



Gold Mountain Limited

ACN 115 845 942

NOTICE OF ANNUAL GENERAL MEETING AND EXPLANATORY MEMORANDUM

Monday, 29 November 2021

3:00pm (AEST)

Level 34, 1 Eagle Street, Brisbane QLD 4000

The Annual Report is available online at www.goldmountainltd.com.au

In accordance with the *Treasury Laws Amendment (2021 Measures No. 1) Act 2021*, the Company will not be sending hard copies of the Notice of Meeting (Notice) to shareholders unless a shareholder has requested a hard copy. The Notice can be viewed and downloaded from the Company's website at: www.goldmountainltd.com.au

This Notice of Meeting 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. Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on (+61 8) 9486 4036.

BUSINESS OF THE MEETING

AGENDA

Annual Report

To receive and consider the Company's Annual Report for the year ended 30 June 2021, which includes the Financial Report, the Directors' Report and the Auditor's Report.

Resolution 1 – Adoption of Remuneration Report

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

“That the Remuneration Report included in the Annual Report for the financial year ended 30 June 2021 be adopted by the Shareholders on the terms and conditions set out in the Explanatory Memorandum.”

The vote on this resolution is advisory only and does not bind the Directors or the Company.

Voting Exclusion

A vote on this Resolution must not be cast (in any capacity) by or on behalf of any 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 vote on this Resolution if the vote is not cast on behalf of a person described above and either:

- (a) the voter does so as a proxy appointed by writing that specifies how the proxy is to vote on the 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 if this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel for the Company.

Resolution 2 – Re-election of Director – Timothy Cameron

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

“That Mr Cameron, having been appointed by the Directors on 1 December 2020 until this Annual General Meeting, retires in accordance with clause 3.3(a) of the Constitution and, having offered himself for re-election and being eligible, is hereby re-elected as a Director.”

Resolution 3 – Re-election of Director – Steven Larkins

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

"That Mr Larkins, having been appointed by the Directors on 12 June 2021 until this Annual General Meeting, retires in accordance with clause 3.3(a) of the Constitution and, having offered himself for re-election and being eligible, is hereby re-elected as a Director."

Resolution 4 – Re-election of Director – Pay Chuan (Paul) Lim

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

"That Mr Lim, who retires by rotation in accordance with clause 3.6 of the Constitution and, being eligible, is hereby re-elected as a Director."

Resolution 5 - Issue of Incentive Options to Timothy Cameron

To consider and if thought fit, to pass the following as an **Ordinary Resolution**:

"That for the purposes of Chapter 2E of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, Shareholders approve and authorise the grant of up to 20,000,000 Incentive Options to Timothy Cameron (or his nominee) on the terms and conditions set out in the Explanatory Memorandum."

Voting Exclusion Statement:

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:

- (a) Timothy Cameron (or his nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons.

However, this does not apply to a vote cast in favour of a 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; or
- (b) the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or
- (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 Prohibition Statement:

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.

However, 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 – Ratification of Prior Issue – 7.1

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

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, the Shareholders ratify the prior issue of 36,363,636 Shares on the terms and conditions set out in the Explanatory Memorandum.”

Voting Exclusion:

The entity will disregard any votes cast in favour of the resolution by or on behalf of:

- (a) Matt Liddy (or his nominees); or
- (b) an associate of those persons.

However, this does not apply to a vote cast in favour of a 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; or
- (b) the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or
- (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.

Resolution 7 – Ratification of Prior Issue – Fee Shares

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

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, the Shareholders ratify the prior issue of 2,545,454 Shares on the terms and conditions set out in the Explanatory Memorandum.”

Voting Exclusion:

The entity will disregard any votes cast in favour of the resolution by or on behalf of:

- (a) Matt Liddy (or his nominees); or
- (b) an associate of those persons.

However, this does not apply to a vote cast in favour of a 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; or
- (b) the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or
- (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.

Resolution 8 – Ratification of Prior Issue – Adjustment Shares

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

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, the Shareholders ratify the prior issue of 32,424,242 Shares on the terms and conditions set out in the Explanatory Memorandum.”

Voting Exclusion:

The entity will disregard any votes cast in favour of the resolution by or on behalf of:

- (a) Matt Liddy (or his nominees); or
- (b) an associate of those persons.

However, this does not apply to a vote cast in favour of a 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; or
- (b) the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or
- (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.

Resolution 9 – Ratification of Prior Issue – Underwriter Options

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

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, the Shareholders ratify the prior issue of 20,472,664 options on the terms and conditions set out in the Explanatory Memorandum.”

Voting Exclusion:

The entity will disregard any votes cast in favour of the resolution by or on behalf of:

- (a) Mahe Capital (or their nominees); or
- (b) an associate of those persons.

However, this does not apply to a vote cast in favour of a 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; or
- (b) the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or
- (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.

Resolution 10 – Ratification of Prior Issue – Lead Manager Options

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

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, the Shareholders ratify the prior issue of 1,127,336 options on the terms and conditions set out in the Explanatory Memorandum.”

Voting Exclusion:

The entity will disregard any votes cast in favour of the resolution by or on behalf of:

- (a) Mahe Capital (or their nominees); or
- (b) an associate of those persons.

However, this does not apply to a vote cast in favour of a 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; or
- (b) the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or
- (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.

Resolution 11 – Ratification of Prior Issue – Placement Shares

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

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, the Shareholders ratify the prior issue of 14,091,700 Shares on the terms and conditions set out in the Explanatory Memorandum.”

Voting Exclusion:

The entity will disregard any votes cast in favour of the resolution by or on behalf of:

- (a) a person who participated in the issue or is a counterparty to the agreement being approved (namely the Placement Participants); or
- (b) an associate of those persons.

However, this does not apply to a vote cast in favour of a 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; or
- (b) the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or
- (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.

Resolution 12 – Ratification of Prior Issue – Placement Options

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

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, the Shareholders ratify the prior issue of 4,697,233 free-attaching quoted Options on the terms and conditions set out in the Explanatory Memorandum.”

Voting Exclusion:

The entity will disregard any votes cast in favour of the resolution by or on behalf of:

- (a) a person who participated in the issue or is a counterparty to the agreement being approved (namely the Placement Participants); or
- (b) an associate of those persons.

However, this does not apply to a vote cast in favour of a 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; or
- (b) the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or
- (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.

Resolution 13 – Ratification of Prior Issue – Advisor Options

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

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, the Shareholders ratify the prior issue of 10,000,000 options on the terms and conditions set out in the Explanatory Memorandum.”

Voting Exclusion:

The entity will disregard any votes cast in favour of the resolution by or on behalf of:

- (a) Matt Liddy (or his nominees); or
- (b) an associate of those persons.

However, this does not apply to a vote cast in favour of a 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; or
- (b) the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or

- (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.

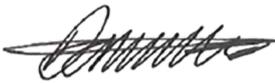
Resolution 14 – Approval of 10% Placement Facility

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

“That, pursuant to and in accordance with Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of Equity Securities up 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 on terms and conditions in the Explanatory Memorandum.”

Dated 28 October 2021

BY ORDER OF THE BOARD



Daniel Smith
Company Secretary

EXPLANATORY MEMORANDUM

Introduction

This Explanatory Memorandum has been prepared for the information of members of Gold Mountain Limited (“Gold Mountain”) in connection with the business to be conducted at the Annual General Meeting to be held on Monday, 29 November 2021 commencing at 3:00 pm (AEST) at Level 34, 1 Eagle Street, Brisbane QLD 4000.

This Explanatory Memorandum forms part of and should be read in conjunction with the accompanying Notice of Annual General Meeting.

Shareholders should note that all the Directors approved the proposal to put the resolutions to Shareholders as outlined in the Notice of Annual General Meeting and to prepare this Explanatory Memorandum.

The purpose of this Explanatory Memorandum is to provide information for Shareholders in deciding whether or not to pass the Resolutions in the Notice of Annual General Meeting.

Action to be taken by Shareholders

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

Voting in person

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

In light of the status of the evolving COVID-19 situation and the Commonwealth and State government restrictions on public gatherings in place at the date of this Notice of Meeting, the Directors strongly encourage all Shareholders to lodge a directed proxy form prior to the Meeting. The Chairman will adjourn the Meeting where the number of attendees may lead to the breach local public health laws and regulations.

Voting by proxy

A Proxy Form is attached to the 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.

Corporate representatives

Shareholders who are body corporates may appoint a person to act as their corporate representative at the Meeting by providing that person with a certificate or letter executed in accordance with the Corporations Act authorising him or her to act as the body corporate's representative. The authority may be sent to the Company and/or registry in advance of the Meeting or handed in at the Meeting when registering as a corporate representative.

An appointment of corporate representative form is available from the website of the Company's share registry <https://boardroomlimited.com.au/>.

Eligibility to vote

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 3:00pm (AEST) on 27 November 2021.

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.

Voting via poll

All Resolutions under this Notice will be determined by poll.

Submitting questions

Shareholders may submit questions in advance of the Meeting to the Company. Questions must be submitted by emailing the Company Secretary at dan.smith@goldmountainltd.com.au by 5:00 pm (AEST) on Saturday, 27 November 2021.

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. Shareholders are limited to a maximum of two questions each (including any submitted in advance of 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).

1. Annual Report

In accordance with the requirements of the Company's Constitution and the Corporations Act, the 2021 Annual Report will be tabled at the Annual General Meeting. There is no requirement for Shareholders to approve the Annual Report, however Shareholders will have the opportunity of discussing the Annual Report and making comments and raising queries in relation to the Report.

The Annual Report is available online at www.goldmountainltd.com.au

Representatives from the Company's auditors, KS Black, will be present to take Shareholders' questions and comments about the conduct of the audit and the preparation and content of the Auditor's Report.

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

- (c) the preparation and the content of the Auditor's Report; and
- (d) the conduct of the audit;
- (e) accounting policies by the Company in relation to the preparation of the financial statements; and
- (f) the independence of the auditor in relation to the conduct of the audit,

may be submitted no later than 5 Business Days before the Meeting to the Company Secretary at the Company's registered office.

Resolution 1 – Adoption of Remuneration Report

1. General

The Annual Report for the financial year ended 30 June 2021 contains a Remuneration Report, which forms part of the Directors' Report and sets out the remuneration policy for the Company and its controlled entities, and reports the remuneration arrangements in place for executive directors, senior management and non-executive directors.

The Corporations Act requires listed companies to put an annual non-binding resolution to shareholders to adopt the Remuneration Report. In line with the legislation, this vote will be advisory only, and does not bind the Directors or the Company. However, the Board will take the outcome of the vote into consideration when considering the Company's remuneration policy.

2. Voting consequences

Under the Corporations Act, if at least 25% of the votes cast on Resolution 1 are voted against adoption of the Remuneration Report at the Annual General Meeting, and then again at the Company's 2022 annual general meeting, the Company will be required to put to Shareholders a resolution proposing the calling of a general meeting to consider the appointment of Directors of the Company (**Spill Resolution**).

If more than 50% of Shareholders vote in favour of the Spill Resolution, the Company must convene the general meeting (**Spill Meeting**) within 90 days of the Company's 2022 annual general meeting. All the Directors who were in office when the Company's 2022 Director's report 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 is approved will be the Directors of the Company.

3. Previous voting results

At the Company's previous annual general meeting the votes cast against the remuneration report were less than 25%. Accordingly, the resolution for the re-election of the Board is not relevant for this Meeting.

The Chairman will allow a reasonable opportunity for Shareholders as a whole to ask about, or make comments on the Remuneration Report.

The Chairman intends to exercise all undirected proxies in favour of Resolution 1. If the Chairman of the Meeting is appointed as your proxy and you have not specified the way the Chairman is to vote on Resolution 1, by signing and returning the Proxy Form, the Shareholder is considered to have provided the Chairman with an express authorisation for the Chairman to vote the proxy in accordance with the Chairman's intention.

Resolution 2 – Re-election of Director – Timothy Cameron

Mr Cameron was appointed to the Board during the year in accordance with clause 3.3(a) of the Constitution.

Any Director so appointed holds office only until the next following annual general meeting and is then eligible for re-election but shall not be taken into account in determining the Directors who are to retire by rotation (if any) at that meeting.

Mr Cameron automatically retires at this Annual General Meeting in accordance with clause 3.3(a) of the Constitution, and being eligible, seeks re-election at the Meeting.

Details of Mr Cameron's background and experience are set out in the Company's Annual Report.

Board Recommendation

The Board (excluding Mr Cameron) recommends Shareholders vote in favour of the Resolution.

Voting Intention

The Chairman of the meeting intends to vote undirected proxies in favour of this Resolution.

2. Resolution 3 – Re-election of Director – Steven Larkins

Mr Larkins' was appointed to the Board during the year in accordance with clause 3.3(a) of the Constitution.

Any Director so appointed holds office only until the next following annual general meeting and is then eligible for re-election but shall not be taken into account in determining the Directors who are to retire by rotation (if any) at that meeting.

Mr Larkins' automatically retires at this Annual General Meeting in accordance with clause 3.3(a) of the Constitution, and being eligible, seeks re-election at the Meeting.

Details of Mr Larkins's background and experience are set out in the Company's Annual Report.

Board Recommendation

The Board (excluding Mr Larkins') recommends Shareholders vote in favour of the Resolution.

Voting Intention

The Chairman of the meeting intends to vote undirected proxies in favour of this Resolution.

3. Resolution 4 – Re-election of Director – Pay Chuan (Paul) Lim

In accordance with the requirements of the Company's Constitution and the Corporations Act, one-third of the Directors of the Company retire from office at this Annual General Meeting, and, being eligible, may offer themselves for re-election. Mr Lim retires by rotation and offers himself for re-election.

Details of Mr Lim's background and experience are set out in the Annual Report.

Board Recommendation

The Board (excluding Mr Lim) recommends Shareholders vote in favour of the Resolution.

Voting Intention

The Chairman of the meeting intends to vote undirected proxies in favour of this Resolution.

4. Resolution 5 - Grant Of Incentive Options To Director

4.1 Details of the proposed grant of options to Timothy Cameron

The Company proposes to grant, subject to obtaining Shareholder approval, 20,000,000 options each exercisable at \$0.12 and expiring on or before 5 years from the date of their issue (**Incentive Options**) to Timothy Cameron (or his nominee). The Incentive Options proposed to be issued form part of the remuneration package for Mr Cameron.

Having regard to the varied roles that Mr Cameron holds in respect of the development of the Company, the Board considers that the grant of Incentive Options to Mr Cameron is an appropriate form of long-term incentive-based remuneration as it provides an attractive remuneration package to motivate and reward the performance of Mr Cameron as the Company's CEO. In particular:

- (a) the grant of Incentive Options to Mr Cameron will ensure the alignment of the interests of Mr Cameron with those of Shareholders;

- (b) the grant of the Incentive Options 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 Mr Cameron; and
- (c) it is not considered that there are any significant opportunity costs to the Company or benefits foregone by the Company in granting the Incentive Options upon the terms proposed.

4.2 Approval for the purposes of the ASX Listing Rules and the Corporations Act

Resolution 5 seeks Shareholder approval for the grant of Incentive Options to Mr Cameron for the purposes of:

- (a) ASX Listing Rule 10.11, which requires Shareholder approval to be obtained where an entity issues, or agrees to issue, securities to a related party, or a person whose relationship with the entity or a related party is, in ASX's opinion, such that approval should be obtained unless an exception in ASX Listing Rule 10.12 applies; and
- (b) Chapter 2E of the Corporations Act, which prohibits a public company from giving a financial benefit to a related party of a public company unless the giving of the financial benefit falls within one of the nominated exceptions or Shareholder approval is obtained prior to the giving of the financial benefit.

Shareholder approval under ASX Listing Rule 7.1 is not required for the issue of securities that have been approved under ASX Listing Rule 10.11. Accordingly, provided that Resolution 5 is approved by Shareholders, the grant of Incentive Options to Mr Cameron (and any subsequent acquisition of Shares upon exercise of those Incentive Options) will not be included in the calculation of the Company's 15% annual placement capacity for the purposes of ASX Listing Rule.

4.3 Listing Rule 10.11

For the purpose of the approval sought under ASX Listing Rule 10.11 the following information is provided in relation to the proposed grant of Incentive Options to Mr Cameron.

If Resolution 5 is passed, Gold Mountain will be able to proceed with the Issue of Incentive Options to Mr Cameron as part of its remuneration planning, preserving the Company's cash.

If Resolution 5 is not passed, Gold Mountain will not be able to proceed with the Issue of Incentive Options to Mr Cameron as part of its remuneration planning, therefore the Company may be required to increase the cash remuneration paid to Mr Cameron.

4.4 Information required by the ASX Listing Rules

Pursuant to and in accordance with Listing Rule 10.13, the following information is provided in relation to this Resolution:

- (a) the Incentive Options are proposed to be issued to a Director of the Company, Mr Cameron (or his nominees), a related party of the Company.
- (b) the maximum number of Incentive Options that may be granted pursuant pursuant to Resolution 5 is 20,000,000.

- (c) the purpose of the issue of the Incentive Options is to provide a performance linked incentive component in the remuneration package for Tim Cameron to motivate and reward their performance as a Director and to provide cost effective remuneration to Tim Cameron, 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 Tim Cameron.
- (d) the Incentive Options will be granted on the specific terms and conditions set out in Annexure A of this Explanatory Statement. No price is payable for the grant of the Incentive Options, or on vesting of the Incentive Options, however there will be an Exercise Price to be paid by a prescribed date in order to convert the Incentive Options into new ordinary shares. The value of the Incentive Options to be issued to Mr Cameron is set out in section 4.4(e) below. Options were chosen as the form of security to incentivise Mr Cameron as it minimises upfront dilution and, if all Incentive Options are exercised, will raise \$2,400,000 through the issue of Shares at \$0.12.
- (e) The current total remuneration package for Tim Cameron is \$207,000 per annum, comprising of directors' fees. If the Incentive Options are issued, the total remuneration package of Tim Cameron for the 2022 financial year will increase by \$184,366 to \$391,366, being the value of the Incentive Options (based on black scholes valuation methodology as set out in **Annexure B**).
- (f) The Incentive Options are not being issued under an agreement.
- (g) A voting exclusion statement is included in the Notice of Meeting.
- (h) No loans are being provided by the Company for the acquisition of securities under the Incentive Plan.
- (i) the Incentive Options will be issued no later than 1 month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules).
- (j) Shareholder approval under ASX Listing Rule 7.1 is not required for issues that have been approved under ASX Listing Rule 10.11. Accordingly, provided Resolution 5 is approved by Shareholders, the grant of Incentive Options to Mr Cameron (and any subsequent acquisition of Shares on the valid exercise of those Incentive Options) will not be included in the calculation of the Company's 15% annual placement capacity for the purposes of ASX Listing Rule 7.1.

4.5 Information required by the Corporations Act

Chapter 2E of the Corporations Act prohibits a public company from giving a financial benefit to a related party of a public company unless the benefit falls within one of the various exceptions to the general prohibition. A "related party" for the purposes of the Corporations Act is defined broadly and includes a director of the Company. "Financial Benefit" has a wide meaning and includes the issue of securities by a public company.

The issue of Incentive Options to Tim Cameron (or his nominee) constitutes giving a financial benefit and Tim Cameron is a related party of the Company by virtue of being a Director.

The Directors (other than Tim Cameron who has a material personal interest in the Resolution) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the grant of Incentive Options because the agreement to issue the Incentive Options, reached as part of the remuneration package for Tim Cameron, is considered reasonable remuneration in the circumstances and was negotiated on an arm's length basis

4.6 Directors' recommendation and basis of recommendation:

The Board (excluding Mr Cameron) recommends Shareholders vote in favour of the Resolution.

4.7 Other information

There are no material opportunity costs to the Company, no taxation consequences to the Company and no material benefits foregone by the Company in granting the Incentive Options to Mr Cameron.

The Directors are not aware of any information, other than the information set out in this Explanatory Statement that would reasonably be required by Shareholders in order to decide whether or not it is in the Company's interests to pass Resolution 5.

5. Resolution 6 – Ratification of Prior Issue of Shares - Placement

5.1 Background

On 16 November 2020, the Company announced that it had had entered into funding agreements with entities affiliated with Mr Matt Liddy, an advisor to the Company (**Funding Agreement (Annexure C)**). Pursuant to the Funding Agreement, Gold Mountain issued 36,363,636 ordinary shares at an issue price of \$0.055 per share to raise \$2 million before costs (**Placement Shares**). The Placement Shares were issued out of the Company's ASX Listing Rule 7.1 capacity.

Resolution 6 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of the Placement Shares, as set out below.

5.2 ASX listing rule 7.1

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

ASX 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 of the Placement Shares.

5.3 Technical information required by ASX Listing Rule 7.4

In compliance with the information requirements of ASX Listing Rule 7.5, Shareholders are advised of the following in relation to the Ratification of the Bonus Shares:

- (a) number of securities issued: 36,363,636 Placement Shares were issued to Mr Liddy (or his nominees), an advisor to the Company, pursuant to ASX Listing Rule 7.1:
- (b) the issue price of the Placement Shares was \$0.055 per Share;
- (c) the Shares are ordinary fully paid shares in the capital of the Company and rank equally in all respects with the existing Shares on issue;
- (d) the Shares were issued to an employee of the Company but not a related party of the Company.
- (e) the Placement Shares were issued on 16 November 2020; and
- (f) the purpose of the issue was to raise \$2 million before costs for project exploration and working capital.

If Resolution 6 is passed, the Issue will be excluded in calculating Gold Mountain'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 6 is not passed, the Issue will be included in calculating Gold Mountain's 15% limit in Listing Rule 7.1, effectively decreasing the number of equity securities it can issue without shareholder approval over the 12-month period following the Issue Date.

The Directors unanimously recommend Shareholders vote in favour of Resolution 6.

6. Resolution 7 – Ratification of Prior Issue of Shares – Fee Shares

6.1 Background

On 16 November 2020, the Company issued 2,545,454 ordinary shares at a deemed issue price of \$0.055 each pursuant to the Funding Agreements (**Annexure C**) in satisfaction of placement fees (**Fee Shares**). The Fee Shares were issued out of the Company's ASX Listing Rule 7.1 capacity.

Resolution 7 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of the Bonus Shares, as set out below.

6.2 ASX listing rule 7.1

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12-month period than that amount

which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12-month period.

ASX 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.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

6.3 Technical information required by ASX Listing Rule 7.4

In compliance with the information requirements of ASX Listing Rule 7.5, Shareholders are advised of the following in relation to the Ratification of the Fee Shares:

- (a) number of securities issued: 2,545,454 Fee Shares were issued to entities associated with Mr Liddy, an advisor to the Company, pursuant to ASX Listing Rule 7.1;
- (b) the deemed issue price of the Fee Shares was \$0.055 per Share;
- (c) the Shares are ordinary fully paid shares in the capital of the Company and rank equally in all respects with the existing Shares on issue;
- (d) the Shares were issued to an advisor of the Company but not a related party of the Company.
- (e) the Fee Shares were issued on 16 November 2020 under an Agreement; and
- (f) no funds were raised through the issue of the Fee Shares. The Fee Shares were issued to the recipient in satisfaction of facilitation fees in lieu of a cash payment.

If Resolution 7 is passed, the Issue will be excluded in calculating Gold Mountain'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 7 is not passed, the Issue will be included in calculating Gold Mountain's 15% limit in Listing Rule 7.1, effectively decreasing the number of equity securities it can issue without shareholder approval over the 12-month period following the Issue Date.

The Directors unanimously recommend Shareholders vote in favour of Resolution 7.

7. Resolution 8 – Ratification of Prior Issue of Shares – Adjustment Shares

7.1 Background

On 18 August 2021, the Company issued 32,424,242 ordinary shares at a deemed issue price of \$0.02 each to the parties of the Funding Agreement (refer Section 5.1). Pursuant to

the terms of the Funding Agreement (announced 16 November 2020), in the event the Company's share price falls below a 10 day VWAP of \$0.055 per share at any time between 6 and 24 months after the placement is made, each investor had a right to request additional shares to be issued to adjust for the lower share price (**Adjustment Shares**). Following the Company's rights entitlement issue announced in July 2021, Gold Mountain received valid adjustment notices from the investors. The Adjustment Shares were issued out of the Company's ASX Listing Rule 7.1 capacity.

Resolution 8 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of the Adjustment Shares, as set out below.

7.2 ASX listing rule 7.1

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

ASX 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.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

7.3 Technical information required by ASX Listing Rule 7.4

In compliance with the information requirements of ASX Listing Rule 7.5, Shareholders are advised of the following in relation to the Ratification of the Adjustment Shares:

- (a) number of securities issued: 32,424,242 Adjustment Shares were issued to Mr Liddy (or his nominees), an advisor of the Company, pursuant to ASX Listing Rule 7.1;
- (b) the deemed issue price of the Adjustment Shares was \$0.02 per Share;
- (c) the Adjustment Shares are ordinary fully paid shares in the capital of the Company and rank equally in all respects with the existing Shares on issue;
- (d) the Adjustment Shares were issued to entities associated with an advisor of the Company but not a related party of the Company;
- (e) the Adjustment Shares were issued pursuant to the Funding Agreement. The summary of the material terms of the agreement are set out in Annexure B.
- (f) the Adjustment Shares were issued on 18 August 2021; and
- (g) no funds were raised through the issue of the Adjustment Shares. The Adjustment Shares were issued to the investors pursuant to the Funding Agreements to compensate the

investors for an adjustment in the Company's share price.

If Resolution 8 is passed, the Issue will be excluded in calculating Gold Mountain'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 8 is not passed, the Issue will be included in calculating Gold Mountain's 15% limit in Listing Rule 7.1, effectively decreasing the number of equity securities it can issue without shareholder approval over the 12-month period following the Issue Date.

The Directors unanimously recommend Shareholders vote in favour of Resolution 8.

8. Resolution 9 – Ratification of Prior Issue of Underwriter Options

8.1 Background

The Company entered into an underwriting agreement (**Underwriting Agreement, Annexure D**) pursuant to which it issued 20,472,664 Options to Mahe Capital Pty Ltd (ACN 634 087 84) (AFSL 517 246) (**Mahe Capital**) in part consideration for lead managing and underwriting services provided to the Company in relation to its recent capital raising announced 17 August 2020 (**Underwriter Options**). The material terms and conditions of the Underwriting Agreement were contained in the Company's rights entitlement issue prospectus dated 14 July 2021 and in Annexure D.

Resolution 9 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of the Underwriter Options, as set out below.

8.2 ASX listing rule 7.1

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

ASX 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.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

8.3 Technical information required by ASX Listing Rule 7.4

In compliance with the information requirements of ASX Listing Rule 7.5, Shareholders are advised of the following in relation to the Ratification of the Placement Shares:

- (a) 20,472,664 Underwriter Options were issued to Mahe Capital issued pursuant to ASX Listing Rule 7.1:
- (b) the Underwriter Options were issued at a nil issue price, in consideration for the underwriter and lead manager services provided by Mahe Capital;
- (c) the terms and conditions of the Underwriter Options are set out in Annexure E;
- (d) the Underwriter Options were issued to Mahe Capital. The Company confirms that Mahe that none of the recipients will be:
 - (i) related parties of the Company, members of the Company's Key Management Personnel, substantial holders of the Company, advisers of the Company or an associate of any of these parties; and
 - (ii) issued more than 1% of the issued capital of the Company;
- (e) the Underwriter Options were issued on 18 August 2021; and
- (f) the Underwriter Options will be issued pursuant to the terms of the Underwriting Agreement. A summary of the material terms of the Underwriting Agreement is set out in Annexure D;
- (g) the purpose of the issue of Underwriter Options was to satisfy the Company's obligations under the Underwriting Agreement;
- (h) the Underwriter Options are not being issued under, or to fund, a reverse takeover; and
- (i) a voting exclusion statement has been included for the Resolution.

If Resolution 9 is passed, the Issue will be excluded in calculating Gold Mountain'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 9 is not passed, the Issue will be included in calculating Gold Mountain's 15% limit in Listing Rule 7.1, effectively decreasing the number of equity securities it can issue without shareholder approval over the 12-month period following the Issue Date.

The Directors unanimously recommend Shareholders vote in favour of Resolution 9.

9. Resolution 10 – Ratification of Prior Issue of Lead Manager Options

9.1 Background

On 18 August 2021 the Company issued 1,127,336 options to Mahe Capital in part consideration for lead managing services provided to the Company in relation to the Placement the subject of Resolution 11 (**Lead Manager Options**).

Resolution 10 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of the Lead Manager Options, as set out below.

9.2 ASX listing rule 7.1

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

ASX 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.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

9.3 Technical information required by ASX Listing Rule 7.4

In compliance with the information requirements of ASX Listing Rule 7.5, Shareholders are advised of the following in relation to the Ratification of the Placement Shares:

- (a) 1,127,336 Lead Manager Options were issued to Mahe Capital issued pursuant to ASX Listing Rule 7.1:
- (b) the Lead Manager Options were issued at a nil issue price, in consideration for the lead manager services provided by Mahe Capital;
- (c) the terms and conditions of the Lead Manager Options are set out in Annexure E;
- (d) the Lead Manager Options were issued to Mahe Capital. The Company confirms that Mahe that none of the recipients will be:
 - (i) related parties of the Company, members of the Company's Key Management Personnel, substantial holders of the Company, advisers of the Company or an associate of any of these parties; and
 - (ii) issued more than 1% of the issued capital of the Company;
- (e) the Lead Manager Options were issued on 18 August 2021; and
- (f) the Lead Manager Options were issued to Mahe Capital pursuant to the terms of the Lead Manager Mandate. A summary of the material terms of the Underwriting Agreement is set out in Annexure D;
- (g) the purpose of the issue of Lead Manager Options was to satisfy the Company's agreement with Mahe Capital to issue the Lead Manager Options in consideration for lead managing services provided in relation to the Placement the subject of Resolution 11;
- (h) the Lead Manager Options are not being issued under, or to fund, a reverse takeover; and
- (i) a voting exclusion statement has been included for the Resolution.

If Resolution 10 is passed, the Issue will be excluded in calculating Gold Mountain'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 10 is not passed, the Issue will be included in calculating Gold Mountain's 15% limit in Listing Rule 7.1, effectively decreasing the number of equity securities it can issue without shareholder approval over the 12-month period following the Issue Date.

The Directors unanimously recommend Shareholders vote in favour of Resolution 10.

10. Resolutions 11 & 12 – Ratification of Prior Issue – Shares and Options under Placement

10.1 Background

On 12 August 2021 the Company announced that it completed a placement to institutional, sophisticated and professional investors, of 14,091,700 Shares (subject of Resolution 11) at an issue price of \$0.02 per Share (**Placement Shares**) together with 4,697,233 free-attaching Options (subject of Resolution 12) (on the basis of one (1) Option for every three (3) Placement Shares subscribed for and issued) (**Placement Options**) (together, the Placement Securities) raising \$281,834 before costs (**Placement**).

The Company engaged the services of Mahe Capital to act as lead manager and corporate advisor to the Placement. The Company agreed to pay Mahe Capital a fee of \$14,091 (being, 5% of the amount raised under the Placement) and four (4) Options for every \$1.00 raised under the Placement in consideration for lead manager services provided. A summary of the material terms of the Mahe Capital Underwriting Agreement and Lead Manager Mandate are detailed in **Annexure D**.

The Placement Options are quoted and have an exercise price of \$0.04 per Option and an expiry date of 16 February 2023.

Resolutions 11 & 12 seek Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Placement Securities.

10.2 ASX Listing Rule Requirements

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 securities it had on issue at the start of that 12 month 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 issue of the Placement Securities 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 25% limit in Listing Rules 7.1 and 7.1A, reducing the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1 and 7.1A for the 12 month period following the date of issue of the Placement Securities.

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.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

10.3 Technical information required by ASX Listing Rule 7.4

In compliance with the information requirements of ASX Listing Rule 7.5, Shareholders are advised of the following in relation to Resolutions 12 and 13:

- (a) a total of 14,091,700 Placement Shares were issued under the placement capacity available to the Company under Listing Rule 7.1A (Resolution 12) and 4,697,233 Placement Options were issued under the placement capacity available to the Company under Listing Rule 7.1 (Resolution 13);
- (b) the issue price per Placement Share was \$0.02 and the issue price of the Options was nil as they were issued free attaching with the Shares on the basis of one (1) Option for every three (3) Placement Shares subscribed for and issued. The Company has not and will not receive any other consideration for the issue of the Placement Securities (other than in respect of funds received on exercise of the Placement Options);
- (c) the Shares are ordinary fully paid shares in the capital of the Company and rank equally in all respects with the existing Shares on issue;
- (d) the Placement Options issued to participants in the Placement were issued on the terms and conditions set out in Annexure E;
- (e) the Placement Securities were issued on 18 August 2021;
- (f) the Placement Securities were issued to institutional, sophisticated and professional investors who were identified and selected by Mahe Capital through a bookbuild process seeking expressions of interest to participate in the placement from non-related parties of the Company. Mahe Capital acted as lead manager and corporate advisor to the Placement.;

- (g) the Company confirms that none of the recipients were:
 - (i) related parties of the Company, members of the Company's Key Management Personnel, substantial holders of the Company, advisers of the Company or an associate of any of these parties; and
 - (ii) issued more than 1% of the issued capital of the Company
- (h) the purpose of the issue of the Placement Securities was to raise \$281,834 before costs, which will be applied towards to cover costs of the issue and for working capital and general corporate purposes;
- (i) the Placement Securities were not issued under an agreement; and
- (j) a voting exclusion statement has been included for this Resolution.

If Resolutions 11 and 12 are passed, the Placement Securities will be excluded in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, effectively increasing the number of equity securities the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Placement Securities.

If Resolutions 11 and 12 are not passed, the Placement Securities will be included in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, effectively decreasing the number of equity securities the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Placement Securities.

The Directors unanimously recommend Shareholders vote in favour of Resolutions 11 & 12.

11. Resolution 13 – Ratification of Prior Issue of Advisor Options

11.1 Background

On 25 October 2021 the Company issued 10,000,000 options to Matt Liddy (or his nominees), an advisor to the Company, in part consideration for the provision of ongoing advisory services to the Company (**Advisor Options**). The material terms and conditions of the Advisor Options are contained in **Annexure E**.

Resolution 13 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of the Advisor Options, as set out below.

11.2 ASX listing rule 7.1

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

ASX 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.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

11.3 Technical information required by ASX Listing Rule 7.4

In compliance with the information requirements of ASX Listing Rule 7.5, Shareholders are advised of the following in relation to the Ratification of the Placement Shares:

- (a) 10,000,000 Advisor Options were issued to Matt Liddy (or his nominees) pursuant to ASX Listing Rule 7.1:
- (b) the Advisor Options were issued at a nil issue price, in consideration for ongoing advisory services provided by Matt Liddy;
- (c) the terms and conditions of the Advisor Options are set out in Annexure F;
- (d) the Advisor Options were issued to Matt Liddy. The Company confirms that none of the recipients will be:
 - (i) related parties of the Company, members of the Company's Key Management Personnel, substantial holders of the Company, advisers of the Company or an associate of any of these parties; and
 - (ii) issued more than 1% of the issued capital of the Company;
- (e) the Advisor Options were issued on 25 October 2021; and
- (f) the Advisor Options were issued to Matt Liddy in part consideration for ongoing advisory services.
- (g) the Advisor Options are not being issued under, or to fund, a reverse takeover; and
- (h) a voting exclusion statement has been included for the Resolution.

If Resolution 13 is passed, the Issue will be excluded in calculating Gold Mountain'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 13 is not passed, the Issue will be included in calculating Gold Mountain's 15% limit in Listing Rule 7.1, effectively decreasing the number of equity securities it can issue without shareholder approval over the 12-month period following the Issue Date.

The Directors unanimously recommend Shareholders vote in favour of Resolution 13.

12. Resolution 14 – Approval of 10% Placement Facility

12.1 General

Listing Rule 7.1A enables eligible entities to issue Equity Securities up to 10% of its issued share capital through placements in the 12 month period after an annual general meeting (**10% Placement Facility**). The 10% Placement Facility is in addition to the Company's 15% placement capacity under Listing Rule 7.1.

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

The Company is now seeking Shareholder approval by way of a special resolution to have the ability to issue Equity Securities under the 10% Placement Facility.

Resolution 14 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

The exact number of Equity Securities to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to Section 12.2(c) below).

The Company may use the 10% Placement Facility to fund ongoing development.

The Directors of the Company believe Resolution 14 is in the best interest of the Company and its Shareholders and unanimously recommend that the Shareholders vote in favour of this Resolution.

12.2 Description of Listing Rule 7.1A

(a) Shareholder approval

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

(b) Equity Securities

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

The Company, as at the date of the Notice, has on issue one class of quoted Equity Securities, being fully paid ordinary shares (ASX: GMN).

(c) Formula for calculating 10% Placement Facility

In addition to issues under Listing Rule 7.1, an eligible entity which has obtained shareholder approval of this Listing Rule 7.1A may, during the period of the approval, issue or agree to issue a number of Equity Securities calculated in accordance with the following formula:

$$(A \times D) - E$$

where:

A = has the same meaning as in Listing Rule 7.1;

D = 10%;

E = the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the relevant period where the issue or agreement has not been subsequently approved by the Company's Shareholders under Listing Rule 7.4.

(d) **Listing Rule 7.1**

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

At the date of this Notice, the Company has on issue 1,056,057,474 Shares and therefore has a capacity to issue:

- (i) 158,408,621 Equity Securities under Listing Rule 7.1; and
- (ii) subject to Shareholder approval being sought under Resolution 15, 105,605,747 Equity Securities under Listing Rule 7.1A.

The actual number of Equity Securities that the Company will have capacity to issue under Listing Rule 7.1A will be calculated at the date of issue of the Equity Securities in accordance with the formula prescribed in Listing Rule 7.1A.2.

(e) **Minimum Issue Price**

Any Equity Securities issued under Listing Rule 7.1A.2 must be in an existing quoted class of the Company's Equity Securities and issued for a cash consideration per security which is not less than 75% of the volume weighted average price (VWAP) of Equity Securities in the same class calculated over the 15 Trading Days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed by the entity and the recipient of the Equity Securities; or
- (ii) if the Equity Securities are not issued within 10 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.

(f) **10% Placement Period**

If approved, approval under this Listing Rule 7.1A commences on the date of the Company's Annual General Meeting and expires on the first to occur of the following:

- (i) the date that is 12 months after the date of the annual general meeting at which the approval is obtained; or
- (ii) the time and date of the Company's next Annual General Meeting; or
- (iii) the time and date of the approval by the Company's Shareholders of a transaction under Listing Rules 11.1.2 or 11.2 (disposal of main undertaking).

(10% Placement Period).

12.3 Listing Rule 7.1A

The effect of Resolution 15 will be to allow the Directors to issue the Equity Securities under Listing Rule 7.1A during the 10% Placement Period without using the Company's 15% placement capacity under Listing Rule 7.1.

Resolution 14 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

12.4 Specific information required by Listing Rule 7.3A

Pursuant to and in accordance with Listing Rule 7.3A, information is provided in relation to the approval of the 10% Placement Facility as follows:

- (a) The Equity Securities will be issued at an issue price of not less than 75% of the VWAP for the Company's Equity Securities over the 15 Trading Days immediately before:
 - (i) 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
 - (ii) if the Equity Securities are not issued within 10 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.
- (b) If Resolution 14 is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Facility, the existing Shareholders' voting power in the Company will potentially be diluted as shown in the below table (in the case of listed Options, only if the listed Options are exercised). There is a risk that:
 - (i) the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than of the date of the Meeting; and
 - (ii) the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date,

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

The below table shows the potential dilution of existing Shareholders on the basis of the current market price of Shares and the current number of ordinary securities for variable "A" calculated in accordance with the formula in Listing Rule 7.1A.2 as at the date of this Notice.

The table shows:

- (i) two examples where variable "A" has increased, by 50% and 100%. Variable "A" is based on the number of ordinary securities the Company has on issue. The number of ordinary securities on issue may increase as a result of issues of ordinary securities that do not require Shareholder approval (for example, a pro rata entitlements issue or scrip issued under a takeover offer) or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders' meeting; and
- (ii) two examples of where the issue price of ordinary securities has decreased by 50% (rounded up) and increased by 100% as against the current market price.

Dilution example

Number of Shares on Issue	Dilution			
	Issue Price (per Share)	\$0.01 50% decrease in Issue Price	\$0.019 Current Issue Price	\$0.04 100% increase in Issue Price
1,056,057,474 (Current)	10% voting dilution	105,605,747 Shares	105,605,747 Shares	105,605,747 Shares
	Funds raised	\$1,003,254.60	\$2,006,509.19	\$4,013,018.39
1,584,086,211 (50% increase)	10% voting dilution	158,408,621 Shares	158,408,621 Shares	158,408,621 Shares
	Funds raised	\$1,504,881.90	\$3,009,763.80	\$6,019,527.60
2,112,114,948 (100% increase)	10% voting dilution	211,211,494 Shares	211,211,494 Shares	211,211,494 Shares
	Funds raised	\$2,006,509.19	\$4,013,018.39	\$8,026,036.77

The table has been prepared on the following assumptions:

- (i) The Company issues the maximum number of Equity Securities available under the 10% Placement Facility.
 - (ii) No Options (including any listed Options issued under the 10% Placement Facility) are exercised into Shares before the date of the issue of the Equity Securities;
 - (iii) 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 at 10%.
 - (iv) The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on the Shareholder's holding at the date of the Meeting.
 - (v) The table shows only the effect of issue of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.
 - (vi) The issue of Equity Securities under the 10% Placement Facility consists only of Shares.
 - (vii) The issue price is \$0.019, being the closing price of the Shares on ASX on 5 October 2021.
- (c) The Company may seek to issue the Equity Securities for the following purposes:
- (i) continued exploration expenditure on the Company's current assets;
 - (ii) acquisition of new assets or investments (including any expenses associated with such acquisition); and
 - (iii) general working capital.

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

The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility. The identity of the allottees of the Equity Securities will be determined on a case-by-case basis having regard to the factors including but not limited to the following:

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

The allottees under the 10% Placement Facility have not been determined as at the date of Notice but may include existing substantial Shareholders and/or new Shareholders who are not related parties or associates of a related party of the Company.

12.5 Previous approval under Listing Rule 7.1A

The Company previously obtained approval from its Shareholders pursuant to Listing Rule 7.1A at its annual general meeting held on 26 November 2020 (**Previous Approval**).

During the 12-month period preceding the date of the Meeting, being on and from 26 November 2020, the Company issued 38,054,200 Shares pursuant to the Previous Approval (**Previous Issues**), which represented approximately 7% of the total diluted number of Equity Securities on issue in the Company on 26 November 2020, which was 533,762,322.

Further details of the issues of Equity Securities by the Company pursuant to Listing Rule 7.1A.2 during the 12 month period preceding the date of the Meeting are set out below.

The following information is provided in accordance with Listing Rule 7.3A.6(b) in respect of the Previous Issue:

Date of Issue and Appendix 2A	Date of Issue: 4 May 2021 Date of Appendix 2A: 4 May 2021
Recipients	Professional and sophisticated investors as part of a placement announced on 4 May 2021, which was undertaken by the Company via a bookbuild process seeking expressions of interest to participate in the placement from non-related parties of the Company. None of the participants in the placement were material investors that are required to be disclosed pursuant to Guidance Note 21.
Number and Class of Equity Securities Issued	23,962,500 ²
Issue Price and discount to Market Price¹ (if any)	\$0.04 per Share (at a discount of 26.1% to Market Price).
Total Cash Consideration and Use of Funds	Amount raised: \$958,500 Amount spent: \$958,500 Use of funds: The net proceeds of the Placement were utilised towards general working capital.
Date of Issue and Appendix 2A	Date of Issue: 18 August 2021 Date of Appendix 2A: 18 August 2021
Recipients	Professional and sophisticated investors as part of a placement announced on 13 May 2021. The placement participants were identified through a bookbuild process, which involved Mahe Capital Pty Ltd (Lead Manager) seeking expressions of interest to participate in the placement from non-related parties of the Company. None of the participants in the placement were material investors that are required to be disclosed pursuant to Guidance Note 21.
Number and Class of Equity Securities Issued	14,091,700

Issue Price and discount to Market Price¹ (if any)	\$0.02 per Share.
Total Cash Consideration and Use of Funds	<p>Amount raised: \$281,834 Amount spent: Nil Use of funds: The net proceeds of the Placement will be utilised towards:</p> <ol style="list-style-type: none"> 1. targeted drilling program in the highly prospective Mt Wipi target area 2. a detailed airborne geophysical survey (100m x 100m spacing) 3. compilation and review of extensive geological data for the highly prospective Monoyal and Sak Creek prospects areas with specific focus on Lombokai Creek 4. continued Regional exploration works programme; and 5. General working capital requirements

1. Market Price means the closing price of Shares on ASX (excluding special crossings, overnight sales and exchange traded option exercises). For the purposes of this table the discount is calculated on the Market Price on the last trading day on which a sale was recorded prior to the date of issue of the relevant Equity Securities.
2. Fully paid ordinary shares in the capital of the Company, ASX Code: GMN (terms are set out in the Constitution).

At the date of the Notice, the Company has not approached any particular existing Shareholder or security holder or an identifiable class of existing security holder to participate in the issue of the Equity Securities. No existing Shareholder's votes will therefore be excluded under the voting exclusion in the Notice.

If Resolution 14 is not passed, the Company will be limited to the 15% placement capacity under the ASX Listing Rules.

Definitions

In this Notice and the Explanatory Memorandum:

10% Placement Facility has the meaning given in Section 12 of the Explanatory Memorandum.

\$ means Australian Dollars.

Annual Report means the Directors' Report, the Financial Report and the Auditor's Report in respect to the financial year ending 30 June 2021.

ASX means ASX Limited (ACN 008 624 691) and, where the context permits, the Australian Securities Exchange operated by ASX.

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

Award means a right to acquire Shares under the Incentive Plan, and includes an Option and a Performance Right.

Board means the board of Directors.

Business Day has the meaning contained in the Listing Rules.

Chair or **Chairman** means the person appointed to chair the Meeting conveyed by this Notice.

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; and
- (f) a person prescribed by the Corporations Regulations 2001 (Cth).

Company means Gold Mountain Limited.

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

Corporations Act means the Corporations Act 2001 (Cth).

Director means the current directors of the Company.

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

Eligible Entity means an entity that, at the date of the relevant general meeting:

- (a) is not included in the S&P/ASX 300 Index; and
- (b) has a maximum market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300,000,000.

Equity Security has the meaning given in the Listing Rules.

Explanatory Memorandum means the explanatory memorandum attached to the Notice.

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

Key Management Personnel has the same meaning as in the accounting standards and broadly includes those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of the Company.

Listing Rules means the listing rules of ASX.

Meeting or Annual General Meeting means the meeting convened by this Notice (as adjourned from time to time).

Notice or Notice of Annual General Meeting means this notice of annual general meeting.

Option means an option to acquire a Share

Proxy Form means the proxy form attached to the Notice.

Related Party has the meaning given in the Listing Rules.7.2

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 2021.

Resolution means a resolution contained in the Notice.

Section means a section contained in this Explanatory Memorandum.

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

Shareholder means a shareholder of the Company.

Trading Day means a day determined by ASX to be a trading day in accordance with the Listing Rules.

Valuation Date means 6 October 2021.

Variable A means "A" as set out in the calculation in section 12.2 of the Explanatory Memorandum.

WST means Western Standard Time, being the time in Perth, Western Australia.

VWAP means the volume weighted average price of trades in the Company's Shares on ASX.

Annexure A: Summary of terms of the Incentive Options

The key terms and conditions of the Incentive Options are summarised below:

- (a) Each Incentive Option gives the Optionholder the right to subscribe for one Share. To obtain the right given by each Incentive Option, the Optionholder must exercise the Incentive Options in accordance with the terms and conditions of the Incentive Options.
 - (b) The Incentive Options will expire at 5.00 p.m. (WST) on the date that is 60 months from their date of issue (**Expiry Date**). Any Incentive Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
 - (c) The Incentive Options are subject to the following vesting conditions (**Vesting Conditions**):
 - (i) 20% of the Incentive Options will automatically vest after issue; and
 - (ii) a further 20% vesting each 12 months thereafter
 - (d) Subject to the vesting conditions in (c), the Incentive Options can be exercised on or before 5 years from the date of issue at \$0.12 each (**Exercise Price**):
 - (e) The Incentive Options held by each Optionholder may be exercised in whole or in part, and if exercised in part, multiples of 1,000 must be exercised on each occasion.
 - (f) An Optionholder may exercise their Incentive Options by lodging with the Company, before the Expiry Date:
 - (i) a written notice of exercise of Incentive Options specifying the number of Incentive Options being exercised; and
 - (ii) a cheque or electronic funds transfer for the Exercise Price for the number of Incentive Options being exercised;
- (Exercise Notice).**
- (g) An Exercise Notice is only effective when the Company has received the full amount of the Exercise Price in cleared funds.
 - (h) Within 10 business days of receipt of the Exercise Notice accompanied by the Exercise Price, the Company will issue the number of Shares required in respect of the number of Incentive Options specified in the Exercise Notice.
 - (i) All Shares issued upon the exercise of Incentive Options will upon issue rank *pari passu* in all respects with other Shares in issue.
 - (j) The Company will not apply for quotation of any Incentive Options.
 - (k) 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 any applicable listing rules at the time of the reconstruction.
 - (l) There are no participating rights or entitlements inherent in the Incentive Options and Optionholders will not be entitled to participate in new issues of capital offered to Shareholders during the exercise period of the Incentive Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be in accordance with all applicable listing rules. This will give Optionholders the opportunity to exercise their Incentive Options prior to the date for determining entitlements to participate in any such issue.
 - (m) An Incentive Option does not confer the right to a change in exercise price or a change in the number of underlying securities over which the Incentive Option can be exercised.

(n) Cashless exercise

In lieu of paying the aggregate Exercise Price under (d), an Optionholder may elect to receive, without payment of cash or other consideration, upon surrender of the applicable portion of exercisable Incentive Options to the Company, a number of Shares determined in accordance with the following formula (a **Cashless Exercise**):

$$A = [B \times (C - D)] / C$$

where:

A = the number of Shares (rounded down to the nearest whole number) to be issued to the Optionholder pursuant to this paragraph (n);

B = the number of Shares otherwise issuable upon the exercise of the Option or portion of the Incentive Options being exercised;

C = the Market Value of one Share determined as of the date of delivery to the Company Secretary of the Notice of Exercise; and

D = the Exercise Price.

For the purposes of this paragraph (n), Market Value means, at any given date, the volume weighted average price per Share traded on the ASX over the five (5) trading days immediately preceding that given date

Annexure B – Black Scholes valuation methodology

The values have been calculated by internal management using a Black Scholes option pricing model for the Incentive Options.

The Company made the following assumptions under the model:

- (a) the Incentive Options don't have market vesting conditions attached and the exercise of the Incentive Options does not affect the value of the underlying asset;
- (b) a grant date of 12 October 2020 which was also adopted as the valuation date;
- (c) it used \$0.02, being the underlying share price on the valuation date, which was input into the pricing model;
- (d) an assumed exercise price of \$0.12;
- (e) a share price volatility of 68%;
- (f) the risk free rate of interest used in the 3 year Australian Government Bond yield of 0.10%; and
- (g) a dividend yield of 0%.

Annexure C – Summary of material terms and conditions of Funding Agreement

On 16 November 2020, the Company entered into a funding agreement with Mr Chips Pty Ltd and Doxy Pty Ltd (the **Investors**) in relation to a subscription by the Investors of \$2,000,000 through the issue of 36,363,636 shares (**Subscription Shares**) in the Company at \$0.055 each (**Funding Agreements**). The material terms of the Funding Agreements are as follows:

- (a) The Investors agreed to subscribe for the Subscription Shares and the Company agreed to issue the Subscription Shares, the Fees Shares and, if applicable, the Adjustment Shares.
- (b) The subscription amount by the Investors being \$2,000,000 through the issue of the Subscription Shares.
- (c) The parties agreed to an 'adjustment mechanism', whereby if the Company's share price falls below a 10-day VWAP of \$0.055 Per Share at any time between 6 and 24 months after the Subscription Shares are issued, the Investors would have the right to request for additional Shares to be issued to adjust for the lower Share price, subject to a floor price of \$0.03 per Share (the **Adjustment Shares**). In the event the Adjustment Shares were issued to the Investors, the total number of shares issued pursuant to the Funding Agreements would be 71,333,333 Shares.

Annexure D – Summary of material terms and conditions of Underwriting Agreement and Lead Manager Mandate

(a) Underwriting Agreement

Pursuant to the Underwriting Agreement, Mahe Capital agreed to underwrite the entitlement issue offer announced on 14 July 2021 (**Offer**) up to a value of \$2,050,000 and equal to 102,500,000 Shares and 34,166,667 new Options (**Underwritten Amount**).

The material terms and conditions of the Underwriting Agreement are summarised below:

Fees	<p>Under the terms of this engagement, the Company will pay/issue to Mahe Capital (or its nominees):</p> <ul style="list-style-type: none"> (a) subject to the Company obtaining prior shareholder approval, four (4) Options for every \$1.00 raised under the Offer; (b) a management fee of 1% of total funds raised under the Offer (Mahe Capital will have the right to subscribe for this fee in scrip under the Offer); (c) a lead manager fee of \$60,000 (Mahe Capital will have the right to subscribe for this fee in scrip under the Offer); (d) an underwriting fee of 5% of the Underwritten Amount; and (e) a placement fee of 5% of any shortfall placed beyond the Underwritten Amount, including any additional amount that might be placed under the Company's placement capacity (if applicable). (f) In the event of termination, the Underwriter will receive \$30,000 as a termination fee. <p>The Company is also obligated to pay any reasonable disbursements and out of pocket expenses of the Underwriter incurred and associated with the Offer.</p>
Termination Events	<p>Mahe Capital may terminate its obligations under the Underwriting Agreement if:</p> <ul style="list-style-type: none"> (a) (Indices fall): the All Ordinaries Index as published by ASX is at any time after the date of the Underwriting Agreement 7% or more below its respective level as at the close of business on the Business Day prior to the date of the Underwriting Agreement; (b) (Commodities): the price of COMEX gold or NYMEX WTI crude oil is at any time after the date of the Underwriting Agreement 7% or more below its respective level as at the close of business on the Business Day prior to the date of the Underwriting Agreement; (c) (Price): the Price is greater than the volume weighted average price of Shares calculated over three consecutive trading days after the date of the Underwriting Agreement; (d) (Misleading Announcement): it transpires that the Company has made a statement via the ASX that is misleading or deceptive or likely to mislead or deceive; (e) (Adverse change): an event occurs which gives rise to a Material Adverse Effect or any adverse change or any development including a likely Material Adverse Effect after the date of the Underwriting Agreement in the assets, liabilities, financial position, trading results, profits, forecasts, losses, prospects, business or operations of any Relevant Company including, without limitation, if any forecast in the Prospectus becomes incapable of being met or in the Underwriter's reasonable opinion, unlikely to be met in the projected time. Material Adverse Event means: <ul style="list-style-type: none"> (i) a material adverse effect on the outcome of the Offer or on the subsequent market for the Underwritten Securities (including, without limitation, matters likely to have a material adverse effect on a decision of an investor to invest in Underwritten Securities); or (ii) a material adverse effect on the assets, condition, trading or financial position and performance, profits and losses, results, prospects, business or operations of the Company and its Subsidiaries either individually or taken as a whole; (f) (Board and senior management composition): there is a change in the composition of the Board or a change in the senior management of the Company before the date of issue of the Underwritten Securities without the prior written consent of the Underwriter, such consent not to be unreasonably withheld;

- (g) (Change in shareholdings): there is a material change in the major or controlling shareholdings of a Relevant Company (other than as a result of the Offer or a matter disclosed in the Prospectus) or a takeover offer or scheme of arrangement pursuant to Chapter 5 or 6 of the Corporations Act is publicly announced in relation to a Relevant Company;
- (h) (Market Conditions): a suspension or material limitation in trading generally on ASX occurs or any material adverse change or disruption occurs in the existing financial markets, political or economic conditions of Australia, Japan, the United Kingdom, the United States of America or other international financial markets.

The Underwriting Agreement otherwise contains provisions considered standard for an agreement of its nature (including representations and warranties, indemnities and confidentiality provisions).

(b) Lead Manager Mandate

The Company signed a mandate letter to engage Mahe Capital to act as lead manager of the Offer (**Lead Manager Mandate**), the material terms and conditions of which are summarised below.

Fees	For details of the fees payable under the Lead Manager Mandate please refer to the summary of the Underwriting Agreement above.
Termination Events	<p>The Company may terminate the Lead Manager Mandate at any time before any offers have been made with two days' notice.</p> <p>Mahe Capital may terminate the Lead Manager Mandate at any time by giving two days' notice in writing of its intention to do so to the Company or if any of the following events occur:</p> <ul style="list-style-type: none"> (a) the Company defaults in relation to any term of the Lead Manager Mandate; (b) any information provided to Mahe Capital contains a false or a misleading statement; (c) the All Ordinaries Index as published by ASX falls 7% or more below the closing level on the date of the Lead Manager Mandate; (d) the price of COMEX gold or the price of NYMEX WTI crude oil fall 7% or more below the closing level on the date of the Lead Manager Mandate; (e) any representations or warranties made by the Company are or become untrue; or (f) the conditions specified in the Lead Manager Mandate are not satisfied by 30 October 2020.
Right of First Refusal	The Company agrees to offer Mahe Capital the lead role in any future capital raising undertaken by the Company within six months of completion of the Offer.

The Lead Manager Mandate otherwise contains provisions considered standard for an agreement of its nature (including representations, warranties and confidentiality provisions).

Annexure E: Summary of terms of the Placement, Underwriter and Lead Manager Options

(a) Entitlement

Each New Option entitles the holder to subscribe for one Share upon exercise of the New Option before the Expiry Date.

(b) Quotation of New Options

The Company will apply to the ASX for Official Quotation of the New Options. Subject to the quotation requirements being met, the New Options will be quoted.

(c) Exercise Price

The amount payable on exercise of each New Option will be \$0.04 (Exercise Price):

(d) Expiry Date

The New Options will expire at 5.00pm (AEST) 18 months from issue (Expiry Date):

Any New Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(e) Exercise Period

New Options may be exercised at any time prior to the Expiry Date (Exercise Period).

(f) Notice of Exercise

The New Options may be exercised by notice in writing to the Company (Exercise Notice) and payment of the Exercise Price, in Australian currency, for each New Option being exercised.

A minimum of 12,500 New Options (having a total exercise price of \$500) must be exercised at any time. Where a Shareholder holds less than 12,500 New Options then they must exercise their entire holding of New Options.

(g) Exercise Date

Any Exercise Notice received by the Company will be deemed effective on and from the later of: (i) the date of receipt of the Exercise Notice and (ii) the date of Company's receipt of the Exercise Price, for each New Option being exercised, in cleared funds (Exercise Date).

(h) Timing of Issue of Shares on Exercise

Within 15 Business Days after a New Option is validly exercised or such other period specified by the Listing Rules, the Company will:

- a. allot and issue that number of Shares pursuant to the exercise of the New Options; and
- b. if admitted to the official list of the ASX at the time, apply for official quotation on the ASX of the Shares issued pursuant to the exercise of the New Options.

(i) Shares Issued on Exercise

Shares issued pursuant to the exercise of the New Options will rank equally with the then issued Shares of the Company.

(j) Quotation of Shares on Exercise

If admitted to the official list of the ASX at the time, the Company will apply for Official Quotation of the Shares issued pursuant to the exercise of the New Options.

(k) Participation in New Issues

There are no participation rights or entitlements inherent in the New Options and the holder will not be entitled to participate in new issues of capital to Shareholders during the currency of the New Options without exercising the New Options.

(l) Reconstruction of Capital

If at any time the issued share capital of the Company is reconstructed, all rights of a New Option holder will be varied to comply with the Corporations Act and the ASX Listing Rules which apply to the reconstruction at the time of the reconstruction.

(m) New Options Transferable

The New Options are transferable.

(n) Change in Exercise Price

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

(o) Adjustments for Rights Issues

If the Company makes a pro rate issue of Shares to existing Shareholders, there will be no adjustment to the Exercise Price of a New Option.

(p) Adjustment for Bonus Issue of Shares

If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than in satisfaction of dividends or by way of dividend reinvestment):

- a. The number of Shares which must be issued on the exercise of a New Option will be increased by the number of Shares which the New Option holder would have received if the New Option holder had exercised the New Option before the record date for the bonus issue; and
- b. there will be no adjustment to the Exercise Price of a New Option.

Annexure F: Summary of terms of the Advisor Options

The key terms and conditions of the Advisor Options are summarised below:

- (a) Each Advisor Option gives the Optionholder the right to subscribe for one Share. To obtain the right given by each Advisor Option, the Optionholder must exercise the Incentive Options in accordance with the terms and conditions of the Advisor Options.
 - (b) The Advisor Options will expire at 5.00 p.m. (WST) on the date that is 60 months from their date of issue (**Expiry Date**). Any Advisor Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
 - (c) The Advisor Options can be exercised on or before 5 years from the date of issue at \$0.12 each (**Exercise Price**):
 - (d) The Advisor Options held by each Optionholder may be exercised in whole or in part, and if exercised in part, multiples of 1,000 must be exercised on each occasion.
 - (e) An Optionholder may exercise their Advisor Options by lodging with the Company, before the Expiry Date:
 - (i) a written notice of exercise of Advisor Options specifying the number of Advisor Options being exercised; and
 - (ii) a cheque or electronic funds transfer for the Exercise Price for the number of Advisor Options being exercised;
- (Exercise Notice).**
- (f) An Exercise Notice is only effective when the Company has received the full amount of the Exercise Price in cleared funds.
 - (g) Within 10 business days of receipt of the Exercise Notice accompanied by the Exercise Price, the Company will issue the number of Shares required in respect of the number of Advisor Options specified in the Exercise Notice.
 - (h) All Shares issued upon the exercise of Advisor Options will upon issue rank *pari passu* in all respects with other Shares in issue.
 - (i) The Company will not apply for quotation of any Advisor Options.
 - (j) 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 any applicable listing rules at the time of the reconstruction.
 - (k) There are no participating rights or entitlements inherent in the Advisor Options and Optionholders will not be entitled to participate in new issues of capital offered to Shareholders during the exercise period of the Advisor Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be in accordance with all applicable listing rules. This will give Optionholders the opportunity to exercise their Advisor Options prior to the date for determining entitlements to participate in any such issue.
 - (l) An Advisor Option does not confer the right to a change in exercise price or a change in the number of underlying securities over which the Advisor Option can be exercised.

PROXY FORM

The Secretary
Gold Mountain Limited

By delivery:
Level 34, 1 Eagle Street,
Brisbane QLD 4000

By post:
GPO Box 307, Brisbane QLD 4001

By facsimile:
+61 8 9486 4799

Name of
Shareholder 1:

Address of
Shareholder:

Number of Shares
entitled to vote:

Please mark to indicate your directions. Further instructions are provided overleaf.

Proxy appointments will only be valid and accepted by the Company if they are made and received no later than 48 hours before the meeting.

Step 1 – Appoint a Proxy to Vote on Your Behalf

The Chairman of
the Meeting (mark
box)

OR if you are **NOT** appointing the
Chairman of the meeting as your proxy,
please write the name of the person or
body corporate (excluding the registered
shareholder) you are appointing as your
proxy ²

or failing the person/body corporate named, or if no person/body is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf, including to vote in accordance with the following directions (or, if no directions have been given, and to the extent permitted by law, as the proxy sees fit), at the Meeting of the Company to be held at Level 34, 1 Eagle Street, Brisbane QLD 4000 on Monday, 29 November 2021 at 3.00pm AEST.

Important – If the Chairman of the Meeting is your proxy or is appointed your proxy by default

If the Chairman of the Meeting is your proxy, either by appointment or by default, and you have not indicated your voting intention below, you expressly authorise the Chairman of the Meeting to exercise the proxy in respect of Resolution 1, even though the Resolution is connected directly or indirectly with the remuneration of a member of the Company's Key Management Personnel.

Companies: a Director can sign jointly with another Director or Company Secretary. A sole Director who is also a sole Company Secretary can also sign. Please indicated the office held by signing in the appropriate space.

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

Proxy Forms (and the power of attorney or other authority, if any, under which the Proxy Form is signed) or a copy or facsimile which appears on its face to be an authentic copy of the Proxy Form (and the power of attorney or other authority) must be deposited at or received at **GPO Box 307, Brisbane, QLD 4001**, by email to dan.smith@goldmountainltd.com.au or Facsimile **+61 8 9486 4799** not less than 48 hours prior to the time of commencement of the Meeting.