



RareX Limited
ACN 105 578 756

Notice of General Meeting

Time and date: 11.30 am (AWST) on Friday, 14 July 2023

Location: at the offices of the Company, at Level 1, 338 Barker Road
Subiaco, WA 6008

The Notice of General Meeting should be read in its entirety. If Shareholders are in doubt as to how to vote, they should seek advice from their suitably qualified advisor prior to voting.

Should you wish to discuss any matter, please do not hesitate to contact the Company Secretary on (08) 6383 6593.

Shareholders are urged to vote by lodging the Proxy Form

**RareX Limited
ACN 105 578 756
(Company)**

Notice of General Meeting

Notice is hereby given that a general meeting of Shareholders of RareX Limited will be held at the offices of the Company, at Level 1, 338 Barker Road Subiaco, WA 6008 on Friday, 14 July 2023 at 11.30 am (AWST) (**Meeting**).

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

The Directors have determined pursuant to regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the Meeting are those who are registered as Shareholders on Wednesday, 12 July 2023 at 5.00 pm (AWST).

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

Agenda

1 Resolutions

Resolution 1 – Ratification of issue of Tranche 1 Placement Shares

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

‘That, pursuant to and in accordance with Listing Rule 7.4, and for all other purposes, Shareholders ratify the issue of 88,888,886 Tranche 1 Placement Shares as follows:

(a) *37,963,542 Tranche 1 Placement Shares under Listing Rule 7.1; and*

(b) *50,925,344 Tranche 1 Placement Shares under Listing Rule 7.1A,*

on the terms and conditions in the Explanatory Memorandum.’

Resolution 2 – Ratification of issue of Tranche 1 Placement Options

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

‘That, pursuant to and in accordance with Listing Rule 7.4, and for all other purposes, Shareholders ratify the issue of 44,444,474 Tranche 1 Placement Options under Listing Rule 7.1, on the terms and conditions in the Explanatory Memorandum.’

Resolution 3 – Approval of issue of Tranche 2 Placement Shares

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

‘That, pursuant to and in accordance with Listing Rule 7.1, and for all other purposes, Shareholders approve the issue of 2,066,665 Tranche 2 Placement Shares under Listing Rule 7.1, on the terms and conditions in the Explanatory Memorandum.’

Resolution 4 – Approval of issue of Tranche 2 Placement Options

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

‘That, pursuant to and in accordance with Listing Rule 7.1, and for all other purposes, Shareholders approve the issue of 1,033,333 Tranche 2 Placement Options under Listing Rule 7.1, on the terms and conditions in the Explanatory Memorandum.’

Resolution 5 – Approval of issue of Director Placement Securities

To consider and, if thought fit, to pass without or without amendment, each as a **separate** ordinary resolution the following:

‘That, pursuant to and in accordance with Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of up to 13,566,669 Director Placement Securities to the Directors (and/or their respective nominees), as follows:

- (a) *up to 6,666,667 Director Placement Shares and 3,333,334 Director Placement Options to Churchill SIG Pty Ltd, of which Messrs Jeremy Robinson and Cameron Henry are shareholders, and Mr Robinson is a director;*
- (b) *up to 1,266,667 Director Placement Shares and 633,334 Director Placement Options to Mr John Young;*
- (c) *up to 555,556 Director Placement Shares and 277,778 Director Placement Options to Mr Shaun Hardcastle; and*
- (d) *up to 555,556 Director Placement Shares and 277,778 Director Placement Options to Mr Danny Goeman,*

on the terms and conditions in the Explanatory Memorandum.’

Voting exclusions

Pursuant to the Listing Rules, the Company will disregard any votes cast in favour of:

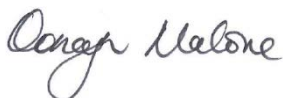
- (a) **Resolution 1(a) and (b):** by or on behalf of a person who participated in the issue of the Tranche 1 Placement Shares, or any of their respective associates.
- (b) **Resolution 2:** by or on behalf of a person who participated in the issue of the Tranche 1 Placement Options, or any of their respective associates.
- (c) **Resolution 3:** by or on behalf of any person who is expected to participate in the issue of the Tranche 2 Placement Shares, or who will obtain a material benefit as a result of, the proposed issue of the Tranche 2 Placement Shares (except a benefit solely by reason of being a Shareholder), or any of their respective associates.
- (d) **Resolution 4:** by or on behalf of any person who is expected to participate in the issue of the Tranche 2 Placement Options, or who will obtain a material benefit as a result of, the proposed issue of the Tranche 2 Placement Options (except a benefit solely by reason of being a Shareholder), or any of their respective associates.

- (e) **Resolution 5(a):** by or on behalf of Messrs Jeremy Robinson and Cameron Henry (and/or their respective nominees), and any other person who will obtain a material benefit as a result of the issue of these Director Placement Shares (except a benefit solely by reason of being a Shareholder), or any of their respective associates.
- (f) **Resolution 5(b):** by or on behalf of Mr John Young (and/or his nominees), and any other person who will obtain a material benefit as a result of the issue of these Director Placement Shares (except a benefit solely by reason of being a Shareholder), or any of their respective associates.
- (g) **Resolution 5(c):** by or on behalf of Mr Shaun Hardcastle (and/or his nominees), and any other person who will obtain a material benefit as a result of the issue of these Director Placement Shares (except a benefit solely by reason of being a Shareholder), or any of their respective associates.
- (h) **Resolution 5(d):** by or on behalf of Mr Danny Goeman (and/or his nominees), and any other person who will obtain a material benefit as a result of the issue of these Director Placement Shares (except a benefit solely by reason of being a Shareholder), or any of their respective associates.

The above voting exclusions do not apply to a vote cast in favour of the relevant Resolution by:

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

BY ORDER OF THE BOARD



Oonagh Malone
Company Secretary
RareX Limited
Dated: 12 June 2023

RareX Limited
ACN 105 578 756
(Company)

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 the offices of the Company, at Level 1, 338 Barker Road Subiaco, WA 6008 on Friday, 14 July 2023 at 11.30 am (AWST).

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 Resolution will be voted. The Explanatory Memorandum includes the following information to assist Shareholders in deciding how to vote on the Resolutions:

Section 2	Action to be taken by Shareholders
Section 3	Resolution 1 – Ratification of issue of Tranche 1 Placement Shares
Section 4	Resolution 2 – Ratification of issue of Tranche 1 Placement Options
Section 5	Resolution 3 – Approval of issue of Tranche 2 Placement Shares
Section 6	Resolution 4 – Approval of issue of Tranche 2 Placement Options
Section 7	Resolution 5 – Approval of issue of Director Placement Securities
Schedule 1	Definitions
Schedule 2	Terms and conditions of Options

A Proxy Form is made available at the end of the Explanatory Memorandum.

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.

Voting on all proposed Resolutions at the Meeting will be conducted by poll. On a poll, each Shareholder has one vote for every fully paid ordinary Share held in the Company.

2.1 Voting in person

To vote in person, attend the Meeting on the date and at the place set out above.

2.2 Voting by a corporation

A Shareholder that is a corporation may appoint an individual to act as its representative and vote in person at the Meeting. The appointment must comply with the requirements of section 250D of the Corporations Act. The representative should bring to the Meeting evidence of his or her appointment, including any authority under which it is signed.

2.3 Voting by proxy

Shareholders are encouraged to vote by completing a Proxy Form.

A Proxy Form has been made available with this Notice. This is to be used by Shareholders if they wish to appoint a representative (a 'proxy') to vote in their place. All Shareholders are invited and encouraged to attend the Meeting or, if they are unable to attend in person, sign and return the Proxy Form to the Company in accordance with the instructions thereon. Lodgement of a Proxy Form will not preclude a Shareholder from attending and voting at the Meeting in person.

Please note that:

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

The enclosed Proxy Form provides further details on appointing proxies and lodging Proxy Forms.

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:

- (a) 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);
- (b) 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;
- (c) if the proxy is the Chair of the meeting at which the resolution is voted on – the proxy

must vote on a poll, and must vote that way (i.e. as directed); and

- (d) 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).

Section 250BC of the Corporations Act provides that, if:

- (a) 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;
- (b) the appointed proxy is not the chair of the meeting;
- (c) at the meeting, a poll is duly demanded, or is otherwise required under section 250JA on the resolution; and
- (d) either the proxy is not recorded as attending the meeting or the proxy does not vote on the resolution,

the Chair of the meeting 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.

Your proxy voting instruction must be received by 11.30 am (AWST) on Wednesday, 12 July 2023, being not later than 48 hours before the commencement of the Meeting.

2.4 Chair's voting intentions

The Chair intends to exercise all available proxies in favour of all Resolutions, unless the Shareholder has expressly indicated a different voting intention.

2.5 Submitting questions

Shareholders will also have the opportunity to submit questions during the Meeting in respect to the formal items of business. In order to ask a question during the Meeting, please follow the instructions from the Chair.

The Chair will attempt to respond to the questions during the Meeting. The Chair will request prior to a Shareholder asking a question that they identify themselves (including the entity name of their shareholding and the number of Shares they hold).

3. Resolution 1 – Ratification of issue of Tranche 1 Placement Shares

3.1 General

On 5 May 2023, the Company announced a capital raising of up to \$4,500,000 (before costs) via the issue of up to 99,999,997 Shares at an issue price of \$0.045 per Share (**Placement Shares**), with one free-attaching quoted Option exercisable at \$0.0675 each and expiring on 26 May 2025 for every two Placement Shares issued (**Placement Options**) (**Placement**).

The Placement is comprised of the following two tranches:

- (a) 88,888,886 Placement Shares issued to unrelated parties of the Company (**Tranche 1 Placement Shares**); and
- (b) 11,111,111 Placement Shares comprising:

- (i) 2,066,665 Placement Shares to be issued to unrelated parties of the Company, subject of Resolution 3 (**Tranche 2 Placement Shares**); and
- (ii) 9,044,446 Placement Shares to be issued to the Directors (and/or their respective nominees), the subject of Resolution 5 (**Director Placement Shares**).

On 11 May 2023, the Company issued the Tranche 1 Placement Shares using the Company's placement capacity under Listing Rules 7.1 and 7.1A as follows:

- (a) 37,963,542 Tranche 1 Placement Shares under Listing Rule 7.1; and
- (b) 50,925,344 Tranche 1 Placement Shares under Listing Rule 7.1A.

Resolution 1 seeks the approval of Shareholders pursuant to Listing Rule 7.4 to ratify the issue of the Tranche 1 Placement Shares.

3.2 Listing Rules 7.1, 7.1A and 7.4

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

Under Listing Rule 7.1A, an eligible entity can seek approval from its members, by way of a special resolution passed at its annual general meeting, to increase this 15% limit by an extra 10% to 25%. The Company obtained this approval at its annual general meeting held on 30 November 2022.

The issue of the Tranche 1 Placement Shares does not fit within any of the exceptions to Listing Rule 7.1 and 7.1A and, as it has not yet been approved by Shareholders, effectively uses up part of the Company's 15% placement capacity under Listing Rule 7.1 and 7.1A. This reduces the Company's capacity to issue further Equity Securities without Shareholder approval under Listing Rules 7.1 and 7.1A for the 12-month period following the issue of the Tranche 1 Placement Shares.

Listing Rule 7.4 provides an exception to Listing Rules 7.1 and 7.1A. It provides that where a company in a general meeting ratifies the previous issue of securities made pursuant to Listing Rules 7.1 and 7.1A (and provided that the previous issue did not breach Listing Rules 7.1 and 7.1A), those securities will be deemed to have been made with shareholder approval for the purpose of Listing Rules 7.1 and 7.1A.

The effect of Shareholders passing Resolution 1(a) and (b) will be to allow the Company to retain the flexibility to issue Equity Securities in the future up to the 15% additional placement capacity set out in Listing Rule 7.1 and the 10% additional placement capacity set out in Listing Rule 7.1A, without the requirement to obtain prior Shareholder approval.

If Resolution 1(a) is passed, 37,963,542 Tranche 1 Placement Shares will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of Equity Securities it can issue without Shareholder approval over the 12 month period following the issue date.

If Resolution 1(b) is passed, 50,925,344 Tranche 1 Placement Shares will be excluded in calculating the Company's 10% limit in Listing Rule 7.1A, effectively increasing the number of Equity Securities it can issue without Shareholder approval over the 12 month period following

the issue date.

If Resolution 1(a) is not passed, 37,963,542 Tranche 1 Placement Shares will continue to be included in the Company's 15% limit under Listing Rule 7.1, effectively decreasing the number of Equity Securities the Company can issue or agree to issue without obtaining prior Shareholder approval, to the extent of 37,963,542 Equity Securities for the 12 month period following the issue of those Tranche 1 Placement Shares.

If Resolution 1(b) is not passed, 50,925,344 Tranche 1 Placement Shares will continue to be included in the Company's 10% limit under Listing Rule 7.1A, effectively decreasing the number of Equity Securities the Company can issue or agree to issue without obtaining prior Shareholder approval, to the extent of 50,925,344 Equity Securities for the 12 month period following the issue of those Tranche 1 Placement Shares.

3.3 **Specific information required by Listing Rule 7.5**

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to the ratification of the issue of the Tranche 1 Placement Shares:

- (a) The Tranche 1 Placement Shares were issued to existing and new sophisticated investors, none of whom are related parties or a Material Investor (**Tranche 1 Placement Participants**).

The Tranche 1 Placement Participants were identified through a bookbuild process, which involved the Joint Lead Managers seeking expressions of interest to participate in the Placement from new and existing contacts of the Company and clients of the Joint Lead Managers.

- (b) A total of 88,888,886 Tranche 1 Placement Shares were using the Company's placement capacity under Listing Rules 7.1 and 7.1A as follows:
- (i) 37,963,542 Tranche 1 Placement Shares were issued under Listing Rule 7.1; and
 - (ii) 50,925,344] Tranche 1 Placement Shares were issued under Listing Rule 7.1A.
- (c) The Tranche 1 Placement Shares are fully paid ordinary shares in the capital of the Company and rank equally in all respects with the Company's existing Shares on issue.
- (d) The Tranche 1 Placement Shares were issued to the Tranche 1 Placement Participants on 11 May 2023.
- (e) The Tranche 1 Placement Shares were issued at \$0.045 each.
- (f) The issue of the Tranche 1 Placement Shares raised approximately \$4,000,000 (before costs). The proceeds from the issue of the Tranche 1 Placement Shares have been and are intended to be used towards the following:
- (i) resource definition drilling;
 - (ii) completion of a definitive feasibility study for stage 1 phosphate DSO development;

- (iii) completion of a pre-feasibility study for the fully-staged Cummins Range Project; and
- (iv) general working capital.
- (g) There are no other material terms to the agreement for the subscription of the Tranche 1 Placement Shares
- (h) A voting exclusion statement is included in the Notice.

3.4 **Additional information**

Resolution 1 is an ordinary resolution.

The Board recommends that Shareholders vote in favour of Resolution 1.

4. **Resolution 2 – Ratification of issue of Tranche 1 Placement Options**

4.1 **General**

The background to the issue of the Placement Options is in Section 3.1 above.

On 26 May 2023, the Company issued 44,444,474 Placement Options as free-attaching Options to the Tranche 1 Placement Shares using the Company's placement capacity under Listing Rule 7.1 (**Tranche 1 Placement Options**).

Resolution 2 seeks the approval of Shareholders pursuant to Listing Rule 7.4 to ratify the issue of the Tranche 1 Placement Options.

4.2 **Listing Rules 7.1 and 7.4**

A summary of Listing Rules 7.1 and 7.4 are in Section 3.2 above.

The issue of the Tranche 1 Placement Options does not fit within any of the exceptions to Listing Rule 7.1 and, as it has not yet been approved by Shareholders, effectively uses up part of the Company's 15% placement capacity under Listing Rule 7.1. This reduces the Company's capacity to issue further Equity Securities without Shareholder approval under Listing Rules 7.1 for the 12-month period following the issue of the Tranche 1 Placement Options.

The effect of Shareholders passing Resolution 2 will be to allow the Company to retain the flexibility to issue Equity Securities in the future up to the 15% additional placement capacity set out in Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

If Resolution 2 is passed, 44,444,474 Tranche 1 Placement Options will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of Equity Securities it can issue without Shareholder approval over the 12 month period following the issue date.

If Resolution 2 is not passed, 44,444,474 Tranche 1 Placement Options will continue to be included in the Company's 15% limit under Listing Rule 7.1, effectively decreasing the number of Equity Securities the Company can issue or agree to issue without obtaining prior Shareholder approval, to the extent of 44,444,474 Equity Securities for the 12 month period following the issue of those Tranche 1 Placement Options.

4.3 **Specific information required by Listing Rule 7.5**

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to the issue of the Tranche 1 Placement Options:

- (a) The Tranche 1 Placement Options were issued to the Tranche 1 Placement Participants (refer to Section 3.3 for further details of the Tranche 1 Placement Participants).
- (b) A maximum of 44,444,474 Tranche 1 Placement Options were issued to the Tranche 1 Placement Participants using the Company's placement capacity under Listing Rule 7.1.
- (c) The Tranche 1 Placement Options are exercisable at a price of \$0.0675 each and expire on 26 May 2025 and are otherwise on the terms and conditions in Schedule 2.
- (d) The Tranche 1 Placement Options were issued to the Tranche 1 Placement Participants on 26 May 2023.
- (e) The Tranche 1 Placement Options were issued as free attaching Options to the Tranche 1 Placement Shares. Accordingly, no funds were raised by the issue of the Tranche 1 Placement Options.
- (f) A summary of the intended use of funds raised from the Tranche 1 Placement Shares is in Section 3.3(f) above. No additional funds were raised by the issue of the Tranche 1 Placement Options.
- (g) There are no other material terms to the agreement for the subscription of the Tranche 1 Placement Options.
- (h) A voting exclusion statement is included in the Notice.

4.4 **Additional information**

Resolution 2 is an ordinary resolution.

The Board recommends that Shareholders vote in favour of Resolution 2.

5. **Resolution 3 – Approval of issue of Tranche 2 Placement Shares**

5.1 **General**

The background to the Placement is summarised in Section 3.1.

Resolution 3 seeks Shareholder approval pursuant to Listing Rule 7.1 for the issue of up to 2,066,665 Tranche 2 Placement Shares.

5.2 **Listing Rule 7.1**

A summary of Listing Rule 7.1 is in Section 3.2 above.

The issue of the Tranche 1 Placement Shares does not fit within any of the exceptions to Listing Rules 7.1. It therefore requires the approval of the Company's Shareholders under Listing Rule 7.1.

If Resolution 3 is passed, the Company will be able to proceed with the issue of the Tranche 2 Placement Shares.

If Resolution 3 is not passed, the Company will not be able to proceed with the issue of the Tranche 2 Placement Shares and, accordingly, will not raise approximately \$93,000 (before costs) through the issue of the Tranche 2 Placement Shares.

5.3 **Specific information required by Listing Rule 7.3**

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to the proposed issue of the Tranche 2 Placement Shares:

- (a) The Tranche 2 Placement Shares will be issued to the Company's management, none of whom are related parties or a Material Investor (**Tranche 2 Placement Participants**).
- (b) A maximum of 2,066,665 Tranche 2 Placement Shares will be issued.
- (c) The Tranche 2 Placement Shares are fully paid ordinary Shares in the capital of the Company and rank equally in all respects with the Company's existing Shares on issue.
- (d) The Tranche 2 Placement Shares will be issued no later than 3 months after the date of the Meeting.
- (e) The Tranche 2 Placement Shares will be issued at a price of \$0.045 each.
- (f) The issue of the Tranche 2 Placement Shares will raise approximately \$93,000 (before costs). A summary of the intended use of funds raised from the issue of the Tranche 2 Placement Shares is in Section 3.3(f) above.
- (g) There are no other material terms to the proposed issue of the Tranche 2 Placement Shares.
- (h) A voting exclusion statement is included in the Notice.

5.4 **Additional information**

Resolution 3 is an ordinary resolution.

The Board recommends that Shareholders vote in favour of Resolution 3.

6. **Resolution 4 – Approval of issue of Tranche 2 Placement Options**

6.1 **General**

The background to the issue of the Placement Options is in Section 3.1 above.

Resolution 4 seeks the approval of Shareholders pursuant to Listing Rule 7.1 to approve the issue of up to 1,033,333 Placement Options (**Tranche 2 Placement Options**).

6.2 **Listing Rule 7.1**

A summary of Listing Rule 7.1 is in Section 3.2 above.

The issue of the Tranche 2 Placement Options does not fit within any of the exceptions to Listing Rules 7.1. It therefore requires the approval of the Company's Shareholders under Listing Rule 7.1.

The effect of Shareholders passing Resolution 4 will be to allow the Company to retain the flexibility to issue Equity Securities in the future up to the 15% additional placement capacity set out in Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

If Resolution 4 is passed, 1,033,333 Tranche 2 Placement Options will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of Equity Securities it can issue without Shareholder approval over the 12 month period following the issue date.

If Resolution 4 is not passed, the Company will not be able to proceed with the issue of the Tranche 2 Placement Options.

6.3 **Specific information required by Listing Rule 7.3**

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to the proposed issue of the Tranche 2 Placement Options:

- (a) The Tranche 2 Placement Options will be issued to the Tranche 2 Placement Participants (refer to Section 5.3 for further details of the Tranche 2 Placement Participants).
- (b) A maximum 1,033,333 Tranche 2 Placement Options will be issued to the Tranche 2 Placement Participants if Shareholders pass this Resolution.
- (c) The Tranche 2 Placement Options are exercisable at \$0.675 each and expire on 26 May 2025. The Tranche 2 Placement Options are otherwise subject to the terms and conditions in Schedule 2.
- (d) The Tranche 2 Placement Options will be issued within three months after the date of the Meeting.
- (e) The Tranche 2 Placement Options are being issued as free attaching Options to the Tranche 2 Placement Shares. Accordingly, nil additional cash consideration will be payable by the Tranche 2 Placement Participants.
- (f) A summary of the intended use of funds raised from the issue of the Tranche 2 Placement Shares is in Section 5.3(f) above. No additional funds will be raised by the issue of the Tranche 2 Placement Options.
- (g) There are no other material terms to the agreement for the subscription of the Tranche 2 Placement Options.
- (h) A voting exclusion statement is included in the Notice.

6.4 **Additional information**

Resolution 4 is an ordinary resolution.

The Board recommends that Shareholders vote in favour of Resolution 4.

7. Resolution 5 – Approval of issue of Director Placement Securities

7.1 General

The background to the Placement is summarised in Section 3.1 above.

The Directors wish to participate in the Placement to the extent of subscribing for up to 9,044,446 Director Placement Shares and 4,522,223 Placement Options (**Director Placement Options**) to raise up to approximately \$407,000 (before costs) in the following proportions:

Director	Amount committed to the Placement	Director Placement Shares	Director Placement Options
Jeremy Robinson and Cameron Henry ⁽¹⁾	\$300,000	6,666,667	3,333,334
John Young	\$57,000	1,266,667	634,334
Shaun Hardcastle	\$25,000	555,556	277,778
Danny Goeman	\$25,000	555,556	277,778
TOTAL	\$407,000	9,044,446	4,522,223

Note: Subject to Shareholder approval of Resolution 5(a), Mr Robinson and Mr Cameron's Director Placement Securities will be held jointly via Churchill SIG Pty Ltd, of which both Mr Robinson and Mr Henry are shareholders and Mr Robinson is the sole director.

Resolution 5(a) to (d) (inclusive) seeks Shareholder approval pursuant to Listing Rule 10.11 for the issue of the Director Placement Shares and Director Placement Options (together, the **Director Placement Securities**) to the Directors (and/or their respective nominees).

7.2 Listing Rule 10.11

Listing Rule 10.11 provides that unless one of the exceptions in Listing Rule 10.12 applies, a listed company must not issue or agree to issue Equity Securities to any of the following persons without the approval of its Shareholders:

- (a) a related party (Listing Rule 10.11.1);
- (b) a person who is, or was at any time in the 6 months before the issue or agreement, a substantial holder (30%+) in the company (Listing Rule 10.11.2);
- (c) a person who is, or was at any time in the 6 months before the issue or agreement, a substantial holder (10%+) in the company and who has nominated a director to the board of the company pursuant to a relevant agreement which gives them a right or expectation to do so (Listing Rule 10.11.3);

- (d) an associate of a person referred to in Listing Rules 10.11.1 to 10.11.3 (Listing Rule 10.11.4); or
- (e) a person whose relation with the company or a person referred to in Listing Rule 10.11.1 or 10.11.4 is such that, in ASX's opinion, the issue or agreement should be approved by its shareholders (Listing Rule 10.11.5).

The Directors are each a related party of the Company by virtue of being Directors. Shareholder approval pursuant to Listing Rule 10.11 is therefore required unless an exception applies. It is the view of the Board that the exceptions set out in Listing Rule 10.12 do not apply in the current circumstances.

Approval pursuant to Listing Rule 7.1 is not required for the issue of the Director Placement Securities as approval is being obtained under Listing Rule 10.11. Accordingly, the issue of the Director Placement Securities to the Directors (and/or their respective nominees) will not be included in the Company's 15% annual placement capacity pursuant to Listing Rule 7.1.

The effect of Shareholders passing Resolution 5(a) to (d) (inclusive) will be to allow the Company to issue the Director Placement Securities, raising up to \$407,000 (before costs).

If Resolution 5(a) to (d) (inclusive) is not passed, the Company will not be able to proceed with the issue of the Director Placement Securities and will not receive the additional \$407,000 (before costs) committed by the Directors.

7.3 **Specific information required by Listing Rule 10.13**

Pursuant to and in accordance with Listing Rule 10.13, the following information is provided in relation to the proposed issue of the Director Placement Securities:

- (a) The Director Placement Securities will be issued to the Directors (and/or their respective nominees) in the manner set out in Section 7.1.
- (b) Each of the Directors fall into the category stipulated by Listing Rule 10.11.1 by virtue of being Directors of the Company.
- (c) A maximum of 9,044,446 Director Placement Shares and 4,522,223 Director Placement Options will be issued to the Directors (and/or their respective nominees).
- (d) The Director Placement Shares will be fully paid ordinary Shares in the capital of the Company and rank equally in all respects with the Company's existing Shares on issue.
- (e) The Director Placement Options will be exercisable at \$0.0675 each and will expire on 26 May 2025. The Director Placement Options are subject to the terms and conditions in Schedule 2.
- (f) The Director Placement Securities will be issued no later than one month after the date of the Meeting.
- (g) The Director Placement Shares are proposed to be issued at an issue price of \$0.05 each, being the same issue price as other Placement Shares and will raise up to approximately \$407,000 (before costs). The Director Placement Options are proposed to be issued for nil cash consideration as they are free-attaching to the Director Placement Shares. Accordingly, no funds will be raised from the issue of the Director Placement Options.

- (h) A summary of the intended use of funds raised from the proposed issue of the Director Placement Shares is in Section 3.3(f) above. No additional funds will be raised by the issue of the Director Placement Options.
- (i) The proposed issue of the Director Placement Securities are not intended to remunerate or incentivise the Directors.
- (j) There are no other material terms to the proposed issue of the Director Placement Securities.
- (k) A voting exclusion statement is included in the Notice.

7.4 Chapter 2E of the Corporations Act

In accordance with Chapter 2E of the Corporations Act, in order to give a financial benefit to a related party, the Company must:

- (a) obtain Shareholder approval in the manner set out in section 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The proposed issue of the Director Placement Securities constitutes giving a financial benefit to related parties of the Company.

The Board considers that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue of the Director Placement Securities because the Securities will be issued on the same terms as those Securities issued to non-related party participants in the Placement and as such the giving of the financial benefit is on arm's length terms.

7.5 Additional information

Resolution 5(a) to (d) (inclusive) are ordinary resolutions.

The Board declines to make a recommendation in respect of Resolution 5(a), to (d) (inclusive) as each of the Directors have a personal interest in the Resolutions.

Schedule 1 Definitions

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

\$ or A\$	means Australian Dollars.
Article	means an article of the Constitution.
ASX	means the ASX Limited (ABN 98 008 624 691) and, where the context permits, the Australian Securities Exchange operated by ASX Limited.
AWST	means Western Standard Time, being the time in Perth, Western Australia.
Board	means the board of Directors.
Chair	means the person appointed to chair the Meeting of the Company convened by the Notice.
Closely Related Party	has the meaning given in Section 9 of the Corporations Act.
Company	means RareX Limited (ACN 105 578 756).
Constitution	means the constitution of the Company.
Corporations Act	means the <i>Corporations Act 2001</i> (Cth), as amended.
Director	means a director of the Company.
Director Placement Options	has the meaning given in Section 7.1.
Director Placement Securities	has the meaning given in Section 7.1.
Director Placement Shares	has the meaning given in Section 3.1.
Equity Security	has the same meaning as in the Listing Rules.
Explanatory Memorandum	means the explanatory memorandum which forms part of the Notice.
Joint Lead Managers	means Canaccord Genuity (Australia) Limited (ACN 075 071 466) and Bell Potter Securities Ltd (ACN 006 390 772).
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.
Material Investor	means, in relation to the Company: (a) a related party;

- (b) Key Management Personnel;
- (c) a substantial Shareholder;
- (d) an advisor; or
- (e) an associate of the above,

who received or will receive Securities in the Company which constitute more than 1% of the Company's anticipated capital structure at the time of issue.

Meeting	has the meaning given in the introductory paragraph of the Notice.
Notice	means this notice of general meeting.
Options	means an option to acquire a Share.
Performance Right	means a right to acquire a Share subject to the satisfaction of a performance based milestone.
Placement	has the meaning given in Section 3.1.
Placement Options	has the meaning given in Section 3.1.
Placement Shares	has the meaning given in Section 3.1.
Proxy Form	means the proxy form made available with the Notice.
Resolution	means a resolution referred to in the Notice.
Schedule	means a schedule to the Notice.
Section	means a section of the Explanatory Memorandum.
Securities	means any Equity Securities of the Company (including Shares, Options and/or Performance Rights).
Share	means a fully paid ordinary share in the capital of the Company.
Shareholder	means the holder of a Share.
Tranche 1 Placement Options	has the meaning given in Section 4.1.
Tranche 1 Placement Participants	has the meaning given in Section 3.3.
Tranche 1 Placement Shares	has the meaning given in Section 3.1.
Tranche 2 Placement Options	has the meaning given in Section 6.1.
Tranche 2 Placement Participants	has the meaning given in Section 5.3.
Tranche 2 Placement Shares	has the meaning given in Section 3.1.

Schedule 2 Terms and conditions of Options

The terms and conditions of the Placement Options and Director Placement Options (in this Schedule, referred to as **Options**) are as follows:

- (a) (**Entitlement**): Each Quoted Option (**Option**) entitles the holder to subscribe for one Share upon exercise of the Option.
- (b) (**Exercise Price**): The Options have an exercise price of \$0.0675 per Option (**Exercise Price**).
- (c) (**Expiry Date**): The Options expire at 5.00pm (WST) on 26 May 2025 (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
- (d) (**Exercise Period**): The Options are exercisable at any time and from time to time on or prior to the Expiry Date.
- (e) (**Quotation of the Options**): It is the Company's current intention to seek quotation of the Options. There is no certainty that quotation of the Options will be granted. The quotation of the Options will be subject to the Company offering the Options under a prospectus prepared in accordance with Chapter 6D of *the Corporations Act 2001* (Cth) and lodged with ASIC and satisfying the quotation conditions set out in the Listing Rules.
- (f) (**Notice of Exercise**): The Options may be exercised by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

The Options held by each holder may be exercised in whole or in part, and if exercised in part, at least 1,000 must be exercised on each occasion.

Any Notice of Exercise of an Option received by the Company will be deemed to be a notice of the exercise of that Option as at the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

- (g) (**Timing of issue of Shares on exercise**): Within 5 Business Days after the Exercise Date the Company will:
 - (i) allot and issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
 - (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act; and
 - (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.
- (h) (**Transferability**): The Options are freely transferable from the date of issue, subject to any restriction or escrow arrangements imposed by ASX or under Australian securities laws and paragraph (i).
- (i) (**Restrictions on transfer of Shares**): If the Company is required but unable to give ASX a notice under paragraph (g)(ii), or such a notice for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, Shares issued on exercise

of Options may not be traded and will be subject to a holding lock until 12 months after their issue unless the Company, at its sole discretion, elects to issue a prospectus pursuant to section 708A(11) of the Corporations Act.

- (j) **(Shares issued on exercise):** Shares issued on exercise of the Options will rank equally with the then Shares of the Company.
- (k) **(Quotation of Shares on exercise):** If admitted to the official list of ASX at the time, application will be made by the Company to ASX for quotation of the Shares issued upon the exercise of the Options in accordance with the Listing Rules.
- (l) **(Reconstruction of capital):** If at any time the issued capital of the Company is reconstructed, all rights of an Option holder are to be changed in a manner consistent with the Corporations Act and the Listing Rules at the time of the reconstruction.
- (m) **(Participation in new issues):** There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.
- (n) **(Change in exercise price):** There will be no change to the exercise price of the Options or the number of Shares over which the Options are exercisable in the event of the Company making a pro-rata issue of Shares or other securities to the holders of Shares in the Company (other than a bonus issue).
- (o) **(Adjustment for bonus issues of Shares):** If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment):
 - (i) the number of Shares which must be issued on the exercise of an Option will be increased by the number of Shares which the Option holder would have received if the Option holder had exercised the Option before the record date for the bonus issue; and
 - (ii) no change will be made to the Exercise Price.

Proxy Voting Form

If you are attending the meeting
in person, please bring this with you
for Securityholder registration.

Holder Number:

Your proxy voting instruction must be received by **11.30am (AWST) on Wednesday, 12 July 2023**, being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

SUBMIT YOUR PROXY

Complete the form overleaf in accordance with the instructions set out below.

YOUR NAME AND ADDRESS

The name and address shown above is as it appears on the Company's share register. If this information is incorrect, and you have an Issuer Sponsored holding, you can update your address through the investor portal: <https://investor.automic.com.au/#/home> Shareholders sponsored by a broker should advise their broker of any changes.

STEP 1 – APPOINT A PROXY

If you wish to appoint someone other than the Chair of the Meeting as your proxy, please write the name of that Individual or body corporate. A proxy need not be a Shareholder of the Company. Otherwise if you leave this box blank, the Chair of the Meeting will be appointed as your proxy by default.

DEFAULT TO THE CHAIR OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chair of the Meeting, who is required to vote these proxies as directed. Any undirected proxies that default to the Chair of the Meeting will be voted according to the instructions set out in this Proxy Voting Form, including where the Resolutions are connected directly or indirectly with the remuneration of KMP.

STEP 2 - VOTES ON ITEMS OF BUSINESS

You may direct your proxy how to vote by marking one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

APPOINTMENT OF SECOND PROXY

You may appoint up to two proxies. If you appoint two proxies, you should complete two separate Proxy Voting Forms and specify the percentage or number each proxy may exercise. If you do not specify a percentage or number, each proxy may exercise half the votes. You must return both Proxy Voting Forms together. If you require an additional Proxy Voting Form, contact Automic Registry Services.

SIGNING INSTRUCTIONS

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

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

Power of attorney: If you have not already lodged the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Voting Form when you return it.

Companies: To be signed in accordance with your Constitution. Please sign in the appropriate box which indicates the office held by you.

Email Address: Please provide your email address in the space provided.

By providing your email address, you elect to receive all communications despatched by the Company electronically (where legally permissible) such as a Notice of Meeting, Proxy Voting Form and Annual Report via email.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate 'Appointment of Corporate Representative' should be produced prior to admission. A form may be obtained from the Company's share registry online at <https://automic.com.au>.

Lodging your Proxy Voting Form:

Online:

Use your computer or smartphone to appoint a proxy at
<https://investor.automic.com.au/#/loginsah>

or scan the QR code below using your smartphone

Login & Click on 'Meetings'. Use the Holder Number as shown at the top of this Proxy Voting Form.



BY MAIL:

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Sydney NSW 2001

IN PERSON:

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Sydney NSW 2000

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