

Notice of General Meeting

Saturn Metals Limited ACN 619 488 498

Date of Meeting: Tuesday, 11 August 2020

Time of Meeting: 3.00 pm (Perth Time)

Place of Meeting: The Celtic Club, 48 Ord St, West Perth, Western Australia 6005

Notice of General Meeting

Dear Shareholder

Enclosed is a notice for a General Meeting (**Meeting**) of shareholders of Saturn Metals Limited (**Company**) to be held on Tuesday, 11 August 2020 at The Celtic Club at 48 Ord St, West Perth.

The Meeting has been convened to seek shareholder approval for the issue of new options to strategic cornerstone investor, Dundee Corporation, as part of the June 2020 Placement. The Company has also taken this opportunity to seek ratification of two prior share placements. The following resolutions are presented in chronological order:

- (a) the ratification of a placement in April 2020 at \$0.27 per share to raise gross proceeds of \$2.96 million as announced on 30 March 2020 (**April Placement**)
- (b) the ratification of a placement in June 2020 at \$0.50 per share to raise gross proceeds of \$1.89 million as announced on 24 June 2020 (**June Placement**); and
- (c) the approval to issue 1,892,500 new options, each exercisable for \$0.70 on or before 26 June 2022 to the recipient of the June Placement.

The funds raised from both the April Placement and the June Placement are being used to accelerate exploration and resource definition drilling at the Company's 100% owned Apollo Hill Gold project near Leonora in Western Australia, and for working capital purposes.

On behalf of the Board, I encourage you to consider all Meeting materials carefully and participate in the Meeting by attending in person or lodging the proxy form accompanying the Notice of Meeting.

The directors unanimously recommend that you vote **FOR** all Resolutions.

Yours faithfully

Brett Lambert
Chairman

Notice of General Meeting

Notice is given that a General Meeting of shareholders of Saturn Metals Limited (ACN 619 488 498) (**Saturn Metals** or **Company**) will be held on Tuesday, 11 August 2020 commencing at 3.00 pm (Perth time) at the Celtic Club, 48 Ord Street, West Perth, Western Australia 6005.

Agenda

Ordinary Business

Resolution 1 - Ratification of the Issue of Shares under the April Placement

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

"That, for the purposes of Listing Rule 7.4 and for all other purposes, the prior allotment and issue of 10,978,393 fully paid ordinary shares at an issue price of \$0.27 per share to the April Placement Recipients, on the terms set out in the Explanatory Memorandum accompanying this Notice of Meeting, be approved and ratified."

Voting Exclusion: The Company will disregard any votes cast in favour of Resolution 1 by or on behalf of the April Placement Recipients, or any Associate of those persons. However, this does not apply to a vote cast in favour of Resolution 1 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:
 - (1) 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
 - (2) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Resolution 2 - Ratification of the Issue of Shares under the June Placement

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

"That, for the purposes of Listing Rule 7.4 and for all other purposes, the prior allotment and issue of 3,785,000 fully paid ordinary shares at an issue price of \$0.50 per share to Dundee Corporation, on the terms set out in the Explanatory Memorandum accompanying this Notice of Meeting, be approved and ratified."

Voting Exclusion: The Company will disregard any votes cast in favour of Resolution 2 by or on behalf of Dundee Corporation, or any Associates of Dundee Corporation. However, this does not apply to a vote cast in favour of Resolution 2 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:
 - (1) 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
 - (2) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Resolution 3 - Approval of Issue of Options

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

"That, for the purposes of Listing Rule 7.1 and for all other purposes, approval be and is hereby given for the issue and allotment of 1,892,500 options to Dundee Corporation as set out in the Explanatory Memorandum accompanying this Notice of Meeting."

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Voting Exclusion: The Company will disregard any votes cast in favour of Resolution 3 by or on behalf of Dundee Corporation, any Associates of Dundee Corporation, and any person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities in the Company, if Resolution 3 is passed, and any Associates of those persons. However, this does not apply to a vote cast in favour of Resolution 3 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:
 - (1) 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
 - (2) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Other Business

To consider any other business that may be brought before the Meeting in accordance with the Company's Constitution.

Explanatory Memorandum

Shareholders are referred to the Explanatory Memorandum accompanying and forming part of this Notice of General Meeting.

Snapshot Time

Regulation 7.11.37 of the Corporations Regulations 2001 permits the Company to specify a time, not more than 48 hours before the Meeting, at which a "snapshot" of Shareholders will be taken for the purposes of determining Shareholders' entitlements to vote at the Meeting.

The Directors have determined that all Shares of the Company on the register as at 7.00 pm (Perth time) on Sunday, 9 August 2020 shall, for the purposes of determining voting entitlements at the Meeting, be taken to be held by the persons registered as holding the Shares at that time.

Poll

All Resolutions shall be conducted by poll, as they are all resolutions relating to the ASX Listing Rules.

Proxies

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 for the Meeting provides further details on appointing proxies and lodging the Proxy Form. Proxies must be returned by 3.00 pm (Perth time) on Sunday, 9 August 2020.

Voting by Proxy

A Shareholder can direct its proxy to vote for, against or abstain from voting on each resolution by marking the appropriate box in the Voting Directions section of the proxy form. If a proxy holder votes, they must cast all votes as directed. Any directed proxies that are not voted will automatically default to the Chairman, who must vote the proxies as directed.

If the Chairman is to act as your proxy in relation to the meeting (whether by appointment or by default) and you have not given directions on how to vote by marking the appropriate box in the Voting Directions section of the proxy form, the Chairman intends to vote all valid undirected proxies in respect of each of the Resolutions in favour of the relevant resolution.

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The current COVID-19 situation ought not impact on shareholders' ability to attend the meeting, however, if that changes shareholders will be advised and the Company would then strongly encourage shareholders to lodge a directed proxy, and to appoint the Chairman as your proxy, instead of attending the meeting. Shareholders should take account of any applicable COVID-19 restrictions as applicable at the meeting date, and as may be directed at the meeting.

If you are in any doubt as to how to vote, you should consult your professional adviser.

Voting Online at www.linkmarketservices.com.au

Please see the accompanying Proxy Form for instructions as to how to lodge your proxy, including lodging on-line.

Corporate Representative

If a representative of a Shareholder corporation is to attend the Meeting, a "Corporate Representative Certificate" should be completed and produced prior to the meeting. Please contact the Company's Share Registry for a pro forma certificate if required.

By Order of the Board
Saturn Metals Limited

Ryan Woodhouse
Company Secretary

3 July 2020

Explanatory Memorandum

1. Introduction

This Explanatory Memorandum is provided to shareholders of Saturn Metals Limited (**Saturn Metals or Company**) to explain the Resolutions to be put to Shareholders at the General Meeting to be held at the Celtic Club, 48 Ord Street, West Perth, Western Australia on Tuesday, 11 August 2020 commencing at 3.00 pm (Perth time).

The Notice of Meeting sets out details of proposals concerning the Resolutions to be put to Shareholders.

The Directors recommend Shareholders read the accompanying Notice of Meeting and this Explanatory Memorandum in full before making any decision in relation to the Resolutions.

Unless otherwise defined, the Terms used in this Explanatory Memorandum are defined in section 5.

The April Placement consisted of 10,978,393 new Shares (**April Placement Shares**) at an issue price of \$0.27 per Share issued on or about 6 April 2020 (**April Placement**).

The June Placement consisted of 3,785,000 new Shares (**June Placement Shares**) at an issue price of \$0.50 per Share issued on or about 26 June 2020 (**June Placement**).

2. Resolution 1 – Ratification of Issue of April Placement Shares

2.1 Background

On 6 April 2020 the Company announced a placement to raise gross funds of \$2.96 million to continue exploration drilling and resources definition at the Apollo Hill Gold Project and for general working capital purposes. The capital raising was to sophisticated or professional investors.

The April Placement consisted of approximately 10.98 million new Shares at an issue price of \$0.27 per Share.

Canaccord Genuity was the sole lead manager and sole bookrunner to the April Placement.

Resolution 1 is an ordinary resolution and proposes to ratify the issue of the April Placement Shares. The April Placement Shares were issued on or about 6 April 2020 and represented approximately 15% of the fully diluted Shares the Company had on issue at the time of the announcement of the April Placement. The April Placement Shares were issued to the April Placement Recipients under the Company's existing 15% placement capacity prior to the date of the Meeting and as such, are not subject to Shareholder's prior approval under Listing Rule 7.1. Resolution 1 seeks Shareholder approval under Listing Rule 7.4 to ratify the issue of the April Placement Shares. Shareholder ratification will enable the Company to issue Shares in the next 12 months under its 15% placement capacity without the need to seek prior Shareholder approval.

2.2 ASX Listing Rules 7.1 and 7.4

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

The April Placement does not fit within any of these exceptions and, as it has not yet been approved by the Company's 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 sets out an exception to Listing Rule 7.1. It provides that where a company in a general meeting ratifies a previous issue of securities made or agreed to be made pursuant to Listing Rule 7.1 (and provided that the previous issue 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, and so does not reduce the Company's capacity to issue further equity securities without Shareholder approval under that rule.

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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.

Ratification by the Shareholders of the Company to the April Placement is now sought pursuant to Listing Rule 7.4 under Resolution 1 in order to reinstate the Company's capacity to issue up to 15% of its issued capital, if required, in the next 12 months without Shareholder approval.

The effect of this Resolution 1 is that the Company, for the purposes of Listing Rule 7.1 will be able to refresh its 15% placement capacity with effect from the date of the General Meeting.

If Resolution 1 is passed, the April Placement will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of equity securities it can issue without Shareholder approval over the 12 month period following the issue date.

If Resolution 1 is not passed, the April Placement 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.

Shareholders should also refer below to Resolution 2 and the additional 10% capacity available under ASX Listing Rule 7.1A to issue further Shares which has been impacted by the June Placement and whether or not Resolution 2 is passed.

2.3 Technical Information required by Listing Rule 7.5

Listing Rule 7.5 requires that the following information be provided to Shareholders in relation to the Shares the subject of Resolution 1:

- (a) the April Placement Shares were allotted to the April Placement Recipients, who were determined on the basis of applications received from institutional and sophisticated investors, who are clients of the sole lead manager and sole bookrunner, Canaccord Genuity, and included current substantial Shareholder Whythenshawe Pty Ltd and associates.
- (b) the number of fully paid ordinary shares issued by the Company is 10,978,393 Shares;
- (c) the April Placement Shares have been issued on the same terms as, and will rank equally with, all fully paid ordinary shares in the Company on issue;
- (d) the April Placement Shares were allotted and issued on 6 April 2020;
- (e) the price of each Share was \$0.27;
- (f) funds raised by the April Placement Shares are intended to be used to accelerate drilling and resource definition at the Company's 100% owned Apollo Hill Gold project near Leonora in Western Australia, and for working capital purposes;
- (g) no April Placement Recipient is a related party of the Company; and
- (h) a voting exclusion statement is included in the Notice of Meeting.

2.4 Directors Recommendation

The Directors recommend that Shareholders vote in favour of Resolution 1. Any undirected proxies held by the Chairman will be voted in favour of Resolution 1.

3. Resolution 2 – Ratification of Issue of June Placement Shares

3.1 Background

On 24 June 2020 the Company announced a placement to raise gross funds of \$1.89 million to continue and accelerate exploration drilling and resources definition at the Apollo Hill Gold Project and for general working capital purposes. The capital raising was to a current substantial Shareholder, Dundee Corporation.

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The June Placement consisted of 3,785,000 new Shares at an issue price of \$0.50 per Share. The raising was un-brokered.

Resolution 2 is an ordinary resolution and proposes to ratify the issue of the June Placement Shares. The June Placement Shares were issued on or about 26 June 2020 and represented approximately 4.50% of the fully diluted Shares the Company had on issue at the time of the announcement of the June Placement. The June Placement Shares were issued to Dundee Corporation under the Company's additional 10% placement capacity approved by Shareholders at the last annual general meeting for the purposes of Listing Rule 7.1A and as such, are not subject to Shareholder's prior approval under Listing Rule 7.1. Resolution 2 seeks Shareholder approval under Listing Rule 7.4 to ratify the issue of the June Placement Shares. Shareholder ratification will enable the Company to issue additional Shares under its current additional 10% capacity pursuant to Listing Rule 7.1A, up until the expiration of the Company's 15% placement capacity as determined by Listing Rule 7.1A.1.

3.2 Subscription Agreement

On 22 June 2020, the Company and Dundee Corporation entered into the Subscription Agreement to facilitate the June Placement and the conditional allotment of the Options from the Company to Dundee Corporation. In addition to the usual terms expected for an agreement of its type, under the Subscription Agreement, the granting of the Options were subject to:

- (a) the Options being on the terms set out in Schedule 1;
- (b) the following conditions precedent (to be obtained no later than 6 months from 22 June 2020):
 - (1) the Company obtaining Shareholder approval for the issue of the Options to the extent necessary pursuant to Listing Rule 7.1; and
 - (2) being FIRB approval under the FATA, being that one of the following occurs:
 - (A) Dundee Corporation receiving written notice under FATA that the Commonwealth Government does not object to the allotment of the Options; or
 - (B) that the Commonwealth Treasurer becomes precluded from making an order with respect to the allotment of the Options under FATA; or
 - (C) if an interim order is made under FATA in respect of the issue of the Options, the subsequent period for making a final order prohibiting that transaction elapses without a final order being made.

3.3 ASX Listing Rules 7.1 and 7.4

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

In addition, and subject to a number of exceptions, pursuant to Listing Rule 7.1A, Shareholders can give prior approval (by special resolution at an annual general meeting) to the issue of securities equivalent to an additional 10% of its capital over a 12 month period. Shareholders of the Company gave their approval for the issue of additional Shares under Listing Rule 7.1A at the last annual general meeting of the Company held on 21 October 2019. The June Placement does not fit within any of these exceptions to Listing Rules 7.1A and, as it has not yet been approved by the Company's Shareholders, it effectively uses up part of the additional 10% limit in Listing Rule 7.1A, reducing the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1A pursuant to the Company's current Listing Rule 7.1A mandate.

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Listing Rule 7.4 sets out an exception to Listing Rule 7.1 and Listing Rule 7.1A. It provides that where a company in a general meeting ratifies a previous issue of securities made or agreed to be made pursuant to Listing Rule 7.1 (and provided that the previous issue 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, and so does not reduce the Company's capacity to issue further equity securities without Shareholder approval under that rule. It also provides that an issue made in accordance with Listing Rule 7.1A can be approved subsequently under Listing Rule 7.4 and, if it is, the issue will then be excluded from calculation of the Company's capacity to issue further equity securities under Listing Rule 7.1A.

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 7.1A.

Ratification by the Shareholders of the Company to the June Placement is now sought pursuant to Listing Rule 7.4 under Resolution 2 in order to reinstate the Company's capacity to issue up to an additional 10% of its issued capital under Listing Rule 7.1A, if required, pursuant to its current Listing Rule 7.1A mandate without Shareholder approval.

The effect of this Resolution 2 is that the Company, for the purposes of Listing Rule 7.1A will be able to refresh its additional 10% placement capacity with effect from the date of the General Meeting.

If Resolution 2 is passed, the June Placement will be excluded in calculating the Company's additional 10% limit in Listing Rule 7.1A, effectively increasing the number of equity securities it can issue without Shareholder approval pursuant to its current Listing Rule 7.1A mandate.

If Resolution 1 is not passed, the June Placement will be included in calculating the Company's additional 10% limit in Listing Rule 7.1A, effectively decreasing the number of equity securities it can issue without Shareholder approval pursuant to its current Listing Rule 7.1A mandate.

3.4 **Technical Information required by Listing Rule 7.5**

Listing Rule 7.5 requires that the following information be provided to Shareholders in relation to the Shares the subject of Resolution 2:

- (a) the June Placement Shares were allotted to Dundee Corporation, being a substantial Shareholder of the Company (Dundee Corporation having acquired shares at \$0.45 as part of the recent sell down by Peel Mining Limited, as announced on 10 June 2020);
- (b) the number of fully paid ordinary shares issued by the Company is 3,785,000 Shares;
- (c) the June Placement Shares have been issued on the same terms as, and will rank equally with, all fully paid ordinary shares in the Company on issue;
- (d) the June Placement Shares were allotted and issued on 26 June 2020;
- (e) the price of each Share was \$0.50;
- (f) funds raised by the June Placement Shares are intended to be used to continue exploration drilling and resource definition at the Company's 100% owned Apollo Hill Gold project near Leonora in Western Australia, and for working capital purposes. Some funds may be directed towards commencement of exploration activities at the West Wyalong Project, NSW;
- (g) Dundee Corporation is not a related party of the Company;
- (h) the June Placement Shares were issued pursuant to the Subscription Agreement on the material terms described in section 3.2 above; and
- (i) a voting exclusion statement is included in the Notice of Meeting.

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3.5 Directors Recommendation

The Directors recommend that Shareholders vote in favour of Resolution 2. Any undirected proxies held by the Chairman will be voted in favour of Resolution 2.

4. Resolution 3 - Approval of Issue of Options

4.1 Background

Resolution 3 is an ordinary resolution and seeks Shareholder approval for the issue of the Options, and for the purposes of Listing Rule 7.1. The Options are being allotted in conjunction with the June Placement to Dundee Corporation.

The Options are being allotted pursuant to the Subscription Agreement for nil consideration, with an exercise price of each Option being \$0.70, and will expire on 26 June 2022. Schedule 1 to this Explanatory Memorandum details the terms and conditions **attached** to the Options.

The Options are subject to obtaining Shareholder approval and FIRB approval, as described in section 3.2 of this Explanatory Memorandum.

4.2 Listing Rule 7.1

A summary of Listing Rule 7.1 is set out in section 2.2 above.

The issue does not fall within any of these exceptions and in aggregate exceeds the 15% limit in Listing Rule 7.1. The issue cannot fall within the additional 10% limit in Listing Rule 7.1A as the issue does not relate to an existing quoted class of the Company's equity securities pursuant to Listing Rule 7.1A.3. It therefore requires the approval of the Company's Shareholders under Listing Rule 7.1.

If Resolution 3 is passed, the Company will be able to proceed to issue the Options once FIRB approval has been obtained, as set out in the announcement to the ASX on 24 June 2020. In addition, the Options will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1 can proceed without using up any of the Company's 15% limit on issuing equity securities without Shareholder approval set out in Listing Rule 7.1.

If Resolution 3 is not passed, the Company will not issue the Options as set out in the announcement to the ASX on 24 June 2020.

The effect of Resolution 3 will be to allow the Company to issue the Options during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity. The anticipated date for issue of the Options is by 11 November 2020.

4.3 Technical information required by Listing Rule 7.3

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

- (a) the Options will be allotted to Dundee Corporation;
- (b) the number of options the Company will issue will be 1,892,500, on the terms set out in Schedule 1;
- (c) upon exercise of the Options, the Shares will be issued on the same terms as, and will rank equally with, all fully paid ordinary shares in the Company on issue;
- (d) the Options are anticipated to be issued by 11 November 2020 and, in any event, no later than 3 months after the date of the Meeting (or a longer period, if allowed by ASX);
- (e) the Options are issued for nil consideration, but upon exercise each Option will be exercisable at \$0.70 each;

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- (f) in addition to the terms described in Schedule 1, the Options are being allotted pursuant to the Subscription Agreement on the terms described in section 3.2 above and
- (g) a voting exclusion statement is included in the Notice of Meeting.

4.4 Directors Recommendation

The Directors recommend that Shareholders vote in favour of Resolution 3. Any undirected proxies held by the Chairman will be voted in favour of Resolution 3.

5. Interpretation

April Placement has the meaning given to that term in section 1 of the Explanatory Memorandum;

April Placement Recipients means the sophisticated or professional investor recipients of the April Placement Shares;

April Placement Shares has the meaning given to that term in section 1 of the Explanatory Memorandum;

Associate has the meaning given to that term in the Listing Rules;

ASX means ASX Limited ACN 008 624 691 or the Australian Securities Exchange;

Board means the board of directors of the Company;

Canaccord Genuity means Canaccord Genuity (Australia) Limited;

Company means Saturn Metals Limited;

Constitution means the constitution of the Company from time to time;

Corporations Act means the *Corporations Act 2001* (Cth) as amended, varied or replaced from time to time;

Dundee Corporation means New Venture Equities Fund LP and Dundee Resources Limited, both companies incorporated in Ontario, Canada and part of the Dundee Corporation, and being a sophisticated or professional investor.

Director means a director of the Company;

Explanatory Memorandum means this explanatory memorandum accompanying the Notice of Meeting;

FATA means the *Foreign Acquisitions and Takeovers Act 1975* (Cth);

FIRB means the Foreign Investment Review Board;

June Placement has the meaning given to that term in section 1 of the Explanatory Memorandum;

June Placement Shares has the meaning given to that term in section 1 of the Explanatory Memorandum;

Listing Rule means the official listing rules of the ASX as amended from time to time;

Meeting or **General Meeting** means the general meeting to be held on Tuesday, 11 August 2020;

Notice of Meeting or **Notice** means the notice of meeting giving notice to Shareholders of the Meeting, accompanying this Explanatory Memorandum;

Ordinary Resolution means a resolution passed by more than 50% of the votes cast at a general meeting of shareholders;

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Options means the 1,892,500 options to be issued by the Company pursuant to Resolution 3 of this Notice and the terms in Schedule 1;

Resolution means a resolution proposed at the Meeting;

Share means an ordinary fully paid share in the issued capital of the Company;

Shareholder means a holder of Shares in the Company;

Special Resolution means a resolution passed by more than 75% of the votes cast at a general meeting of shareholders;

Subscription Agreement means the Share and Option Subscription Agreements executed between the Company and New Venture Equities Fund LP as to 1,000,000 Shares and 500,000 Options, and the Company and Dundee Resources Limited as to 2,785,000 Shares and 1,392,500 Options on or about 22 June 2020, and as further described in section 3.2 of the Explanatory Memorandum.

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Schedule 1 - Terms and Conditions of Options

1. The Options shall be issued for no cash consideration;
2. The exercise price of each Option is \$0.70 (**Exercise Price**).
3. The Options will expire on 26 June 2022 (**Expiry Date**) unless earlier exercised below.
4. The Options are transferable (subject to any restrictions on transfer applicable to Dundee Corporation, as a Canadian investor, as contemplated in Subscription Agreement).
5. The Options may be exercised at any time wholly or in part by delivering a duly completed form of notice of exercise together with payment for the Exercise Price per Option to the Company at any time on or after the date of issue of the Options and on or before the Expiry Date. Payment may be made as directed by the Company from time to time, which may include by cheque, electronic funds transfer or other methods.
6. Upon the valid exercise of the Options and payment of the Exercise Price, the Company will within three Trading Days issue fully paid ordinary shares ranking pari passu with the then issued ordinary shares.
7. Option holders do not have any right to participate in new issues of securities in the Company made to shareholders generally. The Company will, where required pursuant to the ASX Listing Rules, provide Option holders with notice prior to the books record date (to determine entitlements to any new issue of securities made to shareholders generally) to exercise the Options, in accordance with the requirements of the Listing Rules.
8. Option holders do not participate in any dividends unless the Options are exercised and the resultant shares of the Company are issued prior to the record date to determine entitlements to the dividend.
9. The Options do not confer any voting rights to Option holders unless the Options are exercised and the resultant shares of the Company are issued to the Option holder.
10. In the event of any reorganisation (including consolidation, subdivision, reduction or return) of the issued capital of the Company:
 - (a) the number of Options, the Exercise Price of the Options, or both will be reorganised (as appropriate) in a manner consistent with the ASX Listing Rules as applicable at the time of reorganisation, but with the intention that such reorganisation will not result in any benefits being conferred on the holders of the Options which are not conferred on shareholders; and
 - (b) subject to the provisions with respect to rounding of entitlements as sanctioned by a meeting of shareholders approving a reorganisation of capital, in all other respects the terms for the exercise of the Options will remain unchanged.
11. If there is a pro rata issue (except a bonus issue), the Exercise Price of an Option will be reduced according to the following formula:

$$O^n = O - \frac{E [P - (S + D)]}{N + 1}$$

Where:

- O^n = the new exercise price of the Option;
 O = the old exercise price of the Option;
 E = the number of underlying securities into which one Option is exercisable;

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- P = the volume weighted average market price per security of the underlying securities during the five trading days ending on the day before the ex right date or the ex entitlements date;
- S = the subscription price for a security under the pro rata issue;
- D = dividend due but not yet paid on the existing underlying securities (except those to be issued under the pro rata issue); and
- N = the number of securities with rights or entitlements that must be held to receive a right to one new security.
12. If there is a bonus issue to the holders of shares in the Company, the number of shares over which the Option is exercisable may be increased by the number of shares which the Option holder would have received if the Option had been exercised before the record date for the bonus issue.
13. The terms of the Options shall only be changed if holders (whose votes are not to be disregarded) of ordinary shares in the Company approve of such a change. However, unless all necessary waivers of the ASX Listing Rules are obtained, the terms of the Options shall not be changed to reduce the Exercise Price, increase the number of Options or change any period for exercise of the Options.
14. The Company does not intend to apply for listing of the Options on the ASX.
15. The Company shall immediately apply for listing of the resultant shares of the Company issued upon exercise of any Option.
16. Subject to item 17 below, within 5 Business Days of the date of issue of Shares upon exercise of any Option, the Company must lodge with ASX a written notice pursuant to Section 708A(5) of the *Corporations Act* meeting the requirements of Section 708A(6) of the *Corporations Act*, and containing the information that is sufficient to permit secondary trading of the shares issued upon exercise of any option to which it relates.
17. If for any reason the Company is unable to comply with item 16 above, does not issue such a notice, or that notice for any reason is not effective to ensure that the issue of the Subscription Shares does not require disclosure to investors, then the Company must no later than 30 days after the day of the issue of the Shares upon exercise of the Options lodge with ASIC a prospectus prepared in accordance with the *Corporations Act* and do all such things necessary to satisfy section 708A(11) of the *Corporations Act* to ensure that the issue of the Shares do not require disclosure to investors, or otherwise ensure that whilst any Option remain on issue, the Company has a current disclosure document issued which complies with the requirements of Chapter 6D of the *Corporations Act* pursuant to which the resultant shares upon any exercise of any option will be issued and the Company must take all necessary steps to ensure that Section 707 of the *Corporations Act* does not apply to restrict the secondary trading of the shares issued upon exercise of any Option.
-

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LODGE YOUR VOTE

 **ONLINE**
www.linkmarketservices.com.au

 **BY MAIL**
Saturn Metals Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia

 **BY FAX**
+61 2 9287 0309

 **BY HAND**
Link Market Services Limited
1A Homebush Bay Drive, Rhodes NSW 2138

 **ALL ENQUIRIES TO**
Telephone: 1300 554 474 Overseas: +61 1300 554 474



X99999999999

PROXY FORM

I/We being a member(s) of Saturn Metals Limited and entitled to attend and vote hereby appoint:

APPOINT A PROXY

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 you are appointing as your proxy

STEP 1

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act 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 the law, as the proxy sees fit) at the General Meeting of the Company to be held at **3.00pm (Perth Time) on Tuesday, 11 August 2020 at The Celtic Club, 48 Ord St, West Perth, Western Australia 6005 (the Meeting)** and at any postponement or adjournment of the Meeting.

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.

VOTING DIRECTIONS

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting. Please read the voting instructions overleaf before marking any boxes with an

Resolutions

	For	Against	Abstain*
1 Ratification of the Issue of Shares under the April Placement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Ratification of the Issue of Shares under the June Placement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Approval of Issue of Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

STEP 2

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

SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Joint Shareholder 2 (Individual)

Joint Shareholder 3 (Individual)

Sole Director and Sole Company Secretary

Director/Company Secretary (Delete one)

Director

This form should be signed by the shareholder. If a joint holding, either shareholder may sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).

STEP 3

STN PRX2001A



HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

YOUR NAME AND ADDRESS

This is your name and address as it appears on the Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

APPOINTMENT OF PROXY

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name of that individual or body corporate in Step 1. A proxy need not be a shareholder of the Company.

DEFAULT TO CHAIRMAN OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting, who is required to vote those proxies as directed. Any undirected proxies that default to the Chairman of the Meeting will be voted according to the instructions set out in this Proxy Form.

VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

You may direct your proxy how to vote by placing a mark in 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 A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company's share registry or you may copy this form and return them both together.

To appoint a second proxy you must:

- (a) on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- (b) return both forms together.

SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided:

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, either shareholder may sign.

Power of Attorney: to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

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

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate "Certificate of Appointment of Corporate Representative" must be produced prior to admission in accordance with the Notice of Meeting. A form of the certificate may be obtained from the Company's share registry or online at www.linkmarketservices.com.au.

LODGEMENT OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **3.00pm (Perth Time) on Sunday, 9 August 2020**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Proxy Forms may be lodged using the reply paid envelope or:



ONLINE

www.linkmarketservices.com.au

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" - Securityholder Reference Number (SRN) or Holder Identification Number (HIN).



BY MAIL

Saturn Metals Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235
Australia



BY FAX

+61 2 9287 0309



BY HAND

delivering it to Link Market Services Limited*
1A Homebush Bay Drive
Rhodes NSW 2138

* During business hours (Monday to Friday, 9:00am–5:00pm)

**IF YOU WOULD LIKE TO ATTEND AND VOTE AT THE GENERAL MEETING, PLEASE BRING THIS FORM WITH YOU.
THIS WILL ASSIST IN REGISTERING YOUR ATTENDANCE.**