

# **Kin Mining N.L.**

ACN 150 597 541

## ***Notice of Annual General Meeting***

### ***Explanatory Statement and Proxy Form***

**Date of Meeting**

24 November 2022

**Time of Meeting**

2.00 pm (AWST)

**Place of Meeting**

The AGM will be conducted as a hybrid meeting with the physical address at Quest East Perth, 176 Adelaide Terrace, East Perth, WA and 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.**

The Meeting will be conducted as a hybrid meeting with Shareholders able to attend the meeting in person or virtually through a webinar conferencing facility.

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

Voting on all resolutions will be conducted by poll. Shareholders are 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 2022 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 24 October 2022.

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 relaxation of the guidelines and restrictions issued by the Australian state and federal governments related to the COVID-19 pandemic, the Company considers that it is appropriate to hold the 2022 AGM as a hybrid meeting. The Company will be happy to welcome shareholders at the meeting and will also ensure that it is possible for Shareholders to attend and participate virtually.

## Venue and Voting Information

The Annual General Meeting of the Shareholders to which this Notice of Meeting relates (**Meeting**) will be held at 2:00pm (AWST) on Thursday 24 November 2022 as a hybrid meeting. The Meeting will be held physically at the Quest East Perth, 176 Adelaide Terrace, East Perth, WA and will also 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 virtually, please use the Meeting ID and Shareholder ID on the Proxy Form to login to the Meeting at [www.advancedshare.com.au/virtual-meeting](http://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 2pm (AWST) on Tuesday 22 November 2022, 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 6 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 Thursday, 17 November 2022. Shareholders can also submit any questions in advance of the Meeting by emailing questions to the Company Secretary at [s.jones@kinmining.com.au](mailto:s.jones@kinmining.com.au) by no later than 5pm (AWST) on Tuesday, 22 November 2022.

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](http://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 Thursday 24 November 2022, commencing at 2.00pm (AWST) and will be held as a hybrid meeting at the Quest East Perth, 176 Adelaide Terrace, East Perth, Western Australia and 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 (**AGM**).

### AGENDA

#### ORDINARY BUSINESS

##### Accounts and Reports

*To receive and consider the annual financial report for the financial year ended 30 June 2022, together with the reports by Directors and auditors thereon.*

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#### 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 2022 Annual Report for the financial year ended 30 June 2022 be adopted."*

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

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#### 2. RESOLUTION 2: RE-ELECTION OF DIRECTOR (MR GIUSEPPE (JOE) GRAZIANO)

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 14.4, clauses 11.3 to 11.6 of the Constitution, and for all other purposes, Mr Joe Graziano, being a Director of the Company who retires by rotation in accordance with clause 11.3 of the Constitution, and, being eligible, offers himself for re-election, is re-elected as a Director."*

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#### 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 for the purpose of Listing Rule 14.4, clauses 11.3 to 11.6 of the Constitution, and for all other purposes, Mr Nicholas Anderson, being a Director of the Company who retires by rotation in accordance with clause 11.3 of the Constitution and, being eligible, offers himself for re-election, is re-elected as a Director."*

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#### 4. RESOLUTION 4: ELECTION OF DIRECTOR (MR ROBERT ROWAN JOHNSTON)

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 14.4, clause 11.12 of the Constitution and for all other purposes, Mr Robert Rowan Johnston, a Director who was appointed on 15 July 2022 retires, and being eligible, offers himself for re-election, is re-elected as a Director."*

## 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, Shareholders ratify and approve the prior allotment and issue of 129,900,000 Shares to sophisticated and professional investors under the Placement made on 25 August 2022, pursuant to its issuing capacity under Listing Rule 7.1, on the terms and conditions set out in the Explanatory Statement."*

## 6. RESOLUTION 6: 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 the grant of up to 2,000,000 Performance Rights under the Performance Rights Plan to Mr Andrew Munckton (or his nominee), a related party of the Company for the purposes of the Listing Rules, on the terms and conditions set out in the Explanatory Statement."*

### Voting Prohibitions and Exclusion Statements

Resolution	Excluded persons	Exception
<b>Corporations Act voting prohibitions</b>		
<b>Resolution 1</b>	<p>In accordance with sections 250BD and 250R(4) of the Corporations Act, a vote on the Resolution must not be cast by:</p> <ul style="list-style-type: none"> <li>a member of Key Management Personnel the details of whose remuneration is included in the Remuneration Report or their Closely Related Parties, regardless of the capacity in which the vote is cast; or</li> <li>by a proxy for a member of Key Management Personnel at the date of the Meeting or their Closely Related Parties.</li> </ul>	<p>The prohibition does not apply if:</p> <ul style="list-style-type: none"> <li>the vote is cast in accordance with the directions on how the proxy is to vote, as specified in the proxy appointment; or</li> <li>the appointment expressly authorises the Meeting Chair to exercise the proxy even though the Resolution is connection directly or indirectly with remuneration of a member of the Key Management Personnel.</li> </ul>
<b>Resolution 6</b>	<p>In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on the Resolution if:</p> <ul style="list-style-type: none"> <li>the proxy is either: <ul style="list-style-type: none"> <li>a member of the Key Management Personnel; or</li> <li>a Closely Related Party of such a member; and</li> </ul> </li> <li>the appointment does not specify the way the proxy is to vote on the Resolution.</li> </ul>	<p>The prohibitions do not apply if:</p> <ul style="list-style-type: none"> <li>the vote is cast in accordance with the directions on how the proxy is to vote, as specified in the proxy appointment; or</li> <li>the appointment expressly authorises the Meeting Chair to exercise the proxy even though the Resolution is connection directly or indirectly with remuneration of a member of the Key Management Personnel..</li> </ul>

**Listing Rule voting exclusion statements**

<p><b>Resolution 5</b></p>	<p>For the purposes of Listing Rules 7.5.8 and 14.11, the Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who participated in the issue or is a counterparty to the agreement being approved, or an ‘associate’ (as defined in the Listing Rules) of such persons.</p> <p>In relation to Resolution 5, this includes sophisticated and professional investors who participated in the Placement.</p>	<p>The Company need not disregard a vote cast in favour of the Resolution if it is cast by:</p> <ul style="list-style-type: none"> <li>• 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;</li> <li>• the Meeting Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Meeting Chair on the Resolution as the Meeting Chair decides; or</li> </ul>
<p><b>Resolution 6</b></p>	<p>For the purposes of Listing Rules 10.15.12 and 14.11, the Company will disregard any votes cast in favour of the Resolution by or on behalf of a person referred to in:</p> <ul style="list-style-type: none"> <li>• Listing Rule 10.14.1 (i.e. Directors);</li> <li>• Listing Rule 10.14.2 (i.e. an Associate of a Director); or</li> <li>• Listing Rule 10.14.3 (i.e. a person whose relationship with the Company or a person referred to in Listing Rules 10.14.1 or 10.14.2 is such that, in ASX’s opinion, the acquisition should be approved by security holders),</li> </ul> <p>who is eligible to participate in the Equity Incentive Plan or an ‘associate’ (as defined in the Listing Rules) of that person.</p> <p>In relation to Resolution 6, this includes Andrew Munckton (or his nominee).</p>	<ul style="list-style-type: none"> <li>• a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met: <ul style="list-style-type: none"> <li>○ the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an ‘associate’ (as defined in the Listing Rules) of a person excluded from voting, on the Resolution; and</li> <li>○ the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.</li> </ul> </li> </ul>

## Voting by proxy

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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:

- 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 Tuesday 22 November 2022. 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**

24 October 2022

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## EXPLANATORY STATEMENT

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### 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 AGM of Shareholders to be held on Thursday 24 November 2022, commencing at 2.00pm (AWST) at the Quest East Perth, 176 Adelaide Terrace, East Perth, WA, and will also be accessible to all Shareholders 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.

This Explanatory Statement should be read in conjunction with the Notice of AGM. Capitalised terms in this Explanatory Statement are defined in the Definitions section or otherwise in the Explanatory Statement.

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### 2022 ANNUAL REPORT

In accordance with the requirements of the Constitution and the Corporations Act, the 2022 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](http://www.kinmining.com.au).

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### 1. RESOLUTION 1: ADOPTION OF REMUNERATION REPORT

#### 1.1. General

Resolution 1 is an ordinary resolution to approve the Remuneration Report. 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 2022.

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

The vote on Resolution 1 is advisory only and does not bind the Directors or the Company. Notwithstanding, the Board will take the outcome of the vote into consideration when considering the remuneration policy of the Company going forward. On that basis, the Company encourages all Shareholders to cast their votes on Resolution 1.

#### 1.2. Corporations Act requirements

Section 250R(2) of the Corporations Act requires a listed public company to put a resolution to its shareholders that the remuneration report set out in the directors' report for the preceding financial year be adopted. The resolution is advisory only and does not bind the relevant company or its directors.

If at least 25% of the votes cast on Resolution 1 are voted against adoption of the Remuneration Report at two consecutive annual general meetings, Shareholders will be required to vote at the second of those annual general meetings on a resolution (a **Spill Resolution**) that a further meeting be held within 90 days at which all the offices



of the Directors are vacated (other than the office of managing director) and each such office will be put to a vote.

It is noted that at the Company's 2021 annual general meeting, the votes cast against the remuneration report represented less than 25% of the total votes cast and accordingly, a Spill Resolution will not under any circumstances be required for this year's AGM.

A voting exclusion applies to this Resolution on the terms set out in the Notice of AGM.

### **1.3. Directors' recommendation**

The Directors decline to make a recommendation as to how Shareholders should vote in respect of Resolution 1 as they each have an interest in the outcome of the Resolution.

### **1.4. 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.

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## **2. RESOLUTION 2: RE-ELECTION OF DIRECTOR (MR GIUSEPPE (JOE) GRAZIANO)**

### **2.1. General**

Resolution 2 is an ordinary resolution to approve the re-election of Mr Giuseppe Graziano as a Director.

Mr Graziano will retire at the AGM, and being eligible, submits himself for re-election.

If Resolution 2 is passed, Mr Graziano will be re-elected as a Director.

If Resolution 2 is not passed, Mr Graziano will not be re-elected to his current directorship position. The Resolution will not affect any other office or employment position which he holds with the Company or its Related Bodies Corporate. The Board may consider an appointment to fill a casual vacancy pursuant to the Constitution, with ratification at the Company's next annual general meeting.

### **2.2. Listing Rule requirements**

Listing Rule 14.4 requires that a director of an entity:

- must not hold office (without re-election) past the third annual general meeting following the director's appointment, or 3 years, whichever is longer; and
- appointed to fill a casual vacancy or as an addition to the board must not hold office (without re-election) past the next annual general meeting of the entity.

The rule does not apply to the entity's managing director, unless there is more than one managing director, in which case only one is entitled not to be subject to re-election.

### **2.3. Constitution requirements**

In accordance with the requirements of clause 11.3 of the Constitution, one-third of the Directors retire from office at this AGM. Clauses 11.5 and 11.6 of the Constitution require that the directors to retire at any annual general meeting are to be those who have been longest in office since their last election and that no director (except a managing director) shall hold office for longer than 3 years or until the third annual general meeting following their appointment, whichever is longer.

Pursuant to clause 11.4 of the Constitution, a retiring Director is eligible for re-election.

Accordingly, Mr Giuseppe Graziano retires by rotation and, being eligible, offers himself for re-election.

#### **2.4. Biography**

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.

Mr Graziano is a member of Kin's Audit Committee and Remuneration and Nomination Committee and is an independent Director.

#### **2.5. Directors' recommendation**

The Directors (other than Mr Graziano) support the re-election of Mr Graziano and recommend that Shareholders vote in favour of Resolution 2. Mr Graziano declines to make a voting recommendation noting his interest in the Resolution.

The Chair intends to vote all undirected proxies in favour of Resolution 2.

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

#### **3.1. General**

Resolution 3 is an ordinary resolution to approve the re-election of Mr Nicholas Anderson as a Director.

Mr Anderson will retire at the AGM, and being eligible, submits himself for re-election.

If Resolution 3 is passed, Mr Anderson will be re-elected as a Director.

If Resolution 3 is not passed, Mr Anderson will not be re-elected to his current directorship position. The Resolution will not affect any other office or employment position which he holds with the Company or its Related Bodies Corporate. The Board may consider an appointment to fill a casual vacancy pursuant to the Constitution, with ratification at the Company's next annual general meeting.

#### **3.2. Listing Rule requirements**

As set out in section 2.2 above, Listing Rule 14.4 requires that a director of an entity must not hold office (without re-election) past the third annual general meeting following the director's appointment, or 3 years, whichever is longer.

#### **3.3. Constitution requirements**

As set out in section 2.3 above, clauses 11.3 to 11.6 of the Constitution substantially reflect the requirements of Listing Rule 14.4 and require one-third of the Directors to retire from office at the AGM.

Accordingly, Mr Anderson retires by rotation and, being eligible, offers himself for re-election.

#### **3.4. Biography**

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 a graduate of the Australian Institute of Company Directors.

### **3.5. Directors' recommendation**

The Directors (other than Mr Anderson) support the re-election of Mr Anderson and recommend that Shareholders vote in favour of Resolution 3. Mr Anderson declines to make a voting recommendation noting his interest in the Resolution.

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

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## **4. RESOLUTION 4: ELECTION OF DIRECTOR (MR ROBERT ROWAN JOHNSTON)**

### **4.1. General**

Resolution 4 is an ordinary resolution to approve the election of Mr Johnston as a non-executive Director.

Mr Johnston, having been appointed by the other Directors on 15 July 2022, will retire in accordance with clause 11.12 of the Constitution and Listing Rule 14.4 and being eligible, will seek election from Shareholders pursuant to clause 11.4 of the Constitution.

If Resolution 4 is passed, Mr Johnston will be re-elected as a Director.

If Resolution 4 is not passed, Mr Johnston will not be re-elected as a Director. The Board may consider an appointment to fill a casual vacancy pursuant to the Constitution, with ratification at the Company's next annual general meeting.

### **4.2. Listing Rule requirements**

As set out in section 2.2 above, Listing Rule 14.4 requires that a director of an entity appointed to fill a casual vacancy or as an addition to the board must not hold office (without re-election) past the next annual general meeting of the entity.

### **4.3. Constitution requirements**

Clause 11.11 of the Constitution provides that the Directors may at any time appoint a person to be a Director, either to fill a casual vacancy or as an addition to the existing Directors, but so that the total number of Directors does not at any time exceed the maximum number specified by the Constitution.

Pursuant to clause 11.12 of the Constitution any Director so appointed holds office only until the next annual general meeting and is then eligible for election but shall not be taken into account in determining the Directors who are to retire by rotation (if any) at that meeting.

Mr Johnston, having been appointed on 15 July 2022 will retire from office in accordance with the requirements of clause 11.12 of the Constitution and being eligible submits himself for election by Shareholders in accordance with clause 11.4 of the Constitution.

### **4.4. Biography**

Mr Johnston is a mining engineer with over 40 years' resources industry experience, including significant experience as a company director through executive and non-executive directorship roles. Mr Johnston has held various senior executive roles in Australia and internationally, primarily in the gold sector, and has experience in feasibility studies, company formations, construction, expansions and mergers.

Previous roles held by Mr Johnston include Acting Chief Executive Officer and Executive Director of Operations for Mutiny Gold Limited, prior to its takeover by Doray Minerals Limited, and Executive Director of Integra Mining Limited prior to its merger with Silver Lake Resources Limited.

#### 4.5. Directors' recommendation

The Directors (other than Mr Johnston) support the election of Mr Johnston and recommend that Shareholders vote in favour of Resolution 4. Mr Johnston declines to make a voting recommendation noting his interest in the Resolution.

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

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

#### 5.1. General

On 25 August 2022, the Company issued a total of 129,900,000 Shares (**Placement Shares**) in a share placement to sophisticated and professional investors (**Placement**). The Placement raised a total of \$9,742,500 (before costs) and was completed in accordance with the Company's 15% capacity under Listing Rule 7.1.

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

#### 5.2. Listing Rules requirements

Subject to a number of exceptions, 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.

Listing Rule 7.4 allows the shareholders of a listed entity to subsequently ratify and approve an issue of Equity Securities after it has been made or agreed to be made, provided that the issue did not breach Listing Rule 7.1. If they do, the issue is taken to have been approved under Listing Rule 7.1 and therefore does not reduce the Company's capacity to issue further Equity Securities without Shareholder approval under that rule.

If Resolution 5 is approved, the Company's issuing capacity under Listing Rule 7.1 will be restored to the extent of the Placement Shares the subject of this Resolution. This will allow the Company to issue further equity securities of an equivalent number in the next 12 months.

However, if Resolution 5 is not approved, the Company's issuing capacity under Listing Rule 7.1 will not be restored to the extent of the Placement Shares the subject of this Resolution.

#### 5.3. Listing Rule information requirements

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) **Names of persons to whom securities were issued or the basis on which those persons were identified or selected**

The Company issued Placement Shares to sophisticated and professional investors who applied for Placement Shares under the Placement and whose applications were accepted by the Company.

A total of 62,800,000 Placement Shares were issued to 2Invest AG, Deutsche Balaton Aktiengesellschaft and DELPHI Unternehmensberatung Aktiengesellschaft (collectively, **DELPHI**), who collectively are a substantial shareholder of the Company with a relevant interest in 32.01% of the total Shares on issue following the Placement.

None of the other Placement Participants who were issued more than 8,661,339 Shares under the Placement (being 1% of the total number of 866,133,947 Shares on issue prior to the Placement) were or are:

- (i) a Related Party of the Company;
- (ii) a member of key management personnel;
- (iii) a substantial holder in the Company;
- (iv) an advisor of the Company; or
- (v) an associate of any of the above.

**(b) Number and class of securities allotted and issued**

129,900,000 Placement Shares were issued. The Shares are fully paid ordinary shares in the Company which rank equally with existing Shares on issue.

**(c) Date the securities were issued**

The Placement Shares were issued on 25 August 2022.

**(d) Price or consideration received for the issue**

The Placement Shares were issued at \$0.075 each. The Company raised a total of \$9,742,500 (before costs) under the Placement.

**(e) The purpose of the issue, including the use or intended use of any funds raised by the issue**

The Company will use the funds raised from the Placement to continue the exploration efforts on the Cardinia Gold Project and regional targets and for general working capital purposes.

**5.4. Directors' recommendation**

The Board recommends Shareholders vote in favour of Resolution 5 as it will effectively restore the Company's 15% issuing capacity under Listing Rule 7.1. This will allow 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.

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**6. RESOLUTION 6: APPROVAL TO GRANT PERFORMANCE RIGHTS TO MR ANDREW MUNCKTON**

**6.1. General**

The Company proposes to grant up to 2,000,000 Performance Rights to the Managing Director, Mr Andrew Munckton (or his nominee) as a long term incentive to align his interests with the success of the Company.

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.

If Resolution 6 is passed, 2,000,000 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 6 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.

**6.2. Terms of Performance Rights**

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 will be issued in three Tranches as follows:

Tranche	Performance Period	Maximum allocation of long term incentives
Tranche 1	1 July 2022 – 30 June 2023	\$35,235
Tranche 2	1 July 2023 – 30 June 2024	\$35,235
Tranche 3	1 July 2024 – 30 June 2025	\$35,235

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 ( <b>VWAP</b> ) 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.

**(a) 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 <sup>1</sup>	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%

<sup>1)</sup> The number of Performance Rights to be granted is calculated by dividing each \$35,235 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 \$0.7070, the maximum number of Performance Rights that the Company would grant Mr Andrew Munckton would be 1,495,098 Performance Rights.

**(b) 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.

### **6.3. Corporations Act requirements – related party financial benefits**

Section 208(1) of the Corporations Act (set out in Chapter 2E) requires a public company to obtain the approval of its shareholders before providing a financial benefit to a ‘related party’ of the company for the purposes of the Corporations Act (e.g. a Director), unless giving the financial benefit falls within a statutory exception. Any financial benefit approved by shareholders must be provided within 15 months of the approval.

The proposed issue of the Performance Rights to Mr Andrew Munckton (or his nominee) would constitute the giving of a financial benefit for the purposes of section 208 of the Corporations Act.

Section 211 of the Corporations Act provides that shareholder approval is not required to give a financial benefit in circumstances where the benefit constitutes remuneration which would be reasonable given the company’s and the related party’s circumstances.

After benchmarking against comparable remuneration packages for managing directors of other ASX-listed companies of a similar size and nature, the Board (excluding Mr Munckton) considers the grant of Performance Rights would constitute reasonable remuneration within this exception.

### **6.4. Listing Rule requirements**

Listing Rule 10.14 requires an entity to obtain the approval of its shareholders before issuing or agreeing to issue Equity Securities (including Performance Rights) under an employee incentive scheme (e.g. the Performance Rights Plan) to a Related Party, subject to certain specific exceptions in Listing Rule 10.16.

The Board (excluding Andrew Munckton) do not consider any of the exceptions apply to the proposed grant of Performance Rights under Resolution 6. Accordingly, Shareholder approval under Listing Rule 10.14 is required.

Approval pursuant to Listing Rule 7.1 is not required for the grant of the Performance Rights to Mr Munckton as approval is being obtained under Listing Rule 10.14. Accordingly, the grant of the Performance Rights will not be included in the calculation of the Company’s 15% issuing capacity under Listing Rule 7.1.

### **6.5. Listing Rule information**

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

- (a) The Company proposes to grant up to 2,000,000 Performance Rights to the Managing Director, Mr Andrew Munckton (or his nominee).
- (b) Mr Andrew Munckton is a Director and therefore a person mentioned in Listing Rule 10.14.1.

- (c) The maximum number of Securities be issued pursuant to Resolution 6 is 2,000,000. The exact number of Performance Rights to be granted is to be determined in accordance with the formula set out in the table in section 6.2 above.
- (d) The vesting conditions and expiry date of the Performance Rights to be granted under the Performance Rights Plan are set out above.
- (e) 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. Further the Company has chosen to grant the Performance Rights to Mr Munckton on the basis that the Performance Rights are unlisted and will have no dilutionary impact on Shareholders, the issue of Performance Rights to Mr Munckton will further align his interests with those of Shareholders by linking his remuneration with the performance of the Company and the issue of Performance Rights is a reasonable and appropriate method to provide cost effective remuneration to Mr Munckton; and
  - (iv) maximum value of the Performance Rights has been determined by the Directors to be \$105,708 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.
- (f) Mr Andrew Munckton's current total remuneration package includes:
- (i) fixed remuneration of \$352,345 (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; and
  - (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.
- (g) 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.
- (h) 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;
  - up to 4,000,000 granted to the Managing Director (Andrew Munckton) pursuant to the 30 June 2020 employment year, of which 264,443 have been issued at \$0.1229 per Performance Right, and 198,599 have been issued at \$0.1391 per Performance Right, following the vesting conditions being met, and the remainder of 3,536,958 that have since been cancelled;
  - up to 1,000,000 granted to the Managing Director (Andrew Munckton) pursuant to the 30 June 2021 employment year, of which 119,393 have been issued at \$0.1391 per Performance



Right following the vesting conditions being met and the remainder of 880,607 that remain granted pending the vesting conditions being met; and

- 125,412 granted to employees, of which 125,412 have been issued at \$0.1391 per Performance Right following vesting conditions being met.
- (i) Mr Andrew Munckton is a Related Party of the Company as he is the Managing Director.
- (j) Mr Andrew Munckton is the only Listing Rule 10.14 party of the Company that is entitled to participate in the Performance Rights Plan.
- (k) 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).
- (l) A voting exclusion statement is included in the Notice.
- (m) In each Annual Report of the Company, details of any Performance Rights issued 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.
- (n) There are no loans provided by the Company in relation to the issue of the Performance Rights.

#### **6.6. Directors' recommendations**

The Board, excluding Andrew Munckton, considers the issue of 2,000,000 Performance Rights is reasonable given the Company's size and stage of development, and accordingly recommend Shareholders vote in favour of Resolution 6.

In addition, the Performance Rights are structured to align the interests of Mr Munckton with the operational success of the Company such that the rights will only vest on the achievement of the relevant vesting conditions.

Mr Munckton declines to make a recommendation as he has a material personal interest in the outcome of the Resolution.

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## 7. DEFINITIONS

**AGM or Meeting** means the annual general meeting of the Company convened by this Notice, including any adjournment of such meeting.

**Annual Report** means the 2022 Annual Report of the Company.

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

**ASIC** means Australian Securities and Investments Commission.

**AWST** means Australian Western Standard Time.

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

**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 constitution of the Company in effect at the commencement of the Meeting.

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

**Directors** means the current directors of the Company.

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

**Explanatory Statement** means this Explanatory Statement.

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

**Listing Rules** means the Listing Rules of ASX.

**Notice** means this notice of meeting comprising the notice, agenda, Explanatory Statement and Proxy Form.

**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 6

**Performance Rights Plan** means the performance Rights Plan of the Company.

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

**Related Party** has the meaning given to it in the Listing Rules.

**Remuneration Report** means the Company's 2022 Annual Report for the financial year ended 30 June 2022.

**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 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 6.

## 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 be 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 <sup>1</sup>	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%

<sup>1)</sup> The number of Performance Rights to be granted is calculated by dividing each \$35,235 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 \$0.7070, the maximum number of Performance Rights that the Company would grant Mr Andrew Munckton would be 1,495,098 Performance Rights.

<sup>2)</sup> 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
  - (C) 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.