



**ACN 624 970 725**

## **Notice of Annual General Meeting**

**The Annual General Meeting of the Company will be held at the offices of the Company, at Level 3, 10 Outram Street, West Perth, Western Australia on Tuesday, 30 November 2021 at 9.30 am (WST).**

**THE COMPANY IS TAKING PRECAUTIONS TO FACILITATE AN IN PERSON MEETING IN ACCORDANCE WITH COVID-19 RESTRICTIONS. IF THE SITUATION IN RELATION TO COVID-19 CHANGES IN A WAY AFFECTING THE ABILITY TO FACILITATE AN IN PERSON MEETING, THE COMPANY WILL PROVIDE AN UPDATE AHEAD OF THE MEETING BY WAY OF AN ASX ANNOUNCEMENT.**

The Notice of Annual General Meeting should be read in its entirety. If Shareholders are in doubt as to how to vote, they should seek advice from their accountant, solicitor or other professional advisor prior to voting.

**Should you wish to discuss any matter, please do not hesitate to contact the Company Secretary by telephone on (08) 6142 0987.**

**Shareholders are urged to attend or vote by lodging the proxy form attached to the Notice**

**Caprice Resources Limited**  
**ACN 624 970 725**  
**(Company)**

**Notice of Annual General Meeting**

Notice is hereby given that the annual general meeting of Shareholders of Caprice Resources Limited (**Company**) will be held at the offices of the Company at Level 3, 10 Outram Street, West Perth, Western Australia, on Tuesday, 30 November 2021 at 9.30 am (WST) (**Meeting**).

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

The Directors have determined pursuant to Regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 5.00pm WST on Sunday, 28 November 2021.

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

## **Agenda**

### **1 Annual Report**

To consider the Annual Report of the Company and its controlled entities for the financial year ended 30 June 2021, which includes the Financial Report, the Directors' Report and the Auditor's Report.

### **2 Resolutions**

#### **Resolution 1 – Remuneration Report**

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

*'That the Remuneration Report be adopted by Shareholders.'*

#### **Resolution 2 – Re-Election of Director – David Church**

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

*'That, in accordance with article 6.3(c) of the Constitution, Listing Rule 14.4 and for all other purposes, David Church, a Director who was elected on 28 November 2019, retires and, being eligible, is elected as a Director on the terms and conditions in the Explanatory Memorandum.'*

#### **Resolution 3 –Approval of Employee Securities Incentive Plan**

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

*'That the establishment of the employee incentive scheme of the Company known as the "Caprice Resources Limited Employee Securities Incentive Plan" and the issue of up to 8,231,334 Securities under that plan are approved under and for the purposes of*

exception 13(b) of Listing Rule 7.2 and for all other purposes, on the terms and conditions in the Explanatory Memorandum.'

#### **Resolution 4 – Approval of 10% Placement Facility**

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

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

#### **Resolution 5 – Ratification of Prior Issue of Performance Rights**

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

*'That, pursuant to and in accordance with Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 3,750,000 Performance Rights to Mr Andrew Muir under Listing Rule 7.1 on the terms and conditions in the Explanatory Memorandum.'*

#### **Resolution 6 – Ratification of Prior Issue of Shares**

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

*'That, pursuant to and in accordance with Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 2,500,000 Shares to Golden State Mining Limited under Listing Rule 7.1 on the terms and conditions in the Explanatory Memorandum.'*

#### **Resolution 7– Ratification of Prior Issue of Options**

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

*'That, pursuant to and in accordance with Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 250,000 Options to Golden State Mining Limited under Listing Rule 7.1 on the terms and conditions in the Explanatory Memorandum.'*

### **Voting exclusions**

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

- (a) Resolution 3 by or on behalf of a person who is eligible to participate in the employee incentive scheme or a person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the employee incentive scheme in question, or any of their respective associates;
- (b) Resolution 4 if at the time of the Meeting, the Company is proposing to make an issue of Equity Securities under the 10% Placement Facility, by or on behalf of any persons who are expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a Shareholder), or any associate of those persons;

- (c) Resolution 5 by or on behalf of Andrew Muir (or his respective nominees) and any person who participated in the issue of the securities, or any of their respective associates; and
- (d) Resolutions 6 and 7 by or on behalf of Golden State Mining Limited (or their respective nominees) and any person who participated in the issue of the securities, or any of their respective associates.

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

- (a) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way;
- (a) the Chair as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (b) 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 prohibitions

**Resolutions 1 and 3:** In accordance with sections 250BD and 250R of the Corporations Act, a vote on this Resolution must not be cast (in any capacity) by or on behalf of a member of the Key Management Personnel details of whose remuneration are included in the Remuneration Report, or a Closely Related Party of such a member.

A vote may be cast by such person if the vote is not cast on behalf of a person who is excluded from voting on this Resolution, and:

- (a) the person is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or
- (b) the voter is the Chair and the appointment of the Chair as proxy does not specify the way the proxy is to vote on this Resolution, but expressly authorises the Chair to exercise the proxy even if this Resolution is connected with the remuneration of a member of the Key Management Personnel.

## BY ORDER OF THE BOARD

Oonagh Malone  
Company Secretary  
**Caprice Resources Limited**  
Dated: 29 October 2021

**Caprice Resources Limited**  
**ACN 624 970 725**  
**(Company)**

## **Explanatory Memorandum**

### **1. Introduction**

The Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be conducted at the Meeting to be held at the offices of the Company at Level 3, 10 Outram Street, West Perth, Western Australia, on Tuesday, 30 November 2021 at 9.30 am (WST) (**Meeting**).

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

The Explanatory Memorandum includes the following information to assist Shareholders in deciding how to vote on the Resolutions:

Section 2	Action to be taken by Shareholders
Section 3	Annual Report
Section 4	Resolution 1 – Remuneration Report
Section 5	Resolution 2 – Re-Election of Director – David Church
Section 6	Resolution 3 – Approval of Employee Securities Incentive Plan
Section 7	Resolution 4 – Approval of 10% Placement Facility
Section 8	Resolution 5 – Ratification of Prior Issue of Performance Rights
Section 9	Resolution 6 – Ratification of Prior Issue of Shares
Section 10	Resolution 7 – Ratification of Prior Issue of Options
Schedule 1	Definitions
Schedule 2	Summary of Employee Securities Incentive Plan
Schedule 3	Terms and Conditions of Performance Rights
Schedule 4	Valuation of Performance Rights
Schedule 5	Terms and Conditions of Options

A Proxy Form is located at the end of the Explanatory Memorandum.

## 2. Action to be taken by Shareholders

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

### 2.1 Impact of COVID-19 on the Meeting

The health and safety of members and personnel, and other stakeholders, is the highest priority and the Company is acutely aware of the current circumstances resulting from COVID-19.

Based on the best information available to the Board at the time of the Notice, the Board considers it will be in a position to hold an 'in-person' meeting to provide Shareholders with a reasonable opportunity to participate in and vote at the Meeting, while complying with the COVID-19 restrictions regarding gatherings. The Company, however, strongly encourages Shareholders to submit proxies prior to the Meeting.

If the situation in relation to COVID-19 were to change in a way that affected the position above, the Company will provide a further update ahead of the Meeting by releasing an ASX announcement.

### 2.2 Voting in person

Given the current COVID-19 circumstances and in the interests of public health and safety of our Shareholders, the Company will implement arrangements to allow Shareholders to physically attend the Meeting in accordance with COVID-19 protocols and government advice.

The Company will strictly comply with applicable limitations on indoor gatherings in force at the time of the Meeting. If you attend the Meeting in person, you will be required to adhere to COVID-19 protocols in place at the time of the Meeting.

### 2.3 Proxies

Shareholders are encouraged to vote by voting online or by completing a Proxy Form.

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

Lodgement instructions (which include the ability to lodge proxies electronically) are set out in the Proxy Form to the Notice of Meeting.

Proxy Forms can be lodged:

Online: At <https://investor.automic.com.au/#/home>

By mail: Automic Pty Ltd  
GPO Box 5193  
Sydney NSW 2001

By email: [meetings@automicgroup.com.au](mailto:meetings@automicgroup.com.au)

By mobile: investor.automic.com.au Or scan the QR Code available on the proxy form.

## **2.4 Chair's voting intentions**

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

If the Chair is appointed as your proxy and you have not specified the way the Chair is to vote on Resolutions 1, 3 and 5 (inclusive) by signing and returning the Proxy Form, you are considered to have provided the Chair with an express authorisation for the Chair to vote the proxy in accordance with the Chair's intention, even though the Resolutions are connected directly or indirectly with the remuneration of a member of the Key Management Personnel of the Company.

## **3. Annual Report**

In accordance with section 317 of the Corporations Act, Shareholders will be offered the opportunity to discuss the Annual Report, including the Financial Report, the Directors' Report and the Auditor's Report for the financial year ended 30 June 2021.

There is no requirement for Shareholders to approve the Annual Report.

At the Meeting, Shareholders will be offered the opportunity to:

- (a) discuss the Annual Report which is available online at [www.capriceresources.com](http://www.capriceresources.com);
- (b) ask questions about, or comment on, the management of the Company; and
- (c) ask the auditor questions 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 Chair about the management of the Company, or to the Company's auditor about:

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

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

## **4. Resolution 1 – Remuneration Report**

### **4.1 General**

In accordance with subsection 250R(2) of the Corporations Act, the Company must put the Remuneration Report to the vote of Shareholders. The Directors' Report contains the Remuneration Report which sets out the remuneration policy for the Company and the remuneration arrangements in place for the executive Directors, specified executives and non-executive Directors.

In accordance with subsection 250R(3) of the Corporations Act, Resolution 1 is advisory only and does not bind the Directors. If Resolution 1 is not passed, the Directors will not be required to alter any of the arrangements in the Remuneration Report.

If the Company's Remuneration Report receives a 'no' vote of 25% or more (**Strike**) at two consecutive annual general meetings, Shareholders will have the opportunity to remove the whole Board, except the managing director (if any).

Where a resolution on the Remuneration Report receives a Strike at two consecutive annual general meetings, the Company will be required to put to Shareholders at the second annual general meeting a resolution on whether another meeting should be held (within 90 days) at which all Directors (other than the managing director, if any) who were in office at the date of approval of the applicable Directors' Report must stand for re-election.

If the Remuneration Report receives a Strike at this Meeting, Shareholders should be aware that if a second Strike is received at the 2022 annual general meeting, this may result in the re-election of the Board.

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

## **4.2 Board recommendation**

Resolution 1 is an ordinary resolution.

Given the personal interests of all Directors in this Resolution, the Board makes no recommendation to Shareholders regarding this Resolution.

## **5. Resolution 2 – Re-Election of Director – David Church**

### **5.1 General**

Article 6.3(c) of the Constitution requires that one third of the Directors (excluding the Managing Director) must retire at each annual general meeting (or if that is not a whole number, the whole number nearest to one third, rounded down). Article 6.3(e) of the Constitution requires that the Directors to retire are those who have held their office as Director for the longest period since their last election or appointment to that office.

Article 6.3(f) of the Constitution provides that a Director who retires in accordance with Article 6.3(c) is eligible for re-election.

As at the date of this Notice, the Company has four Directors and accordingly, one Director must retire.

Non-Executive Chairman Mr David Church was last elected at the annual general meeting held on 28 November 2019 and has held office the longest of all the Directors since being last elected. Accordingly, Mr Church retires by rotation at this Meeting and, being eligible, seeks re-election pursuant to Resolution 2.

Mr Church is considered by the Board to be an independent director.



## 5.2 David Church

Mr Church is a consultant providing general counsel and mergers and acquisition services to Regent Pacific Group Limited, a company whose securities are listed on the Stock Exchange of Hong Kong Limited. Mr Church is a qualified solicitor and has practiced in Australia with Clayton Utz, and in the UK and Hong Kong with Linklaters.

Mr Church was appointed as a Non-Executive Director of Caprice Resources Limited on 8 October 2018 and transitioned to Non-Executive Chairman on 6 October 2020.

Mr Church has acknowledged to the Company that he will have sufficient time to fulfil his responsibilities as a Director.

## 5.3 Board recommendation

Resolution 2 is an ordinary resolution.

The Board (other than Mr Church) recommends that Shareholders vote in favour of Resolution 2 as:

- (a) Mr Church is a highly experienced and qualified long-standing Board member; and
- (b) Mr Church's experience will assist the Company achieving its strategic objectives in the short and medium-term.

If Resolution 2 is passed, Mr Church will be appointed as a Non-Executive Chairman of the Company.

If Resolution 2 is not passed, Mr Church will not be appointed as a Non-Executive Chairman of the Company.

## 6. Resolution 3 – Approval of Employee Securities Incentive Plan

### 6.1 General

The Company considers that it is desirable to adopt an employee incentive scheme pursuant to which the Company can issue Equity Securities to attract, motivate and retain key Directors, employees and consultants and provide them with the opportunity to participate in the future growth of the Company.

Resolution 3 seeks Shareholders' approval for the adoption of the employee incentive scheme titled 'Caprice Resources Limited Employee Securities Incentive Plan' (**Plan**) in accordance with Listing Rule 7.2 exception 13(b).

Under the Plan, the Board may offer to eligible persons the opportunity to subscribe for such number of Equity Securities in the Company as the Board may decide and on the terms set out in the rules of the Plan, a summary of the key terms and conditions of which is in Schedule 2. In addition, a copy of the Plan is available for review by Shareholders at the registered office of the Company until the date of the Meeting. A copy of the Plan can also be sent to Shareholders upon request to the Company Secretary. Shareholders are invited to contact the Company if they have any queries or concerns.

## **6.2 Listing Rules 7.1 and 7.2, exception 13(b)**

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

Listing Rule 7.2, exception 13(b) provides an exception to Listing Rule 7.1 such that issues of Equity Securities under an employee incentive scheme are exempt for a period of three years from the date on which shareholders approve the issue of Equity Securities under the scheme as an exception to Listing Rule 7.1.

If Resolution 3 is passed, the Company will be able to issue Equity Securities under the Plan to eligible participants over a period of three years up to a nominated maximum amount without using the Company's 15% annual placement capacity under Listing Rule 7.1.

If Resolution 3 is not passed, the Company will not be able to issue Equity Securities under the Plan to eligible participants without using the Company's 15% limit under Listing Rule 7.1, effectively decreasing the number of Equity Securities the Company can issue or agree to issue without obtaining Shareholder approval over the 12 month period following any such issue.

However, any future issues of Equity Securities under the Plan to a related party or a person whose relation with the Company or the related party is, in ASX's opinion, such that approval should be obtained, will require additional Shareholder approval under Listing Rule 10.14 at the relevant time.

## **6.3 Specific information required by Listing Rule 7.2, exception 13(b)**

Under and for the purposes of Listing Rule 7.2, exception 13(b), the following information is provided in relation to the Plan:

- (a) the material terms of the Plan are summarised in Schedule 2;
- (b) the Plan is a new employee incentive scheme and has not previously been approved by Shareholders. No Equity Securities have previously been issued under the Plan;
- (c) the maximum number of Equity Securities proposed to be issued under the Plan following approval of Resolution 3 shall not exceed 8,231,334, which is equal to approximately 10% of the Company's Equity Securities currently on issue, subject to adjustment in the event of a reorganisation of capital and further subject to applicable laws and the Listing Rules; and
- (d) a voting exclusion statement is included in the Notice.

## **6.4 Board recommendation**

Resolution 3 is an ordinary resolution.

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

## **7. Resolution 4 – Approval of 10% Placement Facility**

### **7.1 General**

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of Equity Securities that a listed entity 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 period.

Under Listing Rule 7.1A, however, an eligible entity can seek approval from its members by way of a special resolution passed at its annual general meeting, to issue Equity Securities up to 10% of its issued share capital through placements over a 12 month period after the annual general meeting (**10% Placement Facility**). The 10% Placement Facility is in addition to the Company's 15% annual placement capacity under Listing Rule 7.1.

Resolution 4 seeks Shareholder approval by way of a special resolution to provide the Company the ability to issue Equity Securities under the 10% Placement Facility during the 10% Placement Period (refer to Section 7.2(f) below). The 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 7.2(c) below).

If Resolution 4 is passed, the Company will be able to issue Equity Securities up to the combined 25% limit in Listing Rules 7.1 and 7.1A without any further Shareholder approval.

If Resolution 4 is not passed, the Company will not be able to access the additional 10% capacity to issue Equity Securities without Shareholder approval provided for in Listing Rule 7.1A and will remain subject to the 15% limit on issuing Equity Securities without Shareholder approval set out in Listing Rule 7.1.

### **7.2 Listing Rule 7.1A**

#### **(a) Is the Company an eligible entity?**

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 as it is not included in the S&P/ASX 300 Index and has a market capitalisation of approximately \$13.37 million, based on the closing price of Shares \$0.195 on 28 October 2021.

#### **(b) What Equity Securities can be issued?**

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 eligible entity. As at the date of the Notice, the Company has on issue one quoted class of Equity Securities; Shares.

#### **(c) How many Equity Securities can be issued?**

Listing Rule 7.1A.2 provides that under the approved 10% Placement Facility, the Company may issue or agree to issue a number of Equity Securities calculated in accordance with the following formula:

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

Where:

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

- (A) plus the number of fully paid Shares issued in the relevant period under an exception in Listing Rule 7.2 other than exception 9, 16 or 17;
- (B) plus the number of fully paid Shares issued in the relevant period on the conversion of convertible securities within Listing Rule 7.2 exception 9 where:
  - (1) the convertible securities were issued or agreed to be issued before the commencement of the relevant period; or
  - (2) the issue of, or agreement to issue, the convertible securities was approved, or taken under these rules to have been approved, under Listing Rule 7.1 or Listing Rule 7.4;
- (C) plus the number of fully paid Shares issued in the relevant period under an agreement to issue securities within Listing Rule 7.2 exception 16 where:
  - (1) the agreement was entered into before the commencement of the relevant period; or
  - (2) the agreement or issue was approved, or taken under these rules to have been approved, under Listing Rule 7.1 or Listing Rule 7.4;
- (D) plus the number of partly paid Shares that became fully paid in the relevant period;
- (E) plus the number of fully paid Shares issued in the relevant period with approval under Listing Rules 7.1 and 7.4; and
- (F) less the number of fully paid Shares cancelled in the relevant period.

Note that 'A' has the same meaning in Listing Rule 7.1 when calculating the Company's 15% annual placement capacity.

**D** is 10%.

**E** is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the relevant period where the issue or agreement to issue has not been subsequently approved by the holders of its ordinary securities under Listing Rule 7.4.

(d) **What is the interaction with Listing Rule 7.1?**

The Company's ability to issue Equity Securities under Listing Rule 7.1A will be in addition to its 15% annual placement capacity under Listing Rule 7.1.

(e) **At what price can the Equity Securities be issued?**

Any Equity Securities issued under Listing Rule 7.1A must be issued for a cash consideration per security which is not less than 75% of the VWAP of Equity Securities in the same class calculated over the 15 Trading Days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed by the Company 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,

**(Minimum Issue Price).**

(f) **When can Equity Securities be issued?**

Shareholder approval of the 10% Placement Facility under Listing Rule 7.1A will be valid from the date of Meeting and will expire on the earlier to occur of:

- (i) the date that is 12 months after the date of the Meeting;
- (ii) the time and date of the Company's next annual general meeting; or
- (iii) the time and date of Shareholder approval of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking),

**(10% Placement Period).**

(g) **What is the effect of Resolution 4?**

The effect of Resolution 4 will be to allow the Directors of the Company to issue the Equity Securities under Listing Rule 7.1A during the 10% Placement Period without further Shareholder approval or using the Company's 15% annual placement capacity under Listing Rule 7.1.

If Resolution 4 is passed, the Company will be able to issue Equity Securities up to the combined 25% limit in the Listing Rules 7.1 and 7.1A during the 10% Placement Period without any further Shareholder approval.

If Resolution 4 is not passed, the Company will not be able to access the 10% Placement Facility to issue Equity Securities without Shareholder approval provided for in Listing Rule 7.1A. The Company will therefore remain subject to the 15% limit on issuing Equity Securities without Shareholder approval set out in Listing Rule 7.1.

### **7.3 Specific information required by Listing Rule 7.3A**

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

(a) **Final date for issue**

The Company will only issue the Equity Securities under the 10% Placement Facility during the 10% Placement Period (refer to Section 7.2(f) above).

(b) **Minimum issue price**

Where the Company issues Equity Securities under the 10% Placement Facility, it will only do so for cash consideration and the issue price will be not less than the Minimum Issue Price (refer to Section 7.2(e) above).

(c) **Purposes of issues under 10% Placement Facility**

The Company may seek to issue Equity Securities under the 10% Placement Facility for cash consideration in order to raise funds for continued investment in the Company's current assets, the acquisition of new assets or investments (including expenses associated with such an acquisition), and/or for general working capital.

(d) **Risk of economic and voting dilution**

Shareholders should note that 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 on 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.

If Resolution 4 is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Facility, the existing Shareholders' economic and voting power in the Company may be diluted as shown in the below table (in the case of Options, only if the Options are converted into Shares).

The below table shows the dilution of existing Shareholders based on the current market price of Shares and the current number of Shares for 'A' calculated in accordance with the formula in Listing Rule 7.1A.2 (see Section 7.2(c) above) as at the date of the Notice (**Variable A**), with:

- (iii) two examples where Variable A has increased, by 50% and 100%; and
- (iv) two examples of where the issue price of Shares has decreased by 50% and increased by 100% as against the current market price.

Share on issue (Variable A in Listing Rule 7.1A.2)	Dilution			
	Issue price per Share	\$0.098 50% decrease in Current Market Price	\$0.195 Current Market Price	\$0.39 100% increase in Current Market Price
68,588,337 Shares Variable A	10% Voting Dilution	6,858,834 Shares	6,858,834 Shares	6,858,834 Shares
	Funds raised	\$672,166	\$1,337,473	\$2,674,945
102,882,506 Shares 50% increase in Variable A	10% Voting Dilution	10,288,251 Shares	10,288,251 Shares	10,288,251 Shares
	Funds raised	\$1,008,249	\$2,006,209	\$4,012,418
137,176,674 Shares 100% increase in Variable A	10% Voting Dilution	13,717,667 Shares	13,717,667 Shares	13,717,667 Shares
	Funds raised	\$1,344,331	\$2,674,945	\$5,349,890

Notes:

1. The table has been prepared on the following assumptions:
  - (a) the issue price is the current market price \$0.195, being the closing price of the Shares on ASX on 28 October 2021, being the latest practicable date before finalising this Notice;
  - (b) Variable A comprises of 68,588,337 existing Shares on issue as at the date of this Meeting, assuming the Company has not issued any Shares in the 12 months prior to the Meeting that were not issued under an exception in Listing Rule 7.2 or with Shareholder approval under Listing Rule 7.1 and 7.4 and that Resolution 6 is passed;
  - (c) the Company issues the maximum number of Equity Securities available under the 10% Placement Facility;
  - (d) no convertible securities (including any issued under the 10% Placement Facility) are exercised or converted into Shares before the date of the issue of the Equity Securities; and
  - (e) the issue of Equity Securities under the 10% Placement Facility consists only of Shares. If the issue of Equity Securities includes Quoted Options, it is assumed that those Quoted Options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.
2. The number of Shares on issue (ie Variable A) may increase as a result of issues of Shares that do not require Shareholder approval (for example, a pro rata entitlements issue, scrip issued under a takeover offer or upon exercise of convertible securities) or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders' meeting.
3. The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
4. 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 that Shareholder's holding at the date of the Meeting.
5. The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.

(e) **Allocation policy**

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 Equity Securities will be determined on a case-by-case basis having regard to the following factors including but not limited to:

- (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) 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 the Notice but may include existing substantial Shareholders and/or new investors who are not related parties of or associates of a related party of the Company.

(f) **Issue of Equity Securities in the past 12 months**

The Company obtained Shareholder approval under Listing Rule 7.1A at its previous annual general meeting, held on 30 November 2020.

In the 12 months preceding the date of the Meeting and as at the date of this Notice, the Company has not issued or agreed to issue Equity Securities under Listing Rule 7.1A.

(g) **Voting exclusion statement**

At the date of the Notice, the Company is not proposing to make an issue of Equity Securities under Listing Rule 7.1A and has not approached any particular existing Shareholder or security holder or an identifiable class of existing security holder to participate in any such issue.

However, in the event that between the date of the Notice and the date of the Meeting, the Company proposes to make an issue of Equity Securities under Listing Rule 7.1A to one or more existing Shareholders, those Shareholders' votes will be excluded under the voting exclusion statement in the Notice.

## **7.4 Additional information**

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



## 8. Resolution 5 – Ratification of Prior Issue of Performance Rights

### 8.1 Background

On 27 April 2021, the Company issued 3,750,000 Performance Rights as set out below to Mr Andrew Muir (**Performance Rights**). The Performance Rights were issued to Mr Muir upon his appointment as Managing Director. The Company notes that the issue was made under Listing Rule 10.12 exception 12.

Class	Number of Rights	Milestone	Expiry Date
A	150,000	30 Day VWAP at any time after the date of issue exceeds \$0.75	27 April 2024
B	250,000	30 Day VWAP at any time after the date of issue exceeds \$1.00	27 April 2024
C	350,000	30 Day VWAP at any time after the date of issue exceeds \$1.25	27 April 2024
D	250,000	The Company announces an Inferred, Indicated or Measured Resource (as defined in the JORC Code) of no less than 250,000(oz) of gold or gold equivalent at a minimum grade of 2.0 g/t of gold or gold equivalent	27 April 2024
E	500,000	The Company announces an Inferred, Indicated or Measured Resource (as defined in the JORC Code) of no less than 500,000(oz) of gold or gold equivalent at a minimum grade of 2.0 g/t of gold or gold equivalent	27 April 2025
F	750,000	The Company announces an Inferred, Indicated or Measured Resource (as defined in the JORC Code) of no less than 750,000(oz) of gold or gold equivalent at a minimum grade of 2.0 g/t of gold or gold equivalent	27 April 2026
G	1,500,000	The Company announces an Inferred, Indicated or Measured Resource (as defined in the JORC Code) of no less than 1,000,000(oz) of gold or gold equivalent at a minimum grade of 2.0 g/t of gold or gold equivalent	27 April 2026

The Performance Rights were issued within the 15% annual limit permitted under Listing Rule 7.1 and under Listing Rule 10.12 exception 12, without the need for Shareholder approval.

### 8.2 Listing Rules 7.1 and 7.4

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

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

Listing Rule 7.4 provides an exception to Listing Rule 7.1. It provides that where a company in general meeting ratifies previous issues of securities made pursuant to Listing Rule 7.1

(provided that the previous issues did not breach Listing Rule 7.1), those securities will be deemed to have been made with Shareholder approval for the purpose of Listing Rule 7.1.

The Company wishes to retain as much flexibility as possible to issue additional Equity Securities into the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1. If Resolution 5 is passed, the issue will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of Equity Securities it can issue without Shareholder approval over the 12 month period following the issue date.

In the event that Resolution 5 is not passed, the Performance Rights will continue to be included in the Company's 15% limit under Listing Rule 7.1, effectively decreasing the number of Equity Securities the Company can issue or agree to issue without obtaining prior Shareholder approval to the extent of 3,750,000 Equity Securities for the 12 month period following the issue of those Performance Rights.

### **8.3 Specific information required by Listing Rule 7.5**

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to the ratification of the issue of the Performance Rights:

- (a) the Performance Rights were issued to Managing Director, Andrew Muir;
- (b) a total of 3,750,000 Performance Rights were issued;
- (c) the Performance Rights were issued on 27 April 2021;
- (d) the Performance Rights vest on meeting various milestones with various expiry dates and were otherwise issued on the terms and conditions in Schedule 3;
- (e) the Performance Rights were issued for nil cash consideration, as part consideration for joining the Board of the Company. Accordingly, no funds were raised from the issue of the Performance Rights;
- (f) the Performance Rights were issued in accordance with Mr Muir's executive services agreement. The executive services agreement was on terms considered standard for agreements of this nature and includes an annual salary of \$250,000, 3,750,000 Performance Rights, the entitlement to participate in any short-term incentive or long-term incentive plan the Company may introduce from time to time and a three month notice period; and
- (g) a voting exclusion statement is included in the Notice for Resolution 5.

### **8.4 Additional Information**

Resolution 5 seeks the approval of Shareholders pursuant to Listing Rule 7.4 to ratify the issue of the Performance Rights. Resolution 5 is an ordinary resolution.

The Board (excluding Mr Muir) recommends that Shareholders vote in favour of Resolution 5.

## **9. Resolutions 6 and 7 – Ratification of Prior Issue of Shares and Prior Issue of Options**

### **9.1 Background**

The Company refers to its announcement of 27 July 2021 in respect to its acquisition of the Cuddingwarra and Big Bell South Gold Projects (**Acquisition**).

On 2 August 2021, the Company issued 2,500,000 Shares (**Acquisition Shares**) and 250,000 Options (**Acquisition Options**) as part consideration for the Acquisition.

### **9.2 Listing Rule 7.4**

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

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

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 into the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1. To this end, Resolutions 6 and 7 seek Shareholder approval for the issue of the Acquisition Shares and the Acquisition Options under and for the purposes of Listing Rule 7.4.

If Resolutions 6 and/or 7 are passed, the issue of the Acquisition Shares and Acquisition Options will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of Equity Securities it can issue without Shareholder approval over the 12 month period following the issue date.

If Resolutions 6 and/or 7 are not passed, the issue of the Acquisition Shares and Acquisition Options will be included in calculating the Company's 15% limit in Listing Rule 7.1, effectively decreasing the number of Equity Securities it can issue without Shareholder approval over the 12 month period following the issue date.

### **9.3 Specific information required by Listing Rule 7.5**

In accordance with Listing Rule 7.5, information is provided in relation to the issue of the Acquisition Shares and Acquisition Options as follows:

- (a) the Acquisition Shares and Acquisition Options were issued to Golden State Mining Limited;

- (b) 2,500,000 Shares and 250,000 Options were issued;
- (c) the Acquisition Shares are fully paid ordinary share and rank equally in all respects with the Company's existing Shares;
- (d) the Acquisition Options are exercisable at \$0.25 each and expire on 2 August 2024 on the terms and conditions set out in Schedule 5;
- (e) the Acquisition Shares and Acquisition Options were issued on 2 August 2021;
- (f) the Acquisition Shares and Acquisition Options were issued as part consideration for the Acquisition;
- (g) the Acquisition Shares and Acquisition Options were issued pursuant to a binding terms sheet dated 26 July 2021, the material terms of which are summarised as follows:
  - (i) the Company entered into a binding terms sheet with Golden State Mining Limited (**GSM**) to acquire 80% of the Cuddingwarra and Big Bell South gold projects (**GSM Projects**) whereby GSM will retain 20% ownership in the GSM Projects, forming a joint venture with the Company;
  - (ii) the total consideration for the Acquisition was:
    - (A) \$200,000 cash;
    - (B) the issue of 2,500,000 Shares to GSM; and
    - (C) the issue of 250,000 Options with an exercise price of \$0.25 each and expiring 3 years from the date of issue (subject to a 3 day VWAP of less than \$0.23 prior to completion) to GSM; and
  - (iii) GSM's retained 20% ownership over the GSM Projects will be free-carried through to completion of a pre-feasibility study after which point GSM can elect to contribute or dilute;
  - (iv) should GSM elect to dilute below 10% GSM Project ownership, their interest will convert into a 2% net smelter royalty, with the Company able to buy-back the royalty for a cash payment of \$5,000,000;
  - (v) the Company has the first right of refusal should GSM elect to dispose of its GSM Project ownership; and
  - (vi) the Company will operate and manage the joint venture.
- (h) A voting exclusion statement is included in the notice for Resolutions 6 and 7.

#### **9.4 Additional Information**

Resolutions 6 and 7 are ordinary resolutions.

The Chairperson intends to exercise all available proxies in favour of Resolutions 6 and 7.

## Schedule 1 Definitions

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

<b>\$ or A\$</b>	means Australian Dollars.
<b>10% Placement Facility</b>	has the meaning given in Section 7.1.
<b>10% Placement Period</b>	has the meaning given in Section 7.2(f).
<b>Acquisition</b>	means the acquisition of the Cuddingwarra and Big Bell South Gold Projects as announced on 27 July 2021.
<b>Acquisition Options</b>	has the meaning given in Section 9.1.
<b>Acquisition Shares</b>	has the meaning given in Section 9.1.
<b>Annual Report</b>	means the Directors' Report, the Financial Report, and Auditor's Report, in respect to the year ended 30 June 2021.
<b>ASX</b>	means the ASX Limited (ABN 98 008 624 691) and, where the context permits, the Australian Securities Exchange operated by ASX Limited.
<b>Auditor's Report</b>	means the auditor's report on the Financial Report.
<b>Board</b>	means the board of Directors.
<b>Chair</b>	means the person appointed to chair the Meeting of the Company convened by the Notice.
<b>Closely Related Party</b>	means: (a) a spouse or child of the member; or (b) has the meaning given in section 9 of the Corporations Act.
<b>Company</b>	means Caprice Resources Limited (ACN 624 970 725).
<b>Constitution</b>	means the constitution of the Company as at the date of the Meeting.
<b>Corporations Act</b>	means the <i>Corporations Act 2001</i> (Cth) as amended or modified from time to time.
<b>Director</b>	means a director of the Company.
<b>Directors' Report</b>	means the annual directors' report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities.
<b>Equity Security</b>	has the same meaning as in the Listing Rules.
<b>Explanatory Memorandum</b>	means the explanatory memorandum which forms part of the Notice.
<b>Financial Report</b>	means the annual financial report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities.
<b>GSM</b>	Golden State Mining Limited (ACN 621 105 995).

<b>GSM Projects</b>	means the Cuddingwarra and Big Bell South Gold Projects.
<b>Key Management Personnel</b>	has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, of the consolidated entity, directly or indirectly, including any Director (whether executive or otherwise) of the Company, or if the Company is part of a consolidated entity, of an entity within the consolidated group.
<b>Listing Rules</b>	means the listing rules of ASX.
<b>Meeting</b>	has the meaning given in the introductory paragraph of the Notice.
<b>Minimum Issue Price</b>	has the meaning given in Section 7.2(e).
<b>Notice</b>	means this notice of annual general meeting.
<b>Option</b>	means an option to acquire a Share.
<b>Performance Rights</b>	Means the performance rights as set out in Section 8.1 and as summarised in Schedule 3.
<b>Plan</b>	means the Caprice Resources Limited Employee Securities Incentive Plan which is the subject of Resolution 3, a summary of which is set out in Schedule 2.
<b>Proxy Form</b>	means the proxy form attached to the Notice.
<b>Remuneration Report</b>	means the remuneration report of the Company contained in the Directors' Report.
<b>Resolution</b>	means a resolution referred to in the Notice.
<b>Schedule</b>	means a schedule to the Notice.
<b>Section</b>	means a section of the Explanatory Memorandum.
<b>Securities</b>	means any Equity Securities of the Company (including Shares and Options).
<b>Shareholder</b>	means the holder of a Share.
<b>Strike</b>	means a 'no' vote of 25% or more on the resolution approving the Remuneration Report.
<b>VWAP</b>	means volume weighted average market price.
<b>WST</b>	means Western Standard Time, being the time in Perth, Western Australia.

## Schedule 2 Summary of Employee Securities Incentive Plan

A summary of the key terms of the Plan is set out below:

1. **(Eligible Participant):** Eligible Participant means a person that:
  - (a) is an 'eligible participant' (as that term is defined in ASIC Class Order [CO 14/1000]) in relation to the Company or an Associated Body Corporate (as that term is defined in ASIC Class Order [14/1000]); and
  - (b) has been determined by the Board to be eligible to participate in the Plan from time to time.
2. **(Purpose):** The purpose of the Plan is to:
  - (a) assist in the reward, retention and motivation of Eligible Participants;
  - (b) link the reward of Eligible Participants to Shareholder value creation; and
  - (c) align the interests of Eligible Participants with shareholders of the Group (being the Company and each of its Associated Bodies Corporate), by providing an opportunity to Eligible Participants to receive an equity interest in the Company in the form of Securities.
3. **(Plan administration):** The Plan will be administered by the Board. The Board may exercise any power or discretion conferred on it by the Plan rules in its sole and absolute discretion. The Board may delegate its powers and discretion.
4. **(Eligibility, invitation and application):** The Board may from time to time determine that an Eligible Participant may participate in the Plan and make an invitation to that Eligible Participant to apply for Securities on such terms and conditions as the Board decides. On receipt of an Invitation, an Eligible Participant may apply for the Securities the subject of the invitation by sending a completed application form to the Company. The Board may accept an application from an Eligible Participant in whole or in part. If an Eligible Participant is permitted in the invitation, the Eligible Participant may, by notice in writing to the Board, nominate a party in whose favour the Eligible Participant wishes to renounce the invitation.
5. **(Grant of Securities):** The Company will, to the extent that it has accepted a duly completed application, grant the Participant the relevant number of Securities, subject to the terms and conditions set out in the invitation, the Plan rules and any ancillary documentation required.
6. **(Terms of Convertible Securities):** Each 'Convertible Security' represents a right to acquire one or more Shares (for example, under an option or performance right), subject to the terms and conditions of the Plan. Prior to a Convertible Security being exercised a Participant does not have any interest (legal, equitable or otherwise) in any Share the subject of the Convertible Security by virtue of holding the Convertible Security. A Participant may not sell, assign, transfer, grant a security interest over or otherwise deal with a Convertible Security that has been granted to them. A Participant must not enter into any arrangement for the purpose of hedging their economic exposure to a Convertible Security that has been granted to them.
7. **(Vesting of Convertible Securities):** Any vesting conditions applicable to the grant of Convertible Securities will be described in the invitation. If all the vesting conditions are satisfied and/or otherwise waived by the Board, a vesting notice will be sent to the Participant by the Company informing them that the relevant Convertible Securities have vested. Unless

and until the vesting notice is issued by the Company, the Convertible Securities will not be considered to have vested. For the avoidance of doubt, if the vesting conditions relevant to a Convertible Security are not satisfied and/or otherwise waived by the Board, that Convertible Security will lapse.

8. **(Exercise of Convertible Securities and cashless exercise):** To exercise a Convertible Security, the Participant must deliver a signed notice of exercise and, subject to a cashless exercise of Convertible Securities (see below), pay the exercise price (if any) to or as directed by the Company, at any time prior to the earlier of any date specified in the vesting notice and the expiry date as set out in the invitation. An invitation may specify that at the time of exercise of the Convertible Securities, At the time of exercise of the Convertible Securities, subject to Board approval at that time, the Participant may elect not to be required to provide payment of the exercise price for the number of Convertible Securities specified in a notice of exercise, but that on exercise of those Convertible Securities the Company will transfer or issue to the Participant that number of Shares equal in value to the positive difference between the Market Value of the Shares at the time of exercise and the exercise price that would otherwise be payable to exercise those Convertible Securities.

'Market Value' means, at any given date, the volume weighted average price per Share traded on the ASX over the five trading days immediately preceding that given date, unless otherwise specified in an invitation.

A Convertible Security may not be exercised unless and until that Convertible Security has vested in accordance with the Plan rules, or such earlier date as set out in the Plan rules.

9. **(Delivery of Shares on exercise of Convertible Securities):** As soon as practicable after the valid exercise of a Convertible Security by a Participant, the Company will issue or cause to be transferred to that Participant the number of Shares to which the Participant is entitled under the Plan rules and issue a substitute certificate for any remaining unexercised Convertible Securities held by that Participant.
10. **(Forfeiture of Convertible Securities):** Where a Participant who holds Convertible Securities ceases to be an Eligible Participant or becomes insolvent, all unvested Convertible Securities will automatically be forfeited by the Participant, unless the Board otherwise determines in its discretion to permit some or all of the Convertible Securities to vest. Where the Board determines that a Participant has acted fraudulently or dishonestly, or wilfully breached his or her duties to the Group, the Board may in its discretion deem all unvested Convertible Securities held by that Participant to have been forfeited.

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

- (a) any Convertible Securities which have not yet vested will be forfeited immediately on the date that the Board determines (acting reasonably and in good faith) that any applicable vesting conditions have not been met or cannot be met by the relevant date; and
- (b) any Convertible Securities which have not yet vested will be automatically forfeited on the expiry date specified in the invitation.
11. **(Change of control):** If a change of control event occurs in relation to the Company, or the Board determines that such an event is likely to occur, the Board may in its discretion determine the manner in which any or all of the Participant's Convertible Securities will be dealt with, including, without limitation, in a manner that allows the Participant to participate in



and/or benefit from any transaction arising from or in connection with the change of control event.

12. **(Rights attaching to Plan Shares):** All Shares issued under the Plan, or issued or transferred to a Participant upon the valid exercise of a Convertible Security, **(Plan Shares)** will rank pari passu in all respects with the Shares of the same class. A Participant will be entitled to any dividends declared and distributed by the Company on the Plan Shares and may participate in any dividend reinvestment plan operated by the Company in respect of Plan Shares. A Participant may exercise any voting rights attaching to Plan Shares.

13. **(Disposal restrictions on Plan Shares):** If the invitation provides that any Plan Shares are subject to any restrictions as to the disposal or other dealing by a Participant for a period, the Board may implement any procedure it deems appropriate to ensure the compliance by the Participant with this restriction.

For so long as a Plan Share is subject to any disposal restrictions under the Plan, the Participant will not:

- (a) transfer, encumber or otherwise dispose of, or have a security interest granted over that Plan Share; or
- (b) take any action or permit another person to take any action to remove or circumvent the disposal restrictions without the express written consent of the Company.

14. **(Adjustment of Convertible Securities):** If there is a reorganisation of the issued share capital of the Company (including any subdivision, consolidation, reduction, return or cancellation of such issued capital of the Company), the rights of each Participant holding Convertible Securities will be changed to the extent necessary to comply with the Listing Rules applicable to a reorganisation of capital at the time of the reorganisation. If Shares are issued by the Company by way of bonus issue (other than an issue in lieu of dividends or by way of dividend reinvestment), the holder of Convertible Securities is entitled, upon exercise of the Convertible Securities, to receive an allotment of as many additional Shares as would have been issued to the holder if the holder held Shares equal in number to the Shares in respect of which the Convertible Securities are exercised. Unless otherwise determined by the Board, a holder of Convertible Securities does not have the right to participate in a pro rata issue of Shares made by the Company or sell renounceable rights.

15. **(Participation in new issues):** There are no participation rights or entitlements inherent in the Convertible Securities and holders are not entitled to participate in any new issue of Shares of the Company during the currency of the Convertible Securities without exercising the Convertible Securities.

16. **(Amendment of Plan):** Subject to the following paragraph, the Board may at any time amend any provisions of the Plan rules, including (without limitation) the terms and conditions upon which any Securities have been granted under the Plan and determine that any amendments to the Plan rules be given retrospective effect, immediate effect or future effect.

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

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

If a Participant and the Company (acting by the Board) agree in writing that some or all of the Securities granted to that Participant are to be cancelled on a specified date or on the occurrence of a particular event, then those Securities may be cancelled in the manner agreed between the Company and the Participant.

## Schedule 3 Terms and Conditions of Performance Rights

The terms and conditions of the Performance Rights are as follows:

### 1. Entitlement

Subject to the terms and conditions set out below, each Performance Right, once vested, entitles the holder, on conversion, to the issue of one Share.

### 2. Milestones

The Performance Rights have the following milestones attached to them:

Class	Number of Performance Rights	Milestone	Expiry Date
Class A	150,000	30 Day VWAP at any time after the date of issue exceeds \$0.75	27 April 2024
Class B	250,000	30 Day VWAP at any time after the date of issue exceeds \$1.00	27 April 2024
Class C	350,000	30 Day VWAP at any time after the date of issue exceeds \$1.25	27 April 2024
Class D	250,000	The Company announces an Inferred, Indicated or Measured Resource (as defined in the JORC Code) of no less than 250,000(oz) of gold or gold equivalent at a minimum grade of 2.0 g/t of gold or gold equivalent	27 April 2024
Class E	500,000	The Company announces an Inferred, Indicated or Measured Resource (as defined in the JORC Code) of no less than 500,000(oz) of gold or gold equivalent at a minimum grade of 2.0 g/t of gold or gold equivalent	27 April 2025
Class F	750,000	The Company announces an Inferred, Indicated or Measured Resource (as defined in the JORC Code) of no less than 750,000(oz) of gold or gold equivalent at a minimum grade of 2.0 g/t of gold or gold equivalent	27 April 2026
Class G	1,500,000	The Company announces an Inferred, Indicated or Measured Resource (as defined in the JORC Code) of no less than 1,000,000(oz) of gold or gold equivalent at a minimum grade of 2.0 g/t of gold or gold equivalent	27 April 2026

**3. Consideration**

The Performance Rights will be granted to the Executive (or their permitted nominee) for nil cash consideration.

**4. Exercise Price**

The Exercise Price of each vested Performance Right is nil.

**5. Expiry Date**

All unvested, or vested but unexercised, Performance Rights will expire automatically at 5.00 pm WST on the date specified in clause 2 above (**Expiry Date**).

**6. Conversion**

Upon vesting, each Performance Right will, at the Executive's election, convert into one Share (**Conversion**). The Executive may apply to exercise vested Performance Rights at any time prior to the Expiry Date by filling out a notice of exercise in the form provided by the Company and returning to the Company Secretary (**Notice of Exercise**).

**7. Timing of Issue of Shares and Quotation of Shares on Exercise**

As soon as practicable after the valid delivery of a Notice of Exercise by the holder to the Company, the Company will:

- (a) issue, allocate or cause to be transferred to the holder the number of Shares to which the holder is entitled;
- (b) if required, issue a substitute Certificate for any remaining unexercised Performance Rights held by the holder;
- (c) if required and subject to paragraph 10, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act; and
- (d) in the event the Company is admitted to the official list of ASX, do all such acts, matters and things to obtain the grant of quotation of the Shares by ASX in accordance with the Listing Rules and subject to the expiry of any restriction period that applies to the Shares under the Corporations Act or the Listing Rules.

**8. Restrictions on Transfer of Shares**

If the Company is required but is unable to give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, Shares issued on conversion of the Performance Rights may not be traded until 12 months after their issue unless the Company, at its sole discretion, elects to issue a prospectus pursuant to section 708A(11) of the Corporations Act.

**9. Shares Issued on Exercise**

All Shares issued upon the exercise of Performance Rights will upon issue rank pari passu in all respects with the then Shares of the Company.

**10. Transfer**

The Performance Rights are not transferable unless they have vested and only with the prior written approval of the Board and subject to compliance with the Corporations Act and the Listing Rules.

**11. Quotation**

No application for quotation of the Performance Rights will be made by the Company.

**12. Voting Rights**

The Performance Rights do not confer on the holder an entitlement to vote at general meetings of the Company or to receive dividends.

**13. Participation in Entitlements and Bonus Issues**

Subject to the rights under paragraphs 14 and 15 below, during the currency of any Performance Rights and prior to their exercise, the holder is not entitled to participate in any new issue of Shares of the Company such as bonus issues and entitlement issues, as a result of their holding of the Performance Rights.

**14. Adjustment for Bonus Issue**

- (a) If Shares are issued by the Company pro rata to Shareholders generally by way of bonus issue (other than an issue in lieu of dividends or by way of dividend reinvestment), the holder of the Performance Rights is entitled, upon exercise of the Performance Rights, to receive, in addition to the Shares in respect of which the Performance Rights are exercised and without the payment of any further consideration, an allotment of as many additional Shares as would have been issued to a Shareholder who, on the date for determining entitlements under the bonus issue, held Shares equal in number to the Shares in respect of which the Performance Rights are exercised.
- (b) Additional Shares to which the holder of the Performance Rights becomes so entitled will, as from the time Shares are issued pursuant to the bonus issue and until those additional Shares are allotted, be regarded as Shares in respect of which the Performance Rights are exercised for the purposes of subsequent applications of paragraph 14(a) above, and any adjustments which, after the time just mentioned, are made under paragraph 15 below to the number of Shares, will also be made to the additional Shares.

**15. Reorganisation of Capital**

If there is a reorganisation of the issued Share capital of the Company (including any subdivision, consolidation, reduction, return or cancellation of such issued capital of the Company), the rights of each holder of Performance Rights will be changed to the extent necessary to comply with the Listing Rules applicable to a reorganisation of capital at the time of the reorganisation.

## 16. Leaver

Where the holder of the Performance Rights ceases to be employed by the Company, all unvested Performance Rights will automatically be forfeited by the holder, unless the Board otherwise determines in its discretion to permit some or all of the Performance Rights to vest.

## 17. Change of Control

- (a) If prior to the earlier of the Conversion of the Performance Rights or the Expiry Date a Change in Control Event occurs, then each Performance Right will automatically vest and immediately convert into a Share.
- (b) A Change of Control Event occurs when:
  - (i) **takeover bid:** the occurrence of the offeror under a takeover offer in respect of all shares announcing that it has achieved acceptances in respect of more than 50.1% of shares and that takeover bid has become unconditional; or
  - (ii) **scheme of arrangement:** the announcement by the Company that the Company's shareholders have at a Court-convened meeting of the Company's shareholders voted in favour, by the necessary majority, of a proposed scheme of arrangement under which all Company securities are to be either cancelled or transferred to a third party, and the Court, by order, approves the proposed scheme of arrangement.

## 18. Sale of existing assets

If prior to the earlier of the Conversion or the Expiry Date of any of the Class D, Class E, Class F or Class G Performance Rights (**Resource Performance Rights**), the Company's interests in its existing gold projects (as at the date of this Agreement) are: (i) 100% acquired by way of a share or asset sale with a third party; or (ii) not less than 50% has been earned-in or acquired by a third party via joint venture; 50% of the Executive's unvested Resource Performance Rights will automatically vest.

# Schedule 4 Valuation of Performance Rights

The Performance Rights have been valued according to the Hoadley's Barrier1 trinomial valuation model on the following assumptions:

	Expiry date	Life of Options in Years	Number of Rights	Barrier Price / Probability applied for Performance Rights with non-market based vesting conditions.	Valuation per Right	Total Fair Value
Underlying value of the security	\$0.25					
Exercise price	Nil					
Grant date	27/4/21					
Volatility	90.42%					
Risk free rate	0.11%					
<i>Performance Right:</i>						
<i>Class A</i>	27/4/24	3	150,000	\$0.75	\$0.1726	\$25,890
<i>Class B</i>	27/4/24	3	250,000	\$1.00	\$0.1496	\$37,400
<i>Class C</i>	27/4/24	3	350,000	\$1.25	\$0.1318	\$46,130
<i>Class D</i>	27/4/24	3	250,000	100%	\$0.25	\$62,500
<i>Class E</i>	27/4/25	4	500,000	100%	\$0.25	\$125,000
<i>Class F</i>	27/4/26	5	750,000	100%	\$0.25	\$187,500
<i>Class G</i>	27/4/26	5	1,500,000	100%	\$0.25	\$375,000
			<u>3,750,000</u>			<u>\$859,420</u>

## Schedule 5 Terms and Conditions of Acquisition Options

The terms and conditions of the Options are set out below:

### 1. Entitlement

The Options entitle the Option holder (**Holder**) to subscribe for one Share upon the exercise of each Option.

### 2. Quotation of Options

The Company will not apply for official quotation of the Options on ASX.

### 3. Issue Price

The Options will be issued for nil cash consideration.

### 4. Exercise Price and Expiry Date

Each Option (unless otherwise specified) has an exercise price of \$0.25 (**Exercise Price**) and will expire at 5.00pm (AWST) on 2 August 2024 (**Expiry Date**). Any Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

### 5. Notice of Exercise

The Holder may exercise their Options by lodging with the Company, on or prior to the Expiry Date:

- (a) in whole or in part, and if exercised in part, multiples of 1,000 must be exercised on each occasion;
- (b) a written notice of exercise of Options specifying the number of Options being exercised (Exercise Notice); and
- (c) a cheque or electronic funds transfer for the Exercise Price for the number of Options being exercised. Cheques shall be in Australian currency made payable to the Company and crossed "Not Negotiable". An Exercise Notice is only effective when the Company has received the full amount of the Exercise Price in cleared funds.

### 6. Timing of Issue of Shares and Quotation of Shares on Exercise

Within 5 Business Days after the valid exercise of an Option by the Holder, the Company will:

- (a) issue, allocate or cause to be transferred to the Holder the number of Shares to which the Holder is entitled;
- (b) issue a substitute certificate for any remaining unexercised Options held by the Holder;
- (c) if required and subject to condition 7, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act; and
- (d) do all such acts, matters and things to obtain the grant of quotation of the Shares by ASX in accordance with the Listing Rules of the ASX (**Listing Rules**).

All Shares issued upon the exercise of Options will upon issue rank equally in all respects with the then issued Shares.



**7. Restrictions on transfer of Shares**

If the Company is unable to give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, the Company will promptly (and in any event, within 30 Business Days following the issue of the Shares) issue a prospectus pursuant to section 708A(11) of the Corporations Act to allow the Shares issued on exercise of the Options to be freely tradeable.

**8. Quotation of Shares on exercise**

The Company will apply for official quotation on ASX of all Shares issued upon exercise of the Options within 5 Business Days after the date of issue of those Shares.

**9. Options transferrable**

Outside of the Voluntary Escrow contemplated by the Voluntary Restriction Deed, the Options are freely transferable.

**10. Participation in new issues**

There are no participation rights or entitlements inherent in the Options and the Holder will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options. However, the Company will give the Holder notice of the proposed issue prior to the date for determining entitlements to participate in any such issue.

**11. Adjustment for bonus issues of Shares**

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

- (a) the number of Shares which must be issued on the exercise of an Option will not be increased by the number of Shares which the Holder would have received if the Holder had exercised the Option before the record date for the bonus issue; and
- (b) no change will be made to the Exercise Price.

**12. Adjustment for entitlement issue**

If the Company makes an issue of Shares pro rata to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment) the Exercise Price of an Option will not be adjusted following an entitlement offer.

**13. Adjustments for reorganisation**

If there is any reorganisation of the issued share capital of the Company, the rights of the Holder will be varied to comply with the Listing Rules which apply to a reorganisation of capital at the time of the reorganisation.

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

Your proxy voting instruction must be received by **9.30am (WST) on Sunday, 28 November 2021**, being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

## SUBMIT YOUR PROXY VOTE ONLINE

Vote online at <https://investor.automic.com.au/#/loginsah>



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

- ✓ **Save Money:** help minimise unnecessary print and mail costs for the Company.
- ✓ **It's Quick and Secure:** provides you with greater privacy, eliminates any postal delays and the risk of potentially getting lost in transit.
- ✓ **Receive Vote Confirmation:** instant confirmation that your vote has been processed. It also allows you to amend your vote if required.

## SUBMIT YOUR PROXY VOTE BY PAPER

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

### YOUR NAME AND ADDRESS

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

### STEP 1 – APPOINT A PROXY

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

### DEFAULT TO THE CHAIR OF THE MEETING

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

### STEP 2 - VOTES ON ITEMS OF BUSINESS

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

### APPOINTMENT OF SECOND PROXY

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

### SIGNING INSTRUCTIONS

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

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

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

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

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

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

### CORPORATE REPRESENTATIVES

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

