

ASX Announcement

23 May 2022
ASX: TEG



Letter to Shareholders, Notice of General Meeting and Proxy Form

Triangle Energy (Global) Limited (ASX: **TEG**) (**Triangle / the Company**) advises that a General Meeting (GM) will be held at 11am WST on Thursday 23 June 2022 at The Celtic Club, 48 Ord Street, West Perth, Western Australia.

As permitted by the *Corporations Act 2001* (Cth), the Company will not be dispatching physical copies of the Notice of Meeting unless the shareholder has made a valid election to receive documents in hard copy. Instead, the Notice of Meeting and accompanying explanatory statement (Meeting Materials) are being made available to shareholders electronically and can be viewed and downloaded at the following link: <https://triangleenergy.com.au/category/asx-announcements/>.

A copy of a letter mailed to all shareholders, along with a copy of the Notice of Meeting and Proxy Form, is attached below.

Authorised for Release by: The Board of Directors

ENDS

For more information Mr Conrad Todd
Managing Director
E: ctodd@triangleenergy.com.au
Ph: +61 8 9219 7111

General Shareholder Enquiries info@triangleenergy.com.au

About Triangle Energy (Global) Ltd

Triangle Energy (Global) Ltd is an ASX listed (ASX: TEG) oil producer and explorer based in Perth, Western Australia. The Company has a 78.75% interest in, and is Operator of, the producing Cliff Head Oil Field, which includes the Arrowsmith Stabilisation Plant. Triangle also has a 50% share of the Mt Horner L7 production licence and a 45% share of the Xanadu-1 Joint Venture, both located in the Perth Basin. Triangle also has a substantial equity interest in State Gas Ltd (ASX: GAS), which has a 100% operating interest in the Reids Dome production licence (PL 231) in Queensland. The Company continues to assess acquisition prospects to expand its portfolio of assets.

23 May 2022

Dear Shareholder

General Meeting – Notice and Proxy Form

Notice is given that a General Meeting (**Meeting**) of Shareholders of Triangle Energy (Global) Limited (ACN 110 411 428) (**Company**) will be held as follows:

Time and date: 11am (Perth time) on Thursday, 23 June 2022

Location: The Celtic Club, 48 Ord Street, West Perth, Western Australia

As permitted by the *Corporations Act 2001* (Cth), the Company will not be dispatching physical copies of the Notice of Meeting unless the shareholder has made a valid election to receive documents in hard copy. Instead, the Notice of Meeting and accompanying explanatory statement (**Meeting Materials**) are being made available to shareholders electronically and can be viewed and downloaded at the following link: <https://triangleenergy.com.au/category/asx-announcements/>.

For those shareholders that have not elected to receive notices by email, a copy of your personalised Proxy Form is enclosed for your convenience. Please complete and return the attached Proxy Form to the Company's share registry, Automic, using any of the following methods:

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

By Mail: Automic, GPO Box 5193, Sydney, NSW, 2001, Australia

In Person: Automic, Level 5, 126 Phillip Street, Sydney, NSW

By Fax: 02 8583 3040 (within Australia) or +61 2 8583 3040 (outside Australia)

By Email: meetings@automicgroup.com.au

Your proxy voting instruction must be received by 11am (Perth time) on Tuesday, 21 June 2022, being not later than 48 hours before the commencement of the Meeting. Any proxy voting instructions received after that time will not be valid for the scheduled Meeting. The Company strongly encourages all shareholders to submit their personalised Proxy Form as instructed prior to the Meeting.

The Meeting Materials should be read in their entirety. If shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

If you have difficulties obtaining a copy of the Meeting Materials, please contact the Company's share registry, Automic, on 1300 288 664 (within Australia) or + 61 2 9698 5414 (outside Australia).

Authorised for release, on behalf of the Board of Directors, by:

(Signed electronically without signature)

Henko Vos
Company Secretary



Triangle Energy (Global) Limited
ACN 110 411 428

**Notice of General Meeting,
Explanatory Statement and Proxy Form**

General Meeting to be held at

**The Celtic Club
48 Ord St West Perth
WA 6005,
Western Australia**

At 11.00am (WST) on Thursday, 23 June 2022

Important Information

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Important dates

An indicative timetable of key proposed dates is set out below. These dates are indicative only and are subject to change.

| Event | Date |
|--|---|
| Last day for receipt of Proxy Forms – Proxy Forms received after this time will be disregarded | 11.00am (WST) on Tuesday, 21 June 2022 |
| Snapshot date for eligibility to vote | 5.00pm (WST) on Tuesday, 21 June 2022 |
| General Meeting | 11.00am (WST) on Thursday, 23 June 2022 |

Defined terms

Capitalised terms used in this Notice of General Meeting will, unless the context otherwise requires, have the same meaning given to them in the Glossary set out in the Explanatory Statement.

Important information - COVID-19 virus health and safety requirements

The Board of Directors have elected to hold a physical meeting and have undertaken to implement certain protocols and practices to ensure the safe conduct of the General Meeting in line with general health advisory recommendations.

Please note the following:

- The General Meeting will be a physical meeting held at The Celtic Club, 48 Ord Street, West Perth WA 6005, at which Shareholders may attend in person or by proxy.
- **Shareholders are encouraged to vote by proxy.**
- No refreshments will be served at the Meeting.
- Voting on all Resolutions will be conducted by poll and not by show of hands.
- Questions for the Board of Directors can be emailed to hvos@triangleenergy.com.au and must be received no later than 5.00pm (WST) on Friday, 17 June 2022.

Notice of General Meeting

Notice is hereby given that a General Meeting of Triangle Energy (Global) Limited ACN 110 411 428 (**Company** or **Triangle Energy**) will be held at The Celtic Club, 48 Ord Street, West Perth WA 6005 at **11.00am (WST) on Thursday, 23 June 2022** for the purpose of transacting the business referred to in this Notice of General Meeting.

The Explanatory Statement that accompanies and forms part of this Notice describes the various matters to be considered.

AGENDA

Resolutions 1(a) and 1(b): Ratification of Issue of Placement Shares to Tranche 1 Placement Participants (Non-Related Parties)

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

- (a) *"That under and for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders hereby approve the issue by the Company to the Placement Participants of 161,292,000 Placement Shares issued at a price of \$0.013 each, utilising the Company's placement capacity under Listing Rule 7.1, in the manner and on the terms and conditions set out in the Explanatory Statement."*
- (b) *"That under and for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders hereby approve the issue by the Company to the Placement Participants of 99,092,615 Placement Shares issued at a price of \$0.013 each, utilising the Company's placement capacity under Listing Rule 7.1A, in the manner and on the terms and conditions set out in the Explanatory Statement."*

Resolution 2: Approval to issue Placement Options to Tranche 1 Placement Participants (Non-Related Parties)

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

"That for the purposes of Listing Rule 7.1 and for all other purposes, Shareholders approve the issue by the Company to Tranche 1 Placement Participants of 130,192,308 Placement Options, each exercisable at \$0.025 on or before 30 June 2025, in the manner and on the terms and conditions set out in the Explanatory Statement."

Resolutions 3(a), 3(b) and 3(c): Approval to issue Tranche 2 Placement Securities to Directors (Related Parties)

To consider and, if thought fit to pass, with or without amendment, the following resolutions as separate **ordinary resolutions**:

- (a) *"That under and for the purposes of Listing Rule 10.11, sections 208 and 195(4) of the Corporations Act and for all other purposes, Shareholders approve the issue by the Company to Mr Greg Hancock, or his nominee, a Director and Related Party of the Company, of 1,153,846 Placement Shares and 576,923 Placement Options, each exercisable at \$0.025 on or before 30 June 2025, in the manner and on the terms and conditions set out in the Explanatory Statement."*
- (b) *"That under and for the purposes of Listing Rule 10.11, sections 208 and 195(4) of the Corporations Act and for all other purposes, Shareholders approve the issue by the*

Company to Mr Conrad Todd, or his nominee, a Director and Related Party of the Company, of 3,846,154 Placement Shares and 1,923,077 Placement Options, each exercisable at \$0.025 on or before 30 June 2025, in the manner and on the terms and conditions set out in the Explanatory Statement."

- (c) *"That under and for the purposes of Listing Rule 10.11, sections 208 and 195(4) of the Corporations Act and for all other purposes, Shareholders approve the issue by the Company Mr Mike Collins, or his nominee, a Director and Related Party of the Company, of 3,846,154 Placement Shares and 1,923,077 Placement Options, each exercisable at \$0.025 on or before 30 June 2025, in the manner and on the terms and conditions set out in the Explanatory Statement."*

Resolution 4: Approval to issue Lead Manager Options

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

"That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, Shareholders approve the issue by the Company to the Lead Manager and/or its nominee(s), of 25,000,000 Lead Manager Options, each exercisable at \$0.025 on or before 30 June 2025 as a fee for arranging and managing the Placement, in the manner and on the terms and conditions set out in the Explanatory Statement."

By order of the Board



Mr Henko Vos
Company Secretary

13 May 2022

Voting Exclusions

Corporations Act voting prohibitions

Pursuant to sections 224 and 250BD of the Corporations Act, a vote on the following Resolution must not be cast (in any capacity) by or on behalf of the party specified in the table below or their respective Associates:

| Resolution | Excluded Parties |
|-----------------|---|
| Resolution 3(a) | Greg Hancock or any other Related Parties to whom Resolution 3(a) would permit a financial benefit to be given. |
| Resolution 3(b) | Conrad Todd or any other Related Parties to whom Resolution 3(b) would permit a financial benefit to be given. |
| Resolution 3(c) | Mike Collins or any other Related Parties to whom Resolution 3(c) would permit a financial benefit to be given. |

However, this voting prohibition does not prevent the casting of a vote on any of Resolutions 3(a) to 3(c) if it is cast by a person as a proxy appointed by writing that specifies how the proxy is to vote on the Resolution, and it is not cast on behalf of a Related Party to whom the Resolution would permit a financial benefit to be given, or their Associate.

ASX voting exclusion statements

For the purposes of Listing Rule 14.11, the following voting exclusion statements apply to the Resolutions.

The Company will disregard any votes cast in favour of the following Resolutions by or on behalf of the following persons or an Associate of those persons.

| Resolution | Excluded Parties |
|-----------------|---|
| Resolution 1(a) | The Placement Participants, being the persons to whom the Placement Shares were issued. |
| Resolution 1(b) | The Placement Participants, being the persons to whom the Placement Shares were issued. |
| Resolution 2 | The Placement Participants and any Associate of a Placement Participant, and any other person who will obtain a material benefit as a result of the issue of the Placement Securities (except a benefit received solely by reason of being a Shareholder in the Company). |
| Resolution 3(a) | Greg Hancock (or his nominee) and any Associate of Greg Hancock (or his nominee) and any other person who will obtain a material benefit as a result of the issue of Placement Securities (except a benefit received solely by reason of being a Shareholder in the Company). |
| Resolution 3(b) | Conrad Todd (or his nominee) and any Associate of Conrad Todd (or his nominee) and any other person who will obtain a material benefit as a result of the issue of Placement Securities (except a benefit received solely by reason of being a Shareholder in the Company). |
| Resolution 3(c) | Mike Collins (or his nominee) and any Associate of Mike Collins (or his nominee) and any other person who will obtain a material benefit as a result of the issue of Placement Securities (except a benefit received solely by reason of being a Shareholder in the Company). |
| Resolution 4 | The Lead Manager (Euroz Hartleys Limited), any nominee of the Lead Manager who may be granted Lead Manager Options and any other person who will obtain a material benefit as a result of the proposed issue of Lead Manager Options (except a benefit solely by reason of being a holder of Shares). |

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

- the person as proxy or attorney for a person who is entitled to vote on a Resolution, in accordance with directions given to the proxy or attorney to vote on a Resolution in that way; or
- the chair of the meeting as proxy or attorney for a person who is entitled to vote on a Resolution, in accordance with a direction given to the chair to vote on a Resolution as the chair decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary providing the following conditions are met:
 - 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 a Resolution; and
 - the holder votes on a Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Proxy Appointment and Voting Instructions

Proxy Form

The Proxy Form (and any power of attorney or other authority, if any, under which it is signed) must be received at an address below, or by fax or email by **on 11.00am (WST) on Tuesday, 21 June 2022**. A Proxy Form received after that time will not be valid.

| | |
|-------------------|--|
| Online | At https://investor.automic.com.au/#loginsah |
| By mail | Automic, GPO Box 5193, Sydney, NSW, 2001, Australia |
| In person: | Automic, Level 5, 126 Phillip Street, Sydney, NSW |
| By fax | 02 8583 3040 (within Australia) or +61 2 8583 3040 (outside Australia) |
| By email: | meetings@automicgroup.com.au |

Appointment of a proxy

A Shareholder entitled to attend and vote at the Meeting is entitled to appoint a proxy. The proxy may, but need not be, a Shareholder.

The Company encourages Shareholders to appoint the Chairperson as your proxy. To do so, mark the appropriate box on the Proxy Form. If the person you wish to appoint as your proxy is someone other than the Chairperson, please write the name of that person in the space provided on the Proxy Form. If you leave this section blank, or your named proxy does not attend the Meeting, the Chairperson will be your proxy.

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, you may photocopy the Proxy Form or an additional Proxy Form may be obtained by telephoning the Share Registry on 1300 288 664 (within Australia) or +61 (2) 9698 5414 (outside Australia).

Please note, it is recommended Shareholders complete the attached proxy form and send to the Company via the communication methods outlined above.

To appoint a second proxy you must, on each Proxy Form, state (in the appropriate box) the percentage of your voting rights which are the subject of the relevant proxy. If both Proxy Forms do not specify that percentage, each proxy may exercise half your votes. Fractions of votes will be disregarded.

Corporate Shareholders

Corporate Shareholders should comply with the execution requirements set out on the proxy form or otherwise with the provisions of section 127 of the Corporations Act. Section 127 of the Corporations Act provides that a company may execute a document without using its common seal if the document is signed by:

- two directors of the company;
- a director and a company secretary of the company; or
- for a proprietary company that has a sole director who is also the sole company secretary, that director.

Corporate representatives

A corporation may elect to appoint an individual to act as its representative in accordance with section 250D of the Corporations Act, in which case the Company will require a certificate of appointment of the corporate representative executed in accordance with the Corporations Act. The certificate of appointment must be lodged with the Company and/or the Company's share registry before the Meeting or at the registration desk on the day of the Meeting.

Votes on Resolutions

You may direct your proxy how to vote by placing a mark in the 'FOR', 'AGAINST' or 'ABSTAIN' box opposite the Resolution. All your votes will be cast in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on the Resolution by inserting the percentage or number of Shares you wish to vote in the appropriate boxes. If you do not mark any of the boxes next to a Resolution, your proxy may vote as he or she chooses. If you mark more than one box on the Resolution, your vote will be invalid.

Chairperson voting undirected proxies

If the Chairperson is your proxy, the Chairperson will cast your votes in accordance with your directions on the Proxy Form. If you do not mark any of the boxes on the Resolutions, then you expressly authorise the Chairperson to vote your undirected proxies at his/her discretion.

As at the date of this Notice of Meeting, the Chairperson intends to vote undirected proxies **FOR** each of the Resolutions. In exceptional cases the Chairperson's intentions may subsequently change and in this event, the Company will make an announcement to the market.

Voting entitlement (snapshot date)

For the purposes of determining voting and attendance entitlements at the Meeting, Shares will be taken to be held by the persons who are registered as holding the Shares at **5.00pm (WST) on Tuesday, 21 June 2022**. Accordingly, transactions registered after that time will be disregarded in determining entitlements to attend and vote at the Meeting.

Questions from Shareholders

Questions for the Board of Directors can be submitted in the same manner as outlined above for the lodgement of Proxy Forms and must be received be submitted by no later than **5.00pm (WST) on Friday, 17 June 2022**.

The board of Directors will endeavour to prepare answers to these questions, where necessary they will be moderated and curated to cover common ground.

Copies of written questions will be made available on the Company's website prior to the Meeting.

Explanatory Statement

This Explanatory Statement has been prepared for the information of Shareholders in relation to the business to be conducted at the General Meeting.

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 of General Meeting.

This Explanatory Statement should be read in conjunction with the Notice of General Meeting.

Capitalised terms in this Explanatory Statement are defined in the Glossary or otherwise in the Explanatory Statement.

1. Resolutions 1(a) and 1(b): Ratification of issue of Tranche 1 Placement Shares to Placement Participants

1.1 Placement

On 2 May 2022, the Company announced that it had received firm commitments from various sophisticated and professional investors (**Placement Participants**) identified by Euroz Hartleys Limited (**Lead Manager**) to raise \$3,500,000 (before costs) (**Placement**) through the issue of a total of 269,230,769 Shares in the Company at an issue price of \$0.013 per Share (**Placement Shares**).

The Placement has been conducted in tranches comprising the following:

- a private placement of 260,384,615 Placement Shares to Placement Participants (who are not Related Parties of the Company), at an issue price of \$0.013 per Placement Share, comprising:
 - 161,292,000 Placement Shares issued pursuant to the Company's "15%" placement capacity under Listing Rule 7.1; and
 - 99,092,615 Placement Shares issued pursuant to the Company's "10%" additional placement capacity under Listing Rule 7.1A,

(Tranche 1 Placement);

- the grant of 130,192,308 Options, each exercisable at \$0.025 on or before 30 June 2025 (**Placement Options**), to be granted to Tranche 1 Placement Participants on the basis of one Placement Option granted for every two Placement Shares issued for no additional consideration, subject to Shareholder approval of Resolution 2 for the grant of the Placement Options; and
- the proposed issue of a total of 8,846,154 Tranche 2 Placement Shares and 4,423,077 Placement Options to Directors of the Company (or their nominees), at an issue price of \$0.013 per Placement Share; the issue of these Placement Securities is subject to Shareholder approval of Resolutions 3(a) to 3(c).

Placement Shares issued to Tranche 1 Placement Participants who were not Related Parties of the Company were issued by the Company on 10 May 2022 using the Company's issuing capacities under Listing Rules 7.1 and 7.1A. Subsequent ratification of this issue by Shareholders is sought under Resolutions 1(a) and 1(b).

1.2 Use of funds raised under the Placement

Funds raised from the Placement, together with the Company's existing cash reserves and short term funding will be used for:

- the workover of the Cliff-Head 10 well, where replacement of the downhole electrical pump is expected to increase production by 130 barrels of oil per day, in particular to secure Long Lead Items;
- refurbishment of oil storage tanks at the Arrowsmith Stabilisation Plant (ASP) and other capital expenditures that will lead to the finalisation of the Perth Basin Oil Export Route; and
- payment of 3D seismic costs on the L7 and EP 473 Permits prior to receipt of funding; and
- general working capital purposes.

1.3 Requirement for Shareholder approval

As described in Section 1.1 above, the Company has issued a total of 260,384,615 Tranche 1 Placement Shares under the Placement to the Placement Participants using its issuing capacities under Listing Rules 7.1 and 7.1A, in the following proportions:

- (a) 161,292,000 Placement Shares pursuant to Listing Rule 7.1; and
- (b) 99,092,615 Placement Shares pursuant to Listing Rule 7.1A.

None of the Placement Participants who participated in the issue of 260,384,615 Placement Shares were or are Directors or other Related Parties of the Company.

Resolutions 1(a) and 1(b) are ordinary resolutions seeking approval by Shareholders of the ratification of the issue of the 260,384,615 Placement Shares.

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

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

A Listing Rule 7.1A mandate allows an entity to increase its 15% limit in Listing Rule 7.1 by an extra 10% if Shareholders approve a special resolution at a company's General Meeting. The Company's Shareholders approved the extra 10% placement capacity mandate pursuant to Listing Rule 7.1A at the Company's 2021 General Meeting, allowing the Company the ability to place a total of 25% of the fully paid ordinary shares it had on issue at the start of that period.

Listing Rule 7.4 allows the shareholders of a listed company to approve an issue of equity securities after it has been made or agreed to be made. If they do, the issue is taken to have been approved under Listing Rules 7.1 or 7.1A and so does not reduce the company's capacity to issue further equity securities without shareholder approval under that rule.

The Company wishes to retain as much flexibility as possible to issue additional equity securities into the future without having to obtain Shareholder approval for such issues under Listing Rules 7.1 and 7.1A.

To this end, Resolutions 1(a) and 1(b) seek Shareholder approval for the issue of Placement Shares under and for the purposes of Listing Rule 7.4.

If Resolutions 1(a) and 1(b) are passed, the issue of the Placement Shares will be excluded in calculating the Company's 15% limit in Listing Rule 7.1 and 10% limit in Listing Rule 7.1A, effectively increasing the number of equity securities it can issue without Shareholder approval over the 12-month period following the issue date.

If Resolutions 1(a) and 1(b) are not passed, the issue of the Placement Shares will be included in calculating the Company's 15% limit in Listing Rule 7.1 and 10% limit in Listing Rule 7.1A, effectively decreasing the number of equity securities it can issue without Shareholder approval over the 12-month period following the issue date.

1.4 Listing Rule information requirements

In accordance with the disclosure requirements of Listing Rule 7.5, the following information is provided in relation to Resolutions 1(a) and 1(b):

(a) **Basis on which Placement Participants were identified**

In respect of Resolutions 1(a) and 1(b), Tranche 1 Placement Shares were issued to Placement Participants, being various sophisticated and professional investors identified by the Lead Manager and who are not Related Parties of the Company.

Each Placement Participant is a sophisticated or professional investor within the meaning of section 708(8), (10), (11) or (12) of the Corporations Act, being an investor to whom securities may be issued without a prospectus or other disclosure document.

None of the Tranche 1 Placement Participants is:

- (i) a Director or other Related Party of the Company;
- (ii) a member of key management personnel;
- (iii) an advisor of the Company; or
- (iv) an associate of any of the above,

None of the Tranche 1 Placement Participants who is a substantial Shareholder in the Company was issued or will be issued with more than 13,356,935 Placement Securities under the Placement (being 1% of the total number of 1,335,693,551 Shares on issue as at the Notice Date).

(b) **The number of securities issued**

- (i) in respect of Resolution 1(a) – 161,292,000 Placement Shares were issued to Placement Participants under tranche 1 utilising the Company's placement capacity pursuant to Listing Rule 7.1; and
- (ii) in respect of Resolution 1(b) – 99,092,615 Placement Shares were issued to Placement Participants under tranche 2 utilising the Company's additional placement capacity pursuant to Listing Rule 7.1A.

The Placement Shares are fully paid ordinary Shares ranking equally with the Company's existing Shares then on issue.

(c) **The date on which the securities were issued**

The Placement Shares in respect of Resolutions 1(a) and 1(b) were issued by the Company on 10 May 2022.

(d) **The price at which the securities were issued**

For both Resolutions 1(a) and 1(b), the Placement Shares were issued to Placement Participants at an issue price of \$0.013 per Placement Share.

(e) **The purpose of issue and the use or intended use of the funds raised**

The Company intends to use the funds from the issue of the Placement Shares for the purposes described in Section 1.2.

1.5 Directors' recommendation – Resolutions 1(a) and 1(b)

The Directors unanimously recommend that Shareholders vote in favour of Resolution 1(a) as it will refresh the Company's issuing capacity under Listing Rule 7.1 and give the Company the flexibility to raise additional working capital through the offer and issue of equity securities, if and as required.

The Directors unanimously recommend that Shareholders vote in favour of Resolution 1(b) as it will refresh the Company's issuing capacity under Listing Rule 7.1A and give the Company the flexibility to raise additional working capital through the offer and issue of equity securities, if and as required.

2. Resolution 2 – Approval to issue Placement Options to Placement Participants (Non-Related Party investors)

2.1 Requirement for Shareholder approval

The Company proposes to issue up to 130,192,308 Placement Options to the investors who were Tranche 1 Placement Participants and who are not Related Parties to the Company.

Each Placement Option is exercisable to one Share at \$0.025 per Option and expires on 30 June 2025.

In arranging the Placement, the Company has undertaken to the Tranche 1 Placement Participants to issue the Placement Options, subject to Shareholder approval of the issue of the Placement Options.

Resolution 2 is an ordinary resolution seeking approval by Shareholders for the proposed issue of 130,192,308 Placement Options.

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

The issue of the Placement Options does not fall within any of these exceptions and exceeds the 15% limit in Listing Rule 7.1. It therefore requires approval of the Company's Shareholders under Listing Rule 7.1.

To that end, Resolution 2 seeks the required Shareholder approval for the issue under and for the purposes of Listing Rule 7.1.

If Resolution 2 is passed, the Company will be able to proceed with the issue of Placement Options to Tranche 1 Placement Participants, and the Company will potentially raise up to \$3,254,807 on the exercise of Placement Options if all Placement Options are exercised before their expiry date. In addition, the issue will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolution 2 is not passed, the Company will not be able to proceed with the issue of the Placement Options and consequently, the Company will not potentially raise up to \$3,254,807 on the exercise of Placement Options.

2.2 Listing Rule information requirements

In accordance with the disclosure requirements of Listing Rule 7.3, the following information is provided in relation to Resolution 2:

(a) **Names of persons being issues securities or basis on which they were identified**

The Placement Options are proposed to be issued to Tranche 1 Placement Participants, being various professional and sophisticated investors identified by the Lead Manager and the Company.

None of the Tranche 1 Placement Participants is:

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

None of the Tranche 1 Placement Participants who is a substantial Shareholder in the Company was issued or will be issued with more than 13,356,935 Placement Securities under the Placement (being 1% of the total number of 1,335,693,551 Shares on issue as at the Notice Date).

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

Subject to approval of Resolution 2, 130,192,308 Placement Options will be issued to the Tranche 1 Placement Participants who are not Related Parties of the Company.

(c) **Material terms of Placement Options**

The Placement Options are exercisable at \$0.025 each on or before 30 June 2025.

Each Placement Option is exercisable into one Share that ranks equally with all existing Shares on issue.

The terms of the unlisted Placement Options are set out in Schedule 1.

The Placement Options will not be quoted on ASX.

(d) **Date of issue**

The Company anticipates that the Placement Options will be issued on one date shortly following the conclusion of the Meeting, otherwise, no later than 3 months after the date of the Meeting.

(e) **Issue price of Placement Shares**

The Placement Options will be issued at nil issue price per Option.

(f) **Purpose of the issue and use funds raised**

No amount will be raised on the issue of the Placement Options.

If all the Placement Options are exercised prior to expiry, the Company will raise up to \$3,254,807 on receipt of the exercise price for the Options and the Company anticipates it will use those funds for working capital purposes as required at that time.

2.3 Directors' recommendations

The Directors unanimously recommend that Shareholders vote in favour of Resolution 2 as it will enable the Company to raise up to \$3,254,807 in funds for the Company if the Placement Options are issued and all are exercised prior to their expiry date.

3. Resolutions 3(a) to 3(c): Approval to issue Placement Securities to Directors

3.1 Background

The Company is seeking Shareholder approval to obtain the ability to issue Tranche 2 Placement Securities to the Company's Directors or their nominees as part of the Placement to raise capital for the Company.

Subject to Shareholder approval of Resolutions 3(a) to 3(c), the Company proposes to issue a total of 8,846,154 Placement Shares and 4,423,077 Placement Options in the following proportions to Related Parties as follows:

- (a) Mr Greg Hancock – Non-Executive Chairman – 1,153,846 Placement Shares and 576,923 Options;
- (b) Mr Conrad Todd – Managing Director – 3,846,154 Placement Shares and 1,923,077 Options; and
- (c) Mr Mike Collins – Non-Executive Director – 3,846,154 Placement Shares and 1,923,077 Options.

3.2 Section 195 of the Corporations Act

Section 195(1) of the Corporations Act provides that a director who has a "material personal interest" in a matter being considered at a directors' meeting must not be present while the matter is being considered or vote on the matter.

Section 195(4) of the Corporations Act provides that where there are insufficient directors to form a quorum at a directors' meeting because of section 195(1), the directors may call a general meeting of shareholders to consider the matter.

The Directors are unable to form a quorum to consider any matters relating to the offer of Options under Resolutions 3(a) to 3(c), as Messrs Hancock, Todd and Collins, being the only Directors of the Company, have a material personal interest in the outcome of the Resolutions. Therefore, the Board is unable to form a quorum to consider the proposed issue of Placement Securities to the Directors and the Company is seeking approval under section 195(4) of the Corporations Act to deal with the matter.

3.3 Chapter 2E of the Corporations Act

Section 208 of the Corporations Act provides that for a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The offer of Options to the Directors or their nominees, as contemplated by Resolutions 3(a) to 3(c), constitutes the giving a financial benefit for the purposes of the Corporations Act, to each of Messrs Hancock, Todd and Collins as Related Parties of the Company.

Accordingly, Shareholder approval is sought for the purposes of section 208 of the Corporations Act.

3.4 Listing Rule 10.11

Listing Rule 10.11 provides that unless one of the exceptions in Listing Rule 10.12 applies, a listed company must not issue or agree to issue equity securities to:

- 10.11.1 – a related party;
- 10.11.2 – a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (30%+) holder in the company;
- 10.11.3 – a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (10%+) holder in the company and who has nominated a director to the board of the company pursuant to a relevant agreement which gives them a right or expectation to do so;
- 10.11.4 – an associate of a person referred to in Listing Rules 10.11.1 to 10.11.3; or
- 10.11.5 – a person whose relationship with the company or a person referred to in Listing Rule 10.11.1 to 10.11.4 is such that, ASX's opinion, the issue or agreement should be approved by its shareholders,

unless it obtains approval of its shareholders.

The proposed issue of Placement Securities to Directors falls within Listing Rule 10.11.1 and does not fall within any of the exceptions in Listing rule 10.12. It therefore requires approval of the Company's Shareholders under Listing Rule 10.11.

Resolutions 3(a) to 3(c) seek the required shareholder approval for the issue of Placement Securities under and for the purposes of Listing Rule 10.11.

If Resolutions 3(a) to 3(c) are passed, the Company will be able to proceed with the issue of Options as a way to incentive its Company officers to continue supporting the Company.

3.5 Corporations Act information requirements

Section 219 of the Corporations Act requires that the following information be provided to Shareholders in relation to Resolutions 3(a) to 3(c) for the purposes of obtaining approval under Section 208 of the Corporations Act:

(a) Names of the Related Party

The Related Parties in respect of Resolutions 3(a) to 3(c) are the Directors, being Mr Greg Hancock, Mr Conrad Todd and Mr Mike Collins.

(b) Nature of the financial benefit

The nature of financial benefit that will be given to the Related Parties (or their nominees) of the Company if Resolutions 3(a) to 3(c) are approved is the issue of Placement Securities, being Shares and Options.

(c) Value of the financial benefit

If Resolutions 3(a) to 3(c) are approved by Shareholders, the Placement Securities will be issued to the -Directors (or their nominees) on the following basis:

- (i) for consideration of \$0.013 payable for each Placement Share; and
- (ii) one Placement Option granted for every two Placement Shares issued, for no additional consideration.

The Placement Shares are determined to have a value of \$0.013 each, being the issue price of the Placement Shares.

A valuation of the Options was conducted by the Company which applied the Black-Scholes option pricing model (**Black-Scholes Model**).

The Black-Scholes Model is based on a number of assumptions and variables, including the following:

- (iii) the exercise price for each Option is \$0.025;
- (iv) each Option has an expiry date of 30 June 2025, and it is assumed that the Options will be exercised immediately prior to the expiry date;
- (v) the closing price of Shares traded on ASX on 12 May 2022 was \$0.011;
- (vi) a risk-free rate of 2.96% has been adopted; and
- (vii) a volatility factor of 100% has been adopted.

The table below sets out the estimated value of the Placement Securities and the estimated financial benefit to be received by the Directors, applying the above valuation, as at the date of the Notice of Meeting.

| Related Party | Placement Shares | | Placement Options | | Total value of Placement Securities |
|---------------|------------------|------------------|-------------------|------------------|-------------------------------------|
| | Number | Individual value | Number | Individual value | |
| Greg Hancock | 1,153,846 | \$0.013 | 576,923 | \$0.004 | \$17,308 |
| Conrad Todd | 3,846,154 | \$0.013 | 1,923,077 | \$0.004 | \$57,692 |
| Mike Collins | 3,846,154 | \$0.013 | 1,923,077 | \$0.004 | \$57,692 |

The value of the Placement Shares for the Company's accounting purposes will be determined by the issue price per Placement Share (\$0.013).

The value of the Options for the Company's accounting purposes will be determined at the time the Options are granted. The value will be directly related to the closing price of Shares traded on the ASX on the day of the Meeting, or if no Shares are traded on that day, the price at which the Company's shares most recently traded before that day.

Accordingly, the value of the Placement Options issued to the Directors may differ from the value stated above.

(d) **Remuneration of Directors**

The table below sets out the total remuneration paid or payable to Messrs Hancock, Todd and Collins, for the last financial year and the proposed total remuneration for the current financial year, including superannuation entitlements.

| Director | Financial year ended 30 June 2022 | Financial year ended 30 June 2021 |
|--------------|--------------------------------------|--------------------------------------|
| Greg Hancock | \$33,000 | Nil |
| Conrad Todd | \$138,188 | Nil |
| Mike Collins | \$41,478 | Nil |

(e) **Security holdings of Directors**

The table below sets out the securities and rights in the Company in which Messrs Hancock, Todd and Collins has a direct or indirect interest at the date of the Notice. The table does not include Options proposed to be issued to Messrs Hancock, Todd and Collins subject to Shareholder approval of Options proposed to be issued to Directors subject to the Shareholder approval of this Resolution.

| Director | Shares | | Options |
|--------------|-----------|------------------------|---------|
| | Direct | Indirect | |
| Greg Hancock | Nil | 2,300,000 ¹ | Nil |
| Conrad Todd | 3,650,000 | Nil | Nil |
| Mike Collins | Nil | Nil | Nil |

Notes:

1. Held by Hancock Corporate Investments Pty Ltd, an entity associated with Greg Hancock.

(f) **Voting interest and voting power of the Directors**

The table below sets out details of the respective voting interests of Messrs Hancock, Todd and Collins, including how these interests may change upon the events specified in the table occurring, based on a total of 1,335,693,551 Shares on issue as at the date of the Notice of Meeting.

| Event | Shares received | Total Shares held after event | Voting power after event (rounded) |
|----------------------------------|--------------------|-------------------------------------|--|
| Greg Hancock | | | |
| Existing Shares held | - | 2,300,000 | 0.17% |
| Issue of Placement Shares | 1,153,846 | 3,453,846 | 0.26% |
| Exercise of Placement Options | 576,923 | 8,069,231 | 0.60% |
| Conrad Todd | | | |
| Existing Shares held | - | 3,650,000 | 0.27% |
| Issue of Placement Shares | 3,846,154 | 7,496,154 | 0.56% |
| Exercise of Placement Options | 1,923,077 | 9,414,231 | 0.70% |

| Mike Collins | | | |
|-------------------------------|-----------|-----------|-------|
| Existing Shares held | - | Nil | 0.00% |
| Issue of Placement Shares | 3,846,154 | 3,846,154 | 0.29% |
| Exercise of Placement Options | 1,923,077 | 5,769,231 | 0.43% |

(g) **Dilution**

If Resolutions 3(a) to 3(c) are approved a total of 8,846,154 Placement Shares will be granted to Messrs Hancock, Todd and Collins (or their nominees), diluting shareholding interests of existing Shareholders by approximately 0.66%.

The grant of Placement Options will not dilute the shareholding interests of existing Shareholders unless and until they are exercised into fully paid ordinary Shares. In that eventuality and assuming there are no further issues of equity securities by the Company, upon the exercise of the Placement Options, shareholding interests of existing Shareholders will be diluted by approximately 0.33%.

(h) **Trading history**

The most recent available data concerning the price of the Company's Shares traded on ASX since 23 May 2021 (i.e. approximately 12 months from the Notice date) is summarised in the table below.

| | High | Low | Last |
|--------------|-------------|-------------|-------------|
| Price | \$0.036 | \$0.011 | \$0.011 |
| Date | 06 May 2021 | 12 May 2022 | 12 May 2022 |

(i) **Funds raised**

The Company will raise \$115,000 from the issue of Tranche 2 Placement Shares to the Directors (or their nominees).

The Company will not raise any funds from the issue of Placement Options to the Directors (or their nominees). However, if all Placement Options are exercised, the Company will raise up to \$110,577.

(j) **Directors' interests in the proposed resolution**

The Directors (Greg Hancock, Conrad Todd and Mike Collins) each have a material personal interest in the outcome of Resolutions 3(a) to 3(c).

(k) **Other information**

Other than as set out in this Explanatory Statement, the Directors do not consider there is any further information which the Shareholders would reasonably require in order to decide whether or not to approve Resolutions 3(a) to 3(c).

3.6 Information required by Listing Rule 10.13

Listing Rule 10.13 requires that information be provided to Shareholders for the purposes of obtaining Shareholder approval pursuant to Listing Rule 10.11 as follows:

(a) **The names of the persons to whom securities will be issued**

Greg Hancock, Conrad Todd and Mike Collins (or their nominees).

(b) **Which category in rules 10.11.1 – 10.11.5 the persons fall and why**

The persons fall under Listing Rule 10.11.1 as they are all Directors of the Company.

(c) **The number and class of securities to be issued to the persons**

Refer to Section 3.1.

(d) **Details of the Directors' current total remuneration package**

Details of the remuneration of the Directors is set out in Section 3.5(d).

(e) **Terms of securities proposed to be issued**

The Placement Shares are fully paid ordinary Shares, ranking equally with existing Shares.

The Placement Options have an exercise price of \$0.025 each and expire on 30 June 2025, and otherwise have the terms set out in Schedule 1.

The Placement Options will not be quoted on ASX.

(f) **The date or dates on which the Company will issue the securities to the persons**

Subject to Shareholder approval, the Company proposes to issue the Options shortly following the Meeting, or otherwise on one date no later than one month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules).

(g) **The price or consideration the entity will receive for the issue**

The Placement Shares will be issued at \$0.013 per Share.

The Placement Options will be issued at a nil issue price.

3.7 Directors' recommendation

Each recipient of Options contemplated by Resolutions 3(a) to 3(c) is a Related Party of the Company by virtue of being a Director of the Company.

Accordingly, Greg Hancock, Conrad Todd and Mike Collins have a material personal interest in the outcome of Resolutions 3(a) to 3(c).

In the interests of good corporate governance, Messrs Hancock, Todd and Collins decline to make any recommendations as to how Shareholders should vote on Resolutions 3(a) to 3(c) as they may each acquire a relevant interest in the Options if Resolutions 3(a) to 3(c) are approved.

4. Resolution 4: Approval to issue Lead Manager Options

4.1 Background

As described in Section 1.1 above, the Company has undertaken the Placement.

Euroz Hartleys acted as lead manager to the Placement. In accordance with a lead manager agreement, the fee payable to the Lead Manager for lead manager services performed includes the grant of 25,000,000 Options to the Lead Manager (**Lead Manager Options**).

Resolution 4 is an ordinary resolution and seeks approval from Shareholders for the issue of the Lead Manager Options to the Lead Manager. None of the recipients of the Lead Manager Options will be a Related Party of the Company.

4.2 Lead Manager's Lead Management Agreement

The Company and the Lead Manager entered into an agreement (**Lead Management Agreement**) pursuant to which the Lead Manager was engaged to manage the Placement and to provide corporate advisory and capital raising services in respect of the capital raising under the Placement.

Pursuant to the terms of the Lead Management Agreement, the Lead Manager were engaged on an exclusive basis to:

- (a) determine investor demand for the Placement;
- (b) solicit bids from institutional and professional investors to the Placement;
- (c) advise on the pricing for the Placement; and
- (d) manage and co-ordinate the Placement.

For performing these services, the Lead Manager:

- (a) will receive a management fee of 6% (plus GST) of the gross funds of the Placement, being a fee of \$210,000; and
- (b) be granted the Lead Manager Options, subject to Shareholder approval of Resolution 4.

The Lead Manager will also be re-imbursed for its out-of-pocket expenses and external legal expenses incurred in connection with the Placement.

4.3 Regulatory requirements

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

The issue of the Lead Manager Options does not fall within any of the exceptions and exceeds the 15% limit in Listing Rule 7.1. It therefore requires approval of Shareholders under Listing Rule 7.1.

Resolution 4 seeks the required Shareholder approval for the issue of the Lead Manager Options under and for the purposes of Listing Rule 7.1

If Resolution 4 is passed the Company will be able to proceed with the issue of the Lead Manager Options, increasing the total number of Options on issue. If all the Lead Manager Options are exercised prior to expiry, the Company will raise up to \$625,000 on receipt of the exercise price for the Options and the Company anticipates it will use those funds for working capital purposes as required at that time. In addition, the Lead Manager Options will be excluded

from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolution 4 is not passed, the Company will not be able to proceed with the issue of the Lead Manager Options to the Lead Manager or their nominee(s). In this scenario, the Company will be required to satisfy its obligation to issue Lead Manager Options in another manner. In this eventuality, the Lead Manager may be less inclined to assist the Company in its future capital raising endeavours.

4.4 Listing Rules information requirements

In accordance with the requirements of Listing Rule 7.3, the following information is provided in relation to Resolution 4:

(a) **The names of the persons to whom the securities were issued or the basis on which those persons were determined**

The Lead Manager Options are proposed to be issued to Euroz Hartleys Limited or its nominee(s). None of the recipients will be Related Parties of the Company.

(b) **The number and class of securities**

The Company proposes to issue 25,000,000 Lead Manager Options.

The Lead Manager Options have an exercise price of \$0.025 each and expire on 30 June 2025, and otherwise have the terms set out in in Schedule 1.

(c) **The date on which the securities will be issued**

The Lead Manager Options will be issued as soon as possible after the Meeting and in any event on one date no later than three months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules).

(d) **The price or consideration the entity has received or will receive for the issue**

The Lead Manager Options are to be granted at nil issue price in consideration for services performed by the Lead Manager under the Lead Management Agreement for the Placement.

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

No amount will be raised on the issue of the Lead Manager Options.

If all the Lead Manager Options are exercised prior to expiry, the Company will raise up to \$625,000 on receipt of the exercise price for the Options and the Company anticipates it will use those funds for working capital purposes as required at that time.

(f) **If the securities were or will be issued under an agreement, a summary of any other material terms of the agreement**

The Lead Manager Options are proposed to be issued pursuant to the Lead Management Agreement, the material terms of which are summarised at Section 4.2 above.

4.5 Directors' recommendation

The Directors recommend that Shareholders vote in favour of Resolution 4.

Schedule 1 - Terms of Options

The Placement Options and the Lead Manager Options are to be issued on the following terms:

1. **Entitlement:** Each Option entitles the holder (**Option Holder**) to subscribe for one fully paid ordinary Share in the Company.
2. **No payment on grant:** The Option Holder is not required to pay any amount on the grant of an Option.
3. **Exercise price:** The exercise price of each Option is A\$0.025 (**Exercise Price**).
4. **Expiry date:** Each Option may be exercised at any time before 5.00pm (WST) on 30 June 2025 (**Expiry Date**). Any Option not exercised by the Expiry Date will automatically expire.
5. **Certificate or holding statement:** The Company must give the Option Holder a certificate or holding statement stating:
 - (a) the number of Options issued to the Option Holder;
 - (b) the Exercise Price of the Options; and
 - (c) the date of issue of the Options.
6. **Transfer:**
 - (a) Options are transferable, subject to applicable law.
 - (b) Subject to the Listing Rules and the Corporations Act, the Option Holder may transfer some or all of the Options at any time before the Expiry Date by:
 - (i) a proper ASTC regulated transfer (as defined in the Corporations Act) or any other method permitted by the Corporations Act; or
 - (ii) a prescribed instrument of transfer.
 - (c) An instrument of transfer of an Option must be:
 - (i) in writing;
 - (ii) in any usual form or in any other form approved by the Directors that is otherwise permitted by law;
 - (iii) subject to the Corporations Act, executed by or on behalf of the transferor, and if required by the Company, the transferee; and
 - (iv) delivered to the Company, at the place where the Company's register of option holders is kept, together with the certificate (if any) of the Option to be transferred and any other evidence as the Directors require to prove the title of the transferor to that Option, the right of the transferor to transfer that Option and the proper execution of the instrument of transfer.
7. **Quotation of Options:** The Company will not apply to ASX for quotation of Options.
8. **Quotation of Shares:** The Company will apply to ASX for quotation of the Shares issued on exercise of Options.
9. **New issues:** The Option Holder is not entitled to participate in any new issue to Shareholders of Securities in the Company unless it has exercised its Options before the record date for determining entitlements to the new issue of Securities and participate as a result of holding Shares. The Company must give the Option Holder notice of the proposed terms of the issue or offer in accordance with the Listing Rules. In the event of a pro rata issue, except a bonus

issue, the Exercise Price and the number of underlying Shares over which the Options are exercisable will not change

- 10. Bonus issues:** If the Company makes a bonus issue of Shares or other Securities to Shareholders (except an issue in lieu of dividends or by way of dividend reinvestment) and a Share has not been issued in respect of the Option before the record date for determining entitlements to the issue, then the number of underlying Shares over which the Option is exercisable will be increased by the number of Shares which the Option Holder would have received if the Option Holder had exercised the Option before the record date for determining entitlements to the issue.

11. Reorganisation:

- (a) If there is a reorganisation (including consolidation, sub-division, reduction or return) of the share capital of the Company, then the rights of the Option Holder (including the number of Options to which the Option Holder is entitled to and the Exercise Price) will be changed to the extent necessary to comply with the Listing Rules applying to a reorganisation of capital at the time of the reorganisation.
- (b) Any calculations or adjustments which are required to be made will be made by the Company's Board and will, in the absence of manifest error, be final and conclusive and binding on the Company and the Option Holder.
- (c) The Company must, within a reasonable period, give to the Option Holder notice of any change to the Exercise Price of any Options held by the Option Holder or the number of Shares which the Option Holder is entitled to subscribe for on exercise of an Option.

12. Exercise of Options:

- (a) To exercise Options, the Option Holder must give the Company or its Securities Registry, at the same time:
 - (i) a written exercise notice (in the form approved by the board of the Company from time to time) specifying the number of Options being exercised and Shares to be issued;
 - (ii) payment of the Exercise Price for the Shares, the subject of the exercise notice, by way of bank cheque or by other means of payment, approved by the Company; and
 - (iii) any certificate for the Options.
- (b) The Option Holder may only exercise Options in multiples of 10,000 Options unless the Option Holder exercises all Options held by the Option Holder.
- (c) Options will be deemed to have been exercised on the date the exercise notice and Exercise Price are received by the Company.
- (d) If the Option Holder exercises less than the total number of Options registered in the Option Holder's name:
 - (i) the Option Holder must surrender their Option certificate (if any); and
 - (ii) the Company must cancel the Option certificate (if any) and issue the Option Holder a new Option certificate or Holding Statement stating the remaining number of Options held by the Option Holder.

13. Issue of Shares on exercise of Options: Within ten (10) business days after the later of the following:

- (a) receipt of a Notice of Exercise given in accordance with these terms and conditions and payment of the Exercise Price for each Option being exercised; and

- (b) when excluded information in respect of the Company (as defined in section 708A(7) of the Corporations Act) (if any) ceases to be excluded information. If there is no such information, the relevant date will be the date of receipt of a Notice of Exercise as detailed in paragraph 12(a)(i) above,

the Company will:

- (c) allot and issue the Shares pursuant to the exercise of the Options;
- (d) if required, as soon as reasonably practicable after the issue of Shares on the exercise of Options, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, 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; and
- (e) apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

- 14. Governing law:** These terms and the rights and obligations of the Option Holder are governed by the laws of Western Australia. The Option Holder irrevocably and unconditionally submits to the non-exclusive jurisdiction of the courts of Western Australia.

Glossary of terms

In this Explanatory Statement, the following terms have the following meaning unless the context otherwise requires:

| | |
|--|--|
| Associate | Has the meaning given to that term in the Listing Rules. |
| ASX | ASX Limited (ACN 008 624 691) or the financial market known as the Australian Securities Exchange operated by ASX Limited, as the context requires. |
| Board | The Board of Directors of the Company. |
| Business Day | Has the meaning given to that term in the Listing Rules. |
| Chairperson | The chair of the General Meeting. |
| Company | Triangle Energy (Global) Limited (ACN 110 411 428). |
| Constitution | The constitution of the Company. |
| Corporations Act | The <i>Corporations Act 2001</i> (Cth). |
| Director | A director of the Company. |
| Explanatory Statement | This explanatory statement which accompanies and forms part of the Notice. |
| Euroz Hartleys | Euroz Hartleys Limited (ACN 104 195 057) |
| General Meeting or Meeting | The general meeting of Shareholders or any adjournment thereof, convened by the Notice. |
| Lead Manager | Euroz Hartleys, the lead manager to the Placement. |
| Lead Manager Option | An Option exercisable at \$0.025 each on or before 30 June 2025 to be granted by the Company to the Lead Manager (or its nominee) on terms set out in Schedule 1 |
| Listing Rules | The listing rules of ASX, as amended from time to time. |
| Managing Director | Mr Conrad Todd |
| Notice or Notice of General Meeting | The notice of general meeting which accompanies this Explanatory Statement. |
| Option | An option to acquire a Share. |
| Option Holder | The holder of an Option. |
| Placement | The placement of a total of 269,230,769 Shares and 134,615,385 Options to the Placement Participants (including Directors). |
| Placement Participant | A person to whom Placement Securities have been issued or are to be issued under the Placement. |
| Placement Option | An Option exercisable at \$0.025 each on or before 30 June 2025 to be granted by the Company to Placement Participants on terms set out in Schedule 1. |
| Placement Securities | Placement Shares and Placement Options. |
| Placement Share | A Share issued under the Placement. |
| Proxy Form | The proxy form accompanying the Notice. |
| Related Party | Has the meaning given to that term in the Listing Rules. |
| Resolution | A resolution set out in the Notice. |
| Section | A section of the Explanatory Statement. |
| Securities | The securities of the Company within the meaning of section 761A of the Corporations Act and includes a Share and an Option. |
| Share | A fully paid ordinary share in the Company. |

| | |
|----------------------------|---|
| Shareholder | The holder of a Share in the Company. |
| Tranche 1 Placement | The placement and issue of 260,384,615 Placement Shares to persons who are not Related Parties of the Company, as described in Section 1.1. |
| WST | Australian Western Standard Time, being the time in Perth, Western Australia. |

| | |
|----------------------------|---|
| Shareholder | The holder of a Share in the Company. |
| Tranche 1 Placement | The placement and issue of 260,384,615 Placement Shares to persons who are not Related Parties of the Company, as described in Section 1.1. |
| WST | Australian Western Standard Time, being the time in Perth, Western Australia. |

Proxy Voting Form

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

Holder Number:

Your proxy voting instruction must be received by **11.00am (WST) on Tuesday, 21 June 2022**, being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

SUBMIT YOUR PROXY VOTE ONLINE

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

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

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



SUBMIT YOUR PROXY VOTE BY PAPER

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

YOUR NAME AND ADDRESS

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

STEP 1 – APPOINT A PROXY

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

DEFAULT TO THE CHAIR OF THE MEETING

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

STEP 2 - VOTES ON ITEMS OF BUSINESS

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

APPOINTMENT OF SECOND PROXY

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

SIGNING INSTRUCTIONS

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

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

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

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

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

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

CORPORATE REPRESENTATIVES

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

By providing your email address, you elect to receive all of your communications despatched by the Company electronically (where legally permissible).