

## Notice of meeting

Dear Shareholder

Notice is given that a meeting of shareholders will be held at:

Time: 10:00am (WST)  
Date: 25 November 2024  
Place: Level 4, 88 Wiliam Street, Perth WA 6000

### (Meeting).

As permitted by the Corporations Act 2001 (Cth), the Company will not be despatching hard copies of the Notice of Meeting (Notice) unless the shareholder has made a valid election to receive documents in hard copy. Instead, the Notice and accompanying explanatory statement (Meeting Materials) are being made available to shareholders electronically.

For those shareholders who have provided an email address and elected to receive electronic communications from the Company, an email has been sent to the nominated email address with a link to an electronic copy of the Meeting Materials and the proxy form/voting instruction form.

For those shareholders who have not made such an election, you are **strongly encouraged** to do so as this will substantially reduce the associated administrative printing and mailing costs.

You can however also access the Meeting Materials online via:

1. The Company's website: <https://www.torquemetals.com/asx-announcements/>
2. The ASX Announcement Platform website: [www.asx.com.au/markets/company/tor](http://www.asx.com.au/markets/company/tor)

Please contact the Company's share registry, Automic, at [hello@automic.com.au](mailto:hello@automic.com.au) to obtain a hard copy if you are unable to access the Meeting Materials online.

Please update your communication preferences online to receive electronic communications from the Company in the future via: <https://investor.automic.com.au/#/loginsah> or scan the QR code using your smartphone.

For and on behalf of the Board

Flynn Blackburn  
Joint Company Secretary





## **TORQUE METALS LIMITED**

**ACN 621 122 905**

### **NOTICE OF ANNUAL GENERAL MEETING AND EXPLANATORY STATEMENT**

**TIME:** 10.00am (WST)

**DATE:** Monday, 25 November 2024

**PLACE:** Level 4, 88 William Street, Perth WA 6000

This Notice of Meeting and Explanatory Statement should be read in its entirety.

If Shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser without delay.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 (8) 9463 2463.

As permitted by the Corporations Act, the Company will not be sending hard copies of the Notice of Meeting to Shareholders unless the Shareholder has made a valid election to receive documents in hard copy. Instead, Shareholders can access a copy of the Notice at the following link:

<https://www.torquemetals.com/asx-announcements/>

### How Shareholders Can Participate

1. Shareholders are urged to appoint the Chair as their proxy. Shareholders can complete the Proxy Form to provide specific instructions on how a Shareholder's vote is to be cast on each item of business and the Chair must follow the Shareholder's instructions. Lodgement instructions (which include the ability to lodge proxies electronically) are set out in the Proxy Form attached to the Notice of Meeting. 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. Your proxy voting instructions must be received by 10.00am (WST) on Saturday, 23 November 2024.
2. Shareholders may submit questions in advance of the Meeting by email to the Company Secretary at [admin@torquemetals.com](mailto:admin@torquemetals.com). Responses will be provided at the Meeting in respect of all valid questions received prior to 10.00am (WST) on Saturday, 23 November 2024. Shareholders who attend the Meeting, will also have the opportunity to submit questions during the Meeting.

Shareholders should contact the Company Secretary on +61 (8) 9463 2463 or by email at [admin@torquemetals.com](mailto:admin@torquemetals.com) if they have any queries in relation to the Meeting arrangements.

If the above arrangements with respect to the Meeting change, Shareholders will be updated via the ASX Market Announcements Platform and on the Company's website at: <https://www.torquemetals.com/>.

## IMPORTANT INFORMATION

### TIME AND PLACE OF MEETING

Notice is given that the Annual General Meeting of Torque Metals Limited (ACN 621 122 905) (**Company**) will be held at Level 4, 88 William Street, Perth WA 6000 on Monday, 25 November 2024 commencing at 10.00am (WST).

### YOUR VOTE IS IMPORTANT

The business of the Meeting affects your Shareholding and your vote is important.

### VOTING ELIGIBILITY

The Directors have determined pursuant to Regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 4.00pm (WST) on Saturday, 23 November 2024.

### VOTING IN PERSON

To vote in person, attend the Meeting at the time, date and place set out above.

### VOTING BY PROXY

Shareholders are strongly encouraged to vote by lodging a directed proxy appointing the Chair as early as possible and in any event prior to the cut-off for proxy voting as set out in the Notice. Instructions for lodging proxies are included on your personalised proxy form.

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

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

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

Further details on these changes are set out below.

### ***Proxy vote if appointment specifies way to vote***

Section 250BB(1) of the Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, if it does:

- the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (ie as directed); and
- if the proxy has 2 or more appointments that specify different ways to vote on the resolution, the proxy must not vote on a show of hands; and
- if the proxy is the chair of the meeting at which the resolution is voted on, the proxy must vote on a poll, and must vote that way (ie as directed); and
- if the proxy is not the chair, the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (ie as directed).

### ***Transfer of non-chair proxy to chair in certain circumstances***

Section 250BC of the Corporations Act provides that, if:

- an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's members; and
- the appointed proxy is not the chair of the meeting; and
- at the meeting, a poll is duly demanded on the resolution or is otherwise required under section 250JA of the Corporations Act; and
- either of the following applies:
  - o the proxy is not recorded as attending the meeting; or
  - o the proxy does not vote on the resolution,

the Chair is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the meeting.

## **VOTING EXCLUSION STATEMENTS**

Each Voting Exclusion Statement that applies to a Resolution as noted in the Agenda, does not apply to a vote cast in favour of that Resolution by:

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

## NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Annual General Meeting of the Shareholders of Torque Metals Limited (ACN 621 122 905) (**Company**) will be held at Level 4, 88 William Street, Perth WA 6000, commencing at 10.00am (WST) on Monday, 25 November 2024 to consider, and if thought fit, to pass the Resolutions set out below.

Terms used in this Notice of Meeting and accompanying Explanatory Statement are defined in the glossary to this document.

The Explanatory Statement which accompanies and forms part of this Notice of Meeting describes the matters to be considered at the Annual General Meeting.

### AGENDA

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#### 1. ANNUAL REPORT

To receive and consider the financial report of the Company together with the reports of the directors and the auditor for the financial year ended 30 June 2024.

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#### 2. RESOLUTION 1 – ADOPTION OF THE REMUNERATION REPORT

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

*“That, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, the remuneration report for the financial year ended 30 June 2024 be adopted”.*

**Note:** The Remuneration Report is in the Directors' Report section of the Company's Annual Report. Listed companies are required to put the Remuneration Report to the vote for adoption at the Company's Annual General Meeting. The vote on this resolution is advisory only and does not bind the Directors or the Company.

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

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

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

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#### 3. RESOLUTION 2 – ELECTION OF IMANTS KINS AS A DIRECTOR

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

*“That, for the purposes of Listing Rule 14.4, clause 11.4 of the Constitution, and for all other purposes, Imants Kins, a Director who was appointed as a Director by the Board on 17 January 2024, retires and, being eligible and offering himself for election, is elected as a Director of the Company, on the terms and conditions in the Explanatory Memorandum.”*

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#### 4. RESOLUTION 3 – RE-ELECTION OF ANTONY LOFTHOUSE AS A DIRECTOR

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

*“That Mr Antony Lofthouse, a Director of the Company who retires in accordance with Clause 11.1 of the Constitution and ASX Listing Rule 14.5, and being eligible, offers himself for re-election, to be re-elected as a Director of the Company”.*

5. **RESOLUTION 4 – RATIFICATION OF PRIOR ISSUE OF SHARES UNDER THE PLACEMENT – TRANCHE 1**

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

*That, pursuant to and in accordance with Listing Rule 7.4 and for all other purposes, Shareholders approve and ratify the issue of 18,390,379 Shares issued under the Placement on the terms and conditions set out in the Explanatory Statement accompanying this Notice of Meeting.*

**Voting Exclusion:** The Company will disregard any votes cast in favour of this Resolution by or on behalf of any person who participated in the issue, or an Associate of those persons.

6. **RESOLUTION 5 – RATIFICATION OF PRIOR ISSUE OF SHARES UNDER THE PLACEMENT – TRANCHE 2**

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

*That, pursuant to and in accordance with Listing Rule 7.4 and for all other purposes, Shareholders approve and ratify the issue of 20,359,621 Shares issued under the Placement on the terms and conditions set out in the Explanatory Statement accompanying this Notice of Meeting.*

**Voting Exclusion:** The Company will disregard any votes cast in favour of this Resolution by or on behalf of any person who participated in the issue, or an Associate of those persons.

7. **RESOLUTION 6 – APPROVAL TO ISSUE PLACEMENT OPTIONS**

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

*That, pursuant to and in accordance with Listing Rule 7.1 and for all other purposes, Shareholders approve the issue of 19,375,000 Options to be issued on the terms and conditions set out in the Explanatory Statement accompanying this Notice of Meeting.*

**Voting Exclusion:** The Company will disregard any votes cast in favour of this Resolution by or on behalf of any person who is expected to participate in the issue or who will obtain a material benefit as a result of the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the entity), or an Associate of those persons.

8. **RESOLUTION 7 – RATIFICATION OF PRIOR ISSUE OF SHARES TO TOPDRILL**

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

*That, pursuant to and in accordance with Listing Rule 7.4 and for all other purposes, Shareholders approve and ratify the issue of 4,535,128 Shares issued to Topdrill Pty Ltd on the terms and conditions set out in the Explanatory Statement accompanying this Notice of Meeting.*

**Voting Exclusion:** The Company will disregard any votes cast in favour of this Resolution by or on behalf of Topdrill Pty Ltd (or its nominee/s) or any of its associates.

9. **RESOLUTION 8 – APPROVAL OF 10% PLACEMENT FACILITY**

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

*“That, pursuant to and in accordance with Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of Equity Securities up to 10% of the issued capital of the Company (at the time of the issue) calculated in accordance*

*with the formula prescribed in Listing Rule 7.1A.2 and otherwise on the terms and conditions in the Explanatory Memorandum."*

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**10. RESOLUTION 9 – REINSTATEMENT OF PROPORTIONAL TAKEOVER PROVISIONS**

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

*"That, for the purposes of section 648G of the Corporations Act 2001 (Cth), clause 14.2 of the Constitution and for all other purposes, article 14.1 of the Constitution be reinstated for a period of three years from the date of the Annual General Meeting."*

Dated: 18 October 2024

By order of the Board

Flynn Blackburn  
Joint Company Secretary

## EXPLANATORY STATEMENT

This Explanatory Statement has been prepared for the information of Shareholders in relation to the business to be conducted at the Annual General Meeting of the Company to be held on Monday, 25 November 2024 at Level 4, 88 William Street, Perth WA 6000 commencing at 10.00 am (WST).

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 Meeting.

This Explanatory Statement should be read in conjunction with the Notice of Meeting preceding this Explanatory Statement. Capitalised terms in this Explanatory Statement are defined in the glossary to this document.

If you have any questions regarding the matters set out in this Explanatory Statement or the preceding Notice of Meeting, please contact the Company Secretary, your accountant, solicitor, stockbroker or other professional advisor before voting.

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### 1. ANNUAL REPORT

Section 317 of the Corporations Act requires the reports of the directors and of the auditors and the Annual Report, including the financial statements, to be put before the Annual General Meeting and the Constitution provides for those reports and statements to be received and considered at the Annual General Meeting.

Neither the Corporations Act nor the Constitution requires a vote of Shareholders at the Annual General Meeting on the reports or statements. However, Shareholders will be given the opportunity to raise questions on the reports and the statements at the Annual General Meeting.

The Company's 2024 Annual Report is available <https://torquemetals.com/asx-announcements/>. Those shareholders that elected to receive a printed copy of the Annual Report will have received a copy with this Notice of Annual General Meeting.

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

- (a) discuss the Annual Report;
- (b) ask questions about, or comment on, the management of the Company; and
- (c) ask the auditor questions about the conduct of the audit and the preparation and content of the Auditor's Report.

In addition to taking questions at the Meeting, written questions to the Chairperson about the management of the Company, or to the Company's auditor about:

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

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

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### 2. RESOLUTION 1 – ADOPTION OF THE REMUNERATION REPORT

#### 2.1 General

In accordance with section 250R(2) of the Corporations Act, the Company must put the Remuneration Report to the vote of Shareholders. The Directors' Report for the year ended 30 June 2024 in the 2024 Annual Report contains the Remuneration Report which sets out the remuneration policy for the Company and the remuneration arrangements in place for the Directors.



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

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

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

The Company's Remuneration Report did not receive a Strike at the 2023 annual general meeting held on 29 November 2023. If the Remuneration Report receives a Strike at this Meeting, Shareholders should be aware that if a second Strike is received at the 2025 annual general meeting, this may result in the re-election of the Board.

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

## **2.2 Board Recommendation**

Given the personal interests of all Directors in the outcome of this Resolution, the Board declines to make a recommendation to Shareholders regarding this Resolution.

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## **3. RESOLUTION 2 - ELECTION OF IMANTS KINS AS A DIRECTOR**

### **3.1 General**

The Constitution allows the Directors to appoint, at any time, a person to be a Director, either to fill a casual vacancy or as an addition to the existing Directors, but only where the total number does not exceed the maximum number specified by the Constitution.

Pursuant to the Constitution and ASX Listing Rule 14.4, any Director so appointed holds office until the next annual general meeting and is then eligible for election by Shareholders.

Imants Kins, who was appointed by the Directors on 17 January 2024, retires and seeks election by Shareholders.

### **3.2 Imants Kins**

Mr Kins is a highly respected senior executive with more than 40 years' experience in the resources and technology sectors as an active executive and non-executive director/chairman of ASX-listed companies, unlisted companies and not-for-profit organisations. Mr Kins was involved with Tantalum Australia (ASX:TAA) for 5 years across numerous roles, including Managing Director.

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

### **3.3 Board Recommendation**

The Board (excluding Mr Kins) supports the election of Mr Kins as a Director and recommends that Shareholders vote in favour of Resolution 2.

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## **4. RESOLUTION 3 – RE-ELECTION OF ANTONY LOFTHOUSE AS A DIRECTOR**

### **4.1 General**

ASX Listing Rule 14.5 and Clause 11.1 of the Constitution provide that a re-election of Directors must be held at each annual general meeting.

The Directors to retire are to be those who have been in office for 3 years since their appointment or last re-appointment or who have been longest in office since their appointment or last re-appointment or, if the Directors have been in office for an equal length of time, by agreement.

Mr Lofthouse retires from office in accordance with these requirements and being eligible, offers himself for re-election by shareholders as a director of the Company, with effect from the end of the meeting.

#### 4.2 **Antony Lofthouse**

Mr Lofthouse has more than 43 years of working in the resources sector in Australia, Saudi Arabia and the United Kingdom. He has a wide range of experience including working as a field geologist; a resources equity analyst; a corporate banker managing a portfolio of resource and infrastructure customers; and most recently 7 years as CEO of ASX-listed explorer Ora Gold Limited.

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

#### 4.3 **Board Recommendation**

The Board (excluding Mr Lofthouse) supports the re-election of Mr Lofthouse as a Director and recommends that Shareholders vote in favour of Resolution 3.

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### 5. **BACKGROUND – RESOLUTIONS 4 TO 6**

#### **Placement**

On 20 September 2024, the Company announced to ASX that it had undertaken a placement (**Placement**) to raise \$3.1 million (before costs) through the issue of 38,750,000 Shares (**Placement Shares**) at an issue price of \$0.08 per Placement Share with investors also to receive one (1) free attaching unlisted option for every two (2) new Placement Shares subscribed (**Placement Options**), subject to shareholder approval. The Placement Options will be exercisable at \$0.12 each and expire 6 months from the date of issue.

The lead manager to the Placement was Euroz Hartleys Limited (**Lead Manager**).

The Placement Shares were issued on 1 October 2024 in two tranches under the Company's Listing Rule 7.1 and 7.1A placement capacity, as follows:

- (a) 18,390,379 Placement Shares issued using the Company's capacity under Listing Rule 7.1 (**Tranche 1**); and
- (b) 20,359,621 Placement Shares issued using the Company's capacity under Listing Rule 7.1A (**Tranche 2**).

Resolution 4 seeks approval from Shareholders to ratify the issue of the Placement Shares in Tranche 1 pursuant to Listing Rule 7.4. Resolution 5 seeks approval from Shareholders to ratify the issue of the Placement Shares in Tranche 2 pursuant to Listing Rule 7.4.

The Company seeks approval from Shareholders in Resolution 6 to issue the Placement Options pursuant to Listing Rule 7.1.

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### 6. **RESOLUTIONS 4 AND 5 – RATIFICATION OF PRIOR ISSUE OF SHARES UNDER THE PLACEMENT**

Resolutions 4 and 5 seek Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Placement Shares, that were issued without Shareholder approval using the Company's capacity under Listing Rule 7.1 and 7.1A (as applicable).

#### 6.1 **Regulatory Requirements**

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

Listing Rule 7.1 and 7.1A provide that, company must not, subject to specified exceptions, issue or agree to issue more Equity Securities during any 12-month period than that amount which represents 15% (under Listing Rule 7.1) and an additional 10% (under Listing Rule 7.1A) of the number of fully paid ordinary securities on issue at the commencement of that 12-month period.

The issues of the Placement Shares do not fit within any of the exceptions and, as they have not yet been approved by Shareholders, the issues effectively use up part of the 15% limit in Listing Rule 7.1 (Tranche 1) and the 10% limit in Listing Rule 7.1A (Tranche 2), reducing the Company's capacity to issue further Equity Securities without Shareholder approval under Listing Rule 7.1 and Listing Rule 7.1A (as applicable) for the 12-month period following the date of issue of the Placement Shares.

Listing Rule 7.4 sets out an exception to Listing Rules 7.1 and 7.1A. It provides that where a company in general meeting ratifies the previous issue of securities made without shareholder approval under Listing Rule 7.1 (and provided that the previous issue did not breach Listing Rule 7.1) or Listing Rule 7.1A (and provided that the previous issue did not breach Listing Rule 7.1A) those securities will be deemed to have been made with shareholder approval for the purpose of Listing Rules 7.1 and 7.1A.

The Company confirms that in issuing the Placement Shares, the Company did not breach Listing Rules 7.1 or 7.1A.

The Company wishes to retain as much flexibility as possible to issue additional Equity Securities into the future without having to obtain shareholder approval for such issues under Listing Rule 7.1 and 7.1A. Accordingly, under Resolution 4, the Company seeks from Shareholders approval for, and ratification of, the issue of 18,390,379 Tranche 1 Placement Shares under Listing Rule 7.4. Under Resolution 5, the Company seeks from Shareholders approval for, and ratification of the issue of 20,359,621 Tranche 2 Placement Shares under Listing Rule 7.4.

If Resolution 4 is passed, the issue of the Tranche 1 Placement Shares will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of Equity Securities the Company can issue without shareholder approval over the 12-month period following the date of issue of the Tranche 1 Placement Shares.

If Resolution 4 is not passed, the issue of the Tranche 1 Placement Shares will be included in calculating the Company's 15% limit in Listing Rule 7.1, effectively decreasing the number of Equity Securities it can issue without shareholder approval over the 12-month period following the date of issue of the Tranche 1 Placement Shares.

If Resolution 5 is passed, the issue of the Tranche 2 Placement Shares will be excluded in calculating the Company's 10% limit in Listing Rule 7.1A, effectively increasing the number of Equity Securities the Company can issue without shareholder approval over the 12-month period following the date of issue of the Tranche 2 Placement Shares.

If Resolution 5 is not passed, the issue of the Tranche 2 Placement Shares will be included in calculating the Company's 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 date of issue of the Tranche 2 Placement Shares.

## **6.2 Technical information required by Listing Rule 7.5**

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to Resolutions 4 and 5:

### **(a) Identity of the persons to whom securities were issued**

The Tranche 1 and Tranche 2 Placement Shares were issued to sophisticated and professional investors that were introduced to the Company by the Lead Manager. None of the sophisticated and professional investors are a related party of the Company or material investor.<sup>1</sup>

### **(b) The number and class of securities issued or agreed to issue**

A total of 38,750,000 Shares comprised the Placement Shares.

<sup>1</sup> ASX consider the following to be material investors:

- (i). a related party of the entity;
- (ii). a member of the entity's Key Management Personnel;
- (iii). a substantial holder in the entity;
- (iv). an adviser to the entity; or
- (v). an associate of any of the above,

where such person or entity is being issued more than 1% of the entity's current issued capital.

18,390,379 Shares were issued using the Company's capacity under Listing Rule 7.1, the ratification of which is the subject of Resolution 4 (Tranche 1).

20,359,621 Shares were issued using the Company's capacity under Listing Rule 7.1A, the ratification of which is the subject of Resolution 5 (Tranche 2).

(c) **A summary of the material terms of the securities**

The Tranche 1 and Tranche 2 Placement Shares were all fully paid ordinary shares in the capital of the Company, issued on the same terms and conditions as the Company's existing Shares.

(d) **Issue date**

Tranche 1 and Tranche 2 of the Placement Shares were issued on 1 October 2024.

(e) **Issue price**

The issue price was \$0.08 per Placement Share for each Share issued under Tranche 1 and Tranche 2.

(f) **Purpose of the issue**

The funds raised via the Placement will be primarily applied to drive exploration at the Paris Gold project, make a \$250,000 mineral resource estimate payment to a vendor and working capital purposes.

(g) **Relevant Agreement**

The Tranche 1 and Tranche 2 Placement Shares were not issued under any agreement.

(h) **Voting exclusion statement**

A voting exclusion statement for Resolutions 4 and 5 is included in the Notice of Meeting preceding this Explanatory Statement.

### 6.3 **Board Recommendation**

The Board recommends that Shareholders vote in favour of each of Resolutions 4 and 5.

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## 7. **RESOLUTION 6 – APPROVAL TO ISSUE PLACEMENT OPTIONS**

Resolution 6 seeks Shareholder approval pursuant to Listing Rule 7.1 for the issue of the Placement Options.

### 7.1 **Regulatory Requirements**

Listing Rule 7.1, subject to specific exceptions, 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 the exceptions and exceeds the 15% limit in Listing Rule 7.1. The issue of the Placement Options therefore requires approval of the Company's Shareholders under Listing Rule 7.1. To that end, Resolution 6 seeks the required Shareholder approval for the issue of the Placement Options under and for the purposes of Listing Rule 7.1.

If Resolution 6 is passed, the Company will be able to proceed with the issue of Placement Options to the Placement participants and the issue of the Placement Options will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of Equity Securities the Company can issue without Shareholder approval over the 12-month period following the date of issue of the Placement Options. Further, if all of the Placement Options are issued and exercised before the expiry date, the Company has the potential to raise up to \$2,325,000 from the exercise of those Placement Options.

If Resolution 6 is not passed, unless the Company otherwise has the capacity under Listing Rule 7.1, 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 \$2,325,000 on the exercise of Placement Options.

## 7.2 Technical information required by Listing Rule 7.3

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to Resolution 6:

(a) **Identity of the persons to whom securities were issued**

The Placement Options are proposed to be issued to the Placement participants, being various sophisticated professional and sophisticated investors identified by the Lead Manager. None of the sophisticated and professional investors are a related party of the Company or material investor.<sup>2</sup>

(b) **The number and class of securities issued or agreed to issue**

A total of 19,375,000 Placement Options are to be issued, being options to subscribe for Shares.

(c) **A summary of the material terms of the securities**

The Placement Options are unlisted options, exercisable at \$0.12 each and expiring 6 months from the date of issue.

The material terms of the Placement Options are outlined in Schedule 1.

(d) **Issue date**

The Company anticipates that the Placement Options will be issued on a date shortly following the conclusion of the Meeting, and in any event no later than 3 months after the date of the Meeting.

(e) **Issue price**

The Placement Options will be issued at a nil issue price, being free attaching options to the Placement Shares. The Company will not receive any other consideration for the issue of the Placement Options (other than in respect of funds received on exercise of the Placement Options).

(f) **Purpose of the issue**

The purpose of the issue of the Placement Options is to incentivise participation in the Placement.

If all of the Placement Options are exercised prior to expiry, the Company will raise up to \$2,325,000. If this is the case, the Company anticipates it will use those funds for exploration and advancement of its projects as well as working capital purposes, as required at the time.

(g) **Relevant Agreement**

The Placement Options will not be issued under any agreement.

(h) **Voting exclusion**

A voting exclusion statement for Resolution 6 is included in the Notice of Meeting preceding this Explanatory Statement.

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## 8. RESOLUTION 7 – RATIFICATION OF PRIOR ISSUE OF SHARES TO TOPDRILL

### 8.1 Background

The Company is a party to a drill for equity agreement with Topdrill Pty Ltd (**Topdrill**). Pursuant to that agreement, the Company is able to, at its election, satisfy 100% of the total

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<sup>2</sup> ASX consider the following to be material investors:

- (i). a related party of the entity;
- (ii). a member of the entity's Key Management Personnel;
- (iii). a substantial holder in the entity;
- (iv). an adviser to the entity; or
- (v). an associate of any of the above,

where such person or entity is being issued more than 1% of the entity's current issued capital.

invoice value apportioned to meter changes and active rate drilling costs provided by Topdrill by issuing Shares to Topdrill or its nominee up to a maximum value of \$700,000.

Pursuant to its arrangements with Topdrill, on 19 July 2024 the Company issued 4,535,128 Shares to Topdrill using its existing capacity under Listing Rule 7.1 to satisfy \$602,065 worth of invoiced meter changes and active rate drilling costs. The Company incurred this invoice drilling at its Paris Gold project. The drilling was carried out during April and May 2024. The issue price was referenced to the volume weighted average price (VWAP) for the 5 days prior to the date of invoice. The issue of Shares to Topdrill are subject to a voluntary 6-month escrow period.

Resolution 7 seeks Shareholder ratification pursuant to Listing Rule 7.4 for the issue of Top Drill Shares.

## 8.2 Regulatory Requirements

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

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

Listing Rule 7.4 sets out an exception to Listing Rule 7.1. It provides that where a company in general meeting ratifies the previous issue of securities made without shareholder approval under Listing Rule 7.1 (and provided that the previous issue did not breach Listing Rule 7.1) those securities will be deemed to have been made with shareholder approval for the purpose of Listing Rule 7.1 and as such, increase the Company's capacity to issue further Equity Securities without shareholder approval under that rule.

The Company wishes to retain as much flexibility as possible to issue additional Equity Securities into the future without having to obtain shareholder approval for such issues under Listing Rule 7.1. Accordingly, the Company seeks Shareholder approval to ratify the issue of the Topdrill Shares under Listing Rule 7.4.

If Resolution 7 is passed, the issue of the Topdrill Shares under the relevant Resolution will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of Equity Securities the Company can issue without shareholder approval over the 12-month period following the date of issue of the Topdrill Shares.

If Resolution 7 is not passed, the issue of the Topdrill Shares will be included in calculating the Company's 15% limit in Listing Rule 7.1, effectively decreasing the number of Equity Securities it can issue without shareholder approval over the 12-month period following the date of issue of the Topdrill Shares.

## 8.3 Technical information required by Listing Rule 7.5

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to Resolution 7:

### (a) Identity of the persons to whom securities were issued

The Topdrill Shares were issued to Topdrill.

Topdrill is not a related party of the Company or material investor<sup>3</sup>.

### (b) The number and class of securities issued or agreed to issue

4,535,128 Shares were issued to Topdrill pursuant to Listing Rule 7.1 following the receipt of valid invoices from Topdrill, comprising:

<sup>3</sup> ASX consider the following to be material investors:

- (i). a related party of the entity;
- (ii). a member of the entity's Key Management Personnel;
- (iii). a substantial holder in the entity;
- (iv). an adviser to the entity; or
- (v). an associate of any of the above,

where such person or entity is being issued more than 1% of the entity's current issued capital.

Date	Shares	VWAP	Equivalent
9 May 2024	2,805,988	0.1286	\$360,850
30 April 2024	1,729,140	0.1395	\$241,215
<b>Total</b>	<b>4,535,128</b>	<b>0.1328</b>	<b>\$602,065</b>

(c) **A summary of the material terms of the securities**

The Topdrill Shares were all fully paid ordinary shares in the capital of the Company, issued on the same terms and conditions as the Company's existing Shares.

The Topdrill Shares are subject to voluntary escrow for a period of six months from the date of issue.

(d) **Issue date**

The Topdrill Shares were issued on 19 July 2024.

(e) **Issue price**

The issue price for the Topdrill Shares was \$0.1328 per Share.

(f) **Purpose of the issue**

The Topdrill Shares were issued as part consideration for drilling services performed by Topdrill for the Company.

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

Topdrill Agreement

The Topdrill Shares were issued pursuant to a drill for equity agreement between the Company and Topdrill.

Pursuant to the Agreement, at the election of the Company up to 100% of the total invoice value apportioned to Meter Charges and Active Rate is agreed to be paid and satisfied by the Company issuing Shares to Topdrill.

The Topdrill Shares are to be issued at the five-day volume weighted average price of the Company's Shares as traded on the ASX for the five trading days immediately preceding the date of the invoice from Topdrill.

The Topdrill Shares, and any other Shares issued to Topdrill under the agreement (i.e for future invoices) are to be subject to a six month voluntary escrow from the date of issue.

If the Company does not have sufficient capacity under Listing Rule 7.1 to issue the Topdrill Shares, it must pay 100% of the relevant invoice(s) in cash.

The maximum value of shares that can be issued under the agreement is \$700,000.

No further Shares will be issued under this agreement.

(h) **Voting exclusion statement**

A voting exclusion statement for Resolution 7 is included in the Notice of Meeting preceding this Explanatory Statement.

## 8.4 Board Recommendation

The Board recommends that Shareholders vote in favour of Resolution 7.

## 9. RESOLUTION 8 – APPROVAL OF 10% PLACEMENT FACILITY

### 9.1 General

Listing Rule 7.1A enables eligible entities to issue Equity Securities up to 10% of its issued share capital through placements over a 12-month period after the annual general meeting (10% Placement Facility). The 10% Placement Facility is in addition to the Company's 15% placement capacity under Listing Rule 7.1.

An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. The Company is an eligible entity. The Company is now seeking shareholder approval by way of a special resolution to have the ability to issue Equity Securities under the 10% Placement Facility.

The exact number of Equity Securities to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to Section 9.2(c) below).

If Resolution 8 is passed, the Company will be able to issue equity securities up to the combined 25% limit in Listing Rules 7.1 and 7.1A, without any further shareholder approval.

If Resolution 8 is not passed, the Company will not be able to access the additional 10% capacity to issue equity securities to issue equity securities without shareholder approval provided for in Listing Rule 7.1A and will remain subject to the 15% limit on issuing equity securities without shareholder approval set out in Listing Rule 7.1.

### 9.2 Listing Rule 7.1A

#### (a) Shareholder approval

The ability to issue Equity Securities under the 10% Placement Facility is subject to shareholder approval by way of a special resolution at an annual general meeting. Accordingly, at least 75% of votes cast by Shareholders present (in person, or by proxy or representative) and eligible to vote at the Meeting must be in favour of Resolution 8 for it to be passed.

#### (b) Equity securities

Any Equity Securities issued under the 10% Placement Facility must be in the same class as an existing quoted class of Equity Securities of the Company.

The Company, as at the date of the Notice, has on issue four classes of Equity Securities, namely quoted Shares, unquoted options, performance rights and performance shares.

#### (c) Formula for calculating 10% Placement

Listing Rule 7.1A.2 provides that eligible entities which have obtained shareholder approval at an annual general meeting may issue or agree to issue, during the 12-month period after the date of the annual general meeting, a number of Equity Securities calculated in accordance with the following formula:

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

where

**A** = The number of fully paid ordinary shares on issue at the commencement of the 12 months immediately preceding the date of issue or agreement to issue:

- plus the number of fully paid ordinary securities issued in the 12 months under an exception to ASX Listing Rule 7.2 other than exception 9, 16 or 17;
- plus the number of fully paid ordinary securities issued in the relevant period on the conversion of convertible securities within ASX Listing Rule 7.2 exception 9 where:
  - the convertible securities were issued or agreed to be issued before the commencement of the relevant period; or



- the issue of, or agreement to issue the convertible securities was approved or taken under these rules to have been approved under ASX Listing Rule 7.1 or 7.4;
- plus the number of fully paid ordinary securities issued in the relevant period under an agreement to issue securities within ASX Listing Rule 7.2 exception 16 where:
  - the agreement was entered into before the commencement of the relevant period; or
  - the agreement or issue was approved, or taken under these rules to have been approved under ASX Listing Rule 7.1 or rule 7.4;
- plus the number of partly paid ordinary securities that became fully paid in the relevant period;
- plus the number of any other fully paid ordinary securities that became fully paid in the relevant period
- less the number of fully paid ordinary securities cancelled in the last 12 months.

*Note that A has the same meaning in ASX Listing Rule 7.1 when calculating an entity's 15% placement capacity.*

**D** = 10%

**E** = the number of equity securities issued or agreed to be issued under ASX Listing Rule 7.1A.2 in the last 12 months immediately preceding the date of issue of the shares where the issue or agreement has not been subsequently approved by the holders of its ordinary securities under ASX Listing Rule 7.4.

#### **(d) Listing Rule 7.1 and Listing Rule 7.1A**

The ability of an entity to issue Equity Securities under Listing Rule 7.1A is in addition to the entity's 15% placement capacity under Listing Rule 7.1. At the date of this Notice, the Company has on issue 234,013,926 Shares, meaning the Company has the capacity to issue:

- (i) 35,102,088 Equity Securities under Listing Rule 7.1; and
- (ii) 23,401,392 Equity Securities under Listing Rule 7.1A.

The actual number of Equity Securities that the Company will have capacity to issue under Listing Rule 7.1A will be calculated at the date of issue of the Equity Securities in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to Section 9.2(c) above).

#### **(e) Minimum issue price**

The issue price of Equity Securities issued under Listing Rule 7.1A must be not less than 75% of the VWAP of Equity Securities in the same class calculated over the 15 Trading Days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed by the Company and the recipient of the Equity Securities; or
- (ii) if the Equity Securities are not issued within 10 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.

#### **(f) 10% Placement period**

The 10% Placement Period is defined in section 9.4(a) below.

### **9.3 Listing Rule 7.1A**

The effect of Resolution 8 will be to allow the Directors to issue the Equity Securities under Listing Rule 7.1A during the 10% Placement Period without using the Company's 15% placement capacity under Listing Rule 7.1.

Resolution 8 is a special resolution and therefore requires approval of 75% of the votes cast by shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

#### **9.4 Listing Rule 7.3A Information Requirements**

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

##### **(a) 10% Placement Period**

Shareholder approval of the 10% Placement Facility under Listing Rule 7.1A is valid from the date of the annual general meeting at which the approval is obtained and expires on the earlier to occur of:

- (i) the date that is 12 months after the date of the annual general meeting at which the approval is obtained;
- (ii) the time and date of the Company's next annual general meeting; or
- (iii) the time and date of the approval by shareholders of ordinary securities of a transaction under ASX Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking (10% Placement Period)).

##### **(b) Minimum issue price**

The Equity Securities will be issued at an issue price of not less than 75% of the VWAP for the Company's Equity Securities over the 15 Trading Days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed by the Company and the recipient of the Equity Securities; or
- (ii) if the Equity Securities are not issued within 10 Trading Days of the date in paragraph above, the date on which the Equity Securities are issued.

##### **(c) Purpose for which the 10% Placement Facility may be implemented**

The Company may seek to issue the Equity Securities for cash consideration in which case the Company intends to use the funds raised towards an acquisition of new resource assets or investments (including expenses associated with such acquisition), continued exploration and feasibility study expenditure on the Company's current assets and/or for general working capital.

The Company will comply with the disclosure obligations under Listing Rules 7.1A(4) upon issue of any Equity Securities.

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

If Resolution 8 is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Facility, the existing Shareholders' voting power in the Company will be diluted as shown in the below table (in the case of Unlisted Options, only if the Unlisted Options are exercised). There is a risk that:

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

which may have an effect on the amount of funds raised by the issue of the Equity Securities.

The below table shows the dilution of existing Shareholders on the basis of the current market price of Shares and the current number of ordinary securities for variable "A" calculated in accordance with the formula in Listing Rule 7.1A(2) as at the date of this Notice.

The table also shows:

- (i) two examples where variable "A" has increased, by 50% and 100%. Variable "A" is based on the number of ordinary securities the Company has on issue. The number of ordinary securities on issue may increase as a result of issues of ordinary securities that do not require Shareholder approval (for example, a pro rata entitlements issue or scrip issued under a takeover offer) or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders' meeting; and
- (ii) two examples of where the issue price of ordinary securities has decreased by 50% and increased by 50% as against the current market price.

Variable 'A' in Listing Rule 7.1A2		Dilution		
		\$0.04	\$0.077	\$0.12
		50% decrease in Issue Price	Issue Price	50% increase in Issue Price
Current Variable A 234,013,926 Shares	10% Voting Dilution Funds raised	23,401,393 Shares \$900,954	23,401,393 Shares \$1,801,907	23,401,393 Shares \$2,702,861
50% increase in current Variable A 351,020,889 Shares	10% Voting Dilution Funds raised	35,102,089 Shares \$1,351,430	35,102,089 Shares \$2,702,861	35,102,089 Shares \$4,054,291
100% increase in current Variable A 468,027,852 Shares	10% Voting Dilution Funds raised	46,802,785 Shares \$1,801,907	46,802,785 Shares \$3,603,814	46,802,785 Shares \$5,405,722

The table has been prepared on the following assumptions:

- (i) The Company issues the maximum number of Equity Securities available under the 10% Placement Facility.
- (ii) No options or performance rights are exercised into Shares before the date of the issue of the Equity Securities.
- (iii) The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
- (iv) The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on that Shareholder's holding at the date of the Meeting.
- (v) The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.
- (vi) The issue of Equity Securities under the 10% Placement Facility consists only of Shares. If the issue of Equity Securities includes options or performance rights, it is assumed that those

are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.

(vii) The issue price is \$0.077, being the closing price of the Shares on ASX on 9 October 2024.

(e) **Allocation policy when the 10% Placement Facility may be implemented**

The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility. The identity of the allottees of Equity Securities will be determined on a case-by-case basis having regard to the factors including but not limited to the following:

- (i) the methods of raising funds that are available to the Company, including but not limited to, rights issue or other issue in which existing security holders can participate;
- (ii) the effect of the issue of the Equity Securities on the control of the Company;
- (iii) the financial situation and solvency of the Company; and
- (iv) advice from corporate, financial and broking advisers (if applicable).

The allottees under the 10% Placement Facility have not been determined as at the date of this Notice. However, the recipients of Equity Securities could consist of current Shareholders and/or new Shareholders (or both), none of whom will be related parties or associates of a related party of the Company.

(f) **Prior Issues under Listing Rule 7.1A**

The Company previously obtained approval from its Shareholders to issue Equity Securities pursuant to ASX Listing Rule 7.1A at the Annual General Meeting held on 29 November 2023.

- (i) Since that date, the Company issued 33,695,731 Shares under Listing Rule 7.1A representing 25.74% of the 130,924,081 Shares on issue 12 months prior to the date of the meeting.
  - a. 15,305,352 Shares were issued under Listing Rule 7.1A to professional, sophisticated and section 708 exempt investors, being clients of Euroz Hartleys Limited and Evolution Capital Pty Ltd who acted as joint lead managers for the Placement announced on 21 March 2024 (**March Placement Shares**).
    - i. The March Placement Shares were issued at \$0.13 per Share, representing a 13.3% discount to the last ASX closing share price of \$0.15 prior to the Company's trading halt announced on 19 March 2024.
    - ii. The issue of March Placement Shares under Listing Rule 7.1A raised a total of \$1,989,685.76. As at the date of this Notice, the Company has used all of these funds to carry out exploration activities at the Company's Paris Gold and New Dawn Lithium projects and working capital requirements.
  - b. 18,390,379 Shares were issued under Listing Rule 7.1A to professional, sophisticated and section 708 exempt investors, being clients of Euroz Hartleys Limited who acted as lead manager for the Placement announced on 20 September 2024 (**September Placement Shares**).
    - i. The September Placement Shares were issued at \$0.08 per share, representing a 20% discount to the last ASX closing share price of \$0.10 prior to the Company's trading halt announced on 19 September 2024

- ii. The issue of the September Placement Shares under Listing Rule 7.1A raised a total of \$1,471,230.32. As at the date of this Notice, the Company has not yet used these funds but anticipates to use them to carry out exploration activities at the Company's Paris Gold project, make a mineral resource estimate milestone payment to the vendor of the Paris Gold project and for working capital purposes.

**(g) Voting Exclusions**

At the date of the Notice, the Company has not approached any particular existing Shareholder or security holder or an identifiable class of existing security holder to participate in the issue of the Equity Securities utilising this 10% Placement Facility, accordingly, a voting exclusion statement is not included in this Notice.

**9.5 Board Recommendation**

Resolution 8 is a special resolution, which requires a minimum of 75% of the votes cast. The Chairperson intends to exercise all available proxies in favour of Resolution 8.

The Board unanimously recommends that Shareholders vote in favour of Resolution 8 as this will enable the Company to conserve its cash, and the ability to issue equity securities in the event of a capital raise.

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**10. RESOLUTION 9 - REINSTATEMENT OF PROPORTIONAL TAKEOVER PROVISIONS**

**10.1 General**

Clause 14.1 of the Company's Constitution includes provisions requiring shareholder approval for any proportional takeover bid. These provisions allow shareholders to vote on whether a proportional takeover bid should proceed, providing a mechanism to protect shareholders from being forced to sell a proportion of their shares without having the opportunity to consider a full bid for all of their shares.

Under Section 648G of the Corporations Act, these provisions expire three years after they were last renewed, unless renewed by a special resolution of shareholders. The current provisions have not been renewed since the company adopted its current constitution on 8 February 2024, making it necessary to reinstate them at this Annual General Meeting. The Proportional Takeover Provisions have been extracted in full in Schedule 2 to this Notice.

**10.2 Information required by the Corporations Act**

**Reasons for Proportional Takeover Provisions**

A proportional takeover bid may result in control of the Company changing without Shareholders having the opportunity to dispose of all their Shares. By making a partial bid, a bidder can obtain practical control of the Company by acquiring less than a majority interest. Shareholders are exposed to the risk of being left as a minority in the Company and the risk of the bidder being able to acquire control of the Company without payment of an adequate control premium. These provisions allow Shareholders to decide whether a proportional takeover bid is acceptable in principle, and assist in ensuring that any partial bid is appropriately priced.

**Effect of Proportional Takeover Provisions**

If reinstated, Clause 14.1 will continue to prohibit the registration of any transfers of shares resulting from a proportional takeover bid unless a resolution to approve the bid is passed by shareholders. The proportional takeover provisions do not apply to full takeover bids.

The Company is required to hold a meeting at least 14 days before the last day of the bid period to allow shareholders to vote on the bid. If the resolution is not passed, the bid will be deemed withdrawn.

**Potential Advantages and Disadvantages**

Advantages:

- For personal use only
- (i) **Shareholder Control:** The provisions ensure that shareholders have the right to decide whether a proportional takeover bid should proceed, thereby giving them control over any change in corporate control.
  - (ii) **Protection Against Coercive Bids:** By allowing shareholders to vote, the provisions protect against bidders seeking to acquire control without offering to purchase all shares. This can prevent a scenario where shareholders are pressured to accept a bid to avoid being left with minority holdings.
  - (iii) **Increased Bargaining Power:** Shareholders are better positioned to negotiate terms or seek better offers, as the approval mechanism gives them leverage in the event of a proportional bid.

**Disadvantages:**

- (i) **Discourages Potential Bidders:** The requirement for shareholder approval may discourage some bidders from making a proportional takeover offer, reducing the likelihood of takeovers.
- (ii) **Reduced Market Activity:** The existence of these provisions might limit the trading activity or potential interest in the Company's shares, as some investors may view the requirement as an obstacle to potential acquisitions.
- (iii) **May Delay Transactions:** The approval process could delay the completion of a proportional takeover, potentially leading to uncertainty and fluctuations in the Company's share price during the bid period.

**Knowledge of Any Acquisition Proposals**

As at the date of this Notice, no Director is aware of any proposal by any person to acquire, or to increase the extent of, a substantial interest in the Company

**10.3 Board Recommendations**

The Board believe that the benefits of reinstating the proportional takeover provisions outweigh any potential disadvantages and unanimously recommend that shareholders vote in favour of this resolution.

## GLOSSARY

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

<b>Associate</b>	the meaning given to that term in the Listing Rules;
<b>ASX</b>	ASX Limited or the securities market operated by ASX Limited, as the context requires;
<b>Board</b>	board of Directors;
<b>Chair</b>	chair of the Meeting;
<b>Company</b>	Torque Metals Limited (ACN 621 122 905);
<b>Constitution</b>	constitution of the Company;
<b>Corporations Act</b>	<i>Corporations Act 2001</i> (Cth);
<b>Director</b>	director of the Company;
<b>Equity Securities</b>	has the meaning given to that term in the Listing Rules;
<b>Explanatory Statement</b>	the explanatory statement that accompanies this Notice of Meeting;
<b>Key Management Personnel</b>	key management personnel of the Company (as defined in section 9 of the Corporations Act);
<b>Lead Manager</b>	Euroz Hartleys Limited;
<b>Listing Rules</b>	means the listing rules of the ASX;
<b>Meeting or Annual General Meeting</b>	the Annual General Meeting convened by this Notice of Meeting;
<b>Notice of Meeting or Notice</b>	this notice of Annual General Meeting;
<b>Placement</b>	has the meaning in section 2 of the Explanatory Statement;
<b>Placement Options</b>	has the meaning in section 2 of the Explanatory Statement;
<b>Placement Shares</b>	has the meaning in section 2 of the Explanatory Statement;
<b>Proxy Form</b>	the proxy form enclosed with this Notice of Meeting;
<b>Resolution</b>	resolution contained in this Notice of Meeting;
<b>Schedule</b>	schedule to this Notice of Meeting;
<b>Share</b>	fully paid ordinary share in the capital of the Company;
<b>Shareholder</b>	holder of a Share in the Company;
<b>Top Drill</b>	Topdrill Pty Ltd;

**Top Drill Shares**

has the meaning in section 8.1 of the Explanatory Statement;

**Tranche 1**

has the meaning in section 2 of the Explanatory Statement;

**Tranche 2**

has the meaning in section 2 of the Explanatory Statement;

**WST**

Australian Western Standard Time.



## SCHEDULE 1 – SUMMARY OF TERMS AND CONDITIONS OF PLACEMENT OPTIONS

A summary of the terms of the Placement Options is set out below.

1. **Entitlement**

Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

2. **Exercise Price**

The exercise price of each of the Options is \$0.08 (**Exercise Price**).

3. **Expiry Date**

Each Option may be exercised at any time before 5.00pm (WST) 6 months from the date of issue (**Expiry Date**). Any Option not exercised before the Expiry Date will automatically expire.

4. **Exercise Period**

The Options are exercisable at any time from the date of issue and from time to time on or prior to the Expiry Date (**Exercise Period**).

5. **Notice of Exercise**

The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Notice of Exercise form (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

6. **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

7. **Issue of Shares on exercise**

Within 5 business days after the Exercise Date, the Company will:

- (i) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (ii) if required, 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
- (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under paragraph 7(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 business days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

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

8. **Quotation of Options**

The Options will be unquoted unless the Board resolves otherwise in its sole discretion.

9. **Transferability**

The Options are not transferable, except with the prior written approval of the approval of the Board. Such consent must not be unreasonably withheld or delayed.

10. **Participation in new issues**

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

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

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

- (i) the number of Shares which must be issued on the exercise of an Option 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 the bonus issue; and
- (ii) no change will be made to the Exercise Price.

12. **Adjustments for reorganisation**

If there is any reorganisation of the issued share capital of the Company, all rights of an Option holder are to be changed in a manner consistent with the Corporations Act and the Listing Rules at the time of the reconstruction.

13. **Deferral of exercise if resulting in a prohibited acquisition of Shares**

If the exercise of an Option would result in any person being in contravention of section 606(1) of the Corporations Act (**General Prohibition**) then the exercise of that Option shall be deferred until such later time or times that the conversion would not result in a contravention of the General Prohibition. In assessing whether exercise of an Option would result in a contravention of the General Prohibition:

- (i) holders may give written notification to the Company if they consider that the exercise of an Option may result in the contravention of the General Prohibition. The absence of such written notification from the holder will entitle the Company to assume the exercise of an Option will not result in any person being in contravention of the General Prohibition; and
- (ii) the Company may (but is not obliged to) by written notice to a holder request a holder to provide the written notice referred to in paragraph 13(i) within seven days if the Company considers that the exercise of an Option may result in a contravention of the General Prohibition. The absence of such written notification from the holder will entitle the Company to assume the exercise of an Option will not result in any person being in contravention of the General Prohibition.

## SCHEDULE 2 – PROPORTIONAL TAKEOVER PROVISIONS

### 14.1 Approval of Partial Takeovers Bids

If offers are made under a proportional takeover bid for securities in the Company:

- (a) the registration of a transfer giving effect to a takeover contract for the bid is prohibited unless and until a resolution (an Approving Resolution) to approve the proportional takeover scheme is passed (or is taken to have been passed) in accordance with this clause 14;
- (b) a person (other than the bidder or an associate of the bidder) who, as at the end of the day on which the first offer under the proportional takeover bid was made, held bid class securities is entitled to vote on an Approving Resolution;
- (c) an Approving Resolution is to be voted on at a meeting, convened and conducted by the Company, of the persons entitled to vote on the Approving Resolution. The meeting to vote on the Approving Resolution must be held at least 14 days before

the last day of the bid period for the proportional takeover (**Approving Resolution Deadline**);

- (d) an Approving Resolution that has been voted on in accordance with this clause is taken to have been passed if the proportion that the number of votes in favour of the resolution bears to the total number of votes on the resolution is greater than 50%, and otherwise is taken to have been rejected; and
- (e) if an Approving Resolution has not been voted on in accordance with this clause 14 as at the end of the day before the Approving Resolution Deadline, an Approving Resolution will be taken to have been passed in accordance with this clause 14.

### 14.2 Effect

This clause ceases to have effect on the third anniversary of the date of the adoption or last renewal of this clause.

Your proxy voting instruction must be received by **10.00am (AWST) on Saturday, 23 November 2024**, 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

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 Key Management Personnel.

### 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://automicgroup.com.au>.

### Lodging your Proxy Voting Form:

#### Online

Use your computer or smartphone to appoint a proxy at <https://investor.automic.com.au/#/loginsah> or scan the QR code below using your smartphone

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



#### BY MAIL:

Automic  
GPO Box 5193  
Sydney NSW 2001

#### IN PERSON:

Automic  
Level 5, 126 Phillip Street  
Sydney NSW 2000

#### BY EMAIL:

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

#### BY FACSIMILE:

+61 2 8583 3040

#### All enquiries to Automic:

##### WEBSITE:

<https://automicgroup.com.au>

##### PHONE:

1300 288 664 (Within Australia)  
+61 2 9698 5414 (Overseas)

