

Kin Mining N.L.

ACN 150 597 541

Notice of Annual General Meeting

Explanatory Statement and Proxy Form

Date of Meeting

25 November 2020

Time of Meeting

10.00 am (AWST)

Place of Meeting

The AGM will be conducted as a virtual meeting, accessible online.

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

Should you wish to discuss any matters prior to the Meeting, please contact the Company Secretary by telephone on +61 8 9242 2227.

IMPORTANT INFORMATION REGARDING COVID-19: Due to the COVID-19 pandemic, the AGM will be held as a virtual meeting. If you wish to virtually attend the AGM, please refer to the Meeting ID and Shareholder ID on your personalised proxy form to login to the meeting at www.advancedshare.com.au/virtual-meeting.

On 5 May 2020, the Commonwealth Treasurer introduced temporary modifications to the Corporations Act to allow the Notice of Meeting and other information regarding the AGM to be provided electronically and to allow shareholders to participate in the AGM using the online facility which facilitates direct voting and questions.

This Notice of Meeting can be accessed on the Company's website at <https://www.kinmining.com.au>.

Shareholders are also strongly encouraged to lodge their completed Proxy Forms in accordance with the instructions in this Notice of Meeting.

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Important Information for Shareholders about the Company's 2020 AGM

Given the uncertainty surrounding the COVID-19 pandemic, by the time this Notice is received by Shareholders, the circumstances may have changed. However, this Notice is given based on the circumstances as at 23 October 2020.

Accordingly, should the circumstances change, the Company will make an announcement on the ASX market announcements platform and on the Company's website at <https://www.kinmining.com.au>. Shareholders are urged to monitor the ASX announcements platform and the Company's website.

Given the significant health concerns attributed to the COVID-19 pandemic, in addition to the guidelines and restrictions issued by the Australian state and federal governments, the Company considers that it is appropriate to hold the 2020 AGM as a virtual meeting, in a manner that is consistent with the temporary modifications to the Corporations Act introduced by the Commonwealth Treasurer.

Venue and Voting Information

The Annual General Meeting of the Shareholders to which this Notice of Meeting relates (**Meeting**) will be held at 10:00am (AWST) on Wednesday 25 November 2020 as a virtual meeting. The Meeting will be accessible to all Shareholders via a live webinar, which will allow Shareholders to participate in the Meeting.

If you are a shareholder and you wish to participate at the Meeting, please use the Meeting ID and Shareholder ID on the Proxy Form to login to the Meeting at www.advancedshare.com.au/virtual-meeting.

Please contact Advanced Share Registry on +61 (8) 9389 8033 if you have any queries or problems logging into the Meeting portal.

Voting virtually at the Meeting

To vote at the Meeting, you are encouraged to appoint a proxy, preferably the Chair of the Meeting (**Chair**), to vote on your behalf at the Meeting as this will simplify the voting procedures for the Meeting. Alternatively, you will be able to record your vote during the Meeting through an online poll.

Voting by poll

All resolutions at the Meeting will be voted on by poll and Shareholders who are entitled to vote may vote either prior to the Meeting by appointing a proxy or by poll during the Meeting (such a poll to be taken electronically).

Shareholders who wish to vote by poll during the Meeting will be able to submit their online poll votes immediately after the Chair calls for a vote on the Resolutions. Shareholders can do this by clicking the poll button on their screen. The outcome of each Resolution will not be determined until after the conclusion of the Meeting to allow the Company Secretary sufficient time to check poll votes.

You may still attend the Meeting via the webinar if you have completed a Proxy Form but the person you have appointed as proxy will cast your vote on your behalf.

Voting by proxy

Shareholders can appoint the Chair as their proxy and provide specific instructions on how the Shareholder's vote is to be exercised on each item of business. The Chair must follow your instructions. If a person other than the Chair is appointed as proxy, the proxy will revert to the Chair in the absence of the appointed proxy holder's attendance at the Meeting. Lodgement instructions (which include the ability to lodge proxies electronically) are set out in the Proxy Form attached to the Notice of Meeting.

Completed Proxy Forms should be returned to the address set out below as soon as possible, and in any event, must be received by no later than 10am (AWST) on Monday 23 November 2020, being no less than 48 hours before the commencement of the Meeting. Any proxy voting instructions received after that time will not be valid for the Meeting.

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 to 16 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.

Participation

Shareholders will be able to participate at the Meeting by using their personalised log-in on the Proxy Form. The Meeting portal will be open to ask questions prior to the Meeting from Wednesday, 18 November 2020. Shareholders can also submit any questions in advance of the Meeting by emailing questions to the Company Secretary at s.jones@kinmining.com.au by no later than 5pm (AWST) on Monday, 23 November 2020.

Shareholders will also have the opportunity to submit questions during the Meeting in respect to the formal items of business, however it would be preferable for them to be submitted to the Company in advance of the Meeting. In order to ask a question during the Meeting, please follow the instructions from the Chair.

The Chair will attempt to respond to the questions during the Meeting. Shareholders are limited to a maximum of two questions each (including any submitted in advance of the Meeting). The Chair will request prior to a Shareholder asking a question that they identify themselves (including the entity name of their shareholding and the number of Shares they hold).

There will be a company presentation delivered at the Meeting which will be available on the Company's website at www.kinmining.com.au.

Your vote is important

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

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that an Annual General Meeting of Shareholders of Kin Mining N.L. (**Kin** or the **Company**) will be held on Wednesday 25 November 2020, commencing at 10.00am (AWST) and will be held entirely virtually via an online Meeting platform provided by the Company's share registry, Advanced Share Registry.

The enclosed Explanatory Statement to this Notice of Meeting provides additional information on matters to be considered at the Annual General Meeting.

AGENDA

ORDINARY BUSINESS

Accounts and Reports

To receive and consider the annual financial report for the financial year ended 30 June 2020, together with the reports by Directors and auditors thereon.

1. RESOLUTION 1: ADOPTION OF REMUNERATION REPORT

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

"That for the purpose of section 250R(2) of the Corporations Act and for all other purposes, the Remuneration Report set out in the Company's 2020 Annual Report for the financial year ended 30 June 2020 be adopted."

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

2. RESOLUTION 2: INCREASE IN MAXIMUM AGGREGATE REMUNERATION FOR NON-EXECUTIVE DIRECTORS

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

"That for all purposes including the purpose of Listing Rule 10.17, the maximum aggregate remuneration for Non-Executive Directors of the Company be increased by \$142,000 to \$300,000 each financial year."

3. RESOLUTION 3: RE-ELECTION OF DIRECTOR (MR NICHOLAS ANDERSON)

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

"That Mr Nicholas Anderson, being a Director of the Company who retires by rotation in accordance with Clause 11.3 of the Company's Constitution and, being eligible, offers himself for re-election, be re-elected as a Director of the Company."

4. RESOLUTION 4: RE-ELECTION OF DIRECTOR (MR GIUSEPPE GRAZIANO)

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

"That Mr Giuseppe Graziano, being a Director of the Company who retires by rotation in accordance with Clause 11.3 of the Company's Constitution and, being eligible, offers himself for re-election, be re-elected as a Director of the Company."

5. RESOLUTION 5: RATIFICATION OF SHARE PLACEMENT TO SOPHISTICATED AND PROFESSIONAL INVESTORS

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, ratification be given in respect of the allotment and issue of 42,666,667 Shares by way of placement to sophisticated and professional investors as set out in the accompanying Explanatory Statement."

6. RESOLUTION 6: RATIFICATION OF SHARE PLACEMENT TO SOPHISTICATED AND PROFESSIONAL INVESTORS

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, ratification be given in respect of the allotment and issue of 16,000,000 Shares by way of placement to sophisticated and professional investors as set out in the accompanying Explanatory Statement."

7. RESOLUTION 7: APPROVAL TO GRANT PERFORMANCE RIGHTS TO MR ANDREW MUNCKTON

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 10.14 and for all other purposes, Shareholders approve and authorise the Directors to grant up to 1,000,000 Performance Rights (and issue up to 1,000,000 Shares on conversion of such Performance Rights) to Mr Andrew Munckton (or his nominee) subject to the terms of the Performance Rights Plan and on the terms and conditions summarised in the Explanatory Statement."

8. RESOLUTION 8: APPROVAL TO GRANT DIRECTOR OPTIONS TO MR GIUSEPPE GRAZIANO

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

"That, for the purposes of section 208 of the Corporations Act, Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 500,000 Director Options to Mr Giuseppe Graziano (or his nominee) on the terms and conditions set out in the Explanatory Statement."

Note: If approval is given under Listing Rule 10.11, approval is not required under Listing Rule 7.1.

9. RESOLUTION 9: APPROVAL TO GRANT DIRECTOR OPTIONS TO MR BRIAN DAWES

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

"That, for the purposes of section 208 of the Corporations Act, Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 500,000 Director Options to Mr Brian Dawes (or his nominee) on the terms and conditions set out in the Explanatory Statement."

Note: If approval is given under Listing Rule 10.11, approval is not required under Listing Rule 7.1.

10. RESOLUTION 10: APPROVAL TO GRANT DIRECTOR OPTIONS TO MR NICHOLAS ANDERSON

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

"That, for the purposes of section 208 of the Corporations Act, Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 500,000 Director Options to Mr Nicholas Anderson (or his nominee) on the terms and conditions set out in the Explanatory Statement."

Note: If approval is given under Listing Rule 10.11, approval is not required under Listing Rule 7.1.

11. RESOLUTION 11: APPROVAL TO GRANT DIRECTOR OPTIONS TO MR HANSJOERG PLAGGEMARS

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

"That, for the purposes of section 208 of the Corporations Act, Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 500,000 Director Options to Mr Hansjoerg Plaggemars (or his nominee) on the terms and conditions set out in the Explanatory Statement."

Note: If approval is given under Listing Rule 10.11, approval is not required under Listing Rule 7.1.

12. RESOLUTION 12: APPROVAL TO ISSUE REMUNERATION SHARES TO MR GIUSEPPE GRAZIANO

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

"That subject to Resolution 2 being passed, for the purposes of section 208 of the Corporations Act, Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 250,000 shares to Mr Giuseppe Graziano (or his nominee) on the terms and conditions set out in the Explanatory Statement."

Note: If approval is given under Listing Rule 10.11, approval is not required under Listing Rule 7.1.

13. RESOLUTION 13: APPROVAL TO ISSUE REMUNERATION SHARES TO MR BRIAN DAWES

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

"That, subject to Resolution 2 being passed, for the purposes of section 208 of the Corporations Act, Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 250,000 shares to Mr Brian Dawes (or his nominee) on the terms and conditions set out in the Explanatory Statement."

Note: If approval is given under Listing Rule 10.11, approval is not required under Listing Rule 7.1.

14. RESOLUTION 14: APPROVAL TO ISSUE REMUNERATION SHARES TO MR NICHOLAS ANDERSON

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

"That subject to Resolution 2 being passed, for the purposes of section 208 of the Corporations Act, Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 150,000 shares to Mr Nicholas Anderson (or his nominee) on the terms and conditions set out in the Explanatory Statement."

Note: If approval is given under Listing Rule 10.11, approval is not required under Listing Rule 7.1.

15.RESOLUTION 15: APPROVAL TO ISSUE REMUNERATION SHARES TO MR HANSJOERG PLAGGEMARS

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

"That subject to Resolution 2 being passed, for the purposes of section 208 of the Corporations Act, Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 150,000 shares to Mr Hansjoerg Plaggemars (or his nominee) on the terms and conditions set out in the Explanatory Statement."

Note: If approval is given under Listing Rule 10.11, approval is not required under Listing Rule 7.1.

16.RESOLUTION 16: APPROVAL OF ADDITIONAL 10% PLACEMENT CAPACITY

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

"That, for the purpose of Listing Rule 7.1A and for all other purposes, approval is given for the issue of Equity Securities totalling up to 10% of the Shares on issue, calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions set out in the Explanatory Statement accompanying this Notice of Annual General Meeting."

Voting Prohibition Statements

Resolution 1 – Adoption of Remuneration Report

A vote on this Resolution must not be cast (in any capacity) by or on behalf of either of the following persons:

- (a) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or
- (b) a Closely Related Party of such a member.

However, a person (the **voter**) described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:

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

Voting Exclusion Statements

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

Resolution 2 – Increase in Non Executive Director Fees – LR 10.17	A Director of the Company or an associate of the Director.
Resolution 5 – Ratification of Prior Issue of Shares – LR 7.4	A person who participated in the issue or is a counterparty to the agreement being approved or an associate of that person or those persons.
Resolution 6 - Ratification of Prior Issue of Shares – LR 7.4	A person who participated in the issue or is a counterparty to the agreement being approved or an associate of that person or those persons.
Resolution 7 - Approval to Grant Performance Rights to Mr Andrew Munckton	Mr Andrew Munckton and any associate of Mr Andrew Munckton as well as any Director of the Company who is entitled to participate in the Performance Rights Plan or their Associates.
Resolution 8 - Approval to Grant Director Options to Mr Giuseppe Graziano	Mr Giuseppe Graziano and any associate of Mr Giuseppe Graziano.
Resolution 9 - Approval to Grant Director Options to Mr Brian Dawes	Mr Brian Dawes and any associate of Mr Brian Dawes.
Resolution 10 - Approval to Grant Director Options to Mr Nicholas Anderson	Mr Nicholas Anderson and any associate of Mr Nicholas Anderson.
Resolution 11 - Approval to Grant Director Options to Mr Hansjoerg Plaggemars	Mr Hansjoerg Plaggemars and any associate of Mr Hansjoerg Plaggemars.
Resolution 12 – Approval to issue Remuneration Shares to Mr Giuseppe Graziano	Mr Giuseppe Graziano and any associate of Mr Giuseppe Graziano.
Resolution 13 – Approval to issue Remuneration Shares to Mr Brian Dawes	Mr Brian Dawes and any associate of Mr Brian Dawes.
Resolution 14 – Approval to issue Remuneration Shares to Mr Nicholas Anderson	Mr Nicholas Anderson and any associate of Mr Nicholas Anderson.
Resolution 15 – Approval to issue Remuneration Shares to Mr Hansjoerg Plaggemars	Mr Hansjoerg Plaggemars and any associate of Mr Hansjoerg Plaggemars.

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

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

Voting by proxy

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

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

- each Shareholder has a right to appoint a proxy;
- the proxy does not need to be a Shareholder of the Company; and
- a Shareholder who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints 2 proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

Shareholders and their proxies should be aware that changes to the Corporations Act made in 2011 mean that:

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

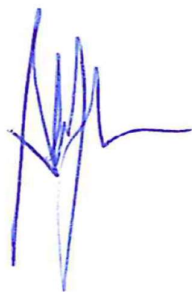
Should you wish to discuss the matters in this Notice please do not hesitate to contact the Company Secretary.

Voting at AGM

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (*Cth*) that the persons eligible to vote at the AGM are those who are registered Shareholders of the Company at 4.00pm (AWST) on Monday 23 November 2020. Accordingly, transactions registered after that time will be disregarded in determining entitlements to attend and vote at the AGM.

Proxy and voting entitlement instructions are included on the Proxy Form accompanying this Notice.

BY ORDER OF THE BOARD



Stephen Jones
Company Secretary

28 October 2020

EXPLANATORY STATEMENT

INTRODUCTION

This Explanatory Statement has been prepared for the information of Shareholders of Kin Mining N.L. (**Kin** or the **Company**) in connection with the business to be conducted at the Annual General Meeting (**AGM**) of Shareholders to be held on Wednesday 25 November 2020, commencing at 10.00am (AWST) and will be held entirely virtually via an online meeting platform provided by the Company share registry, Advanced Share Registry.

The purpose of this Explanatory Statement is to provide Shareholders with all information known to the Company which is material to a decision on how to vote on the Resolutions in the accompanying Notice.

In accordance with the requirements of the Company's Constitution and the Corporations Act, the 2020 Annual Report will be tabled at the AGM. Shareholders will have the opportunity of discussing the Annual Report and making comments and raising queries in relation to the Annual Report in the manner set out on page 3 of the Notice of AGM. There is no requirement for a formal resolution on this item.

Representatives from the Company's auditors, HLB Mann Judd Corporate (WA) Pty Ltd, will be present to take Shareholders' questions and comments about the conduct of the audit and the preparation and content of the audit report.

2020 ANNUAL REPORT

In accordance with the requirements of the Constitution and the Corporations Act, the 2020 Annual Report will be tabled at the AGM. Shareholders will have the opportunity of discussing the Annual Report and making comments and raising queries in relation to the Report. There is no requirement for a formal resolution on this item.

Representatives from the Company's auditors, HLB Mann Judd Corporate (WA) Pty Ltd, will be present to take Shareholders questions and comments about the conduct of the audit and the preparation and content of the audit report.

Annual Report Online

Shareholders who have not elected to receive a hard copy of the Annual Report can access the report on the Company's website at www.kinmining.com.au.

1. RESOLUTION 1: ADOPTION OF REMUNERATION REPORT

General

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

Pursuant to the Corporations Act, if at least 25% of the votes cast on Resolution 1 are voted against adoption of the Remuneration Report at the AGM, and then again at the Company's 2021 AGM, the Company will be required to put to Shareholders a resolution proposing the calling of an extraordinary general meeting to consider the appointment of Directors of the Company (**Spill Resolution**).

If more than 50% of the Shareholders vote in favour of the Spill Resolution, the Company must convene the extraordinary general meeting (**Spill Meeting**) within 90 days of the Company's 2021 AGM. All of the Directors who were in office when the Company's 2021 Directors Report was approved, other than the managing director of the Company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting. Following the Spill Meeting those persons whose election or re-election as Directors is approved, will be the Directors of the Company.

The Remuneration Report sets out the Company's remuneration arrangements for the Directors and senior management of the Company. The Remuneration Report is part of the Directors' report contained in the annual financial report of the Company for the financial year ended 30 June 2020.

A reasonable opportunity will be provided for discussion of the Remuneration Report at the AGM.

Proxy Restrictions

Pursuant to the Corporations Act, if you elect to appoint the Chair, or another member of the Key Management Personnel or any Closely Related Party as your proxy to vote on this Resolution 1, you must direct the proxy how they are to vote. Where you do not direct the Chair, or another member of the Key Management Personnel or Closely Related Party on how to vote on this Resolution 1, the proxy is prevented by the Corporations Act from exercising your vote and your vote will not be counted in relation to Resolution 1.

2. RESOLUTION 2: INCREASE IN MAXIMUM AGGREGATE REMUNERATION FOR NON-EXECUTIVE DIRECTORS

In accordance with Listing Rule 10.17 and the Constitution, an increase in the maximum aggregate remuneration (**Fee Pool**) for the remuneration of Non-Executive Directors requires Shareholder approval.

The current maximum aggregate remuneration available for Non-Executive Directors has not changed since it was determined by the Directors prior to the first AGM of the Company and was set at \$158,000 inclusive of applicable statutory superannuation contributions.

Currently, the Company has no capacity to increase fees paid to its Non-Executive Directors or to attract new Non-Executive Directors, putting the Company at risk of being unable to attract and retain appropriate qualified officers who have the necessary skills and experience to monitor and assist in improving the performance of the Company.

The Directors consider that the Fee Pool available for Non-Executive Directors should provide sufficient flexibility for the Company to take on additional directors when deemed necessary and to provide flexibility for succession planning. The Directors consider that the increased aggregate full fee pool of \$300,000 will (if approved) provide appropriate capacity for the Company's future requirements.

Listing Rule 10.17 Requirements

In accordance with the requirements of Listing Rule 10.17 the Company advises:

- the proposed increase to the Fee Pool is \$142,000 (currently set at \$158,000);
- the maximum aggregate amount of Directors' fees that may be paid to all of the Company's non-executive Directors is \$300,000;
- in the previous 3 years the Company has issued to Non-Executive Directors under Listing Rules 10.11 or 10.14 with Shareholder approval the following securities:
 - 6,000,000 Director Options to Mr Trevor Dixon;
 - 5,000,000 Director Options to Mr Giuseppe Graziano; and
 - 3,000,000 Director Options to Mr David Sproule.

Based on the Board composition, it is not expected that the maximum remuneration payable will be paid to the Board in the current period. However, the increased aggregate remuneration fee pool will provide the necessary flexibility to operate the Board with a varying number of Directors to meet the oversight and governance requirements of the Company as well as the ability to attract and retain appropriately qualified Directors.

If Shareholder approval is obtained, the increased aggregate remuneration fee pool will apply for the financial year ending 30 June 2021.

Technical Information required by Listing Rule 14.1A

For the purpose of Listing Rule 14.1A, If Shareholder approval is granted the Fee Pool will be increased and the Directors may increase the Non Executive Director fees payable to the Directors. If Resolution 2 is not passed

there will be no change to the current arrangements, Resolutions 12 to 15 will be withdrawn as the Company will not be permitted to complete the transactions contemplated in those Resolutions and the Company will be restricted in its ability to attract and retain appropriately qualified Directors.

The Directors, with the Non-Executive Directors abstaining, recommend that Shareholders vote in favour of this Resolution.

The Chair intends to vote all undirected proxies in favour of this Resolution.

3. RESOLUTION 3: RE-ELECTION OF DIRECTOR (MR NICHOLAS ANDERSON)

Resolution 3 relates to the re-election of Mr Nicholas Anderson as a Director of the Company.

Mr Nicholas Anderson is a finance executive with extensive experience in the resource sector. As a trained chemical engineer with combined knowledge of bulk commodities and strong financial acumen, he provides financial and corporate advisory services to several mining companies. He has a successful track record in capital raisings, restructures and executing highly complex transactions across private and public markets.

Mr Nicholas Anderson is currently Chief Financial Officer of Rivet Group which provides transport, logistics, equipment hire and maintenance services to a number of industries, predominately mining. Mr Nicholas Anderson is also a Non-Executive Director of Adaman Resources and is a graduate of the Australian Institute of Company Directors.

In accordance with the requirements of clause 11.3 of the Constitution and the Corporations Act, one-third of the Directors of the Company retire from office at this AGM of the Company. Mr Nicholas Anderson retires by rotation and, being eligible, offers himself for re-election.

The Chair intends to vote all undirected proxies in favour of Resolution 3.

4. RESOLUTION 4: RE-ELECTION OF DIRECTOR (MR GIUSEPPE GRAZIANO)

Resolution 4 relates to the re-election of Mr Giuseppe Graziano as a Director of the Company.

Mr Giuseppe Graziano is a Chartered Accountant with corporate and company secretarial experience. Mr Giuseppe Graziano has over 28 years' experience in providing a wide range of business, financial and strategic advice to small cap unlisted and listed public companies and privately owned businesses in Western Australia's resource-driven industries. Since 2014, he has been focused on corporate advisory, company secretarial and strategic planning with listed corporations including Mergers & Acquisitions, Capital Raisings, Corporate Governance, ASX compliance and structuring.

In accordance with the requirements of clause 11.3 of the Constitution and the Corporations Act, one-third of the Directors of the Company retire from office at this AGM. Mr Giuseppe Graziano retires by rotation and, being eligible, offers himself for re-election.

The Chair intends to vote all undirected proxies in favour of Resolution 4.

5. RESOLUTION 5: RATIFICATION OF SHARE PLACEMENT TO SOPHISTICATED AND PROFESSIONAL INVESTORS

General

On 18 March 2020 the Company issued a total of 42,666,667 Shares in a share placement to sophisticated and professional investors (**Placement**). The Placement raised a total of \$1,920,000 (before costs) and was completed in accordance with the Company's 15% capacity under Listing Rule 7.1.

Resolution 5 seeks ratification by Shareholders for the issue of 42,666,667 Shares pursuant to the Placement (**Placement Shares**).

The Placement Shares were issued without Shareholder approval and as such, Resolution 5 seeks Shareholder ratification pursuant to Listing Rule 7.4.

Listing Rule 7.1 provides that a listed company must not issue or agree to issue equity securities if, when aggregated with other issues or agreements to issue of equity securities over the previous 12 month period and not subject to an exception to Listing Rule 7.1, the number of equity securities to be issued or agreed to be issued exceeds 15% of the number of fully paid ordinary securities of the company on issue at the commencement of that 12 month period.

Under Listing Rule 7.4, it is possible for Shareholders to approve an issue of securities which has already taken place, with the effect that the approved issue will be exempt from being counted towards the portion of the 15% limit that has been used. That is, if Resolution 5 is approved, the Shares will not be included in the Company's 15% calculation for the purposes of Listing Rule 7.1.

Technical Information required by Listing Rule 14.1A

If Resolution 5 is passed, the Placement Shares will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of equity securities the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Placement Shares.

If Resolution 5 is not passed, the Placement Shares will be included in calculating the Company's 15% limit in Listing Rule 7.1, effectively decreasing the number of equity securities that the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Placement Shares.

Technical Information required by Listing Rule 7.5

In compliance with the information requirements of Listing Rule 7.5, Shareholders are advised of the following particulars in relation to the issue of Placement Shares pursuant to Resolution 5:

(a) **Number of securities allotted and issued**

42,666,667 Shares were issued.

(b) **Date of issue**

The Shares were issued on 18 March 2020.

(c) **Price at which securities were allotted and issued**

\$0.045 per Share.

(d) **The terms of the securities**

The Shares are ordinary fully paid shares which rank equally with existing Shares on issue.

(e) **The persons to whom the securities were issued**

The Shares were issued to sophisticated and professional investors none of which are related parties of the Company, namely Delphi Unternehmensberatung AG (Delphi UA), Harmanis Holdings, Mostia Dion and the Canci Group.

(f) **The purpose of the Placement**

The Company used the funds raised from the Placement to fund an accelerated Phase II drilling program at the Cardinia Gold Project to follow-up new discoveries.

The Placement Shares were not issued under an agreement and a voting exclusion is included in Resolution 5 of the Notice.

The Board recommends Shareholders vote in favour of Resolution 5 as it allows the Company to retain the flexibility to issue further securities representing up to 15% of the Company's share capital during the next 12 months without the requirement to obtain prior Shareholder approval.

If Shareholders ratify the issue of the Placement Shares, they will be exempt from being counted towards the portion of the 15% limit that has been used.

6. RESOLUTION 6: RATIFICATION OF SHARE PLACEMENT TO SOPHISTICATED AND PROFESSIONAL INVESTORS

General

On 23 April 2020, the Company announced the issue of a total of 16,000,000 Shares in a share placement to sophisticated and professional investor (**Placement**). The Placement raised a total of \$720,000 (before costs) and was completed in accordance with the Company's 15% capacity under Listing Rule 7.1.

Resolution 6 seeks ratification by Shareholders for the issue of 16,000,000 Shares pursuant to the Placement (**Placement Shares**).

The Placement Shares were issued without Shareholder approval and as such Resolution 6 seeks Shareholder ratification pursuant to Listing Rule 7.4.

Listing Rule 7.1 provides that a listed company must not issue or agree to issue equity securities if, when aggregated with other issues or agreements to issue of equity securities over the previous 12 month period and not subject to an exception to Listing Rule 7.1, the number of equity securities to be issued or agreed to be issued exceeds 15% of the number of fully paid ordinary securities of the company on issue at the commencement of that 12 month period.

Under Listing Rule 7.4, it is possible for Shareholders to approve an issue of securities which has already taken place, with the effect that the approved issue will be exempt from being counted towards the portion of the 15% limit that has been used. That is, if Resolution 6 is approved, the Shares will not be included in the Company's 15% calculation for the purposes of Listing Rule 7.1.

Technical Information required by Listing Rule 14.1A

If Resolution 6 is passed, the Placement Shares will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of equity securities the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Placement Shares.

If Resolution 6 is not passed, the Placement Shares will be included in calculating the Company's 15% limit in Listing Rule 7.1, effectively decreasing the number of equity securities that the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Placement Shares.

Technical Information required by Listing Rule 7.5

In compliance with the information requirements of Listing Rule 7.5, Shareholders are advised of the following particulars in relation to the issue of Placement Shares pursuant to Resolution 6:

(a) **Number of securities allotted and issued**

16,000,000 Shares were issued.

(b) **Date of issue**

The Shares were issued on 23 April 2020.

(c) **Price at which securities were allotted and issued**

\$0.045 per Share.

(d) **The terms of the securities**

The Shares are ordinary fully paid shares which rank equally with existing Shares on issue.

(e) **The persons to whom the securities were issued**

The Shares were issued to sophisticated and professional investors none of which are related parties of the Company, namely Delphi Unternehmensberatung AG (Delphi UA).

(f) **The purpose of the Placement**

The Company used the funds raised from the Placement to fund an accelerated Phase II drilling program at the Cardinia Gold Project to follow-up new discoveries.

The Placement Shares were not issued under an agreement and a voting exclusion is included in Resolution 6 of the Notice.

The Board recommends Shareholders vote in favour of Resolution 6 as it allows the Company to retain the flexibility to issue further securities representing up to 15% of the Company's share capital during the next 12 months without the requirement to obtain prior Shareholder approval.

If Shareholders ratify the issue of the Placement Shares, they will be exempt from being counted towards the portion of the 15% limit that has been used.

7. RESOLUTION 7: APPROVAL TO GRANT PERFORMANCE RIGHTS TO MR ANDREW MUNCKTON

The Company proposes to grant up to 1,000,000 Performance Rights to the Managing Director, Mr Andrew Munckton (or his nominee) as a long term incentive.

The Performance Rights will each convert into a Share for no consideration on exercise by Mr Andrew Munckton once the vesting conditions have been satisfied. The Performance Rights expire three years from the date of grant.

The Performance Rights are to be issued in accordance with the terms of the Executive Employment Agreement with Mr Andrew Munckton that includes the provision of long term incentives with the maximum value to be an amount equal to 30% of the total fixed remuneration per annum and are subject to the terms of the Performance Rights Plan. The amount and terms of the long term incentives is completely within the discretion of the Board and will be determined annually.

The Performance Rights will be issued in three Tranches as follows:

Tranche	Performance Period	Maximum allocation of long term incentives
Tranche 1	1 July 2020 – 30 June 2021	\$33,215
Tranche 2	1 July 2021 – 30 June 2022	\$33,215
Tranche 3	1 July 2022 – 30 June 2023	\$33,215

Performance Rights will, subject to meeting the Performance Measures, vest into Shares in the Company in accordance with the following formula.

Number of shares =	\$ value of the Performance Rights
	Volume Weighted Average Price (VWAP) of the Company's shares over the 10 days on which trading in the Employer's shares occurred leading up to and including the day prior to the vesting date

The Performance Rights will vest on satisfaction of the following vesting conditions.

Vesting conditions

The vesting of the Performance Rights are subject to the satisfaction of the following performance conditions.

The Board will have the unfettered and absolute right to determine and confirm whether vesting conditions have been met in respect of each and all Tranches. In making its determination, the Board will recognise the relevant Tranche objective at the end of the applicable vesting period and have regard to the implementation of the business plan, as well as other proposals endorsed by the Board as part of its ongoing review of strategy.

Vesting conditions will be a Shareholder aligned measure (**Total Shareholder Return – TSR**).

The vesting of each Tranche will be measured in absolute terms and relative terms against a defined peer group approved by the Board which is reflective of companies in the same industry with similar issues in respect of organisational size, market capitalisation, geography, life cycle and project complexity as shown in the table below.

Tranche ¹	Vesting conditions (Tranche Objective)	Weighting
Tranche 1	Company's Absolute TSR	50%
	Company's TSR relative to Peers	50%
Tranche 2	Company's Absolute TSR	50%
	Company's TSR relative to Peers	50%
Tranche 3	Company's Absolute TSR	50%
	Company's TSR relative to Peers	50%

¹⁾ The number of Performance Rights to be granted is calculated by dividing each \$33,215 Tranche by the VWAP of the Company's Shares over the 10 days on which trading in the Company's Shares occurred leading up to and including the day prior to the vesting date. To give Shareholders a better understanding of the total potential number of Shares Mr Andrew Munckton could receive, based on the VWAP of the Company's shares over the 10 business days preceding the date within this Notice, of \$0.2140, the maximum number of Performance Rights that the Company would grant Mr Andrew Munckton would be 465,631 Performance Rights.

General terms and conditions applying to the vesting of all Tranches of Performance Rights

The vesting of the Performance Rights are also subject to the following terms:

- (a) Mr Andrew Munckton remaining in the employment of the Company at the relevant vesting date unless otherwise agreed by the Board;
- (b) Performance Rights in each Tranche will be issued within one month following the vesting of each vesting condition;
- (c) The Board has unfettered and absolute discretion in confirming if a particular vesting condition has been met;
- (d) The Board will retain the unfettered and absolute discretion, on the specific recommendation of the Remuneration and Nomination Committee (where applicable), to approve vesting of Performance Rights where deemed appropriate. This is intended to cover the permanent disablement, incapacity or death of Mr Munckton; and
- (e) Performance Rights in relation to each Tranche may be exercised at any time after the relevant vesting conditions are deemed to have been met up until the date being 3 years from the date of the Meeting.

The Company will disregard any votes cast on this Resolution 7 by Mr Andrew Munckton (being a Related Party of the Company to whom this Resolution 7 would permit the financial benefit to be given) and his Associates (who are all prohibited from voting).

Specific Information Required by Listing Rule 10.15

The following information is provided for the purposes of Listing Rule 10.15:

- (a) The Company proposes to grant up to 1,000,000 Performance Rights to the Managing Director, Mr Andrew Munckton (or his nominee).
- (b) The maximum number of Securities be issued pursuant to Resolution 7 is 1,000,000. The exact number of Performance Rights to be granted is to be determined in accordance with the formula set out in the table above.
- (c) The vesting conditions and expiry date of the Performance Rights to be granted under the Performance Plan are set out above.
- (d) In relation to the proposed Performance Rights to Mr Andrew Munckton the:
 - (i) principal terms of the Performance Rights Plan are set out in Schedule 1;
 - (ii) further terms and conditions of the New Performance Rights are set out in Schedule 2;
 - (iii) Performance Rights are proposed to be issued to Mr Andrew Munckton in accordance with the terms of the Executive Employment Agreement with Mr Andrew Munckton that includes the provision of long term incentives;
 - (iv) maximum value of the Performance Rights has been determined by the Directors to be \$99,645 based on the cash equivalent of the value of the Performance Rights. The maximum Performance Rights to be issued are equal to a cash value of 30% of the fixed remuneration at the time the Performance Rights are issued.
- (e) Mr Andrew Munckton's current total remuneration package includes:
 - (i) fixed remuneration of \$332,150 (inclusive of superannuation);
 - (ii) Short Term Incentives – in addition to the remuneration the Board may in its discretion grant Mr Andrew Munckton short term incentives up to a maximum of 50% of the fixed remuneration in cash only. The short term incentives are linked to performance criteria.
 - (iii) Long Term Incentives – in addition to the remuneration the Board may in its discretion grant Mr Andrew Munckton long term incentives up to a maximum of 30% of the fixed remuneration in shares, options or performance rights only as determined by the board. The long term incentives are linked to performance criteria.
- (f) The Performance Rights will be granted for nil consideration as part of long term incentives for Mr Munckton. Accordingly, no funds will be raised from the grant of the Performance Rights. Upon conversion of the Performance Rights, Shares will be issued on a one for one basis on the same terms as the Company's existing Shares.
- (g) Performance Rights granted under the Performance Rights Plan to date include:
 - 4,000,000 granted to the previous Managing Director (Don Harper) of which 380,083 have been issued at \$0.2631 per Performance Right following the vesting conditions being met and the remainder of 3,619,917 that have since been cancelled;
 - 291,149 granted to employees of which 291,149 have been issued at \$0.2576 per Performance Right following vesting conditions being met; and
 - up to 4,000,000 granted to the Managing Director (Andrew Munckton) of which 264,443 have been issued at \$0.1229 per Performance Right following the vesting conditions being met and the remainder of 3,735,554 that remain granted pending the vesting conditions being met.
- (h) Mr Andrew Munckton is a Related Party of the Company as he is the Managing Director.
- (i) Mr Andrew Munckton is the only Listing Rule 10.14 party of the Company that is entitled to participate in the Performance Rights Plan.

- (j) The Company will grant the Performance Rights no later than 3 years after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules).
- (k) A voting exclusion statement is included in the Notice.
- (l) In each Annual Report of the Company, details of any Performance Rights used under the Performance Rights Plan will be published relating to the period in which the Performance Rights have been issued, and that approval for the issue of the Performance Rights was obtained under Listing Rule 10.14. In addition any additional persons who may become entitled to the issue of Performance Rights after the date of the Meeting and who are not named in this Notice may not be issued any Performance Rights until approval is obtained under Listing Rule 10.14.
- (m) There are no loans provided by the Company in relation to the issue of the Performance Rights.

Technical Information required by Listing Rule 14.1A

If Resolution 7 is passed 1,000,000 Performance Rights will be issued to the Managing Director Mr Andrew Munckton as a long term incentive. If the various vesting hurdles are met then those Performance Rights will convert into Shares and Shareholders will be diluted to the extent of the Performance Rights.

If Resolution 7 is not passed, the Performance Rights will not be issued and the Board will be required to consider providing cash incentive payments based on the vesting hurdles to incentivise Mr Andrew Munckton in accordance with his Executive Employment Agreement in lieu of the Performance Rights.

8. RESOLUTIONS 8, 9, 10, AND 11 - APPROVAL FOR THE ISSUE OF DIRECTOR OPTIONS

The Company has agreed, subject to obtaining Shareholder approval, to issue the following Director Options to the Directors:

- (a) 500,000 Director Options to Mr Giuseppe Graziano (or nominee);
- (b) 500,000 Director Options to Mr Brian Dawes (or nominee);
- (c) 500,000 Director Options to Mr Nicholas Anderson (or nominee); and
- (d) 500,000 Director Options to Mr Hansjoerg Plaggemars (or nominee).

Requirement for Shareholder approval

Chapter 2E of the Corporations Act prohibits a public company from giving a financial benefit to a related party of the company unless either:

- (a) the giving of the financial benefit falls within one of the exceptions to the provision; or
- (b) prior shareholder approval is obtained to the giving of the financial benefit.

Related party is widely defined under the Corporations Act, and includes the directors of a company.

Financial benefit is defined broadly and includes benefits from the public company's subsidiaries. It is necessary to look at the economic and commercial substance and the effect of the transaction in determining the financial benefit. The Corporations Act requires that any consideration that is given be disregarded, even if the consideration is adequate.

Messrs Graziano, Munckton, Dawes, Anderson and Plaggemars are Directors, and therefore related parties of the Company. The issue of the securities to them or their nominees constitutes the provision of a financial benefit for the purposes of Chapter 2E of the Corporations Act.

Listing Rule 10.11 requires a listed company to obtain shareholder approval by ordinary resolution prior to the issue of securities to a related party. If Shareholder approval is obtained under Listing Rule 10.11, Shareholder approval is not required under Listing Rule 7.1 and the proposed issue will not be included in 15% annual limit permitted by Listing Rule 7.1.

Technical Information Required under Listing Rule 10.13

Pursuant to Listing Rule 10.13, the following information is provided in respect of Resolutions 8, 9, 10, and 11:

- (a) The related parties to whom securities are to be issued under these Resolutions are:
 - i. Mr Giuseppe Graziano;
 - ii. Mr Brian Dawes;
 - iii. Mr Nicholas Anderson; and
 - iv. Mr Hansjoerg Plaggemars.
- (b) The current remuneration of each of the Directors is:
 - i. Mr Giuseppe Graziano - a remuneration package of \$50,000 (including superannuation);
 - ii. Mr Brian Dawes - a remuneration package of \$36,000 (including superannuation);
 - iii. Mr Nicholas Anderson - a remuneration package of \$36,000 (including superannuation);
 - iv. Mr Hansjoerg Plaggemars - a remuneration package of \$36,000 (including superannuation).
- (c) The maximum number of Director Options to be issued to each Director is 500,000 Director Options.
- (d) The Director Options will be issued no later than 1 month after the date of the Meeting (or such later date permitted by any ASX waiver or modification of the Listing Rules) and it is intended to issue all Director Options on the same date.
- (e) The Director Options to be issued will be issued for nil cash consideration.
- (f) The exercise price of the Director Options are 145% of the 5 day volume weighted average price of the Company's shares with an expiry date set out in Schedule 3.
- (g) The Shares to be issued on exercise of the Director Options will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares.
- (h) The Director Options will be issued on the terms set out in Schedule 3.
- (i) Pursuant to, and in accordance with Listing Rules 10.13.6 and 14.11, a voting exclusion statement is included in the Notice in respect of Resolutions 8, 9, 10, and 11.
- (j) No funds will be raised by the issue of Director Options. However, if all Director Options to be issued to all of the Directors are exercised, the Company will receive funds equal to 2,000,000 (No. of Director Options) multiplied by the relevant exercise price of the Director Options.

Specific Information Required under the Corporations Act

In accordance with section 219 of the Corporations Act and ASIC Regulatory Guide 76, the following information is provided to allow Shareholders of the Company sufficient information to determine whether they should approve Resolutions 8, 9, 10, and 11:

Issue of Director Options to Mr Giuseppe Graziano

- (a) The proposed financial benefit is to be given to Mr Giuseppe Graziano.

- (b) The nature of the financial benefit is the issue to Mr Giuseppe Graziano of a number of Director Options. These Director Options will be issued for nil cash consideration.
- (c) Mr Giuseppe Graziano currently holds 10,350,000 Shares (equal to approximately 1.48% of the Company's issued Share capital), 2,000,000 unlisted options exercisable at \$1.00 on or before 15 September 2021 and 1,000,000 unlisted options exercisable at \$1.25 on or before 15 September 2022.
- (d) As the Company's chairman, Mr Giuseppe Graziano is paid a remuneration package of \$50,000 including superannuation (where applicable) per annum. This package does not include any security based incentive component.
- (e) The Company's issued Share capital will not change as a result of the issue of Director Options to Mr Giuseppe Graziano. However if all of Mr Giuseppe Graziano's Director Options are exercised, the Company's issued capital will increase by 500,000 to 700,478,790.
- (f) It is a requirement of ASIC that a dollar value be placed on the Director Options to be issued. The Company has calculated a value of the Director Options.

ASIC has indicated that the Black Scholes option price calculation method is acceptable where the Director Options cannot be readily valued by some other means. A range of values for the Director Options has been calculated using the Black Scholes method.

In valuing the Director Options using the Black Scholes method the following key assumptions were used:

Assumptions	Value
Stock asset price	\$0.2208 (5day VWAP at 22 October 2020)
Option strike prices	\$0.3200
Term	3 years
Volatility based on 1 year price history	110.33%
Risk free interest rate based on a 5 year Australian Bond yield per Bloomberg	0.25%

The Director Options with an exercise of \$0.3200 have a value of \$0.0922 after discounting the value of the Director Options by 30% due to the non-transferability of the Director Options.

Therefore, the implied "value" being received by Mr Giuseppe Graziano through the issue of the Director Options is \$46,090.

- (g) The Directors do not wish to make a recommendation to Shareholders about this Resolution 8.
- (h) Mr Giuseppe Graziano has an interest in the outcome of this Resolution 8.
- (i) Save for the information as to the value of the financial benefit which will be given to Mr Giuseppe Graziano if this Resolution 8 is passed, the Directors of the Company are not aware of any other information (other than as set out elsewhere in this Explanatory Statement) that would be reasonably required by Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass this Resolution 8.

Issue of Director Options to Mr Brian Dawes

- (a) The proposed financial benefit is to be given to Mr Brian Dawes.
- (b) The nature of the financial benefit is the issue to Mr Brian Dawes of a number of Director Options. These Director Options will be issued for nil cash consideration.
- (c) Mr Brian Dawes currently holds 1,639,057 Shares (equal to approximately 0.23% of the Company's issued Share capital).
- (d) As a Non-Executive Director of the Company, Mr Brian Dawes is paid a remuneration package of \$36,000 including superannuation (where applicable) per annum. This package does not include any security based incentive component.
- (e) The Company's issued Share capital will not change as a result of the issue of Director Options to Mr Brian Dawes. However if all of Mr Brian Dawes's Director Options are exercised, the Company's issued capital will increase by 500,000 to 700,478,790.
- (f) It is a requirement of ASIC that a dollar value be placed on the Director Options to be issued. The Company has calculated a value of the Director Options.

ASIC has indicated that the Black Scholes option price calculation method is acceptable where the Director Options cannot be readily valued by some other means. A range of values for the Director Options has been calculated using the Black Scholes method.

In valuing the Director Options using the Black Scholes method the following key assumptions were used:

Assumptions	Value
Stock asset price	\$0.2208 (5day VWAP at 22 October 2020)
Option strike prices	\$0.3200
Term	3 years
Volatility based on 1 year price history	110.33%
Risk free interest rate based on a 5 year Australian Bond yield per Bloomberg	0.25%

The Director Options with an exercise of \$0.3200 have a value of \$0.0922 after discounting the value of the Director Options by 30% due to the non-transferability of the Director Options.

Therefore, the implied "value" being received by Mr Brian Dawes through the issue of the Director Options is \$46,090.

- (g) The Directors do not wish to make a recommendation to Shareholders about this Resolution 9.
- (h) Mr Brian Dawes has an interest in the outcome of this Resolution 9.
- (i) Save for the information as to the value of the financial benefit which will be given to Mr Brian Dawes if this Resolution 9 is passed, the Directors of the Company are not aware of any other information (other than as set out elsewhere in this Explanatory Statement) that would be reasonably required by Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass this Resolution 9.

Issue of Director Options to Mr Nicholas Anderson

- a) The proposed financial benefit is to be given to Mr Nicholas Anderson.
- b) The nature of the financial benefit is the issue to Mr Nicholas Anderson of a number of Director Options. These Director Options will be issued for nil cash consideration.
- c) Mr Nicholas Anderson currently holds 1,000,000 Shares (equal to approximately 0.14% of the Company's issued Share capital).
- d) As a Non-Executive Director of the Company, Mr Nicholas Anderson is paid a remuneration package of \$36,000 including superannuation (where applicable) per annum. This package does not include any security based incentive component.
- e) The Company's issued Share capital will not change as a result of the issue of Director Options to Mr Nicholas Anderson, however if all of Mr Nicholas Anderson's Director Options are exercised, the Company's issued capital will increase by 500,000 to 700,478,790.
- f) It is a requirement of ASIC that a dollar value be placed on the Director Options to be issued. The Company has calculated a value of the Director Options.

ASIC has indicated that the Black Scholes option price calculation method is acceptable where the Director Options cannot be readily valued by some other means. A range of values for the Director Options has been calculated using the Black Scholes method.

In valuing the Director Options using the Black Scholes method the following key assumptions were used:

Assumptions	Value
Stock asset price	\$0.2208 (5day VWAP at 22 October 2020)
Option strike prices	\$0.3200
Term	3 years
Volatility based on 1 year price history	110.33%
Risk free interest rate based on a 5 year Australian Bond yield per Bloomberg	0.25%

The Director Options with an exercise of \$0.3200 have a value of \$0.0922 after discounting the value of the Director Options by 30% due to the non-transferability of the Director Options.

Therefore, the implied "value" being received by Mr Nicholas Anderson through the issue of the Director Options is \$46,090.

- g) The Directors do not wish to make a recommendation to Shareholders about this Resolution 10.
- h) Mr Nicholas Anderson has an interest in the outcome of this Resolution 10.
- i) Save for the information as to the value of the financial benefit which will be given to Mr Nicholas Anderson if this Resolution 10 is passed, the Directors of the Company are not aware of any other information (other than as set out elsewhere in this Explanatory Statement) that would be reasonably required by Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass this Resolution 10.

Issue of Director Options to Mr Hansjoerg Plaggemars

- (a) The proposed financial benefit is to be given to Mr Hansjoerg Plaggemars.
- (b) The nature of the financial benefit is the issue to Mr Hansjoerg Plaggemars of a number of Director Options. These Director Options will be issued for nil cash consideration.
- (c) Mr Hansjoerg Plaggemars currently holds 216,428 Shares (equal to approximately 0.03% of the Company's issued Share capital).
- (d) As a Non-Executive Director of the Company, Mr Hansjoerg Plaggemars is paid a remuneration package of \$36,000 including superannuation (where applicable) per annum. This package does not include any security based incentive component.
- (e) The Company's issued Share capital will not change as a result of the issue of Director Options to Mr Hansjoerg Plaggemars, however if all of Mr Hansjoerg Plaggemars's Director Options are exercised, the Company's issued capital will increase by 500,000 to 700,478,790.
- (f) It is a requirement of ASIC that a dollar value be placed on the Director Options to be issued. The Company has calculated a value of the Director Options.

ASIC has indicated that the Black Scholes option price calculation method is acceptable where the Director Options cannot be readily valued by some other means. A range of values for the Director Options has been calculated using the Black Scholes method.

In valuing the Director Options using the Black Scholes method the following key assumptions were used:

Assumptions	Value
Stock asset price	\$0.2208 (5day VWAP at 22 October 2020)
Option strike prices	\$0.3200
Term	3 years
Volatility based on 1 year price history	110.33%
Risk free interest rate based on a 5 year Australian Bond yield per Bloomberg	0.25%

The Director Options with an exercise of \$0.3200 have a value of \$0.0922 after discounting the value of the Director Options by 30% due to the non-transferability of the Director Options.

Therefore, the implied "value" being received by Mr Hansjoerg Plaggemars through the issue of the Director Options is \$46,090.

- (g) The Directors do not wish to make a recommendation to Shareholders about this Resolution 11.
- (h) Mr Hansjoerg Plaggemars has an interest in the outcome of this Resolution 11.
- (i) Save for the information as to the value of the financial benefit which will be given to Mr Hansjoerg Plaggemars if this Resolution 11 is passed, the Directors of the Company are not aware of any other information (other than as set out elsewhere in this Explanatory Statement) that would be reasonably required by Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass this Resolution 11.

The Company will disregard any votes cast on Resolutions 8, 9, 10 and 11 by Messrs Graziano Dawes, Anderson and Plaggemars (being related parties of the Company to whom these Resolutions would permit the financial benefit to be given) and their Associates (who are all prohibited from voting).

Technical Information required by Listing Rule 14.1A

If Resolutions 8, 9, 10 and 11 are passed 2,000,000 Director Options will be issued to Messrs Graziano, Dawes, Anderson and Plaggemars for no consideration. If the Director Options are exercised then they will convert into Shares, the Company will receive the proceeds of the exercise price and Shareholders will be diluted to the extent of the Director Options.

If Resolutions 8, 9, 10 and 11 are not passed, the Director Options will not be issued and the Board may resolve to consider other alternatives for remunerating the Directors, including by way of increasing the amount of Director fees paid (subject to the passing of Resolution 2).

9. RESOLUTION 12, 13, 14 AND 15 - APPROVAL FOR ISSUE OF REMUNERATION SHARES

Pursuant to Resolutions 12, 13, 14 and 15, the Company is seeking approval for issue of Remuneration Shares in consideration for past services to the Company that have been remunerated at a lower rate than market conditions.

During the past 2 years of service to the Company, the Directors have been remunerated at a lower level than the prevailing market conditions. This has resulted from the limits created by the current level of Fee Pool for Non-Executive Directors. The current fee pool is proposed to be increased in Resolution 2 above.

The Company recommends, subject to obtaining Shareholder approval, to issue the following Remuneration Shares to the Directors subject to the shareholders passing Resolution 2:

- (a) \$25,000 of Remuneration Shares to Mr Giuseppe Graziano (or nominee);
- (b) \$25,000 of Remuneration Shares to Mr Brian Dawes (or nominee);
- (c) \$15,000 of Remuneration Shares to Mr Nicholas Anderson (or nominee); and
- (d) \$15,000 of Remuneration Shares to Mr Hansjoerg Plaggemars (or nominee).

Requirement for Shareholder approval

Chapter 2E of the Corporations Act prohibits a public company from giving a financial benefit to a Related Party of the company unless either:

- (a) the giving of the financial benefit falls within one of the exceptions to the provision; or
- (b) prior shareholder approval is obtained to the giving of the financial benefit.

Related Party is widely defined under the Corporations Act and includes directors of a company.

Financial benefit is defined broadly and includes benefits from the public company's subsidiaries. It is necessary to look at the economic and commercial substance and the effect of the transaction in determining the financial benefit. The Corporations Act requires that any consideration that is given be disregarded, even if the consideration is adequate.

Messrs Graziano, Munckton, Dawes, Anderson and Plaggemars are Directors, and therefore a Related Party of the Company, and the issue of the Securities to them or their nominees constitutes the provision of a financial benefit for the purposes of Chapter 2E of the Corporations Act.

Whilst the exception set out in section 211 of the Corporations Act may apply, as the Company believes the proposed issue of the Shares to the Directors pursuant to Resolutions 12, 13, 14 and 15 constitutes reasonable remuneration, the Directors consider it prudent to seek Shareholder approval for the issue of the Shares to the Directors for the purpose of section 208 of the Corporations Act.

Listing Rule 10.11 requires a listed company to obtain shareholder approval by ordinary resolution prior to the issue of securities to a Related Party. If shareholder approval is obtained under Listing Rule 10.11, Shareholder approval is not required under Listing Rule 7.1 and the proposed issue will be included in 15% annual limit permitted by Listing Rule 7.1.

Technical Information Required Under Listing Rule 10.13

Pursuant to Listing Rule 10.13, the following information is provided in respect of Resolution 12, 13, 14 and 15:

- (a) the related parties to whom securities are to be issued under these Resolutions are:
 - i. Mr Giuseppe Graziano;
 - ii. Mr Brian Dawes;
 - iii. Mr Nicholas Anderson; and
 - iv. Mr Hansjoerg Plaggemars.
- (b) the current remuneration of the Directors is as follows:
 - (i) Mr Giuseppe Graziano - a remuneration package of \$50,000 (including superannuation);
 - (ii) Mr Brian Dawes - a remuneration package of \$36,000 (including superannuation);
 - (iii) Mr Nicholas Anderson - a remuneration package of \$36,000 (including superannuation);
 - (iv) Mr Hansjoerg Plaggemars - a remuneration package of \$36,000 (including superannuation);
- (c) the value of the Remuneration Shares to be issued is \$80,000 between the Directors;
- (d) the number of Shares to be issued to the Directors is to be calculated and subject to the approval of the Shareholders, as follows;

\$ value of the Remuneration Shares to be issued	
Number of shares =	Volume Weighted Average Price (VWAP) of the Company's shares over the 10 days on which trading in the Employer's shares occurred leading up to and including the day prior to the issue date with a floor of \$0.1000 per share

To give Shareholders a better understanding of the total potential number of Shares that Directors could receive, based on the VWAP of the Company's shares over the 10 business days preceding the date within this Notice, of \$0.2140, the maximum number of Remuneration Shares that the Company would issue to the Directors would be 373,832 Remuneration Shares.

- (e) the Shares will be issued no later than 1 month after the date of the Meeting (or such later date permitted by any ASX waiver or modification of the Listing Rules) and it is intended to issue all Remuneration Shares on the same date;
- (f) the Remuneration Shares to be issued will be issued for nil cash consideration;
- (g) pursuant to, and in accordance with Listing Rules 10.13.6 and 14.11, a voting exclusion statement is included in the notice in respect of Resolution 12, 13, 14 and 15; and
- (h) no funds will be raised by the issue of Remuneration Shares.

Specific Information Required under the Corporations Act

In accordance with section 219 of the Corporations Act and ASIC Regulatory Guide 76, the following information is provided to allow Shareholders of the Company sufficient information to determine whether they should approve Resolutions 12, 13, 14 and 15.

Issue of Remuneration Shares to Mr Giuseppe Graziano

- (a) The proposed financial benefit is to be given to Mr Giuseppe Graziano.
- (b) The nature of the financial benefit is the issue to Mr Giuseppe Graziano of \$25,000 of Remuneration Shares. These Remuneration Shares will be issued for nil cash consideration.

- (c) Mr Giuseppe Graziano currently holds 10,350,000 Shares (equal to approximately 1.48% of the Company's issued share capital), 2,000,000 unlisted options exercisable at \$1.00 on or before 15 September 2021 and 1,000,000 unlisted options exercisable at \$1.25 on or before 15 September 2022.
- (d) The Company's issued share capital will increase by up to 250,000 as a result of the issue of Remuneration Shares to Mr Giuseppe Graziano.
- (e) It is a requirement of ASIC that a dollar value be placed on the Remuneration Shares. The dollar value is \$25,000.
- (f) Mr Giuseppe Graziano has an interest in the outcome of this Resolution 12.
- (g) Save for the information as to the value of the financial benefit which will be given to Mr Giuseppe Graziano if this Resolution 12 is passed, the Directors of the Company are not aware of any other information (other than as set out elsewhere in this Explanatory Statement) that would be reasonably required by Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass this Resolution 12.

Issue of Remuneration Shares to Mr Brian Dawes

- (a) The proposed financial benefit is to be given to Mr Brian Dawes.
- (b) The nature of the financial benefit is the issue to Mr Brian Dawes of \$25,000 of Remuneration Shares. These Remuneration Shares will be issued for nil cash consideration.
- (c) Mr Brian Dawes currently holds 1,639,057 Shares (equal to approximately 0.23% of the Company's issued share capital).
- (d) The Company's issued share capital will increase by up to 250,000 as a result of the issue of Remuneration Shares to Mr Brian Dawes.
- (e) It is a requirement of ASIC that a dollar value be placed on the Remuneration Shares. The dollar value is \$25,000.
- (f) Mr Brian Dawes has an interest in the outcome of this Resolution 13.
- (g) Save for the information as to the value of the financial benefit which will be given to Mr Brian Dawes if this Resolution 13 is passed, the Directors of the Company are not aware of any other information (other than as set out elsewhere in this Explanatory Statement) that would be reasonably required by Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass this Resolution 13.

Issue of Remuneration Shares to Mr Nicholas Anderson

- (a) The proposed financial benefit is to be given to Mr Nicholas Anderson.
- (b) The nature of the financial benefit is the issue to Mr Nicholas Anderson of \$15,000 of Remuneration Shares. These Remuneration Shares will be issued for nil cash consideration.
- (c) Mr Nicholas Anderson currently holds 1,000,000 Shares (equal to approximately 0.14% of the Company's issued share capital).
- (d) The Company's issued share capital will increase by up to 150,000 as a result of the issue of Remuneration Shares to Mr Nicholas Anderson.
- (e) It is a requirement of ASIC that a dollar value be placed on the Remuneration Shares. The dollar value is \$15,000.
- (f) Mr Nicholas Anderson has an interest in the outcome of this Resolution 14.

- (g) Save for the information as to the value of the financial benefit which will be given to Mr Nicholas Anderson if this Resolution 14 is passed, the Directors of the Company are not aware of any other information (other than as set out elsewhere in this Explanatory Statement) that would be reasonably required by Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass this Resolution 14.

Issue of Remuneration Shares to Mr Hansjoerg Plaggemars

- (a) The proposed financial benefit is to be given to Mr Hansjoerg Plaggemars.
- (b) The nature of the financial benefit is the issue to Mr Hansjoerg Plaggemars of \$15,000 of Remuneration Shares. These Remuneration Shares will be issued for nil cash consideration.
- (c) Mr Hansjoerg Plaggemars currently holds 216,428 Shares (equal to approximately 0.03% of the Company's issued share capital).
- (d) The Company's issued share capital will increase by up to 150,000 as a result of the issue of Remuneration Shares to Mr Hansjoerg Plaggemars.
- (e) It is a requirement of ASIC that a dollar value be placed on the Remuneration Shares. The dollar value is \$15,000.
- (f) Mr Hansjoerg Plaggemars has an interest in the outcome of this Resolution 15.
- (g) Save for the information as to the value of the financial benefit which will be given to Mr Hansjoerg Plaggemars if this Resolution 15 is passed, the Directors of the Company are not aware of any other information (other than as set out elsewhere in this Explanatory Statement) that would be reasonably required by Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass this Resolution 15.

Directors Recommendation

The Directors do not make any recommendation in relation to Resolutions 12, 13, 14 and 15. The Company will disregard any votes cast on this Resolutions 12, 13, 14 and 15 by the Director that the Resolution relates (being a Related Party of the Company to whom this Resolutions 12, 13, 14 and 15 would permit the financial benefit to be given) and their Associates (who are all prohibited from voting).

Technical Information required by Listing Rule 14.1A

If Resolutions 12, 13, 14 and 15 are passed a total of \$80,000 worth of Shares will be issued to Messrs Graziano, Dawes, Anderson and Plaggemars as consideration for prior underpayment of Director fees for a company commensurate with the market capitalisation of the Company. If the Remuneration Shares are issued to the Directors then this will result in dilution to Shareholders.

If Resolutions 12, 13, 14 and 15 are not passed, the Remuneration Shares will not be issued and the Board may resolve to consider other alternatives for remunerating the Directors, including by way of increasing the amount of Director fees paid (subject to the passing of Resolution 2).

10. Resolution 16: Approval of Additional 10% Placement Capacity

General

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.

However, under Listing Rule 7.1A, an eligible entity may seek shareholder approval by way of a special resolution passed at its annual general meeting to increase this 15% limit by an extra 10% to 25% (**7.1A Mandate**).

An 'eligible entity' means an entity which is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300,000,000 or less. The Company is an eligible entity for these purposes.

Resolution 16 seeks Shareholder approval by way of special resolution for the Company to have the additional 10% placement capacity provided for in Listing Rule 7.1A to issue Equity Securities without Shareholder approval.

If Resolution 16 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 16 is not passed, the Company will not be able to access the additional 10% capacity to issue Equity Securities without Shareholder approval under Listing Rule 7.1A, and will remain subject to the 15% limit on issuing Equity Securities without Shareholder approval set out in Listing Rule 7.1.

Technical information required by Listing Rule 7.1A

Pursuant to and in accordance with Listing Rule 7.3A, the information below is provided in relation to Resolution 16:

Period for which the 7.1A Mandate is valid

The 7.1A Mandate will commence on the date of the Meeting and expire on the first to occur of the following:

- i. the date that is 12 months after the date of this Meeting;
- ii. the time and date of the Company's next AGM; and
- iii. the time and date of approval by Shareholders of any transaction under Listing Rule 11.1.2 (a significant change in the nature or scale of activities) or Listing Rule 11.2 (disposal of the main undertaking).

Minimum Price

Any Equity Securities issued under the 7.1A Mandate must be in an existing quoted class of Equity Securities and be issued at a minimum price of 75% of the volume weighted average price of Equity Securities in that class, calculated over the 15 trading days on which trades in that class were recorded immediately before:

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

Use of funds raised under the 7.1A Mandate

The Company intends to use funds raised from issues of Equity Securities under the 7.1A Mandate for expenditure on the Company's current exploration and development assets, including the Cardinia gold project and associated recent discoveries. Funds will be used for exploration including drilling, mapping, metallurgical analysis, feasibility studies and ongoing project administration. Funds will also be applied towards general working capital.

Risk of Economic and Voting Dilution

Any issue of Equity Securities under the 7.1A Mandate will dilute the interests of Shareholders who do not receive any Shares under the issue.

If Resolution 16 is approved by Shareholders and the Company issues the maximum number of Equity Securities available under the 7.1A Mandate, the economic and voting dilution of existing Shares would be as shown in the table below.

The table below shows the dilution of existing Shareholders calculated in accordance with the formula outlined in Listing Rule 7.1A.2, on the basis of the closing market price of Shares and the number of Equity Securities on issue as at 22 October 2020.

The table also shows the voting dilution impact when the number of Shares on issue (Variable A in the formula) changes and the economic dilution when there are changes in the issue price of Shares issued under the 7.1A Mandate.

		Dilution			
Number of Shares on Issue (Variable A in Listing Rule 7.1A.2) *		Shares issued – 10% voting dilution	Issue Price		
			\$0.1150	\$0.2300	\$0.3450
			50% decrease	Issue Price	50% increase
			Funds Raised		
Current	699,978,790 Shares	69,997,879 Shares	\$8,049,756	\$16,099,512	\$24,149,268
50% increase	1,049,968,185 Shares	104,996,819 Shares	\$12,074,634	\$24,149,268	\$36,223,902
100% increase	1,399,957,580 Shares	139,995,758 Shares	\$16,099,512	\$32,199,024	\$48,298,537

*The number of Shares on issue (Variable A in the formula) could increase as a result of the issue of Shares that do not require Shareholder approval (such as under a pro-rata rights issue or scrip issued under a takeover offer) or that are issued with Shareholder approval under Listing Rule 7.1.

The table above uses the following assumptions:

1. There are currently 699,978,790 Shares on issue as at the date of this Notice.
2. The issue price set out above is the closing market price of the Shares on the ASX on 28 October 2020.
3. The Company issues the maximum possible number of Equity Securities under the 7.1A Mandate.
4. The Company has not issued any Equity Securities in the 12 months prior to the Meeting that were not issued under an exception in Listing Rule 7.2 or with approval under Listing Rule 7.1.
5. The issue of Equity Securities under the 7.1A Mandate consists only of Shares. It is assumed that no Options are exercised into Shares before the date of issue of the Equity Securities.
6. The calculations above do not show the dilution that any one particular Shareholder will be subject to. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.
7. This table does not set out any dilution pursuant to approvals under Listing Rule 7.1 unless otherwise disclosed.

8. 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%.
9. The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 7.1A mandate, based on that Shareholder's holding at the date of the Meeting.

Shareholders should note that there is a risk that:

- (i) the market price for the Company's Shares may be significantly lower on the issue date than on the date of the Meeting; and
- (ii) the Shares may be issued at a price that is at a discount to the market price for those Shares on the date of issue.

Allocation policy under the 7.1A Mandate

The recipients of the Equity Securities to be issued under the 7.1A Mandate have not yet been determined. However, the recipients of Equity Securities could consist of current Shareholders or new investors (or both), none of whom will be related parties of the Company.

The Company will determine the recipients at the time of the issue under the 7.1A Mandate, having regard to the following factors:

- (i) the purpose of the issue;
- (ii) alternative methods for raising funds available to the Company at that time including, but not limited to an entitlement issue, share purchase plan, placement or other offer where existing Shareholders may participate;
- (iii) the effect of the issue of the Equity Securities on the control of the Company;
- (iv) the circumstances of the Company, including, but not limited to, the financial position and solvency of the Company;
- (v) prevailing market conditions; and
- (vi) advice from corporate, financial and broking advisers (if applicable).

Previous approval under Listing Rule 7.1A

The Company previously obtained approval from its Shareholders pursuant to Listing Rule 7.1A at its AGM held on 21 November 2019 (**Previous Approval**).

During the 12-month period preceding the date of the Meeting, being on and from 21 November 2019, the Company issued no Shares and no Options pursuant to the Previous Approval (**Previous Issue**), which represent nil of the total diluted number of Equity Securities on issue in the Company on 21 November 2019, which was 571,024,168.

As at the date of this Notice, the Company is not proposing to make an issue of Equity Securities under Listing Rule 7.1A. Accordingly, a voting exclusion statement is not included in this Notice.

The Chair intends to vote all undirected proxies in favour of Resolution 16.

11. DEFINITIONS

AGM means Annual General Meeting.

Annual Report means the 2020 Annual Report of the Company.

Associates has the meaning given to it in the Corporations Act.

ASX means ASX Limited (ABN 98 008 624 691) and, where the context permits the Australian Securities Exchange operated by the ASX.

ASIC means Australian Securities and Investments Commission.

ASIC Regulatory Guide means the regulatory guides posted by ASIC.

AWST means Australian Western Standard Time.

Board means the board of Directors of the Company.

Chair means the Chair of the Meeting.

Change of Control Event means a transaction, event or state of affairs that, in the Board's opinion, is likely to result in a change of control of the Company.

Closely Related Party has the meaning given to it in the Corporations Act.

Company means Kin Mining N.L. (ACN 150 597 541).

Company Secretary means Mr Stephen Jones.

Constitution means the Company's constitution.

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

Directors means the current directors of the Company.

Director Options means the Options proposed to be granted to Directors pursuant to Resolutions 8, 9, 10 and 11.

Equity Securities has the meaning given to it in the Listing Rules.

Explanatory Statement means this Explanatory Statement.

Fee Pool has the meaning given to it in section 2 of the Explanatory Statement

Key Management Personnel has the meaning given to it in the Corporations Act.

Listing Rules means the Listing Rules of the Australian Securities Exchange.

Options mean an option to acquire a Share.

Performance Rights means the proposed tranches of performance rights proposed to be issued to Mr Andrew Munckton pursuant to Resolution 7

Performance Rights Plan means the performance Rights Plan approved by the shareholders of the Company on 15 September 2017.

Proxy Form means the proxy form accompanying the Notice of Meeting.

Related Party has the meaning given to it in the Corporations Act.

Remuneration Report means the Company's 2020 Annual Report for the financial year ended 30 June 2020.

Remuneration Shares means the Shares proposed to be issued to Directors pursuant to Resolutions 12, 13, 14 and 15.

Resolution means a resolution contained in this Notice.

Schedule means a schedule to this Notice.

Section means a section of this Notice.

Securities means a share, an option, a performance right or any combination of these as the context provides.

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

Shareholder means a holder of a Share.

Spill Meeting has the meaning given to it in Section 1 of this Explanatory Statement.

Spill Resolution has the meaning given to it in Section 1 of this Explanatory Statement

Tranche means the proposed tranches of Performance Rights proposed to be issued to Mr Andrew Munckton pursuant to Resolution 7.

Schedule 1 – Overview of Performance Rights Plan

Summary of the Performance Rights Plan (**Plan**) and terms on which offers may be made:

- (a) The Directors of the Company from time to time, at their discretion, may at any time invite eligible employees to participate in the grant of Performance Rights.
- (b) The eligible employees under the Plan are full time and part time employees (including a Director) of the Company and its related bodies corporate or any other person who is declared by the Board to be eligible to receive a grant of Performance Rights under the Plan (**Eligible Employees**). Subject to the Board approval, an Eligible Employee may nominate a nominee to receive the Performance Rights to be granted to the Eligible Employee.

The Company will seek Shareholder approval for Director and Related Party participation in accordance with Listing Rule 10.14.

- (c) The Plan is administered by the Directors of the Company, who have the power to:
 - (i) determine appropriate procedures for administration of the Plan consistent with its terms;
 - (ii) resolve conclusively all questions of fact or interpretation in connection with the Plan;
 - (iii) delegate the exercise of any of its powers or discretions arising under the Plan to any one or more persons for such period and on such conditions as the Board may determine; and
 - (iv) suspend, amend or terminate the Plan (subject to restrictions on amendments to the Plan which reduce the rights of a participant of the Plan in respect of any Performance Rights or Shares already granted).
- (d) Performance Rights will be granted for nil cash consideration, unless the Board determines otherwise (which will be no more than a nominal amount).
- (e) No amount will be payable on the exercise of Performance Rights under the Plan.
- (f) The Plan does not set out a maximum number of Shares that may be made issuable to any one person or company.
- (g) The Company must have reasonable grounds to believe that the number of Shares to be issued on exercise of the Performance Rights when aggregated with the number of Shares issued or that may be issued as a result of offers made at any time during the previous three years under:
 - (i) an employee incentive plan of the Company covered by ASIC Class Order 14/1000; or
 - (ii) an ASIC exempt arrangement of a similar kind to an employee incentive scheme,does not exceed 5% of the total number of issued Shares at the time the invitation to acquire Performance Rights is made (but disregarding any securities issued as the result of an offer that can be disregarded in accordance with ASIC Class Order 14/1000).
- (h) The Shares to be issued on exercise of the Performance Rights will be issued on the same terms as the fully paid, ordinary shares of the Company and will rank equally with all of the Company's then existing Shares.
- (i) The Performance Rights granted under the Plan will be subject to vesting conditions determined by the Board from time to time and expressed in a written offer made by the Company to the Eligible Employee which is subject to acceptance by the Eligible Employee within a specified period. The vesting conditions may include one or more of:
 - (i) service to the Company of a minimum period of time;

(ii) achievement of specific performance conditions by the participant in the Plan and/or by the Company; or

(iii) such other performance conditions as the Board may determine and set out in the offer. The Board determines whether vesting conditions have been met.

- (j) Performance Rights will have an expiry date as the Board may determine in its absolute discretion and specified in the offer to the Eligible Employee.
- (k) Performance Rights will be exercisable by the holder from the date the applicable vesting conditions are satisfied or waived by the Board up to and including the applicable expiry date.
- (l) The vesting conditions of Performance Rights will have a milestone date as determined by the Board in its absolute discretion and will be specified in the offer to the Eligible Employee. Performance Rights will not be listed for quotation. However, the Company will make an application to ASX for official quotation of all Shares issued on exercise of the Performance Rights within the period required by the Listing Rules.
- (m) The Performance Rights are not transferable unless the Board determines otherwise or the transfer is required by law and provided that the transfer complies with the Corporations Act.
- (n) If a vesting condition of a Performance Right is not achieved by the earlier of the milestone date or the expiry date then the Performance Right will lapse. Unless the Board determines otherwise, an unvested Performance Right will lapse if the holder ceases to be an Eligible Employee for the purposes of the Plan by reason of resignation, termination for poor performance or termination for cause.
- (o) Unless the Board determines otherwise, if the holder of Performance Rights granted under the Plan ceases to be an employee for any other reason other than those reasons set out in paragraph (n), including but not limited to retirement, total and permanent disablement, death, redundancy or termination by agreement, then any Performance Rights which have not lapsed will continue to held by the holder as if it was still an Eligible Employee, except that any continuous service condition will be deemed to have been waived.
- (p) If, in the opinion of the Board, a holder of Performance rights granted under the Plan acts fraudulently or dishonestly, is in breach of his or her obligations to the Company and its related bodies corporate, has done an act which has brought the Company or any of its related bodies corporate into disrepute, or if the Company becomes aware of a material misstatement or omission in the financial statements in relation to the Company or any of its related bodies corporate, or a holder is convicted of an offence in connection with the affairs of the Company or any of its related bodies corporate, or has judgment entered against him or her in any civil proceedings in respect of the contravention of his or her duties at law in his capacity as an employee, consultant or officer of the Company or any of its related bodies corporate, the Board will have the discretion to deem any Performance Rights lapsed.
- (q) If in the opinion of the Board, Performance Rights vested as a result of the fraud, dishonesty or breach of obligations of either the holder or any other person and in the opinion of the Board, the Performance Rights would not have otherwise vested, or the Company is required by, or entitled under, law to reclaim an overpaid bonus or other amount from a holder, then the Board may determine (subject to applicable law) any treatment in relation to the Performance Rights or Shares issued upon exercise of Performance Rights to comply with the law or to ensure no unfair benefit is obtained by the Participant.
- (r) Where there is a transaction, event or state of affairs that, in the Board's opinion, is likely to result in a change of control of the Company (**Change of Control Event**), the Board may in its discretion determine that all or a specified number of the holder's Performance Rights vest and become exercisable or cease to be subject to restrictions (as applicable), although the Board may specify in an offer to a Participant that any additional or different treatment will apply if a Change of Control Event occurs.

- (s) Unless the Board determines otherwise, if a Change of Control Event occurs, any restrictions on dealing imposed on vested Performance Rights will cease to have effect.
- (t) There are no participating rights or entitlements inherent in the Performance Rights and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Performance Rights.
- (u) If the Company makes an issue of Shares pro rata to existing Shareholders there will be no adjustment to the number of Shares which must be allocated on the exercise of a Performance Right.
- (v) 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) the number of Shares which must be allocated on the exercise of a Performance Right will be increased by the number of Shares which the participant would have received if the Performance Right had vested before the record date for the bonus issue.
- (w) If there is any reorganisation of the issued share capital of the Company, the rights of the Performance Rights holder may be varied to comply with the Listing Rules which apply to a reorganisation of capital at the time of the reorganisation.
- (x) Subdivision 83A-C of the *Income Tax Assessment Act 1997 (Cth)* applies to Performance Rights issued under the Plan.

Schedule 2 – Terms and Conditions of Performance Rights

1. Entitlement

Each New Performance Right (**Performance Right**) will convert into a Share for no consideration upon exercise of the Performance Right by the holder.

2. Vesting Date and Expiry Date

Each Performance Right will vest on the date on which both of the following are satisfied (**Vesting Date**):

Tranche ¹	Vesting conditions (Tranche Objective)	Weighting
Tranche 1	Company's Absolute TSR	50%
	Company's TSR relative to Peers	50%
Tranche 2	Company's Absolute TSR	50%
	Company's TSR relative to Peers	50%
Tranche 3	Company's Absolute TSR	50%
	Company's TSR relative to Peers	50%

¹⁾ The number of Performance Rights to be granted is calculated by dividing each \$33,215 Tranche by the VWAP of the Company's Shares over the 10 days on which trading in the Company's Shares occurred leading up to and including the day prior to the vesting date. To give Shareholders a better understanding of the total potential number of Shares Mr Andrew Munckton could receive, based on the VWAP of the Company's shares over the 10 business days preceding the date within this notice, of \$0.2140, the maximum number of Performance Rights that the Company would grant Mr Andrew Munckton would be 465,631 Performance Rights.

²⁾ The Expiry Date for each Performance Right will be the date which is 3 years from the date of grant.

3. Exercise Period

Subject to item 4, a Performance Right may only be exercised at any time after the Vesting Date, and prior to the Expiry Date (subject to satisfaction of the applicable service condition set out in that table).

4. Vesting on Change of Control

Notwithstanding the provisions of the Performance Rights Plan, any Performance Rights that have not yet vested will automatically vest upon a Change of Control at the VWAP of the Company's Shares over the 10 days on which trading in the Company's Shares occurred leading up to and including the day prior to the vesting date (**Change of Control date**). For these purposes, Change of Control means one or more of the following events occurring (subject to the applicable service condition set out in Schedule 1 being satisfied up until the date of the relevant event):

- (i) the bidder under a takeover bid in respect of all Shares has achieved acceptances in respect of more than 50.01% of Shares and that takeover bid has become unconditional;
- (ii) the announcement by the Company that its Shareholders have, at a court convened meeting of Shareholders, voted in favour, by the necessary majority, of a proposed scheme of arrangement under which all securities of the Company are to be either:
 - (A) cancelled; or
 - (B) transferred to a third party,and the court, by order, approves the proposed scheme of arrangement; or
- (iii) any person, individually or together with their associates, acquires a relevant interest in 50.01% or more of the total number of Shares on issue by any other means.

5. Plan

The Performance Rights are granted in accordance with, and subject to, the Plan.

6. Notice of Exercise

The Performance Rights may be exercised by notice in writing to the Company (**Notice of Exercise**). Any Notice of Exercise of a Performance Right received by the Company will be deemed to be a notice of exercise of that Performance Right as at the date of receipt

7. Shares issued on exercise

Shares issued on exercise of the Performance Rights rank equally with the then Shares of the Company.

8. Quotation of Shares on exercise

Application will be made by the Company to ASX for quotation of the Shares issued upon the exercise of the Options within the period required by the Listing Rules.

9. Participation in new issues

There are no participation rights or entitlements inherent in the Performance Rights and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Performance Rights.

10. Adjustment for bonus issues

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) the number of Shares which must be issued on the exercise of a Performance Right will be increased by the number of Shares which the holder would have received if the holder had exercised the Performance Right before the record date for the bonus issue.

11. Adjustment for rights issue

If the Company makes an issue of Shares pro rata to existing Shareholders there will be no adjustment of the number of Shares which must be issued on the exercise of the Performance Rights.

12. Adjustments for reorganisation

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

13. Quotation of Performance Rights

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

14. Performance Rights not transferable

Performance Rights are not transferable unless the Board determines otherwise or the transfer is required by law and provided that the transfer complies with the Corporations Act.

15. Deferred Taxation

Subdivision 83A-C of the *Income Tax Assessment Act 1997* (Cth) applies to the Performance Rights.

Schedule 3 – Terms and Conditions of Director Options

Entitlement	<p>Each Director Option will entitle the holder to subscribe for one Share.</p> <p>All Shares issued upon the exercise of the Director Option will rank equally in all respects with the Company's existing Shares.</p>
Exercise Price	<p>Each Director Option shall entitle the holder to acquire one share upon payment of the sum of an amount to be determined as 145% of the 5 day volume weighted average price of the Company's shares on the date issued, per Director Option to the Company (Exercise Price).</p>
Exercise of Options	<p>The Director Options will expire at 5.00pm AWST on the day that is 3 years after the date that those options are approved by Shareholders and granted (Expiry Date).</p> <p>The Director Options may be exercised, in whole or in part, at any time prior to the Expiry Date, by completing and delivering a duly completed form of notice of exercise to the registered office of the Company together with the payment of the Exercise Price in immediately available funds for the number of Shares in respect of which the Director Options are exercised.</p> <p>A Director Option not exercised on or before the Expiry Date will lapse.</p> <p>Shares allotted and issued pursuant to the exercise of Director Options will be allotted and issued and a holding statement or share certificate provided to the holders of Director Options in respect of those Shares, on the above terms and conditions not more than 15 business days after the receipt of a duly completed form of notice of exercise and the exercise price in immediately available funds in Australian dollars in respect of the Director Options exercised.</p>
Quotation	<p>Application will not be made to ASX for quotation of the Director Options.</p> <p>Provided the Company is listed on ASX at the time, application will be made for Quotation of the Shares issued upon exercise of Director Options not later than 15 business days after the date of allotment.</p> <p>If required, the Company will give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if such a notice delivered is for any reason not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 business days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.</p>
Transfer	<p>The Director Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.</p>
Participation and Entitlements	<p>There are no participating rights or entitlements inherent in the Director Options and holders will not be entitled to participate in new issues of securities offered to Shareholders during the currency of the Director Options.</p> <p>However, the Company must give notice to the holders of Director Options of any new issue before the record date for determining entitlements to the issue in accordance with the Listing Rules so as to give holders the opportunity to exercise their Director Options before the date for determining entitlements to participate in any issue.</p>

Reorganisation of Share Capital	In the event of a reorganisation (including consolidation, subdivision, reduction or return) of the issued capital of the Company, all rights of holders of Director Options shall be changed to the extent necessary to comply with the Corporations Act and the Listing Rules applying to a reorganisation of capital at the time of the reorganisation.
Bonus Issue	If, from time to time, before the expiry of the Director Options the Company makes a pro-rata issue of Shares to Shareholders for no consideration, the number of Shares over which a Director Option is exercisable will be increased by the number of Shares which the holder would have received if the Director Option had been exercised before the date for calculating entitlements to the pro-rata issue.