders may also choose to direct the Chair to vote against the Resolution or to abstain from voting. If any of the persons named above purport to cast a vote other than as permitted above, that vote will be disregarded by the Company (as indicated above) and those persons may be liable for breaching the voting restrictions that apply to them under the Corporations Act.

5. RESOLUTION 4 – ISSUE OF DIRECTOR OPTIONS TO KEITH BOWES

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

"That in accordance with, Listing Rule 10.14, chapters 2D and 2E of the Corporations Act and for all other purposes, Shareholders authorise and approve the issue of up to 3,000,000 Options to Mr Keith Bowes (and/or nominee/s) under the Company's Employee Share Option Plan on the terms and conditions in the Explanatory Memorandum."

Listing Rules Voting Exclusion Statement

The Company will disregard any votes cast in favour of this Resolution by or on behalf of any person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the employee incentive scheme referred to in this Resolution, or any of their associates.

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

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

Corporations Act Voting Exclusion Statement

In accordance with section 200B and 224 of the Corporations Act, the Company will also disregard any votes cast on the Resolution (in any capacity) by or on behalf of a related party of the Company to whom the Resolution would permit a termination benefit and a financial benefit to be given or an associate* of such a related party. However, the Company need not disregard a vote 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 of the Company to whom the Resolution would permit a termination benefit and financial benefit to be given or an associate* of such a related party.

* Note: In relation to the immediately preceding paragraph, the word "associate" has the meaning given to that term in the Corporations Act.

Further, a Restricted Voter who is appointed as a proxy will not vote on the Resolution unless:

(a) the appointment specifies the way the proxy is to vote on the Resolution; or

(b) the proxy is the Chair of the Meeting and the appointment expressly authorises the Chair to exercise the proxy even though the Resolution is connected directly or indirectly with the remuneration of a

member of the Key Management Personnel. Shareholders should note that the Chair intends to vote any undirected proxies in favour of the Resolution.

Shareholders may also choose to direct the Chair to vote against the Resolution or to abstain from voting. If any of the persons named above purport to cast a vote other than as permitted above, that vote will be disregarded by the Company (as indicated above) and those persons may be liable for breaching the voting restrictions that apply to them under the Corporations Act.

6. RESOLUTION 5 – ISSUE OF DIRECTOR OPTIONS TO MICHAEL BOWEN

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

"That in accordance with, Listing Rule 10.14, chapters 2D and 2E of the Corporations Act and for all other purposes, Shareholders authorise and approve the issue of up to 3,000,000 Options to Mr Michael Bowen (and/or nominee/s) under the Company's Employee Share Option Plan on the terms and conditions in the Explanatory Memorandum."

Listing Rules Voting Exclusion Statement

The Company will disregard any votes cast in favour of this Resolution by or on behalf of any person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the employee incentive scheme referred to in this Resolution, or any of their associates.

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

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

Corporations Act Voting Exclusion Statement

In accordance with section 200B and 224 of the Corporations Act, the Company will also disregard any votes cast on the Resolution (in any capacity) by or on behalf of a related party of the Company to whom the Resolution would permit a termination benefit and a financial benefit to be given or an associate* of such a related party. However, the Company need not disregard a vote 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 of the Company to whom the Resolution would permit a termination benefit and financial benefit to be given or an associate* of such a related party.

* Note: In relation to the immediately preceding paragraph, the word "associate" has the meaning given to that term in the Corporations Act.

Further, a Restricted Voter who is appointed as a proxy will not vote on the Resolution unless:

(a) the appointment specifies the way the proxy is to vote on the Resolution; or

(b) the proxy is the Chair of the Meeting and the appointment expressly authorises the Chair to exercise the proxy even though the Resolution is connected directly or indirectly with the remuneration of a

member of the Key Management Personnel. Shareholders should note that the Chair intends to vote any undirected proxies in favour of the Resolution.

Shareholders may also choose to direct the Chair to vote against the Resolution or to abstain from voting. If any of the persons named above purport to cast a vote other than as permitted above, that vote will be disregarded by the Company (as indicated above) and those persons may be liable for breaching the voting restrictions that apply to them under the Corporations Act.

7. RESOLUTION 6 – ISSUE OF DIRECTOR OPTIONS TO GRANT DAVEY

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

"That in accordance with, Listing Rule 10.14, chapters 2D and 2E of the Corporations Act and for all other purposes, Shareholders authorise and approve the issue of up to 2,000,000 Options to Mr Grant Davey (and/or nominee/s) under the Company's Employee Share Option Plan on the terms and conditions in the Explanatory Memorandum."

Listing Rules Voting Exclusion Statement

The Company will disregard any votes cast in favour of this Resolution by or on behalf of any person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the employee incentive scheme referred to in this Resolution, or any of their associates.

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

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

Corporations Act Voting Exclusion Statement

In accordance with section 200B and 224 of the Corporations Act, the Company will also disregard any votes cast on the Resolution (in any capacity) by or on behalf of a related party of the Company to whom the Resolution would permit a termination benefit and a financial benefit to be given or an associate* of such a related party. However, the Company need not disregard a vote 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 of the Company to whom the Resolution would permit a termination benefit and financial benefit to be given or an associate* of such a related party.

* Note: In relation to the immediately preceding paragraph, the word "associate" has the meaning given to that term in the Corporations Act.

Further, a Restricted Voter who is appointed as a proxy will not vote on the Resolution unless:

(a) the appointment specifies the way the proxy is to vote on the Resolution; or

(b) the proxy is the Chair of the Meeting and the appointment expressly authorises the Chair to exercise the proxy even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel. Shareholders should note that the Chair intends to vote any undirected proxies in favour of the Resolution.

Shareholders may also choose to direct the Chair to vote against the Resolution or to abstain from voting. If any of the persons named above purport to cast a vote other than as permitted above, that vote will be disregarded by the Company (as indicated above) and those persons may be liable for breaching the voting restrictions that apply to them under the Corporations Act.

8. RESOLUTION 7 – ISSUE OF DIRECTOR OPTIONS TO MARK HANLON

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

"That in accordance with, Listing Rule 10.14, chapters 2D and 2E of the Corporations Act and for all other purposes, Shareholders authorise and approve the issue of up to 2,000,000 Options to Mr Mark Hanlon (and/or nominee/s) under the Company's Employee Share Option Plan on the terms and conditions in the Explanatory Memorandum."

Listing Rules Voting Exclusion Statement

The Company will disregard any votes cast in favour of this Resolution by or on behalf of any person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the employee incentive scheme referred to in this Resolution, or any of their associates.

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

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

Corporations Act Voting Exclusion Statement

In accordance with section 200B and 224 of the Corporations Act, the Company will also disregard any votes cast on the Resolution (in any capacity) by or on behalf of a related party of the Company to whom the Resolution would permit a termination benefit and a financial benefit to be given or an associate* of such a related party. However, the Company need not disregard a vote 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 of the Company to whom the Resolution would permit a termination benefit and financial benefit to be given or an associate* of such a related party.

* Note: In relation to the immediately preceding paragraph, the word "associate" has the meaning given to that term in the Corporations Act.

Further, a Restricted Voter who is appointed as a proxy will not vote on the Resolution unless:

(a) the appointment specifies the way the proxy is to vote on the Resolution; or

(b) the proxy is the Chair of the Meeting and the appointment expressly authorises the Chair to exercise the proxy even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel. Shareholders should note that the Chair intends to vote any undirected proxies in favour of the Resolution.

Shareholders may also choose to direct the Chair to vote against the Resolution or to abstain from voting. If any of the persons named above purport to cast a vote other than as permitted above, that vote will be disregarded by the Company (as indicated above) and those persons may be liable for breaching the voting restrictions that apply to them under the Corporations Act.

9. RESOLUTION 8 – ISSUE OF DIRECTOR OPTIONS TO DIXIE MARSHALL

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

"That in accordance with, Listing Rule 10.14, chapters 2D and 2E of the Corporations Act and for all other purposes, Shareholders authorise and approve the issue of up to 2,000,000 Options to Ms Dixie Marshall (and/or nominee/s) under the Company's Employee Share Option Plan on the terms and conditions in the Explanatory Memorandum."

Voting Exclusion Statement

The Company will disregard any votes cast in favour of this Resolution by or on behalf of any person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the employee incentive scheme referred to in this Resolution, or any of their associates.

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

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

10. RESOLUTION 9 - INCREASE TO DIRECTOR REMUNERATION POOL

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

"That pursuant to clause 14.8 of the Company's Constitution and for the purpose of Listing Rule 10.17, the aggregate non-executive Directors' fees be increased by $300,000 per annum, from $500,000 per annum to $800,000 per annum."

Voting Exclusion Statement

The Company will disregard any votes cast in favour of this Resolution by a Director of the Company or any of their respective associates.

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

1. A person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution that way; or
2. The Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the resolution as the Chair decides

even though this Resolution is connected with the remuneration of the Key Management Personnel; or

3. A holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
   a) The beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
   b) The holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Corporations Act Voting Exclusion Statement

In accordance with section 200B and 224 of the Corporations Act, the Company will also disregard any votes cast on the Resolution (in any capacity) by or on behalf of a related party of the Company to whom the Resolution would permit a termination benefit and a financial benefit to be given or an associate* of such a related party. However, the Company need not disregard a vote 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 of the Company to whom the Resolution would permit a termination benefit and financial benefit to be given or an associate* of such a related party.
* Note: In relation to the immediately preceding paragraph, the word "associate" has the meaning given to that term in the Corporations Act.

Further, a Restricted Voter who is appointed as a proxy will not vote on the Resolution unless:

(a) the appointment specifies the way the proxy is to vote on the Resolution; or
(b) the proxy is the Chair of the Meeting and the appointment expressly authorises the Chair to exercise the proxy even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel. Shareholders should note that the Chair intends to vote any undirected proxies in favour of the Resolution.

Shareholders may also choose to direct the Chair to vote against the Resolution or to abstain from voting. If any of the persons named above purport to cast a vote other than as permitted above, that vote will be disregarded by the Company (as indicated above) and those persons may be liable for breaching the voting restrictions that apply to them under the Corporations Act.

11. RESOLUTION 10 – SECTION APPROVAL OF 10% PLACEMENT CAPACITY

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

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

Voting Exclusion Statement

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

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

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

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

Note: As at the date of this Notice, the Company has not identified any particular persons or class of persons who would be excluded from voting on this Resolution.

Dated: 16 October 2023

By order of the Board

Catherine Anderson
Company Secretary

LOTUS RESOURCES LIMITED
ACN 119 992 175

EXPLANATORY MEMORANDUM

1. INTRODUCTION

The Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be conducted at the Meeting to be held at 2.00pm (AWST) on Tuesday 28 November 2023 at Level 20, 140 St Georges Terrace, Perth, Western Australia.

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

1.1 Your vote is important

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

1.2 Voting eligibility

The Directors have determined pursuant to Regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 4.00pm AWST on Sunday 26 November 2023.

1.3 Responsibility

This Notice of Meeting and Explanatory Memorandum have been prepared by the Company under the direction and oversight of its Directors.

1.4 ASX

A final copy of this Notice of Meeting and Explanatory Memorandum has been lodged with ASX. Neither ASX nor any of its officers take any responsibility for the contents of this document.

2. ACTION TO BE TAKEN BY SHAREHOLDERS

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

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

2.1 Voting in person

A shareholder that is an individual may attend and vote in person at the meeting. If you wish to attend the meeting, please bring the enclosed proxy form to the meeting to assist in registering your attendance and number of votes. Please arrive 20 minutes prior to the start of the meeting to facilitate this registration process.

2.2 Voting by corporate representative

A shareholder that is a corporation may appoint an individual to act as its representative to vote at the meeting in accordance with section 250D of the *Corporations Act 2001* (Cth). The representative should bring to the meeting evidence of his or her appointment, including any authority under which the appointment is signed. The appropriate “Appointment of Corporate Representative” form should be completed and produced prior to admission to the meeting. This form may be obtained from the Company’s share registry.

2.3 Appointment of proxies

Each Shareholder entitled to vote at the Meeting may appoint a proxy to attend and vote at the Meeting. To vote by proxy, please complete, sign and return the enclosed Proxy Form in accordance with its instructions. A proxy need not be a Shareholder of the Company and can be an individual or a body corporate.

A Shareholder entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If a Shareholder appoints two proxies and the appointment does not specify the proportion or number of the member's votes to be exercised, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

(a) **Proxy vote if appointment specifies way to vote**
Section 250BB(1) of the Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, if it does:

(i) The proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (i.e. as directed);
(ii) 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;
(iii) If the proxy is the Chair at which the resolution is voted on – the proxy must vote on a poll, and must vote that way (i.e. as directed); and
(iv) If the proxy is not the Chair – the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (i.e. as directed).

(b) **Transfer of non-chair proxy to chair in certain circumstances**
Section 250BC of the Corporations Act provides that, if:
(i) An appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's members;
(ii) The appointed proxy is not the Chair;
(iii) At the meeting, a poll is duly demanded on the resolution; and
(iv) Either of the following applies:
(A) The proxy is not recorded as attending the meeting; or
(B) The proxy does not vote on the resolution,

the Chair is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the meeting.

The Chair intends to exercise all available proxies in favour of all Resolutions.

2.4 Lodgement of proxy documents

The enclosed Proxy Form provides further details on appointing proxies and lodgement. To be valid, your proxy form (and any power of attorney under which it is signed) must be received at an address given below by 2.00pm (AWST) on Sunday 26 November 2023. Any proxy form received after that time will not be valid for the scheduled meeting. Proxies should be returned as follows:

Online	www.investorvote.com.au
By mail	Share Registry – Computershare Investor Services Pty Limited, GPO Box 242, Melbourne Victoria 3001, Australia
By mobile	Scan the QR Code on your proxy form and follow the prompts
Custodian voting	For Intermediary Online subscribers only (custodians) please visit www.intermediaryonline.com to submit your voting intentions

2.5 Voting exclusions

Pursuant to requirements of the Corporations Act and Listing Rules, voting exclusions apply to certain Resolutions. Please refer to the Notice and to the discussion of the relevant Resolutions below for details of the applicable voting exclusions.

3. FINANCIAL STATEMENTS AND REPORTS

Section 317(1) of the Corporations Act requires each of the Financial Report (which includes the Financial Statements and Directors' Declaration), the Directors' Report and the Auditor's Report for the last financial year to be laid before the Meeting. There is no requirement for these reports to be formally approved by Shareholders.

Shareholders will be given a reasonable opportunity at the Meeting to ask questions and comment on these reports and on the business, operations and management of the Company.

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

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

may be submitted no later than five Business Days before the Meeting to the Company Secretary at the Company's registered office.

4. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

4.1 General

The Corporations Act requires that, at a listed company's annual general meeting, a resolution that the Remuneration Report be adopted must be put to Shareholders. However, such a resolution is advisory only and does not bind the company or the directors of the company.

The Directors' Report contains the Remuneration Report which sets out the Company's remuneration arrangements for the directors and senior management of the Company.

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

4.2 Voting consequences

A company is required to put to its shareholders a resolution proposing the calling of another meeting of shareholders to consider the appointment of directors of the company (**Spill Resolution**) if, at consecutive annual general meetings, at least 25% of the votes cast on a remuneration report resolution are voted against adoption of the remuneration report and at the first of those annual general meetings a Spill Resolution was not put to vote. If required, the Spill Resolution must be put to vote at the second of those annual general meetings.

If more than 50% of votes cast are in favour of the Spill Resolution, the Company must convene a shareholder meeting (**Spill Meeting**) within 90 days of the second annual general meeting.

All of the Directors of the Company who were in office when the Directors' Report (as included in the Company's Financial Report for the most recent financial year) was approved, other than the managing director of the Company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting.

Following the Spill Meeting those persons whose election or re-election as Directors of the Company is approved will be the Directors of the Company.

4.3 Previous voting results

At the 2022 AGM the votes cast against the Remuneration Report were less than 25% and accordingly the Spill Resolution is not relevant for this Meeting.

4.4 Undirected proxies

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

5. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – MR MICHAEL BOWEN

5.1 General

Article 14.2 of the Constitution requires that one third of the Directors (excluding any Director who was appointed since the last annual general meeting and the Managing Director) must retire at each annual general meeting (or if that is not a whole number, the whole number nearest to one third, rounded up), with the Director/s to retire those who have held their office as Director for the longest period since their last election. A Director who so retires is eligible for re-election.

Mr Michael Bowen, retires by rotation at this Meeting and, being eligible pursuant to article 14.2 of the Constitution, seeks re-election. Details of Mr Bowen’s background and experience are provided below.

Resolution 2 is an ordinary resolution.

5.2 Experience and other material directorships

Mr Michael Bowen is a partner of the national law firm Thomson Geer. He practices primarily corporate, commercial and securities law with over 40 years of experience and emphasis on mergers, acquisitions, capital raisings and resources.

Mr Bowen holds a Bachelor of Laws, Jurisprudence and Commerce from the University of Western Australia. He has been admitted as a barrister and solicitor of the Supreme Court of Western Australia since 1979 and is also admitted as a solicitor of the High Court of Australia. He is a Certified Public Accountant and member of the Australian Society of Accountants.

He is also a Non-Executive Director of Emerald Resources NL (ASX:EMR) and Non-Executive Director Genesis Minerals limited (ASX.GMD).

5.3 Interests in Lotus Resources securities

At the date of this Notice of Meeting, Mr Bowen holds 5,250,000 fully paid ordinary shares in the Company.

5.4 Independence

If elected, the Board considers that Mr Bowen will be an independent director.

5.5 Board recommendation

The Board (excluding Mr Bowen) recommends that Shareholders vote in favour of this Resolution.

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

6. RESOLUTION 3 – ISSUE OF OPTIONS TO KEITH BOWES

6.1 Background

The Company is proposing to issue Options under the Company's Employee Share Option Plan (as approved by Shareholders at the Company's 2022 AGM) ("Option Plan") and on the terms set out in Schedule 2 to Mr Keith Bowes (Managing Director) as a component of his remuneration in order to keep cash payments to a minimum and to provide incentives linked to the performance of the Company.

The Board has resolved, subject to obtaining Shareholder approval, to issue a total of 3,354,595 Options to Mr Bowes under the Option Plan, as follows:

(a) 1,156,757 options expiring 31 October 2026, vesting after 30 June 2024 subject to performance against Board approved vesting criteria (**STI Options**); and

(b) 2,197,838 Options expiring 31 October 2028, vesting after 30 June 2026 subject to performance against Board approved vesting criteria (**LTI Options**).

(together, the **Options**). All Options have a nil exercise price.

The Board recognises the importance of retaining all key personnel and providing appropriate incentives to deliver the Company's objectives. The Board believes Mr Bowes' role as Managing Director is critical to delivering these objectives and thus the remuneration arrangements in place with Mr Bowes provide that, subject to the Board's discretion, he may be invited to participate in the Company's equity incentive scheme (being the Option Plan).

Furthermore, the grant of Options to key executives is viewed as a cost effective and efficient reward and incentive, as opposed to alternative forms of incentive, such as the payment of additional cash compensation.

The options proposed to be issued to Mr Bowes are on the same terms and are subject to the same vesting criteria applicable to all other "Eligible Participants" (as defined in the Option Plan) and are based on Key Performance Indicators ("KPIs") for aspects of the Company's business related to safety and environment, financial (including budget), project development and corporate and commercial goals). The proposed issue to Mr Bowes is also proportionate and consistent with the allocation policy applicable to all other Eligible Participants.

The Company's remuneration arrangements provide that, subject to the Board's discretion, Mr Bowes may be issued annually, unquoted options as both short-term incentives and as long-term incentives as follows:

(a) short-term incentives which have a three-year term and a vesting date that is 12 months from the date of Board approval of the grant of such options, with a value equal to 50% of the Managing Director's base salary; and

(b) long-term incentives which have a five-year term and a vesting date that is 36 months from the date of the grant of such options, with a value equal to 95% of the Managing Director's base salary ("Parameters").

As the performance periods for the STI Options and LTI Options is 1 July 2023 to 30 June 2024 and 1 July 2023 to 30 June 2026 respectively, the number of STI and LTI Options has been determined based on a share price of $0.185 being the share price on 30 June 2023 (and which is higher than the 5-day VWAP to that date) and being the date that the number of options was calculated by reference to the Parameters.

Both the STI Options and LTI Options vest subject to an assessment by the Non-Executive Directors of performance against objectives related to key aspects of the Company's business, including:

(a) Safety and environment – zero fatalities, serious incidents and zero major environmental incidents;

(b) Financial – costs related to budget and annualised care and maintenance costs;

(c) Project – securing offtake agreements, executing the mine development agreement, achieving mineral resource growth and furthering of the Company's environmental, social and governance objectives; and

(d) Corporate – share price performance relative to peer group and share register related objectives.

If this Resolution is approved by Shareholders, the Options will be issued as soon as reasonably practicable following the conclusion of the Meeting. If this Resolution is not passed, the Company will not be able to proceed with the issue of the Options and may need to consider alternative forms of remuneration for Mr Bowes.

This Resolution is an ordinary resolution and the Chair intends to exercise all available proxies in its favour.

6.2 Section 208 of the Corporations Act

In accordance with section 208 of the Corporations Act, to give a financial benefit to a related party the Company must obtain Shareholder approval unless the giving of the financial benefit falls within an exception in sections 210 to 216 of the Corporations Act.

As a Director, Mr Bowes is a related party of the Company for the purposes of section 208 of the Corporations Act. The issue of Options to him (and/or his nominee/s) constitutes the giving of a financial benefit for the purposes of section 208 of the Corporations Act and the Board has determined that Shareholder approval be sought for the purposes of section 208.

6.3 Information required by section 219 of the Corporations Act

Information provided for the purposes of obtaining Shareholder approval for Resolution 3 is as follows:

(a) The options proposed to be issued to Mr Bowes are on the terms set out in section 6.1 above, with the total numbers as follows:

Short Term Incentive Options	1,156,757
Long Term Incentive Options	2,197,838
Total	**3,354,595**

The options will be issued pursuant to the Option Plan.

(b) The Options are being issued as incentivisation. The number of Options to be issued is proportionate to Mr Bowes' remuneration as at the date the number of Options was determined, being 30 June 2023. A benefit will be received from the Options only when the relevant vesting criteria are achieved.

(c) The Directors (excluding Mr Bowes) recommend that shareholders vote in favour of the issue of Options to Mr Bowes for the reasons as listed in paragraph (b) above.

(d) The number of options to be issued to Mr Bowes (subject to approval) was calculated as at 30 June 2023, being the date that the number of options was determined. A technical valuation as at that date is not possible on the basis that they are subject only to non-market vesting conditions. Therefore, based on a share price of $0.185 (being the closing price on 30 June 2023) and assuming all of the Options vest, the valuation as at that date is as follows:

Category	Number	Value per option	Total $
Short Term Incentive	1,156,757	$0.185	214,000
Long Term Incentive	2,197,838	$0.185	406,600
Total	3,354,595		620,600

Values may go up or down after dates of valuation as they depend on the future price of the Company's shares. The valuation above on the basis as explained is indicative only and assumes all performance conditions are met and 100% of the options vest. It is not in accordance with accounting standards, for which a valuation will be performed based on the share price and other details at option grant date, and all valuation inputs being equal, would result in a lower valuation for the portion of the long-term incentive that has market-based performance conditions.

(e) The total remuneration package for Mr Bowes is $400,000 (inclusive of statutory superannuation).

(f) As at the date of this Notice, Mr Bowes has the following interests in the securities of the Company:

Shares held directly*	Options
4,000,000	6,000,000 expiring 10/2/24 550,800 expiring 14/12/24 1,230,000 expiring 29/11/26 930,233 expiring 31/10/25 1,767,442 expiring 31/10/27 All options have a nil exercise price
Total shares: 4,000,000	**Total options: 10,478,475**

*Mr Bowes also has a beneficial interest of < 5% in 226,463,927 shares by virtue of him holding an interest in Kayelekera Resources Pty Ltd, an entity related to Director Grant Davey, and from which that project was acquired.

Other than the information set out in this Notice, there is no other information known to the Company that would reasonably be required by Shareholders to pass this Resolution.

6.4 Termination Benefits

Under section 200B of the Corporations Act, a company may only give a person a benefit in connection with their retirement from a managerial or executive office, or position of employment, in the Company or a related body corporate if:

(a) it is approved by shareholders under section 200E of the Corporations Act; or

(b) an exemption applies (for example, where the benefit together with other benefits does not exceed the payment limits set out in the Corporations Act, including where the aggregate benefits do not exceed one year's average base salary).

Section 200E applies to managerial or executive officers of the Company or of any of its subsidiaries, which includes directors and all persons whose remuneration is required to be disclosed in the Company's annual audited Remuneration Report. Additionally, persons subject to the restrictions remain subject to them for at least three years after they cease to be a managerial or executive officer.

The term “benefit” is open to a potentially wide interpretation and may include the automatic vesting of the Options following retirement (see terms and conditions of the Option Plan) from managerial or executive office which may constitute a benefit for the purposes of section 200B of the Corporations Act.

Accordingly, approval is also being sought for the Options under section 200B of the Corporations Act.

6.5 Listing Rule 10.14

Listing Rule 10.14 requires shareholder approval to be obtained where an entity issues, or agrees to issue, securities under an employee incentive scheme to a director of the entity, an associate of a director, or a person whose relationship with the entity, a director or an associate of a director is, in ASX’s opinion, such that approval should be obtained. Shareholder approval is required under Listing Rule 10.14 to issue the Options to Mr Bowes (and/or his nominee/s) because he is a Director.

Furthermore, if Shareholders approve this Resolution, Listing Rule 7.2 (Exception 14) provides that an issue of Shares upon conversion of the Options will not reduce the Company's 15% placement capacity under Listing Rule 7.1, and separate approval is not required for that purpose.

6.6 Information required pursuant to Listing Rule 10.15

The following information is provided as required by Listing Rule 10.15:

(a) Mr Bowes falls within Listing Rule 10.14.1;

(b) Mr Bowes is a related party of the Company because he is a Director (Listing Rule 10.14.1);

(c) The maximum number of Options that may be issued to Mr Bowes is 3,354,595, in 2 tranches as set out above;

(d) Mr Bowes’ current remuneration package, inclusive of superannuation, is $400,000 per year.

(e) Mr Bowes has previously been issued the following incentive options under the Option Plan:

Options
6,000,000 expiring 10/2/24 550,800 expiring 14/12/24 1,230,000 expiring 29/11/26 930,233 expiring 31/10/25 1,767,442 expiring 31/10/27 All options have a nil exercise price
Total options: 10,478,475

(f) The material terms of the Options proposed to be issued under Resolution 3 are as follows:

(i) The STI Options have a nil exercise price and expire on 31 October 2026. They will vest after 30 June 2024, subject to Board confirmation of satisfaction of vesting conditions;

(ii) The LTI Options have a nil exercise price and expire on 31 October 2028. They will vest after 30 June 2026, subject to Board confirmation of satisfaction of vesting conditions; and

(iii) The other material terms and conditions of the Options are set out in Schedule 2.

(g) The Company proposes to issue the Options because the Board recognises the importance of retaining all key personnel and providing appropriate incentives to deliver the Company's objectives. The Board believes Mr Bowes' role as Managing Director is critical to delivering these objectives and that options are a cost effective and efficient reward and incentive (as opposed to alternative forms of incentive, such as the payment of additional cash compensation);

(h) In determining the number of options to be issued to Mr Bowes, the value of the Options has been determined at 30 June 2023. A technical valuation is not possible on the basis that they are subject only to non-market vesting conditions.

(i) Assuming all of the Options vest and based on a share price of $0.185 being the closing price on 30 June 2023 (being the date that the number of options proposes to be issued was calculated), the table below shows the value of the Options under different vesting scenarios (see too the information provided at Section 3.3(e) above):

No. Options Vested	25%	50%	75%	100%
Value of Options ($)	$155,150	$310,300	$465,450	$620,600

These values may go up or down after the date of valuation as it will depend on the future price of the Company's shares.

(j) The Company proposes to issue the Options to Mr Bowes (and/or his nominees) as soon as reasonably practicable after the Meeting, and in any event within one month after the Meeting.

(k) As the Options will be granted for nil cash consideration and have a nil exercise price, no funds will be raised by their issue or their exercise and no loan will be provided in relation to either the issue or exercise of the Options.

(l) The Company notes that:

(i) Details of any securities issued under the Option Plan will be published in the annual report of the Company relating to the period in which they were issued, along with a statement that Listing Rule 10.14 approval was obtained; and

(ii) Any additional persons covered by Listing Rule 10.14 who become entitled to participate in an issue of securities under the Option Plan after these Resolutions are approved and who were not named in this Notice will not participate until approval is obtained under that Rule.

(m) A voting exclusion statement in relation to this Resolution is included in the Notice.

6.7 Board recommendation

The Board (excluding Mr Bowes) believe that the issue of these Options is in the best interests of the Company and recommend that Shareholders vote in favour of this Resolution.

7. RESOLUTIONS 4 – 8 – ISSUE OF OPTIONS TO DIRECTORS KEITH BOWES, MICHAEL BOWEN, GRANT DAVEY, MARK HANLON AND DIXIE MARSHALL

7.1 General

Resolutions 4 – 8 (inclusive) seek Shareholder approval Listing Rule 10.14, chapters 2D and 2E of the Corporations Act for the issue of Options to Managing Director Keith Bowes, Chairman Michael Bowen and non-executive Directors Grant Davey, Mark Hanlon and Dixie Marshall all under the Company's Employee Share Option Plan approved at the 2022 AGM. A summary of the terms of the Option Plan is contained in Schedule 2.

The number of Options proposed to be issued is:

Director	**Total Options**
Keith Bowes	3,000,000
Michael Bowen	3,000,000
Grant Davey	2,000,000
Mark Hanlon	2,000,000
Dixie Marshall	2,000,000
TOTAL	**12,000,000**

Each Option entitles the holder to acquire one ordinary Share. The exercise price for all Options is nil. The Options will vest on 31 March 2025 and expire on 30 September 2026.

The Board recognises the importance of retaining key personnel and providing appropriate incentives to deliver the Company's objectives. Options are viewed as a cost effective and efficient reward and incentive as opposed to incentives such as additional cash compensation. The Board considers that the issue of these Director Options is consistent with the purposes of the Option Plan. Each issue is also proportionate and consistent with the allocation policy applicable to other Eligible Participants.

Shareholder approval is required by virtue of the proposed recipients being related parties of the Company by virtue of being Directors.

If these Resolutions are passed, the Company will be able to proceed with the issue of these Options and pursuant to Listing Rule 7.2 exception 14, the Company will not be required to obtain separate approval under Listing Rule 7.1. As a result, any options issued up to the total approval number of 12,000,000 is not included in the Company's 15% placement capacity under Listing Rule 7.1.

If these Resolutions are not passed, the Company will not be able to proceed with the issue of Options to these Directors and will need to determine alternative measures to appropriately incentivise performance.

Resolutions 4 - 8 are ordinary resolutions and the Chair intends to exercise all available proxies in favour of these Resolutions.

7.2 Section 208 of the Corporations Act

In accordance with section 208 of the Corporations Act, to give a financial benefit to a related party the Company must obtain Shareholder approval unless the giving of the financial benefit falls within an exception in sections 210 to 216 of the Corporations Act.

As Directors, Mr Bowes, Mr Bowen, Mr Davey, Mr Hanlon and Ms Marshall are related parties of the Company for the purposes of section 208 of the Corporations Act. The issue of Options to each of them (and/or their respective nominee/s) therefore constitutes the giving of a financial benefit for the purposes of section 208 of the Corporations Act to which Shareholder approval must be sought.

7.3 Information required by section 219 of the Corporations Act

Information provided for the purposes of obtaining Shareholder approval for these Resolutions is as follows:

(a) The options proposed to be issued to are pursuant to the Option Plan and on the terms set out in 7.1 above, with the total numbers as follows:

Director	Number
Keith Bowes	3,000,000
Michael Bowen	3,000,000
Grant Davey	2,000,000
Mark Hanlon	2,000,000
Dixie Marshall	2,000,000
TOTAL	**12,000,000**

(b) The options will be issued pursuant to the Option Plan. A benefit will be received from the Options only when the relevant vesting criteria are achieved.

(c) The Directors:

(i) (excluding Mr Bowes) recommend that shareholders vote in favour of the issue of Options to Mr Bowes under Resolution 4 for the reasons as listed in paragraph (c) above;

(ii) (excluding Mr Bowen) recommend that shareholders vote in favour of the issue of Options to Mr Bowen under Resolution 5 for the reasons as listed in paragraph (c) above;

(iii) (excluding Mr Davey) recommend that shareholders vote in favour of the issue of Options to Mr Davey under Resolution 6 for the reasons as listed in paragraph (c) above;

(iv) (excluding Mr Hanlon) recommend that shareholders vote in favour of the issue of Options to Mr Hanlon under Resolution 7 for the reasons as listed in paragraph (c) above; and

(v) (excluding Ms Marshall) recommend that shareholders vote in favour of the issue of Options to Ms Marshall under Resolution 8 for the reasons as listed in paragraph (c) above.

(d) The value of the Options has been determined as at 3 October 2023. A technical valuation is not possible on the basis that they are subject only to non-market vesting conditions. Assuming all of the Options vest and based on a share price of $0.24 being the closing price on 3 October 2023, valuations are as follows:

Director	Number	Total $
Keith Bowes	3,000,000	720,000
Michael Bowen	3,000,000	720,000
Grant Davey	2,000,000	480,000
Mark Hanlon	2,000,000	480,000
Dixie Marshall	2,000,000	480,000
Total	**12,000,000**	**2,880,000**

Values may go up or down after dates of valuation as they depend on the future price of the Company's shares. The valuation above on the basis as explained is indicative only and assumes all performance conditions are met and 100% of the options vest. It is not in accordance with accounting standards, for which a valuation will be performed based on the share price and other details at option grant date, and all valuation inputs being equal, would result in a lower valuation for the portion of the long-term incentive that has market-based performance conditions.

(e) The total remuneration packages for the intended option recipients are as follows:

Director	Current total remuneration per annum
Keith Bowes	$400,000
Michael Bowen	$75,000
Grant Davey	$150,000*
Mark Hanlon	$50,000
Dixie Marshall	$50,000

*Mr Davey's non-executive director fee is $50,000 per annum plus he has a Consultancy arrangement in place with the Company under which he is paid $100,000 per annum

(f) As at the date of this Notice, Mr Bowes, Mr Bowen, Mr Davey, Mr Hanlon and Ms Marshall have the following interests in the securities of the Company:

Director	Shares	Options
Keith Bowes	4,000,000*	10,478,475**
Michael Bowen	5,250,000	-
Grant Davey	179,459,031	-
Mark Hanlon	6,500,000	-
Dixie Marshall	2,000,000	-

*Mr Bowes also has a beneficial interest of < 5% in 226,463,927 shares by virtue of him holding an interest in Kayelekera Resources Pty Ltd, an entity related to Director Grant Davey, and from which that project was acquired.
** Comprising 6,000,000 options expiring 10/2/24, 550,800 options expiring 14/12/24, 1,230,000 options expiring 29/11/26, 930,233 options expiring 31/10/25 and 1,767,442 options expiring 31/10/27, all of which have a nil exercise price

Other than the information set out in this Notice, there is no other information known to the Company that would reasonably be required by Shareholders to pass Resolutions 4 - 8.

7.4 Termination Benefits

Under section 200B of the Corporations Act, a company may only give a person a benefit in connection with their retirement from a managerial or executive office, or position of employment, in the Company or a related body corporate if:

(a) it is approved by shareholders under section 200E of the Corporations Act; or

(b) an exemption applies (for example, where the benefit together with other benefits does not exceed the payment limits set out in the Corporations Act, including where the aggregate benefits do not exceed one year's average base salary).

Section 200B applies to managerial or executive officers of the Company or of any of its subsidiaries, which includes directors and all persons whose remuneration is required to be disclosed in the Company's annual audited Remuneration Report. Additionally, persons subject to the restrictions remain subject to them for at least three years after they cease to be a managerial or executive officer.

Mr Bowes, Mr Bowen, Mr Davey, Mr Hanlon and Ms Marshall hold 'managerial or executive offices' as their details are included in the 2023 Remuneration Report by virtue of being directors of the Company.

The term "benefit" is open to a potentially wide interpretation and may include the automatic vesting of the Options following retirement (see terms and conditions of the Option Plan) from managerial or executive office which may constitute a benefit for the purposes of section 200B of the Corporations Act. The Options will be issued pursuant to the Option Plan. It should be noted that under the Option Plan, the Board can determine at its discretion for the Options to vest in the event of a Director retirement or redundancy, and in the case of a Director of the Company that is required to retire by way of rotation under the Company's Constitution and being eligible, offers themselves for re-election but is not so re-elected, those Options automatically vest as at the close of the relevant meeting. See Schedule 2 for a summary of the terms of the Option Plan. The same terms and conditions apply to all Eligible Participants.

Accordingly, approval is also being sought for the Options under section 200B of the Corporations Act.

7.5 Listing Rule 10.14

Listing Rule 10.14 provides a listed company must not permit any of the following persons to acquire equity securities under an employee incentive scheme without shareholder approval:

10.14.1 a director of the listed entity;
10.14.2 an associate of a person referred to in 10.14.1; or
10.14.3 a person whose relationship with the company or a person referred to in Listing Rules 10.14.1 to 10.14.2 is such that, in ASX's opinion, the acquisition should be approved by its shareholders.

The issue of up to 12,000,000 Options between Mr Bowes, Mr Bowen, Mr Davey, Mr Hanlon and Ms Marshall (and/or their respective nominees) falls within Listing Rule 10.14.1 as they are all Directors, and therefore requires Shareholders approval under Listing Rule 10.14.

7.6 Information required by Listing Rule 10.15

The following information is provided to Shareholders for the purpose of obtaining Shareholder approval for these Resolutions:

(d) The Options to which these Resolutions relate are to be issued to Mr Bowes, Mr Bowen, Mr Davey, Mr Hanlon and Ms Marshall (and/or nominee/s) respectively. These persons fall within Listing Rule 10.14.1 as they are all Directors;

(e) The number of Options to be issued is set out in the table in Section 4.1 above. The options have an issue and an exercise price of nil. The options vest on 31 March 2025 and expire on 30 September 2026. Other terms and conditions are set out in Schedule 2.

(f) The respective total remuneration of these Directors is set out in Section 4.3(e) above.

(g) Mr Bowes has previously been issued 10,478,475; and Ms Marshall 2,000,000 options under the Option Plan (in the case of Ms Marshall, prior to becoming a Director). None of Messrs Bowen, Davey or Hanlon have previously been issued options under the Option Plan.

(h) The value of the Options has been determined as at 10 October 2023. A technical valuation is not possible on the basis that they are subject only to non-market vesting conditions. On that basis the value of the Options is treated as being the share price on the issue date. Assuming all of the Options vest and on a share price of $0.24 (being the closing price on that date), the valuations are as set out in the table in Section 4.3(d) above.

(i) The Options will be issued no later than one month after the date of the meeting, with the Company proposing to issue the Options immediately following the receipt of Shareholder approval.

(j) The terms of the Option Plan were approved at the 2022 AGM of the Company, and a summary of its terms is included as Schedule 2.

(k) No loans will be provided in relation to the acquisition or the exercise of the Options under the Option Plan.

(l) The Company notes that:

(i) Details of any securities issued under the Option Plan will be published in the annual report of the Company relating to the period in which they were issued, along with a statement that Listing Rule 10.14 approval was obtained; and

(ii) Any additional persons covered by Listing Rule 10.14 who become entitled to participate in an issue of securities under the Option Plan after these Resolutions are approved and who were not named in this Notice will not participate until approval is obtained under that Rule.

(m) A voting exclusion statement is included in the Notice for these Resolutions.

7.7 Board Recommendation

The Board:

(i) (excluding Mr Bowes) recommend that shareholders vote in favour of Resolution 4;

(ii) (excluding Mr Bowen) recommend that shareholders vote in favour of Resolution 5;

(iii) (excluding Mr Davey) recommend that shareholders vote in favour of Resolution 6;

(iv) (excluding Mr Hanlon) recommend that shareholders vote in favour of Resolution 7; and

(v) (excluding Ms Marshall) recommend that shareholders vote in favour of Resolution 8.

. The Chair intends to vote undirected proxies in favour of these Resolutions.

8. RESOLUTION 9 - INCREASE TO DIRECTOR REMUNERATION POOL

8.1 General

This Resolution seeks Shareholder approval for an increase in fees for the non-executive Directors. The current ceiling for non-executive Directors is $500,000 per annum which was last approved by Shareholders at the 2019 AGM when the current Constitution was adopted.

The Company currently has 4 non-Executive Directors. Fees paid out of the maximum amount approved by Shareholders are reviewed from time to time to ensure they are appropriate. Shareholder approval is sought for an increase of $300,000 per annum to an upper limit of $800,000 per annum, which will provide the Company with flexibility in appointing new Directors in the future and ensure that the fees are sufficiently competitive to attract and retain Directors of the necessary qualifications and calibre.

If this Resolution is not passed, it may limit the Company in appointing new Board members whose skills and experience will be of benefit to the Company and/or in retaining existing Board members.

8.2 ASX Listing Rule 10.17

ASX Listing Rule 10.17 states that a listed company must not increase the total aggregate amount of directors' fees payable to all its non-executive directors without Shareholder approval by ordinary resolution. Clause 14.8 of the Company's Constitution reflects this by providing that the remuneration of non-executive directors shall "be no more than $500,000 and may be varied by ordinary resolution of the Shareholders in general meeting."

Securities issued to non-executive directors under Listing Rules 10.11 or 10.14 with the approval of the Shareholders within the last 3 years is as follows:

Name of Director	Security Issue Approved	Listing Rule	Meeting date
Mark Hanlon	500,000 shares @ $0.125 per share 2,000,000 options expiring 22/2/24 with a nil exercise price	10.11	30 July 2021
Grant Davey	1,400,000 shares @ $0.08 per share 2,000,000 options expiring 22/2/24 with a nil exercise price	10.11	30 July 2021
Michael Bowen	3,000,000 options expiring 22/2/24 with a nil exercise price	10.11	30 July 2021

8.3 Board Recommendation

As the non-executive Directors have an interest in the outcome of this Resolution, they consider it would not be appropriate to make a recommendation to Shareholders as to how to vote in relation to this Resolution. Mr Bowes, the Managing Director, recommends that shareholders vote in favour of the Resolution. As stated in the Notice of AGM, any votes case in respect of this resolution by any Director and any of their associates, will be disregarded, except as stated in this Notice.

9. RESOLUTION 10 - APPROVAL OF 10% PLACEMENT CAPACITY

9.1 General

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

The Company is an Eligible Entity because, as at the date of the Meeting:

(a) It is not included in the S&P/ASX 300 Index; and

(b) Has a market capitalisation equal to or less than A$300,000,000.

If the Company's market capitalisation exceeds A$300,000,000 at the date of the Meeting, this Resolution will be withdrawn.

If this Resolution is passed, the number of ordinary shares the Company may issue under the 10% placement capacity will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 and the Company will be able to issue Equity Securities up to the combined 25% limit in Listing Rules 7.1 and 7.1A.

If this Resolution is not passed, the Company will not be able to access this additional 10% capacity without Shareholder approval under Listing Rule 7.1A and will remain subject to the 15% limit set out in Listing Rule 7.1.

This Resolution is a special resolution. Accordingly, at least 75% of votes cast by Shareholders present and eligible to vote at the Meeting must be in favour of it for it to be passed.

A voting exclusion statement is included in the Notice for this Resolution. As at the date of the Notice, the Company has not approached any existing Shareholder or security holder or an identifiable class of existing security holder to participate in any issue of the Equity Securities. No existing Shareholder's votes will therefore be excluded under the voting exclusion in the Notice.

9.2 Listing Rule 7.1A

(a) **Shareholder approval**

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

(b) **Equity Securities**

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

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

(c) **Formula for calculating 10% placement capacity**

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

(A x D) – E

A is the number of Shares on issue at the commencement of the relevant period:

(A) Plus the number of Shares issued in the relevant period under an exception in Listing Rule 7.2 other than exception 9, 16 or 17;

(B) Plus the number of Shares issued in the relevant period on the conversion of convertible securities within Listing Rule 7.2 exception 9 where:

(I) The convertible securities were issued or agreed to be issued before the commencement of the relevant period; or

(II) The issue of, or agreement to issue, the convertible securities was approved, or taken under the Listing Rules to have been approved under Listing Rule 7.1 or 7.4;

(C) Plus the number of Shares issued in the relevant period under an agreement to issue securities within Listing Rule 7.2 exception 16 where:

(I) The agreement was entered into before the commencement of the relevant period; or

(II) The agreement was approved, or taken under these rules to have been approved, under Listing Rule 7.1 or 7.4;

(D) Plus the number of any other Shares issued in the relevant period with approval under Listing Rule 7.1 or 7.4;

(E) Plus the number of partly paid ordinary shares that became fully paid in the relevant period;

(F) Less the number of Shares cancelled in the relevant period.

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

D is 10%.

E is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue that are not issued with Shareholder approval under Listing Rule 7.4.

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

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

At the date of the Notice, the Company has on issue 1,343,982,044 Shares, and subject to this Resolution being approved by Shareholders, therefore has a capacity to issue:

(i) 201,597,307 Equity Securities under Listing Rule 7.1 without any Shareholder approval (being 15%); and

(ii) subject to Shareholder approval being sought under this Resolution, 134,398,204 Equity Securities under Listing Rule 7.1A (being 10%).

As, however, it is anticipated that the Scheme of Arrangement in place between the Company and A-Cap Energy Limited ("Scheme") will have been implemented by the date of the Meeting the following information is also provided, on assumption of this:

On implementation of the Scheme, the Company will have on issue 1,705,704,859 Shares and will therefore have the capacity to issue:

(iii) 255,855,727 Equity Securities under Listing Rule 7.1 without any Shareholder approval (being 15%); and

(iv) subject to Shareholder approval being sought under this Resolution, 170,570,485 Equity Securities under Listing Rule 7.1A (being 10%).

Information about the Scheme can be found on the Company's website at https://lotusresources.com.au/investors/asx-announcements/, with the initial ASX announcement containing an outline of the Scheme at: https://wcsecure.weblink.com.au/pdf/LOT/02686341.pdf

Whether or not the Scheme is implemented, the actual number of Equity Securities that the Company will have capacity to issue under Listing Rule 7.1A will be calculated at the date of issue of the Equity Securities in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to Section 4.2(c)).

(e) **Minimum Issue Price**

The issue price of Equity Securities issued under Listing Rule 7.1A must be not less than 75% of the VWAP of Equity Securities in the same class calculated over the 15 trading Days on which trades in that class were recorded immediately before:

(i) The date on which the price at which the Equity Securities are to be issued is agreed; or

(ii) If the Equity Securities are not issued within 10 trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.

(f) **10% Placement Period**

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

(i) The date that is 12 months after the date of the annual general meeting at which the approval is obtained;

(ii) The time and date of the entity's next annual general meeting; or

(iii) The time and date of shareholder approval of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking).

9.3 Technical information required by Listing Rule 7.3A

In accordance with Listing Rule 7.3A, the information below is provided in relation to this Resolution:

(a) **Minimum Price**

The minimum price at which the Equity Securities may be issued is 75% of the volume weighted average price of Equity Securities in that class, calculated over the 15 ASX trading days on which trades in that class were recorded immediately before:

(i) The date on which the price at which the Equity Securities are to be issued is agreed; or

(ii) If the Equity Securities are not issued within 10 ASX trading days of the date in Section 10.2(a)(i), the date on which the Equity Securities are issued.

(b) **Date of Issue**

The Equity Securities may be issued under the 10% Placement Capacity commencing on the date of the Meeting and expiring on the first to occur of the following:

(i) The date that is 12 months after the date of the annual general meeting at which the approval is obtained;

(ii) The time and date of the Company's next annual general meeting; and

(iii) The time and date of approval by Shareholders of any transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of the Company's activities) or 11.2 (disposal of the Company's main undertaking)

(c) **Risk of voting dilution**

Any issue of Equity Securities under the 10% placement capacity will dilute the interests of Shareholders who do not receive any Shares under the issue.

If this Resolution is approved by Shareholders and the Company issues the maximum number of Equity Securities available under the 10% placement capacity, the economic and voting dilution of existing Shares would be as shown in the table below.

The table below shows the dilution of existing Shareholders calculated in accordance with the formula outlined in Listing Rule 7.1A(2), on the basis of the market price of Shares and the number of Equity Securities on issue as at 10 October 2023.

Table 1 below is based on the issued share capital of the Company at the date of this Notice and shows the voting dilution impact where the number of Shares on issue (Variable A in the formula) changes and the economic dilution where there are changes in the issue price of Shares issued under the 10% Placement Capacity. In the event that the Scheme is implemented and the number of shares on issue therefore increases, any dilution in future under Listing Rules 7.1 or 7.1A would be proportionate to that in Table 1 and is demonstrated in table 2 below.

Table 1 – Current issued share capital

Number of Shares on issue		**Dilution**		
		0.12	**0.24**	**0.36**
		50% decrease in Issue Price	**Issue Price**	**50% increase in Issue Price**
Shares currently on issue* 1,343,982,044	10% Voting Dilution	134,398,204 Shares	134,398,204 Shares	134,398,204 Shares
	Funds raised	$16,127,784	$32,255,568	$48,383,353
50% increase in number of Shares on issue 2,015,973,066	10% Voting Dilution	201,597,307 Shares	201,597,307 Shares	201,597,307 Shares
	Funds raised	$24,191,676	$48,383,353	$72,575,030
100% increase in number of Shares on issue 2,687,964,088	10% Voting Dilution	268,796,409 Shares	268,796,409 Shares	268,796,409 Shares
	Funds raised	$32,255,569	$64,511,138	$96,766,707

Table 2 – Issued share capital on implementation of the Scheme

Number of Shares on issue		**Dilution**		
		0.12	**0.24**	**0.36**
		50% decrease in Issue Price	**Issue Price**	**50% increase in Issue Price**
Shares on issue* 1,705,704,859	10% Voting Dilution	170,570,485 Shares	170,570,485 Shares	170,570,485 Shares
	Funds raised	$20,468,458	$40,936,916	$61,405,374
50% increase in number of	10% Voting Dilution	255,855,728 Shares	255,855,728 Shares	255,855,728 Shares

Shares on issue 2,558,557,289	Funds raised	$30,702,687	$61,405,374	$92,108,062
100% increase in number of Shares on issue 3,411,409,718	10% Voting Dilution	341,140,971 Shares	341,140,971 Shares	341,140,971 Shares
	Funds raised	$40,936,916	$81,873,832	$122,810,748

*The number of Shares on issue (Variable A in the formula) could increase as a result of the issue of Shares that do not require Shareholder approval or that are issued with Shareholder approval under Listing Rule 7.1.

Both Table 1 and 2 use the following assumptions:

1. Variable A in Table 1 is 1,343,982,044, being existing Shares on issue as at the date of this Notice. Variable A in Table 2 is 1,705,704,859, being the number of shares on issue on implementation of the Scheme (both assuming the Company has not issued any Shares in the 12 months prior to the Meeting that were not issued under an exception in Listing Rule 7.2 or with Shareholder approval under Listing Rule 7.1 and 7.4);
2. The issue price is A$0.24 being the closing price of the Shares on the ASX on 10 October 2023.
3. The Company issues the maximum possible number of Shares under the 10% Placement Capacity.
4. The Company has not issued any Shares in the 12 months prior to the Meeting that were not issued under an exception in Listing Rule 7.2 or with approval under Listing Rule 7.1.
5. The issue of Shares under the 10% Placement Capacity assumes that no Options are exercised into Shares before the date of issue of the new Shares.
6. The calculations above do not show the dilution that any one particular Shareholder will be subject to. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.
7. This table does not set out any dilution pursuant to approvals under Listing Rule 7.1.
8. The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue, which is why the voting dilution is shown in each example as 10%.
9. The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Capacity, based on that Shareholder's holding at the date of the Meeting.

Shareholders should note that there is a risk that:

(i) The market price for the Company's Shares may be significantly lower on the issue date than on the date of the Meeting; and

(ii) The Shares may be issued at a price that is at a discount to the market price for those Shares on the date of issue.

(d) **Purpose of Issue under 10% Placement Capacity**

The Company may issue Equity Securities under the 10% Placement Capacity as cash consideration in which case the Company would use funds raised for the potential acquisition of new resources, assets and investments (including expenses associated with such acquisitions), continued exploration expenditure on the Company's current assets (funds would then be used for project, feasibility studies and ongoing project administration) and general working capital etc.

The Company currently has no plans to utilise its placement capacity under Listing Rule 7.1 or under the proposed additional 10% placement capacity but in the event that the capacity is proposed to be utilised, the Company will comply with the disclosure obligations under Listing Rules 7.1A(4) and 3.10.3 upon issue of any Equity Securities.

(e) **Allocation policy under the 10% Placement Capacity**

The recipients of the Equity Securities to be issued under the 10% Placement Capacity have not yet been determined. However, the recipients of Equity Securities could consist of current Shareholders or new investors (or both), none of whom will be related parties of the Company.

The Company will determine the recipients at the time of an issue under the 10% Placement Capacity (should an issue under the 10% Placement Capacity take place), having regard to the following factors:

(i) the purpose of the issue;

(ii) alternative methods for raising funds available to the Company at that time, including, but not limited to, an entitlement issue or other offer where existing Shareholders may participate;

(iii) the effect of the issue of the Equity Securities on the control of the Company;

(iv) the circumstances of the Company, including, but not limited to, the financial position and solvency of the Company;

(v) prevailing market conditions; and

(vi) advice from corporate, financial and broking advisers (if applicable).

(f) **Previous Approval under Listing Rule 7.1A**

The Company previously obtained approval from its Shareholders pursuant to ASX Listing Rule 7.1A at its annual general meeting held on 25 November 2022 (Previous Approval). During the 12-month period preceding the date of the Meeting, the Company has not issued any Equity Securities under Listing Rule 7.1A.

9.4 Board recommendation

The Board recommends that Shareholders vote in favour of this Resolution. The Chair intends to vote undirected proxies in favour of this Resolution.

SCHEDULE 1- GLOSSARY

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

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

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by ASX Limited, as the context requires.

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

AWST means Australian Western Standard Time as observed in Perth, Western Australia.

Board means the current board of directors of the Company.

Chair means the chair of the Meeting.

Closely Related Party of a member of the Key Management Personnel means:

(a) A spouse or child of the member;

(b) A child of the member's spouse;

(c) A dependent of the member or the member's spouse;

(d) Anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;

(e) A company the member controls; or

(f) A person prescribed by the Corporations Regulations 2001 (Cth) for the purposes of the definition of 'closely related party' in the Corporations Act.

Company means Lotus Resources Limited (ACN 119 992 175).

Constitution means the constitution of the Company as at the commencement of the Meeting.

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

Directors means the current directors of the Company.

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

Equity Securities includes a Share, a right to a Share or Option, an Option, a convertible security and any security that ASX decides to classify as an Equity Security.

Explanatory Memorandum means the explanatory memorandum accompanying the Notice.

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

Key Management Personnel has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, of the consolidated entity, directly or indirectly, including any director (whether executive or otherwise) of the Company, or if the Company is part of a consolidated entity, of an entity within the consolidated group.

Listing Rules means the listing rules of ASX.

Notice or **Notice of Meeting** means this notice of meeting including the Explanatory Memorandum and the Proxy Form.

Option means an option to acquire a Share.

Proxy Form means the proxy form accompanying the Notice.

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

Resolutions means the resolutions set out in the Notice, or any one of them, as the context requires.

Scheme means the Scheme of Arrangement between the Company and A-Cap Energy Limited as announced on ASX on 13 July 2023;

Section means a section of the Explanatory Memorandum.

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

Shareholder means a registered holder of a Share.

Offer Period	The Offer will close at least 14 days after the date of this Offer. The Company will not issue any Options before this closing date regardless of an Application being submitted before the Closing Date.
Nature of Options	Each Option represents a right to be issued one (1) Share, subject to the terms and conditions of the Option Plan.
Offer Date	As soon as practicable after the Company's 2023 Annual General Meeting, assuming the grant of the Options is approved
Expiry Date	Keith Bowes Performance Options: Tranche One - Short Term Incentive Options for FY2024: 31 October 2026 Tranche Two - Long Term Incentive Options for FY2024: 31 October 2028 Director Options: Options that are not exercised before the Expiry Date of 30 September 2026 will automatically lapse on the Expiry Date.
Option Fee	No fee is payable for the grant of Options.
Option Exercise Price	$0.00 (zero)
No Transfer	Subject to the ASX Listing Rules, Options are only transferrable in Special Circumstances with the prior written consent of the Board (which may be withheld in its absolute discretion) or by force of law upon death, to the Participant's legal personal representative or upon bankruptcy to the participant's trustee in bankruptcy.
Vesting Conditions	Keith Bowes Performance options: The Options will be subject to Vesting Conditions relating to set KPI applicable to all Eligible Participants. Director Options: The Options vest on 31 March 2025
Vesting	If the Vesting Conditions are not satisfied and/or otherwise waived by the Board, that Option will lapse. The Board may in its absolute discretion by written notice resolve to waive any of the Vesting Conditions applying to Options due to Special circumstances arising in relation to a Relevant Person in respect of those Options, being: a) The Relevant Person ceasing to be an Eligible Participant due to the death or total or permanent disability of a Relevant Person; or b) Retirement or redundancy of a Relevant Person; c) A Relevant Person suffering severe financial hardship; d) Any other circumstance stated to constitute "special circumstances" in the terms of the offer of those Options; or e) Any other circumstances determined by the Board at any time (whether before or after the offer) and notified to the relevant Participant which circumstances may relate to the Participant, a class of Participant, including the Participant or particular circumstances or class of circumstances applying to the Participant, (**Special Circumstances**), or

	f) A change of control event occurring (see further below); or g) The Company passing a resolution for voluntary winding up, or an order is made for the compulsory winding up of the Company.
Exercise of Vested Options	An Option may not be exercised unless and until that Option has vested in accordance with the Option Plan. The Company has discretion to stipulate whether a minimum level of tranches is allowed to be exercised at any one time. Option may be exercised by the delivery of a signed Notice of Exercise (as provided with the Vesting Notice) to (or as directed by) the Company within the Expiry Date applying to the Options. If the signed Notice of Exercise is not received by the Company by the Expiry Date, that Option will automatically be forfeited. The requisite number of Shares will be issued as soon as practicable after the exercise of Options.
Lapse of an Option	An Option will lapse upon the earlier to occur of: a) In respect of unvested Option only, upon ceasing to be engaged by the Company, unless the Board exercises its discretion to vest the Option or the Board resolves to allow the unvested Options to remain unvested **SAVE THAT** in the case of a Director of the Company that is either: (i) removed as a director of the Company; or (ii) that is required to retire by way of rotation under the Company's Constitution and being eligible, offers themselves for re-election but is not so re-elected, those Options shall automatically vest, in the case of (i) on the date of removal, and in the case of (ii) as at the close of the relevant meeting; b) The Board deems that an Option lapses due to fraud, dishonesty or other improper behaviour of the Eligible Participant; c) An unauthorised dealing in, or hedging of, the Option occurring; d) A Vesting Condition in relation to the Option is not satisfied by its due date, or becomes incapable of satisfaction, as determined by the Board in its absolute discretion, unless the Board exercises its discretion to waive the Vesting Conditions and vest the Option or the Board resolves, in its absolute discretion, to allow the unvested Options to remain unvested after the Relevant Person ceases to be an Eligible Participant; e) The date that the Company becomes Insolvent. f) The expiry date of the Option; and. g) The Company undergoes a change of control or a winding up resolution or order is made and the Board does not exercise its discretion to vest the Option.
Disposal Restrictions	Shares resulting from the exercise of the Options shall be subject to any restrictions in accordance with the Company's Trading Policy.

No Hedging	No arrangements for the purpose of hedging the economic exposure to an Option may be entered in to.
Quotation of Options and Shares	The Company will not apply for quotation of any Options on the ASX. Upon exercise of Options into Shares, the Company will, subject to the ASX Listing Rules, apply to the ASX for those Shares to be quoted on ASX within the time required by the ASX Listing Rules.
No Participation Rights	There are no participation rights or entitlements inherent in the Options and Participants will not be entitled to participate in voting or dividends or new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.
Change in exercise price or number of underlying securities	An Option does not confer the right to a change in exercise price or in the number of underlying Shares over which the Option can be exercised.
Reorganisation	If, at any time, the issued capital of the Company is reorganised (including consolidation, bonus issue, subdivision, reduction or return), the terms of the Options will be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reorganisation
Change of Control Event	A Change of Control Event is defined in the Option Plan. If a Change of Control event occurs (or the Board determines that such an event is likely to occur), any unvested Options will immediately vest on the date that the Change of Control event occurs (or on the date that the Board determines that such an event is likely to occur). All Options will become Vested so as to permit the Participant to exercise such Options and tender the Shares received pursuant to such exercise to the Offer and the Participant may tender the Shares received upon such exercise to the Offer.
Amendments to Plan Rules	Subject to express restrictions set out in the Option Plan and complying with the Corporations Act, ASX Listing Rules and any other applicable law, the Board may, at any time, by resolution amend or add to all or any of the provisions of the Option Plan, or the terms or conditions of any Option granted under the Option Plan including giving any amendment retrospective effect.

LOTUS RESOURCES LIMITED

ABN 38 119 992 175

Need assistance?

Phone:
1300 850 505 (within Australia)
+61 3 9415 4000 (outside Australia)

Online:
www.investorcentre.com/contact

LOTRM

MR RETURN SAMPLE
123 SAMPLE STREET
SAMPLE SURBURB
SAMPLETOWN VIC 3030

YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **2:00pm (AWST) on Sunday, 26 November 2023.**

Proxy Form

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

APPOINTMENT OF PROXY

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

SIGNING INSTRUCTIONS FOR POSTAL FORMS

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

PARTICIPATING IN THE MEETING

Corporate Representative
If a representative of a corporate securityholder or proxy is to participate in the meeting you will need to provide the appropriate "Appointment of Corporate Representative". A form may be obtained from Computershare or online at www.investorcentre.com/au and select "Printable Forms".

Lodge your Proxy Form:

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Online:

Lodge your vote online at www.investorvote.com.au using your secure access information or use your mobile device to scan the personalised QR code.

Your secure access information is

Control Number: 999999

PIN: 99999

For Intermediary Online subscribers (custodians) go to www.intermediaryonline.com

By Mail:

Computershare Investor Services Pty Limited
GPO Box 242
Melbourne VIC 3001
Australia

By Fax:

1800 783 447 within Australia or
+61 3 9473 2555 outside Australia

PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

You may elect to receive meeting-related documents, or request a particular one, in electronic or physical form and may elect not to receive annual reports. To do so, contact Computershare.

MR RETURN SAMPLE
123 SAMPLE STREET
SAMPLE SURBURB
SAMPLETOWN VIC 3030

☐ **Change of address.** If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with '**X**') should advise your broker of any changes.

I ND

Proxy Form

Please mark ☒ to indicate your directions

Step 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Lotus Resources Limited hereby appoint

☐ **the Chairman of the Meeting** **OR** ______________________

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Lotus Resources Limited to be held at Level 20, 140 St Georges Terrace, Perth, WA 6000 on Tuesday, 28 November 2023 at 2:00pm (AWST) and at any adjournment or postponement of that meeting.
Chairman authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Resolutions 1, 3, 4, 5, 6, 7, 8 and 9 (except where I/we have indicated a different voting intention in step 2) even though Resolutions 1, 3, 4, 5, 6, 7, 8 and 9 are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.
Important Note: If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Resolutions 1, 3, 4, 5, 6, 7, 8 and 9 by marking the appropriate box in step 2.

Step 2 Items of Business

PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

		For	Against	Abstain
Resolution 1	Adoption of Remuneration Report	☐	☐	☐
Resolution 2	Re-election of Director – Michael Bowen	☐	☐	☐
Resolution 3	Issue of Performance Options to Keith Bowes	☐	☐	☐
Resolution 4	Issue of Director Options to Keith Bowes	☐	☐	☐
Resolution 5	Issue of Director Options to Michael Bowen	☐	☐	☐
Resolution 6	Issue of Director Options to Grant Davey	☐	☐	☐
Resolution 7	Issue of Director Options to Mark Hanlon	☐	☐	☐
Resolution 8	Issue of Director Options to Dixie Marshall	☐	☐	☐
Resolution 9	Increase to Director Remuneration Pool	☐	☐	☐
Resolution 10	Section Approval of 10% Placement Capacity	☐	☐	☐

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

Step 3 Signature of Securityholder(s)

This section must be completed.

Individual or Securityholder 1	**Securityholder 2**	**Securityholder 3**	
			/ /
Sole Director & Sole Company Secretary	**Director**	**Director/Company Secretary**	**Date**

Update your communication details *(Optional)*

By providing your email address, you consent to receive future Notice of Meeting & Proxy communications electronically

Mobile Number ______________________ **Email Address** ______________________

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