
REACH RESOURCES LIMITED
ACN 097 982 235
NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Meeting will be held at:

TIME: 12:00pm (WST)
DATE: Thursday, 21 November 2024
PLACE: Level 14, QV1 Building
250 St Georges Terrace
PERTH WA 6000

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

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

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 5:00pm (WST) on Tuesday, 19 November 2024.

BUSINESS OF THE MEETING

AGENDA

1. FINANCIAL STATEMENTS AND REPORTS

To receive and consider the annual financial report of the Company for the financial year ended 30 June 2024 together with the declaration of the Directors, the Director's report, the Remuneration 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, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Company's annual financial report for the financial year ended 30 June 2024."

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

3. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – SAM WRIGHT

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

"That, for the purpose of clause 14.2 of the Constitution, Listing Rule 14.5 and for all other purposes, Sam Wright, a Director, retires by rotation, and being eligible, is re-elected as a Director."

4. RESOLUTION 3 – APPROVAL OF 7.1A MANDATE

To consider and, if thought fit, to pass the following resolution as a **special resolution**:

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

5. RESOLUTION 4 – ISSUE OF OPTIONS TO RELATED PARTY – SAM WRIGHT

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

"That, for the purposes of section 208 of the Corporations Act, Listing Rule 10.14 and for all other purposes, approval is given for the Company to issue 6,000,000 Options to Sam Wright (or his nominee(s)) under the Employee Securities Incentive Plan on the terms and conditions set out in the Explanatory Statement."

6. RESOLUTION 5 – ISSUE OF OPTIONS TO RELATED PARTY – ROBERT DOWNEY

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

"That, for the purposes of section 208 of the Corporations Act, Listing Rule 10.14 and for all other purposes, approval is given for the Company to issue 7,000,000 Options to Robert Downey (or his nominee(s)) under the Employee Securities Incentive Plan on the terms and conditions set out in the Explanatory Statement."

7. RESOLUTION 6 – ISSUE OF OPTIONS TO RELATED PARTY – MATTHEW O'KANE

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

"That, for the purposes of section 208 of the Corporations Act, Listing Rule 10.14 and for all other purposes, approval is given for the Company to issue 6,000,000 Options to Matthew O'Kane (or his nominee(s)) under the Employee Securities Incentive Plan on the terms and conditions set out in the Explanatory Statement."

8. RESOLUTION 7 – RATIFICATION OF PRIOR ISSUE OF SHARES TO TAMAS KAPITANY

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

“That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 46,361,901 Shares to Tamas Kapitany on the terms and conditions set out in the Explanatory Statement.”

9. RESOLUTION 8 – RATIFICATION OF PRIOR ISSUE OF OPTIONS TO DAVID FLANAGAN

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

“That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 25,000,000 Options to David Flanagan on the terms and conditions set out in the Explanatory Statement.”

Voting Prohibition Statements

Resolution 1 – Adoption of Remuneration Report	A vote on this Resolution must not be cast (in any capacity) by or on behalf of either of the following persons: (a) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or (b) a Closely Related Party of such a member. However, a person (the voter) described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either: (a) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or (b) the voter is the Chair and the appointment of the Chair as proxy: (i) does not specify the way the proxy is to vote on this Resolution; and (ii) expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.
Resolution 4 - Issue of Options to Related Party – Sam Wright	In accordance with section 224 of the Corporations Act, a vote on this Resolution must not be cast (in any capacity) by or on behalf of a related party of the Company to whom the Resolution would permit a financial benefit to be given, or an associate of such a related party (Resolution 4 Excluded Party). However, the above prohibition does not apply if the vote is cast by a person as proxy appointed by writing that specifies how the proxy is to vote on the Resolution, and it is not cast on behalf of a Resolution 4 Excluded Party. In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote on the basis of that appointment, on this Resolution if: (a) the proxy is either: (i) a member of the Key Management Personnel; or (ii) a Closely Related Party of such a member; and (b) the appointment does not specify the way the proxy is to vote on this Resolution. Provided the Chair is not a Resolution 4 Excluded Party, the above prohibition does not apply if: (a) the proxy is the Chair; and (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.
Resolution 5 - Issue of Options to Related Party – Robert Downey	In accordance with section 224 of the Corporations Act, a vote on this Resolution must not be cast (in any capacity) by or on behalf of a related party of the Company to whom the Resolution would permit a financial benefit to be given, or an associate of such a related party (Resolution 5 Excluded Party). However, the above prohibition does not apply if the vote is cast by a person as proxy appointed by writing that specifies how the proxy is to vote on the Resolution, and it is not cast on behalf of a Resolution 5 Excluded Party. In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote on the basis of that appointment, on this Resolution if: (a) the proxy is either: (i) a member of the Key Management Personnel; or (ii) a Closely Related Party of such a member; and (b) the appointment does not specify the way the proxy is to vote on this Resolution. Provided the Chair is not a Resolution 5 Excluded Party, the above prohibition does not apply if: (a) the proxy is the Chair; and (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.
Resolution 6 - Issue of Options to Related Party – Matthew O'Kane	In accordance with section 224 of the Corporations Act, a vote on this Resolution must not be cast (in any capacity) by or on behalf of a related party of the Company to whom the Resolution would permit a financial benefit to be given, or an associate of such a related party (Resolution 6 Excluded Party). However, the above prohibition does not apply if the vote is cast by a person as proxy appointed by writing that specifies how the proxy is to vote on the Resolution, and it is not cast on behalf of a Resolution 6 Excluded Party. In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote on the basis of that appointment, on this Resolution if: (a) the proxy is either: (i) a member of the Key Management Personnel; or (ii) a Closely Related Party of such a member; and (b) the appointment does not specify the way the proxy is to vote on this Resolution.

	Provided the Chair is not a Resolution 6 Excluded Party, the above prohibition does not apply if: (a) the proxy is the Chair; and (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.
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Voting Exclusion Statements

In accordance with Listing Rule 14.11, the Company will disregard any votes cast in favour of the Resolution set out below by or on behalf of the following persons:

Resolution 4 - Issue of Options to Related Party – Sam Wright	Sam Wright (or his nominees(s)) or any other 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 in question or an associate of that person or those persons.
Resolution 5 - Issue of Options to Related Party – Robert Downey	Robert Downey (or his nominees(s)) or any other 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 in question or an associate of that person or those persons.
Resolution 6 - Issue of Options to Related Party – Matthew O'Kane	Matthew O'Kane (or his nominees(s)) or any other 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 in question or an associate of that person or those persons.
Resolution 7 – Ratification of prior issue of Shares to Tamas Kapitany	Tamas Kapitany or any other person who participated in the issue or is a counterparty to the agreement being approved or an associate of that person or those persons.
Resolution 8 - Ratification of prior issue of Options to David Flanagan	David Flanagan or any other person who participated in the issue or is a counterparty to the agreement being approved or an associate of that person or those persons.

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

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

Voting by proxy

To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

In accordance with section 249L of the Corporations Act, Shareholders are advised that:

- each Shareholder has a right to appoint a proxy;
- the proxy need not be a Shareholder of the Company; and
- a Shareholder who is 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 the Shareholder appoints two proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

Shareholders and their proxies should be aware that:

- if proxy holders vote, they must cast all directed proxies as directed; and
- any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

Voting in person

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

Should you wish to discuss the matters in this Notice please do not hesitate to contact the Company Secretary on +61 8 6268 2641.

**Robert Downey
Chairman**

8 October 2024.

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions.

1. FINANCIAL STATEMENTS AND REPORTS

In accordance with the Corporations Act, the business of the Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 30 June 2024 together with the declaration of the Directors, the Directors' report, the Remuneration Report and the auditor's report.

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

2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

2.1 General

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

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

The chair of the meeting must allow a reasonable opportunity for its shareholders to ask questions about or make comments on the remuneration report at the annual general meeting.

2.2 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 annual 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.

2.3 Previous voting results

At the Company's previous annual general meeting the votes cast against the remuneration report considered at that annual general meeting were less than 25%. Accordingly, the Spill Resolution is not relevant for this Meeting.

3. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – SAM WRIGHT

3.1 General

Listing Rule 14.5 provides that an entity which has directors must hold an election of directors at each annual general meeting.

The Constitution sets out the requirements for determining which Directors are to retire by rotation at an annual general meeting.

Sam Wright, who has held office without re-election since 11 November 2022 and being eligible retires by rotation and seeks re-election.

Further information in relation to Mr Wright is set out below.

Qualifications, experience and other material directorships	Mr Wright has 20 years' experience in the administration of ASX listed companies, corporate governance and corporate finance. He is a member of the Australian Institute of Company Directors, the Financial Services Institute of Australasia, and the Chartered Secretaries of Australia. Mr Wright is currently Non-Executive Director & Company Secretary of Structural Monitoring Systems plc (ASX: SMN), Non-Executive Director of Great Dirt Resources Ltd (ASX: GR8) and Company Secretary at Buxton Resources Limited (ASX: BUX).
Term of office	Sam Wright has served as a Director since 30 November 2021 and was last re-elected on 11 November 2022.
Independence	If re-elected, the Board considers that Mr Wright will be an independent Director.
Board recommendation	Having received an acknowledgement from Sam Wright that he will have sufficient time to fulfil his responsibilities as a Director and having reviewed the performance of Sam Wright since his appointment to the Board and the skills, knowledge, experience and capabilities required by the Board, the Directors (other than Sam Wright) recommend that Shareholders vote in favour of this Resolution.

3.2 Technical information required by Listing Rule 14.1A

If this Resolution is passed, Sam Wright will be re-elected to the Board as an independent Director.

If this Resolution is not passed, Sam Wright will not continue in his role as an independent Director. The Company may seek nominations or otherwise identify suitably qualified candidates to join the Company. As an additional consequence, this may detract from the Board and Company's ability to execute on its strategic vision.

4. RESOLUTION 3 – APPROVAL OF 7.1A MANDATE

4.1 General

This Resolution seeks Shareholder approval by way of special resolution for the Company to have the additional 10% placement capacity provided for in Listing Rule 7.1A to issue Equity Securities without Shareholder approval.

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 may seek shareholder approval by way of a special resolution passed at its annual general meeting to increase this 15% limit by an extra 10% to 25% (**7.1A Mandate**). The Company is an Eligible Entity.

4.2 Technical information required by Listing Rule 14.1A

For this Resolution to be passed, at least 75% of votes cast by Shareholders present and eligible to vote at the Meeting must be cast in favour of the Resolution.

If this Resolution is passed, the Company will be able to issue Equity Securities up to the combined 25% limit in Listing Rules 7.1 and 7.1A without any further Shareholder approval.

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

4.3 Technical information required by Listing Rule 7.3A

REQUIRED INFORMATION	DETAILS
Period for which the 7.1A Mandate is valid	The 7.1A Mandate will commence on the date of the Meeting and expire on the first to occur of the following: (a) the date that is 12 months after the date of this Meeting; (b) the time and date of the Company's next annual general meeting; and (c) the time and date of approval by Shareholders of any transaction under Listing Rule 11.1.2 (a significant change in the nature or scale of activities) or Listing Rule 11.2 (disposal of the main undertaking).
Minimum price	Any Equity Securities issued under the 7.1A Mandate must be in an existing quoted class of Equity Securities and be issued for cash consideration at a minimum price of 75% of the volume weighted average price of Equity Securities in that class, calculated over the 15 trading days on which trades in that class were recorded immediately before: (a) the date on which the price at which the Equity Securities are to be issued is agreed by the entity and the recipient of the Equity Securities; or (b) if the Equity Securities are not issued within 10 trading days of the date in paragraph (a) above, the date on which the Equity Securities are issued.
Use of funds	The Company intends to use funds raised from issues of Equity Securities under the 7.1A Mandate for the acquisition of new resources, assets and investments (including expenses associated with any such an acquisition), continued exploration expenditure on the Company's current assets/or projects, the development of the Company's current business and general working capital.
Risk of economic and voting dilution	Any issue of Equity Securities under the 7.1A Mandate 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 7.1A Mandate, 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 closing market price of Shares and the number of Equity Securities on issue or proposed to be issued as at 7 October 2024. The table also 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 7.1A Mandate.

REQUIRED INFORMATION	DETAILS					
			Dilution			
	Number of Shares on Issue (Variable A in Listing Rule 7.1A.2)		Shares issued – 10% voting dilution	Issue Price		
				\$0.006	\$0.012	\$0.018
				50% decrease	Issue Price	50% decrease
				Funds Raised		
	Current	874,431,349	87,443,135	\$524,659	\$1,049,318	\$1,573,976
	50% increase	1,311,647,024	131,164,702	\$786,988	\$1,573,976	\$2,360,965
	100% increase	1,748,862,698	174,886,270	\$1,049,318	\$2,098,635	\$3,147,953
	*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 (such as under a pro-rata rights issue or scrip issued under a takeover offer) or that are issued with Shareholder approval under Listing Rule 7.1. The table above uses the following assumptions: - There are currently 874,431,349 Shares on issue. - The issue price set out above is the closing market price of the Shares on the ASX on 7 October 2024 (being \$0.012) (Issue Price). The Issue Price at a 50% increase and 50% decrease are each rounded to three decimal places prior to the calculation of the funds raised. - The Company issues the maximum possible number of Equity Securities under the 7.1A Mandate. - The Company has not issued any Equity Securities 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. - The issue of Equity Securities under the 7.1A Mandate consists only of Shares. It is assumed that no Options are exercised into Shares before the date of issue of the Equity Securities. If the issue of Equity Securities includes quoted Options, it is assumed that those quoted Options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders. - 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. - This table does not set out any dilution pursuant to approvals under Listing Rule 7.1 unless otherwise disclosed. - The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%. - The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 7.1A Mandate, based on that Shareholder's holding at the date of the Meeting. Shareholders should note that there is a risk that: - the market price for the Company's Shares may be significantly lower on the issue date than on the date of the Meeting; and - 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.					
Allocation policy under 7.1A Mandate	The recipients of the Equity Securities to be issued under the 7.1A Mandate 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 the issue under the 7.1A Mandate, having regard to the following factors: the purpose of the issue;					

REQUIRED INFORMATION	DETAILS
	(b) alternative methods for raising funds available to the Company at that time, including, but not limited to, an entitlement issue, share purchase plan, placement or other offer where existing Shareholders may participate; (c) the effect of the issue of the Equity Securities on the control of the Company; (d) the circumstances of the Company, including, but not limited to, the financial position and solvency of the Company; (e) prevailing market conditions; and (f) advice from corporate, financial and broking advisers (if applicable).
Previous approval under Listing Rule 7.1A.2	The Company previously obtained approval from its Shareholders pursuant to Listing Rule 7.1A at its annual general meeting held on 15 November 2023 (Previous Approval). During the 12-month period preceding the date of the Meeting, being on and from 21 November 2023, the Company has not issued any Equity Securities pursuant to the Previous Approval.
Voting exclusion statement	As at the date of this Notice, the Company is not proposing to make an issue of Equity Securities under Listing Rule 7.1A. Accordingly, a voting exclusion statement is not included in this Notice.

5. RESOLUTIONS 4 TO 6 – ISSUE OF OPTIONS TO RELATED PARTIES

5.1 General

These Resolutions seek Shareholder approval for the purposes of Chapter 2E of the Corporations Act and Listing Rule 10.14 for the issue of two tranches of Options, being an aggregate of 19,000,000 Options to Sam Wright, Robert Downey and Matthew O'Kane (or their nominee(s)) pursuant to the Employee Securities Incentive Plan (**Plan**) on the terms and conditions set out below.

Further details in respect of the Tranche A Options and Tranche B Options proposed to be issued are set out in the table below.

Tranche A Options

QUANTUM	RECIPIENT	RESOLUTION	EXERCISE PRICE	EXPIRY DATE
3,000,000	Sam Wright	4	\$0.02	30 November 2027
3,500,000	Robert Downey	5	\$0.02	30 November 2027
3,000,000	Matthew O'Kane	6	\$0.02	30 November 2027

Tranche B Options

QUANTUM	RECIPIENT	RESOLUTION	EXERCISE PRICE	EXPIRY DATE
3,000,000	Sam Wright	4	\$0.03	30 November 2027
3,500,000	Robert Downey	5	\$0.03	30 November 2027
3,000,000	Matthew O'Kane	6	\$0.03	30 November 2027

5.2 Director Recommendation

Each Director has a material personal interest in the outcome of these Resolutions on the basis that all of the Directors (or their nominee(s)) are to be issued Securities should these

Resolutions be passed. For this reason, the Directors do not believe that it is appropriate to make a recommendation on these Resolutions.

5.3 Chapter 2E of the Corporations Act

Chapter 2E of the Corporations Act requires that for a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in sections 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 issue constitutes giving a financial benefit and each of the proposed recipients is a related party of the Company by virtue of being a Director.

As Securities are proposed to be issued to all of the Directors, the Directors are unable to form a quorum to consider whether one of the exceptions set out in sections 210 to 216 of the Corporations Act applies to the issue. Accordingly, Shareholder approval for the issue is sought in accordance with Chapter 2E of the Corporations Act.

5.4 Listing Rule 10.14

Listing Rule 10.14 provides that an entity must not permit any of the following persons to acquire equity securities under an employee incentive scheme without the approval of the holders of its ordinary securities:

- 10.14.1 a director of the entity;
- 10.14.2 an associate of a director of the entity; or
- 10.14.3 a person whose relationship with the entity 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 security holders.

The issue falls within Listing Rule 10.14.1 and therefore requires the approval of Shareholders under Listing Rule 10.14.

5.5 Technical information required by Listing Rule 14.1A

If these Resolutions are passed, the Company will be able to proceed with the issue within 15 months after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules). As approval pursuant to Listing Rule 7.1 is not required for the issue (because approval is being obtained under Listing Rule 10.14), the issue will not use up any of the Company's 15% annual placement capacity.

If these Resolution are not passed, the Company will not be able to proceed with the issue and the Company will be forced to find other methods to incentivise the Directors.

5.6 Technical information required by Listing Rule 10.15 and section 219 of the Corporations Act

REQUIRED INFORMATION	DETAILS
Name of the persons to whom Securities will be issued	The proposed recipients of the Tranche A Options and the Tranche B Options are set out in Section 5.1.
Categorisation under Listing Rule 10.14	Each of the proposed recipients falls within the category set out in Listing Rule 10.14.1 as they are a related party of the Company by virtue of being a Director. Any nominee(s) of the proposed recipients who receive Options may constitute 'associates' for the purposes of Listing Rule 10.14.2.

REQUIRED INFORMATION	DETAILS
Number of Securities and class to be issued	The maximum number of Options to be issued (being the nature of the financial benefit proposed to be given) is 19,000,000 which will be allocated as set out in the table included at Section 5.1 above.
Terms of Securities	The Options will be issued on the terms and conditions set out in Schedule 1.
Material terms of the Plan	A summary of the material terms and conditions of the Plan is set out in Schedule 3.
Material terms of any loan	No loan is being made in connection with the acquisition of the Options.
Date(s) on or by which the Securities will be issued	The Company expects to issue both the Tranche A Options and the Tranche B Options within 5 Business Days of the Meeting. In any event, the Company will not issue any Tranche A Options and the Tranche B Options later than 15 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules).
Price or other consideration the Company will receive for the Securities	The Options will be issued at a nil issue price.
Purpose of the issue, including the intended use of any funds raised by the issue	The purpose of the issue is to provide a performance linked incentive component in the remuneration package for the Directors to motivate and reward their performance as Directors and to provide cost effective remuneration to the Directors, enabling the Company to spend a greater proportion of its cash reserves on its operations than it would if alternative cash forms of remuneration were given to the Directors.
Consideration of type of Security to be issued	The Company has agreed to issue the Options for the following reasons: (a) the issue of Options has no immediate dilutionary impact on Shareholders; (b) the issue to the Directors will align the interests of the recipient with those of Shareholders; (c) the issue is a reasonable and appropriate method to provide cost effective remuneration as the non-cash form of this benefit will allow the Company to spend a greater proportion of its cash reserves on its operations than it would if alternative cash forms of remuneration were given to the Directors; (d) the deferred taxation benefit which is available to the recipient in respect of an issue of Options is also beneficial to the Company as it means the recipient is not required to immediately sell the Options to fund a tax liability (as would be the case in an issue of Shares where the tax liability arises upon issue of the Shares) and will instead, continue to hold an interest in the Company; and (e) it is not considered that there are any significant opportunity costs to the Company or benefits foregone by the Company in issuing the Options on the terms proposed.
Consideration of quantum of Securities to be issued	The number of Options to be issued has been determined based upon a consideration of:

REQUIRED INFORMATION	DETAILS												
	(a) current market standards and/or practices of other ASX listed companies of a similar size and stage of development to the Company; (b) the remuneration of the proposed recipients; and (c) incentives to attract and ensure continuity of service/retain the service of the proposed recipients who have appropriate knowledge and expertise, while maintaining the Company's cash reserves. The Company does not consider that there are any significant opportunity costs to the Company or benefits foregone by the Company in issuing the Options upon the terms proposed.												
Remuneration package	The total remuneration package for each of the recipients for the previous financial year and the proposed total remuneration package for the current financial year are set out below: <table><tr><th>RELATED PARTY</th><th>FINANCIAL YEAR ENDING 30 JUNE 2024</th><th>FINANCIAL YEAR ENDING 30 JUNE 2025</th></tr><tr><td>Sam Wright^{1,2}</td><td>\$49,881</td><td>\$63,000</td></tr><tr><td>Robert Downey^{3,4}</td><td>\$76,881</td><td>\$94,500</td></tr><tr><td>Matthew O'Kane^{5,6}</td><td>\$49,881</td><td>\$63,000</td></tr></table> Notes: 1. Comprising Directors' fees/salary of \$36,000 and share-based payments of \$13,881. 2. Comprising Directors' fees/salary of \$36,000, a superannuation payment of \$Nil and share-based payments of \$27,000 (including an increase of \$27,000, being the value of the Options). 3. Comprising Directors' fees/salary of \$63,000 and share-based payments of \$13,881. 4. Comprising Directors' fees/salary of \$63,000, a superannuation payment of \$Nil and share-based payments of \$31,500 (including an increase of \$31,500, being the value of the Options). 5. Comprising Directors' fees/salary of \$36,000 and share-based payments of \$13,881. 6. Comprising Directors' fees/salary of \$36,000, a superannuation payment of \$Nil and share-based payments of \$27,000 (including an increase of \$27,000, being the value of the Options).	RELATED PARTY	FINANCIAL YEAR ENDING 30 JUNE 2024	FINANCIAL YEAR ENDING 30 JUNE 2025	Sam Wright ^{1,2}	\$49,881	\$63,000	Robert Downey ^{3,4}	\$76,881	\$94,500	Matthew O'Kane ^{5,6}	\$49,881	\$63,000
RELATED PARTY	FINANCIAL YEAR ENDING 30 JUNE 2024	FINANCIAL YEAR ENDING 30 JUNE 2025											
Sam Wright ^{1,2}	\$49,881	\$63,000											
Robert Downey ^{3,4}	\$76,881	\$94,500											
Matthew O'Kane ^{5,6}	\$49,881	\$63,000											
Valuation	The Company values the Tranche A Options at \$47,500 (being \$0.005 per Tranche A Option) based on the Binomial methodology. The Company values the Tranche B Options at \$38,000 (being \$0.004 per Tranche B Option) based on the Binomial methodology. Further information in respect of the valuation of the Options and the pricing methodology is set out in Schedule 2.												

REQUIRED INFORMATION	DETAILS																
Interest in Securities	The relevant interests of the recipients in Securities as at the date of this Notice and following completion of the issue are set out below:																
	As at the date of this Notice																
	<table><tr><th>RELATED PARTY</th><th>SHARES</th><th>OPTIONS</th><th>PERFORMANCE RIGHTS</th></tr><tr><td>Sam Wright</td><td>800,000</td><td>100,000</td><td>600,000</td></tr><tr><td>Robert Downey</td><td>800,000</td><td>100,000</td><td>600,000</td></tr><tr><td>Matthew O'Kane</td><td>600,000</td><td>Nil</td><td>600,000</td></tr></table>	RELATED PARTY	SHARES	OPTIONS	PERFORMANCE RIGHTS	Sam Wright	800,000	100,000	600,000	Robert Downey	800,000	100,000	600,000	Matthew O'Kane	600,000	Nil	600,000
	RELATED PARTY	SHARES	OPTIONS	PERFORMANCE RIGHTS													
	Sam Wright	800,000	100,000	600,000													
	Robert Downey	800,000	100,000	600,000													
	Matthew O'Kane	600,000	Nil	600,000													
Post issue																	
<table><tr><th>RELATED PARTY</th><th>SHARES</th><th>OPTIONS</th><th>PERFORMANCE RIGHTS</th></tr><tr><td>Sam Wright</td><td>800,000</td><td>6,100,000</td><td>600,000</td></tr><tr><td>Robert Downey</td><td>800,000</td><td>7,100,000</td><td>600,000</td></tr><tr><td>Matthew O'Kane</td><td>600,000</td><td>6,000,000</td><td>600,000</td></tr></table>	RELATED PARTY	SHARES	OPTIONS	PERFORMANCE RIGHTS	Sam Wright	800,000	6,100,000	600,000	Robert Downey	800,000	7,100,000	600,000	Matthew O'Kane	600,000	6,000,000	600,000	
RELATED PARTY	SHARES	OPTIONS	PERFORMANCE RIGHTS														
Sam Wright	800,000	6,100,000	600,000														
Robert Downey	800,000	7,100,000	600,000														
Matthew O'Kane	600,000	6,000,000	600,000														
Dilution	If the Options issued under these Resolutions are exercised, a total of 19,000,000 Shares would be issued. This will increase the number of Shares on issue from 874,431,349 (being the total number of Shares on issue as at the date of this Notice) to 893,431,349 (assuming that no Shares are issued and no other convertible securities vest or are exercised) with the effect that the shareholding of existing Shareholders would be diluted by an aggregate of 2.17%, comprising 0.69% by Sam Wright, 0.80% by Robert Downey and 0.69% by Matthew O'Kane.																
Market price	The market price for Shares during the term of the Options would normally determine whether or not the Options are exercised. If, at any time any of the Options are exercised and the Shares are trading on ASX at a price that is higher than the exercise price of the Options, there may be a perceived cost to the Company.																
Trading history	The trading history of the Shares on ASX in the 12 months before the date of this Notice is set out below: <table><tr><th></th><th>PRICE</th><th>DATE</th></tr><tr><td>Highest (post consolidation)</td><td>\$0.06</td><td>9 November 2023</td></tr><tr><td>Lowest (post consolidation)</td><td>\$0.007</td><td>28 February 2024</td></tr><tr><td>Last</td><td>\$0.012</td><td>7 October 2024</td></tr></table>		PRICE	DATE	Highest (post consolidation)	\$0.06	9 November 2023	Lowest (post consolidation)	\$0.007	28 February 2024	Last	\$0.012	7 October 2024				
	PRICE	DATE															
Highest (post consolidation)	\$0.06	9 November 2023															
Lowest (post consolidation)	\$0.007	28 February 2024															
Last	\$0.012	7 October 2024															
Securities previously issued to the recipient(s) under the Plan	An aggregate of 3,600,000 Performance Rights have previously been issued to the Directors for nil cash under the Plan.																
Additional Information	Details of any Securities issued under the 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 approval for the issue was obtained under Listing Rule 10.14. Any additional persons covered by Listing Rule 10.14 who become entitled to participate in an issue of Securities																

REQUIRED INFORMATION	DETAILS
	under the Plan after this Resolution is approved and who were not named in this Notice will not participate until approval is obtained under Listing Rule 10.14.
Other information	The Board is not aware of any other information that is reasonably required by Shareholders to allow them to decide whether it is in the best interests of the Company to pass these Resolutions.
Voting exclusion statements	Voting exclusion statements apply to these Resolutions.
Voting prohibition statements	Voting prohibition statements apply to these Resolutions.

6. RESOLUTION 7 – RATIFICATION OF PRIOR ISSUE OF SHARES TO TAMAS KAPITANY

6.1 General

As announced on 25 October 2023, the Company's wholly owned subsidiary, Critical Elements Pty Ltd entered into a binding tenement purchase agreement with Tamas Kapitany for the acquisition of mining lease M09/101 (**Acquisition Agreement**).

The material terms of the Acquisition Agreement are as follows:

- (a) **Conditions Precedent:** Completion of the Acquisition Agreement is subject to and conditional upon:
 - (i) the Company and Tamas Kapitany obtaining written consent for the transfer of M09/101; and
 - (ii) the Company, Tamas Kapitany and a third party executing a deed of assignment and assumption for the transfer of the M09/101 to the Company.
- (b) **Completion Date:** Means the date being two business days after the date that the Conditions Precedent are satisfied or such other date as agreed between the Company and Tamas Kapitany.
- (c) **Consideration:**
 - (i) **Cash:** \$100,000 plus GST to be paid in three tranches:
 - (A) non-refundable deposit (\$20,000 plus GST) payable on signing of the Acquisition Agreement;
 - (B) second cash payment (\$30,000 plus GST), payable by the Company to Tamas Kapitany on or before 31 December 2023; and
 - (C) third cash payment (\$50,000 plus GST), payable by the Company to Tamas Kapitany on or before 31 March 2024.
 - (ii) **Consideration Shares:** Issue Shares with a total value of \$100,000 utilising a deemed issue price calculated using the 5-day volume weighted average price of Shares for the five trading days prior to the Completion Date.
 - (iii) **Contingent Consideration Shares:** The Company agrees to issue the contingent share consideration to Tamas Kapitany in the event the Company produces a JORC 2012 compliant measured mineral resource on the Mining Lease of greater than 10,000,000 tonnes at greater than 1% Li2O.

This Resolution seeks Shareholder ratification for the purposes of Listing Rule 7.4 for the issue of 46,361,901 Shares to Tamas Kapitany on 11 March 2024 in consideration for the acquisition of M09/101 under the Acquisition Agreement.

6.2 Listing Rule 7.1

A summary of Listing Rule 7.1 is set out in Section 4.1 above.

The issue does not fit within any of the exceptions set out in Listing Rule 7.2 and, as it has not yet been approved by Shareholders, it effectively uses up part of the 15% limit in Listing Rule 7.1, reducing the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1 for the 12-month period following the date of the issue.

6.3 Listing Rule 7.4

Listing Rule 7.4 allows the shareholders of a listed company to approve an issue of equity securities after it has been made or agreed to be made. If they do, the issue is taken to have been approved under Listing Rule 7.1 and so does not reduce the company's capacity to issue further equity securities without shareholder approval under that rule.

The Company wishes to retain as much flexibility as possible to issue additional equity securities in the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1. Accordingly, the Company is seeking Shareholder ratification pursuant to Listing Rule 7.4 for the issue.

6.4 Technical information required by Listing Rule 14.1A

If this Resolution is passed, the issue will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of equity securities the Company can issue without Shareholder approval over the 12-month period following the date of the issue.

If this Resolution is not passed, the issue will be included in calculating the Company's 15% limit in Listing Rule 7.1, effectively decreasing the number of equity securities that the Company can issue without Shareholder approval over the 12-month period following the date of the issue.

6.5 Technical information required by Listing Rules 7.4 and 7.5

REQUIRED INFORMATION	DETAILS
Names of persons to whom Securities were issued or the basis on which those persons were identified/selected	Tamas Kapitany
Number and class of Securities issued	46,361,901 Shares were issued.
Terms of Securities	The Shares were fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares.
Date(s) on or by which the Securities were issued.	11 March 2024.
Price or other consideration the Company received for the Securities	\$0.002 per Share for Shares issued pursuant to Listing Rule 7.1.
Purpose of the issue, including the intended use of any funds raised by the issue	The Securities will be issued at a nil issue price, in consideration for the acquisition of M09/101 under the Acquisition Agreement.
Summary of material terms of agreement to issue	The Shares were issued under the Acquisition Agreement, a summary of the material terms of which is set out in Section 6.1.
Voting Exclusion Statement	A voting exclusion statement applies to this Resolution.
Compliance	The issue did not breach Listing Rule 7.1.

7. RESOLUTION 8 – RATIFICATION OF PRIOR ISSUE OF OPTIONS TO DAVID FLANAGAN

7.1 General

This Resolution seeks Shareholder ratification for the purposes of Listing Rule 7.4 for the issue of 25,000,000 Options to David Flanagan on 11 March 2024 as part payment for strategic and corporate consulting services provided by Mr Flanagan pursuant to a consulting agreement (**Consulting Agreement**).

The material terms of the Consulting Agreement are set out below:

- (a) **Services:** Strategic advice to review current business objectives, develop business strategy and provide other strategic and corporate advice.
- (b) **Term:** One year.
- (c) **Fees:** A monthly retainer of \$6,000 per month plus GST and 25,000,000 Options.

7.2 Listing Rule 7.1

A summary of Listing Rule 7.1 is set out in Section 4.1 above.

The issue does not fit within any of the exceptions set out in Listing Rule 7.2 and, as it has not yet been approved by Shareholders, it effectively uses up part of the 15% limit in Listing Rule 7.1, reducing the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1 for the 12-month period following the date of the issue.

7.3 Listing Rule 7.4

A summary of Listing Rule 7.4 is set out in Section 6.3 above.

The Company wishes to retain as much flexibility as possible to issue additional equity securities in the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1. Accordingly, the Company is seeking Shareholder ratification pursuant to Listing Rule 7.4 for the issue.

7.4 Technical information required by Listing Rule 14.1A

If this Resolution is passed, the issue will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of equity securities the Company can issue without Shareholder approval over the 12-month period following the date of the issue.

If this Resolution is not passed, the issue will be included in calculating the Company's 15% limit in Listing Rule 7.1, effectively decreasing the number of equity securities that the Company can issue without Shareholder approval over the 12-month period following the date of the issue.

7.5 Technical information required by Listing Rules 7.4 and 7.5

REQUIRED INFORMATION	DETAILS
Names of persons to whom Securities were issued or the basis on which those persons were identified/selected	David Flanagan
Number and class of Securities issued	25,000,000 Options were issued.
Terms of Securities	The Options were issued on the terms and conditions set out in Schedule 4.
Date(s) on or by which the Securities were issued.	11 March 2024.
Price or other consideration the Company received for the Securities	The Options were issued as part payment for consulting services provided by David Flanagan.

REQUIRED INFORMATION	DETAILS
Purpose of the issue, including the intended use of any funds raised by the issue	The Options will be issued at a nil issue price, as part payment for consulting services provided by David Flanagan.
Summary of material terms of agreement to issue	The Options were issued under the Consulting Agreement, a summary of the material terms of which is set out in Section 7.1.
Voting Exclusion Statement	A voting exclusion statement applies to this Resolution.
Compliance	The issue did not breach Listing Rule 7.1.

GLOSSARY

\$ means Australian dollars.

7.1A Mandate has the meaning given in Section 4.1.

Acquisition Agreement has the meaning given in Section 6.1.

ASIC means the Australian Securities & Investments Commission.

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

Board means the current board of directors of the Company.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

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 Reach Resources Limited (ACN 097 982 235).

Consulting Agreement has the meaning given in Section 7.1.

Constitution means the Company's constitution.

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

Directors means the current directors of the Company.

Eligible Entity means an entity which is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300,000,000 or less.

Employee Securities Incentive Plan or **Plan** means the employee securities incentive plan approved by Shareholders on 5 April 2023.

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 Statement means the explanatory statement accompanying the Notice.

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 Person means a related party of the Company, member of the Key Management Personnel, substantial holder of the Company, adviser of the Company or associate of any of these parties.

Meeting means the meeting convened by the Notice.

Notice means this notice of meeting including the Explanatory Statement and the Proxy Form.

Option means an option to acquire a Share.

Performance Right means a right to acquire a Share subject to satisfaction of performance milestones.

Proxy Form means the proxy form accompanying the Notice.

Remuneration Report means the remuneration report set out in the Director's report section of the Company's annual financial report for the year ended 30 June 2024.

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

Section means a section of the Explanatory Statement.

Security means a Share, Option or Performance Right (as applicable).

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

Shareholder means a registered holder of a Share.

Tranche A Option means an Option on the terms and conditions set out in Schedule 1.

Tranche B Option means an Option on the terms and conditions set out in Schedule 1.

Variable A means "A" as set out in the formula in Listing Rule 7.1A.2.

WST means Western Standard Time as observed in Perth, Western Australia.

SCHEDULE 1 – TERMS AND CONDITIONS OF TRANCHE A & B OPTIONS TO BE ISSUED TO DIRECTORS

(a) **Entitlement**

Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

(b) **Exercise Prices and Expiry Dates**

Subject to paragraph (i) the relevant '**Exercise Prices**' and '**Expiry Dates**' of the Options to be issued is set out below:

Tranche	Number	Exercise Price	Expiry Date
A	9,500,000	\$0.02	5:00 pm (WST) on 30 November 2027
B	9,500,000	\$0.03	5:00 pm (WST) on 30 November 2027

(c) **Exercise Period**

The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

(d) **Notice of Exercise**

The Options may be exercised during the Exercise Period 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.

(e) **Exercise Date**

A Notice of Exercise is only effective on and from the later of 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**).

(f) **Timing of issue of Shares on exercise**

Within five Business Days after the Exercise Date, the Company will:

- (i) 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, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- (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.

If a notice delivered under (f)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(g) **Shares issued on exercise**

Shares issued on exercise of the Options rank equally with the then issued shares of the Company.

(h) **Quotation of Shares issued on exercise**

Application will be made by the Company to ASX for quotation of the Shares issued upon exercise of the Options.

(i) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(j) **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.

(k) **Change in exercise price**

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

(l) **Transferability**

The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

SCHEDULE 2 – VALUATION OF TRANCHE A & B OPTIONS TO BE ISSUED TO DIRECTORS

The Options to be issued pursuant to Resolutions 4 to 6 have been valued by internal management.

Using the binomial options pricing model and based on the assumptions set out below, the Options were ascribed the following value:

TRANCHE A ASSUMPTIONS:	
Valuation date	7 October 2024
Market price of Shares	\$0.012
Exercise price	\$0.02
Expiry date (length of time from issue)	3 years
Risk free interest rate	3.50%
Volatility (discount)	80%
Indicative value per Tranche A Option	\$0.005
Total Value of Tranche A Options	\$47,500
- Sam Wright (Resolution 4)	\$15,000
- Robert Downey (Resolution 5)	\$17,500
- Matthew O'Kane (Resolution 6)	\$15,000

Note: The valuation noted above is not necessarily the market price that the Options could be traded at and is not automatically the market price for taxation purposes.

TRANCHE B ASSUMPTIONS:	
Valuation date	7 October 2024
Market price of Shares	\$0.012
Exercise price	\$0.03
Expiry date (length of time from issue)	3 years
Risk free interest rate	3.50%
Volatility (discount)	80%
Indicative value per Tranche B Option	\$0.004
Total Value of Tranche B Options	\$38,000
- Sam Wright (Resolution 4)	\$12,000
- Robert Downey (Resolution 5)	\$14,000
- Matthew O'Kane (Resolution 6)	\$12,000

Note: The valuation noted above is not necessarily the market price that the Options could be traded at and is not automatically the market price for taxation purposes.

SCHEDULE 3 – TERMS AND CONDITIONS OF PLAN

- (a) **(Purpose of Plan):** The purpose of the Plan is to:
- (i) assist in the reward, retention and motivation of Eligible Participants;
 - (ii) link the reward of Eligible Participants to Shareholder value creation; and
 - (iii) align the interests of Eligible Participants with shareholders of the Group (being the Company and each of its Related Bodies Corporate), by providing an opportunity to Eligible Participants to receive an equity interest in the Company in the form of Awards (being securities exercisable for Shares, including options and performance rights).
- (b) **(Eligibility to participate):** An Eligible Participant means a person that:
- (i) is a "primary participant" (as defined in section 1100L(1)(a) Corporations Act or any amendment or replacement thereof) in relation to the Company or a Related Body Corporate; and
 - (ii) has been determined by the Board to be eligible to participate in the Plan from time to time.
- (c) **(Permitted Nominees):** If an Eligible Participant is permitted in the Offer, they may, by written notice to the Board, nominate a Permitted Nominee in whose favour the Eligible Participant wishes to renounce the Offer.
- A "Permitted Nominee" is defined as a "related person" of an Eligible Participant (section 1100L(b) of the Corporations Act) or a trustee(s) of a trust set up solely for the benefit of the Eligible Participant and/or a "related person".
- (d) **(Administration of Plan):** The Plan will be administered by the Board. The Board may exercise any power or discretion conferred on it by the Plan rules in its absolute discretion. The Board may delegate its powers and discretion.
- (e) **(Offers of Awards):** The Board may from time to time determine that an Eligible Participant may participate in the Plan and make an offer to that Eligible Participant to apply for Options or Performance Rights (**Awards**).
- (f) **(Applications for Awards):** An Eligible Participant who wishes to apply to participate in the Plan in response to an Offer must provide a completed application form to the Company. The Board may accept an application from an Eligible Participant in whole or in part. If an Eligible Participant is permitted in the Offer, the Eligible Participant may, by notice in writing to the Board, nominate a party in whose favour the Eligible Participant wishes to renounce the invitation in order for that nominee to be granted the Awards the subject of the Offer.
- (g) **(Grant of Awards):** The Company will, to the extent that it has accepted a duly completed application, grant the Participant the relevant number of Awards, subject to the terms and conditions set out in the Offer, the Plan rules and any ancillary documentation required.
- (h) **(Terms of Awards):** Each 'Award' represents a right to acquire one or more Shares (for example, under an option or performance right), subject to the terms and conditions of the Plan. Prior to an Award being exercised, a Participant does not have any interest (legal, equitable or otherwise) in any Share the subject of the Award by virtue of holding the Award.
- (i) **(Vesting of Awards):** Any vesting conditions applicable to the grant of Awards will be described in the Offer. If all the vesting conditions are satisfied and/or otherwise waived by the Board, a vesting notice will be sent to the Participant by the Company informing them that the relevant Awards have vested. Unless and until the vesting notice is issued by the Company, the Awards will not be considered to have vested. For the avoidance of doubt, if the vesting conditions relevant to an Award are not satisfied and/or otherwise waived by the Board, that Award will lapse.
- (j) **(Delivery of Shares on exercise of Awards):** As soon as practicable after the valid exercise of an Award by a Participant, the Company will issue or cause to be transferred to that Participant the number of Shares to which the Participant is entitled under the Plan rules

and issue a substitute certificate for any remaining unexercised Awards held by that Participant.

- (k) **(Exercise of Awards and cashless exercise):** In the case of an Award which is an Option, to exercise an Award, the Participant must deliver a signed notice of exercise and, subject to a cashless exercise of Awards (see below), pay the exercise price (if any) to or as directed by the Company, at any time prior to the earlier of any date specified in the vesting notice and the expiry date as set out in the invitation. In the case of an Award which is a Performance Right, following the issue of a Vesting Notice, a vested Performance Right will automatically be exercised within the period specified by the Board in the relevant Offer.

The Participant may elect not to be required to provide payment of the exercise price for the number of Awards specified in a notice of exercise, but that on exercise of those Awards the Company will transfer or issue to the Participant that number of Shares as are equal in value to the difference between the total Exercise Price otherwise payable for the Awards on the Awards being exercised and the then market value of Shares at the time of exercise (determined as the volume weighted average of the prices at which Shares were traded on the ASX during the 5 trading-day period immediately preceding the exercise date) calculated in accordance with the following formula:

(MSP – EP)

$$S = A \times \text{MSP}$$

Where:

- (i) **S** = Number of Shares to be issued on exercise of the Awards;
- (ii) **A** = Number of Awards;
- (iii) **MSP** = Market value of Shares (calculated using the volume weighted average price (as that term is defined in the ASX Listing Rules) at which Shares were traded on the ASX during the 5 trading day-period immediately preceding the exercise date); and
- (iv) **EP** = Exercise Price.

If the difference between the total Exercise Price otherwise payable for the Awards on the Awards being exercised and the then market value of Shares at the time of exercise (calculated in accordance with the formula above) is zero or negative, then a holder will not be entitled to use the Cashless Exercise Facility.

- (l) **(Restrictions on Dealing):** A Participant may not sell, transfer, assign, grant a security interest over, option, swap, alienate or otherwise deal with an Award that has been granted to them.

The Board may impose a restriction on dealing with Shares allocated on exercise or vesting of an Award. The Board may implement any procedure it considers appropriate to ensure the compliance by the Participant with this restriction, including the imposition of a holding lock or requiring that Shares be held in trust on behalf of the Participant.

- (m) **(Forfeiture of Awards):** Where a Participant who holds Awards ceases to be an Eligible Participant or becomes insolvent, all unvested Awards will automatically be forfeited by the Participant, unless the Board otherwise determines in its discretion to permit some or all of the Awards to vest. Where the Board determines that a Participant has acted fraudulently or dishonestly, or wilfully breached his or her duties to the Group, the Board may in its discretion deem all unvested Awards held by that Participant to have been forfeited.

Unless the Board otherwise determines, or as otherwise set out in the Plan rules:

- (i) any Awards which have not yet vested will be forfeited immediately on the date that the Board determines (acting reasonably and in good faith) that any

applicable vesting conditions have not been met or cannot be met by the relevant date; and

- (ii) any Awards which have not yet vested will be automatically forfeited on the expiry date specified in the invitation.
- (n) **(Change of control):** If a change of control event occurs in relation to the Company, or the Board determines that such an event is likely to occur, the Board may in its absolute discretion determine that:
 - (i) all or a specified number of a Participant's unvested Awards are deemed to have vested;
 - (ii) all or specified number of a Participant's Options may be exercised for a period specified by the Board, and if not exercised within that period, will lapse;
 - (iii) the Dealing Restrictions or any other terms which apply to the Award cease to apply; and/or
 - (iv) the Dealing Restrictions which apply to Shares allocated on the vesting of or exercise of an Award (as applicable) cease to apply.
- (o) **(Rights):** All Shares issued under the Plan or issued or transferred to a Participant upon the valid exercise of an Award, will rank equally in all respects with the Shares of the same class. A Participant will be entitled to any dividends declared and distributed by the Company on the Shares and may participate in any dividend reinvestment plan operated by the Company in respect of Shares. A Participant may exercise any voting rights attaching to Shares.
- (p) **(Adjustment for capital reconstructions):** If there is a reorganisation of the issued share capital of the Company (including any subdivision, consolidation, reduction, return or cancellation of such issued capital of the Company), the rights of each Participant holding Awards will be changed to the extent necessary to comply with the Listing Rules applicable to a reorganisation of capital at the time of the reorganisation.

If Shares are issued by the Company by way of bonus issue (other than an issue in lieu of dividends or by way of dividend reinvestment), the holder of Awards is entitled, upon exercise of the Awards, to receive an allotment of as many additional Shares as would have been issued to the holder if the holder held Shares equal in number to the Shares in respect of which the Awards are exercised.

Unless otherwise determined by the Board, a holder of Awards does not have the right to participate in a pro rata issue of Shares made by the Company or sell renounceable rights.

- (q) **(Participation in new issues):** There are no participation rights or entitlements inherent in the Awards and holders are not entitled to participate in any new issue of Shares of the Company during the currency of the Awards without exercising the Awards.
 - (r) **(Amendment of Plan):** Subject to the following paragraph, the Board may at any time amend any provisions of the Plan rules, including the terms upon which any Awards have been granted under the Plan and determine that any amendments to the Plan rules be given retrospective effect, immediate effect or future effect.

No amendment to any provision of the Plan rules may be made if the amendment materially reduces the rights of any Participant as they existed before the date of the amendment, other than an amendment introduced primarily for the purpose of complying with legislation or to correct manifest error or mistake, amongst other things, or is agreed to in writing by all Participants.

- (s) **(Term of Plan):** The Plan continues in operation until the Board decides to end it. The Board may from time to time suspend the operation of the Plan for a fixed period or indefinitely and may end any suspension. If the Plan is terminated or suspended for any reason, that termination or suspension must not prejudice the accrued rights of the Participants.

SCHEDULE 4 – TERMS AND CONDITIONS OF OPTIONS ISSUED TO DAVID FLANAGAN

(a) **Entitlement**

Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

(b) **Exercise Price**

Subject to paragraph (i), the amount payable upon exercise of each Option will be \$0.0074 (**Exercise Price**).

(c) **Expiry Date**

Each Option will expire at 5:00 pm (WST) on 31 December 2026 (**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 on or prior to the Expiry Date (**Exercise Period**).

(e) **Notice of Exercise**

The Options may be exercised during the Exercise Period 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.

(f) **Exercise Date**

A Notice of Exercise is only effective on and from the later of 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 five Business Days after the Exercise Date, the Company will:

- (i) 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, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- (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.

If a notice delivered under 1.1(f)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(h) **Shares issued on exercise**

Shares issued on exercise of the Options rank equally with the then issued shares of the Company.

(i) **Quotation of Shares issued on exercise**

Application will be made by the Company to ASX for quotation of the Shares issued upon exercise of the Options.

(j) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(k) **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.

(l) **Change in exercise price**

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

(m) **Transferability**

The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

Your proxy voting instruction must be received by **12.00pm (AWST) on Tuesday, 19 November 2024**, 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 Key Management Personnel.

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://automicgroup.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:

Automic
GPO Box 5193
Sydney NSW 2001

IN PERSON:

Automic
Level 5, 126 Phillip Street
Sydney NSW 2000

BY EMAIL:

meetings@automicgroup.com.au

BY FACSIMILE:

+61 2 8583 3040

All enquiries to Automic:

WEBSITE:

<https://automicgroup.com.au>

PHONE:

1300 288 664 (Within Australia)
+61 2 9698 5414 (Overseas)

