



# **VANADIUM RESOURCES LIMITED**

**ACN 618 307 887**

## **NOTICE OF GENERAL MEETING**

**Wednesday , 1 September 2021**

**15:00 (WST)**

**108 Outram Street, West Perth, 6005**

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

Should you wish to discuss the matters in this Notice of Meeting, please do not hesitate to contact the Company Secretary on 08 6158 9990.

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## IMPORTANT INFORMATION

### TIME AND PLACE OF MEETING AND HOW TO VOTE

#### VENUE

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The General Meeting of the Shareholders to which this Notice of Meeting relates will be held at 108 Outram Street, West Perth, 6005 on Wednesday at 1 September 2021 (WST).

#### YOUR VOTE IS IMPORTANT

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

#### VOTING ELIGIBILITY

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The Directors have determined pursuant to Regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the General Meeting are those who are registered Shareholders of the Company at 5.00pm (WST) on Monday 30 August 2021.

#### VOTING IN PERSON

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

#### VOTING BY PROXY

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To vote by proxy, please complete and sign the enclosed Proxy Form and return by:

- (a) post to Automic GPO Box 5193, Sydney NSW 2001;
- (b) fax to + 61 2 8583 3040;
- (c) online at <https://investor.automic.com.au/#/loginsah>  
or email to [meetings@automicgroup.com.au](mailto:meetings@automicgroup.com.au); or
- (d) in person to Automic Level 5, 126 Phillip Street, Sydney NSW 2000

so that it is received not later than 15:00 (WST) on Monday, 30 August 2021

***Proxy Forms received later than this time will be invalid.***

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

- each member has a right to appoint a proxy;
- the proxy need not be a member of the Company; and

- a member 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 (i.e. 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 (i.e. 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 (i.e. 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; and
- either of the following applies:
  - the proxy is not recorded as attending the meeting;
  - the proxy does not vote on the resolution,

the chair of the meeting 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.

# BUSINESS OF THE MEETING

## AGENDA

### **1. Resolution 1 – Ratification of prior issue of Placement Shares**

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To consider and, if thought fit, to pass as an **ordinary resolution** the following:

*“That, for the purpose of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 41,666,667 Placement Shares under the Company’s Listing Rule 7.1 capacity, on the terms and conditions set out in the Explanatory Memorandum.”*

#### **Voting Exclusion**

The Company will disregard any votes cast in favour of this Resolution by or on behalf of:

- (a) any person who participated in the issue or is a counterparty to the agreement being approved; or
- (b) any Associate of a person who participated in the issue or is a counterparty to the agreement being approved.

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

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

### **2. Resolution 2 – Ratification of prior issue of Shares to Lead Manager**

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To consider and, if thought fit, to pass as an **ordinary resolution** the following:

*“That, for the purpose of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 2,500,000 Shares to Kaai Pty Ltd (trading as Kaai Capital) under the Company’s Listing Rule 7.1 capacity, on the terms and conditions set out in the Explanatory Memorandum.”*

#### **Voting Exclusion**

The Company will disregard any votes cast in favour of this Resolution by or on behalf of:

- (a) Kaai Pty Ltd (trading as Kaai Capital); or
- (b) an Associate of Kaai Pty Ltd (trading as Kaai Capital).

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

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

### 3. Resolution 3 – Approval to issue Performance Rights to Mr Jurie Wessels

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Subject to and conditional upon the passing of Resolutions 4-6 (inclusive), to consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

*“That, for the purposes of section 195(4) and section 208 of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 1,325,000 Class A Performance Rights and 1,000,000 Class B Performance Rights to Jurie Wessels (and/or his nominees), on the terms and conditions set out in the Explanatory Memorandum.”*

#### Voting Exclusion

The Company will disregard any votes cast in favour of the Resolution by or on behalf of Mr Wessels (or his nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an Associate of that person (or those persons) (**Resolution 3 Excluded Party**).

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

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

#### Voting Prohibition

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
  - (i) a member of the Key Management Personnel; or
  - (ii) a Closely Related Party of such a member; and
  - (iii) the appointment does not specify the way the proxy is to vote on this Resolution.

Provided the Chair is not a Resolution 3 Excluded Party, the above prohibition does not apply if:

- (a) the proxy is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

### 4. Resolution 4 – Approval to issue Performance Rights to Mr Nico Van der Hoven

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Subject to and conditional upon the passing of Resolutions 3 and 5-6 (inclusive), to consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

*“That, for the purposes of section 195(4) and section 208 of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 1,325,000 Class A Performance Rights and 1,000,000 Class B Performance Rights to Nico Van der Hoven (and/or his nominees), on the terms and conditions set out in the Explanatory Memorandum.”*

#### Voting Exclusion

The Company will disregard any votes cast in favour of the Resolution by or on behalf of Mr Van der Hoven (or his nominee) and any other person who will obtain a material benefit as a result of the issue of the securities

(except a benefit solely by reason of being a holder of ordinary securities in the Company) or an Associate of that person (or those persons) (**Resolution 4 Excluded Party**).

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

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

#### **Voting Prohibition**

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
  - (i) a member of the Key Management Personnel; or
  - (ii) a Closely Related Party of such a member; and
  - (iii) the appointment does not specify the way the proxy is to vote on this Resolution.

Provided the Chair is not a Resolution 4 Excluded Party, the above prohibition does not apply if:

- (a) the proxy is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

## **5. Resolution 5 – Approval to issue Performance Rights to Mr Michael Davy**

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Subject to and conditional upon the passing of resolutions 3-4 and 6, to consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

*“That, for the purposes of section 195(4) and section 208 of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 1,325,000 Class A Performance Rights and 1,000,000 Class B Performance to Michael Davy (and/or his nominees), on the terms and conditions set out in the Explanatory Memorandum.”*

#### **Voting Exclusion**

The Company will disregard any votes cast in favour of the Resolution by or on behalf of Mr Davy (or his nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an Associate of that person (or those persons) (**Resolution 5 Excluded Party**).

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

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

#### **Voting Prohibition**

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
  - (i) a member of the Key Management Personnel; or
  - (ii) a Closely Related Party of such a member; and

(iii) the appointment does not specify the way the proxy is to vote on this Resolution.

Provided the Chair is not a Resolution 5 Excluded Party, the above prohibition does not apply if:

- (a) the proxy is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

## 6. Resolution 6 – Approval to issue Performance Rights to Mr John Ciganek

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Subject to and conditional upon the passing of resolutions 3-5, to consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

*“That, for the purposes of section 195(4) and section 208 of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 1,325,000 Class A Performance Rights and 1,000,000 Class B Performance Rights to John Ciganek (and/or his nominees), on the terms and conditions set out in the Explanatory Memorandum.”*

### **Voting Exclusion**

The Company will disregard any votes cast in favour of the Resolution by or on behalf of Mr Ciganek (or his nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an Associate of that person (or those persons) (**Resolution 6 Excluded Party**).

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

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

### **Voting Prohibition**

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
  - (i) a member of the Key Management Personnel; or
  - (ii) a Closely Related Party of such a member; and
  - (iii) the appointment does not specify the way the proxy is to vote on this Resolution.

Provided the Chair is not a Resolution 6 Excluded Party, the above prohibition does not apply if:

- (a) the proxy is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

## 7. Resolution 7 – Approval to issue of Performance Rights to Employees

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To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

*“That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue Performance Rights to the following parties (who are not Related Parties of the Company):*

- (a) *1,325,000 Class A Performance Rights and 1,000,000 Class B Performance Rights to Eugene Nel (and/or his nominees);*

- (b) 1,000,000 Class A Performance Rights to Kyla Garic (and/or her nominees);
  - (c) 800,000 Class A Performance Rights to Daniel Ellis (and/or his nominees);
  - (d) 800,000 Class A Performance Rights to Stephanie Moulton (and/or her nominees); and
  - (e) 400,000 Class A Performance Rights to James Wilson (and/or his nominees),
- on the terms and conditions set out in the Explanatory Memorandum.”

#### **Voting Exclusion**

The Company will disregard any votes cast in favour of this Resolution by or on behalf of Kyla Garic, Daniel Ellis, Stephanie Moulton and James Wilson (or their nominee) and any other person who is expected to participate in, or obtain a material benefit as a result of, the proposed issue the subject of Resolution 7 (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an Associate of those persons.

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

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

#### **Voting Prohibition**

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
  - (i) a member of the Key Management Personnel; or
  - (ii) a Closely Related Party of such a member; and
  - (iii) the appointment does not specify the way the proxy is to vote on this Resolution.

Provided the Chair is not a Resolution 7 Excluded Party, the above prohibition does not apply if:

- (a) the proxy is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

## **8. Resolution 8 - Re-election of Mr John Ciganek**

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To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

*“That, for the purposes of clause 14.4 of the Constitution and for all other purposes, Mr John Ciganek, a Director who was appointed to fill a casual vacancy on 18 December 2020, retires, and being eligible is re-elected as a Director of the Company.*”

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**DATED: 27 JULY 2021**

**BY ORDER OF THE BOARD**



**KYLA GARIC  
VANADIUM RESOURCES LIMITED  
COMPANY SECRETARY**

# EXPLANATORY STATEMENT

This Explanatory Statement has been prepared for the information of Shareholders in connection with the business to be conducted at the General Meeting to be held at **108 Outram Street, West Perth, 6005** on **Wednesday 1 September 2021 at 15.00 (WST)**

The purpose of this Explanatory Statement is to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions in the Notice of Meeting.

A Proxy Form is located at the end of the Explanatory Memorandum.

## 1. Resolution 1 – Ratification of prior issue of Placement Shares

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### 1.1 Background

On 1 April 2021, the Company announced a placement for a total value of \$2 million to sophisticated and professional investors (**Placement**). The Placement comprised of an issue of a total of 41,666,667 Shares at an issue price of \$0.048 per Share (**Placement Shares**).

The Placement Shares were issued pursuant to the Company's existing capacity available under Listing Rule 7.1.

Resolution 1 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the previous issue of the Placement Shares.

The Placement was managed by Kaai Pty Ltd (trading as Kaai Capital) who were engaged to act as the Lead Manager pursuant to a Lead Manager mandate (**Lead Manager Mandate**).

The key material terms of the Lead Manager Mandate were as follows:

- (a) **Services:** The Lead Manager will lead manage the Placement on a best endeavours basis, assist to prepare presentation and marketing material (if necessary) and investor management and general capital markets advice.
- (b) **Fees:** In consideration for these services, the Company agreed a Lead Manager Fee of 6% of the total amount raised under the Placement and at the Lead Manager's election, the fee can be elected through the issue of Shares on the same terms as the Placement Shares. The Lead Manager Shares the subject of Resolution 2 are being issued in consideration of the Lead Manager Fee.
- (c) **Term:** The term of the Lead Manager Mandate is upon the earlier of completion of the Placement and issue of all Lead Manager securities to the Lead Manager (or its nominees).

The Lead Manager Mandate otherwise outlines terms and conditions which are standard for an agreement of this nature.

#### 1.1.1 Purpose and Use of Funds

The primary purpose of the Placement was to raise funds to pursue the acquisition of the integrated ESG processing technology studies, immediate commencement of the Steelpoortdrift Vanadium Project DFS (at completion of the PFS) and to provide working capital.

### **1.1.2 ASX Listing Rule 7.1**

ASX Listing Rule 7.1 provides that a 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% of the number of fully paid ordinary securities on issue at the commencement of that 12 month 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 Rule 7.1 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 Rule 7.1. To this end, Resolution 1 seeks Shareholder approval for the ratification of the issue of the Placement Shares under and for the purposes of Listing Rule 7.4.

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

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

### **1.1.3 Technical information required by ASX Listing Rule 7.4**

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided Resolution 1:

- (a) the Placement Shares were issued to sophisticated and professional investors who are clients of Kaai Capital and who have previously shown an interest in investing in companies in the same nature as the Company (none of whom are related parties, members of the Company's key management personnel, substantial holders nor advisers to the Company) (nor is the issue being made to an associate of these persons);
- (b) a total of 41,666,667 Placement Shares were issued under Listing Rule 7.4.
- (c) the Placement Shares issued 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) the Placement Shares were issued on 14 April 2021;
- (e) the issue price of the Placement Shares was \$0.048 cents per Share;
- (f) the purpose of this issue and the intended use of the funds raised is as set out in Section 1.1.1;
- (g) the issue of the Placement Shares was not pursuant to an agreement; and
- (h) a voting exclusion statement is included in Resolution 1 of the Notice.

The Directors of the Company believe Resolution 1 is in the best interest of the Company and its Shareholders and unanimously recommend that the Shareholders vote in favour of this Resolution.

## **2. Resolution 2 – Ratification of prior issue of Shares to Lead Manager**

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### **2.1 Background**

An explanation of the background of the Placement is set out in 1.1 above.

The material terms of the Lead Manager Mandate are set out in section 1.1 above.

Kaai Capital acted as Lead Manager to the Placement and elected to receive its 6% Lead Manager fee (which equates to the value of \$120,000) through the issue of Shares at the same price as under the Placement, being a total of 2,500,000 Shares (**Lead Manager Shares**).

#### **2.1.1 Purpose and Use of Funds**

The primary purpose of the issue of the Lead Manager Shares is an equity payment, in lieu of cash fees, in respect of the Lead Manager services relating to the Placement.

#### **2.1.2 ASX Listing Rules 7.1**

An explanation of Listing Rule 7.1 is set out in 1.1.2 above.

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. To this end, Resolution 2 seeks Shareholder approval for the ratification of the issue of the Lead Manager Shares under and for the purposes of Listing Rule 7.4.

If Resolution 2 is passed, the Lead Manager Shares issued will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of equity securities it can issue without Shareholder approval over the 12 month period following the issue date.

If Resolution 2 is not passed, the Lead Manager Shares issued will be included in calculating the Company's 15% limit in Listing Rule 7.1, effectively decreasing the number of equity securities it can issue without Shareholder approval over the 12 month period following the issue date.

#### **2.1.3 Technical information required by ASX Listing Rule 7.4**

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided Resolution 2:

- (a) the Lead Manager Shares were issued to Kaai Pty Ltd (trading as Kaai Capital) (and/or its nominees). Although Kaai Capital acted as the Lead Manager for the Placement, Kaai Capital is otherwise not engaged as an advisor of the Company, and is not a related party or substantial holder.
- (b) a total of 2,500,000 Lead Manager Shares were issued under Listing Rule 7.1;

- (c) the Lead Manager Shares issued 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) the Lead Manager Shares were issued on 14 April 2021;
- (e) although the Lead Manager Shares were issued in lieu of cash fee payment (in consideration for services), the Lead Manager Shares have a deemed issue price of \$0.048 cents per Share;
- (f) the Lead Manager Shares were issued for nil consideration as they were issued in exchange of the settlement of the 6% Lead Manager fee for the Lead Manager services provided by Kaai Pty Ltd (trading as Kaai Capital) for the Placement, accordingly no funds were raised;
- (g) the issue of the Lead Manager Shares issued pursuant to the Lead Manager Mandate which is summarised in section 1.1; and
- (h) a voting exclusion statement is included in Resolution 2 of the Notice.

The Directors of the Company believe Resolution 2 is in the best interest of the Company and its Shareholders and unanimously recommend that the Shareholders vote in favour of this Resolution.

### **3. Resolutions 3 to 6 – Approval to issue Performance Rights to Jurie Wessels, Nico Van der Hoven, Michael Davy and John Ciganek**

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#### **3.1 General**

The Company has agreed, subject to obtaining Shareholder approval, to grant a total of 9,300,000 Performance Rights (**Related Party Performance Rights**) to Jurie Wessels, Nico Van der Hoven, Michael Davy and John Ciganek (and/or their respective nominees) on the terms and conditions set out below.

The issue of the Related Party Performance Rights is viewed as a cost effective and efficient way to incentivise and reward the directors as opposed to alternative forms of incentives, such as the payment of additional cash compensation, and the vesting conditions applicable to the Related Party Performance Rights are considered more appropriate in light of current market conditions.

#### **3.2 Chapter 2E of the Corporations Act and Listing Rule 10.11**

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:

- (a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- (b) 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 issue of the Related Party Performance Rights constitutes giving a financial benefit and Jurie Wessels, Nico Van der Hoven, Michael Davy and John Ciganek are related parties of the Company by virtue of being Directors.

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:

- (a) a related party;
- (b) 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;
- (c) 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;
- (d) an associate of a person referred to in Listing Rules 10.11.1 to 10.11.3; or
- (e) a person whose relationship with the company or a person referred to in Listing Rules 10.11.1 to 10.11.4 is such that, in ASX's opinion, the issue or agreement should be approved by its shareholders,

unless it obtains the approval of its shareholders.

As it is proposed that the Related Party Performance Rights be granted to all of the Directors, the Directors have been unable to form a quorum to consider whether one of the exceptions set out in sections 210 to 216 of the Corporations Act or ASX Listing Rule 10.12 applies to these issues. Accordingly, Shareholder approval is sought for the grant of the Related Party Performance Rights to Jurie Wessels, Nico Van der Hoven, Michael Davy and John Ciganek (and/or their respective nominees).

If Resolutions 3 to 6 are passed, the Company will be able to proceed with the issue of the Related Party Performance Rights the subject of these Resolutions. If any of Resolutions 3 to 6 are not passed, the Company will not be able to issue the Director Related Party Performance Rights the subject of the Resolution and may consider alternative other forms of remuneration in lieu of such issue.

### **3.3 Section 195 of the Corporations Act**

Section 195 of the Corporations Act provides that a director of a public company must not vote or be present during meetings of directors when matters in which that director holds a 'material personal interest' are being considered.

Jurie Wessels, Nico Van der Hoven, Michael Davy and John Ciganek have a material personal interest in the outcome of Resolutions 3 to 6 (as applicable). The Directors have accordingly exercised their right under section 195(4) of the Corporations Act to put the issue of the Related Party Performance Rights to Shareholders to resolve upon.

### **3.4 Shareholder Approval (Chapter 2E of the Corporations Act and ASX Listing Rule 10.11)**

Pursuant to and in accordance with the requirements of section 219 of the Corporations Act and ASX Listing Rule 10.13, the following information is provided in relation to the proposed grant of Related Party Performance Rights:

- (a) the related parties are Jurie Wessels, Nico Van der Hoven, Michael Davy and John Ciganek and they are related parties by virtue of being Directors;
- (b) the maximum number of Related Party Performance Rights (being the nature of the financial benefit being provided) to be granted is as follows:
- (i) 1,325,000 Class A Performance Rights and 1,000,000 Class B Performance Rights to Jurie Wessels (or his nominee) (Resolution 3);
  - (ii) 1,325,000 Class A Performance Rights and 1,000,000 Class B Performance Rights to Nico Van der Hoven (or his nominee) (Resolution 4);
  - (iii) 1,325,000 Class A Performance Rights and 1,000,000 Class B Performance Rights to Michael Davy (or his nominee) (Resolution 5); and
  - (iv) 1,325,000 Class A Performance Rights and 1,000,000 Class B Performance Rights to John Ciganek (or his nominee) (Resolution 6).
- (c) the Related Party Performance Rights will be granted to the Directors (or their respective nominees) no later than 1 month after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the ASX Listing Rules) and it is anticipated the Related Party Performance Rights will be issued on one date;
- (d) the Related Party Performance Rights will be granted for nil cash consideration, accordingly no funds will be raised;
- (e) the terms and conditions of the Related Party Performance Rights are set out in Schedule 2;
- (f) the Company engaged Bentleys Advisory (WA) Pty Ltd to determine a value for the Related Party Performance Rights an excerpt of which is set out in Schedule 3;
- (g) the relevant interests of the Directors in securities of the Company are set out below (subject to rounding):

Director	Shares	Options	Performance Rights
Jurie Wessels	44,981,437	10,857,587	2,325,000 <sup>1</sup>
Nico Van der Hoven	44,981,437	10,857,587	2,325,000 <sup>1</sup>
Michael Davy	13,474,564	1,524,830	2,325,000 <sup>1</sup>
John Ciganek	-	-	2,325,000 <sup>1</sup>

**Notes:**

1. 1,325,000 Class A Performance Rights and 1,000,000 Class B Performance Rights subject to the passing of Resolutions 3-6 (inclusive). The full terms and conditions of these Performance Rights are set out in Schedule 1 of the Notice of Meeting.

- (h) the remuneration and emoluments from the Company to the Directors for the previous financial year and the proposed remuneration and emoluments for the current financial year are set out below:

Name	Position	FY 2021	FY 2022
Jurie Wessels <sup>1</sup>	Non-Executive Chair	\$60,000	\$60,000
Nico Van Der Hoven <sup>2</sup>	Non-Executive Director	\$60,000	\$60,000
Michael Davy <sup>1</sup>	Non-Executive Director	\$36,000	\$36,000
John Ciganek	Non-Executive Director	\$19,452	\$36,000

**Notes:**

1. Mr Wessels was appointed as a Director on 26 July 2019.
2. Mr Van der Hoven was appointed as a Director on 26 July 2019.
3. Mr Davy was appointed as a Director on 1 December 2019.
4. Mr Ciganek was appointed as a Director on 18 December 2020.

- (i) if the Related Party Performance Rights granted to the Directors are exercised, a total of 9,300,000 Shares would be issued. This will increase the number of Shares on issue from 418,444,105 (being the number of Shares on issue at the date of this Notice) to 427,744,105 (assuming that no other Performance Rights or Options are converted and no other Shares are issued) with the effect that the shareholding of existing Shareholders would be diluted by an aggregate of approximately 2.17%, comprising approximately 0.54% by each of Jurie Wessels, Nico Van der Hoven, Michael Davy and John Ciganek.
- (j) the highest and lowest closing prices of Shares on ASX during the 12 months preceding the date of this Notice, and the closing price on the trading day before the date of this Notice, are set out below:

	<b>Price</b>	<b>Date</b>
Highest	\$0.065	1 April 2021
Lowest	\$0.017	26 June 2020
Last	\$0.055	26 July 2021

- (k) the Board acknowledges the grant of the Related Party Performance Rights to the Directors is contrary to Recommendation 8.3 of The Corporate Governance Principles and Recommendations (4<sup>th</sup> Edition) as published by The ASX Corporate Governance Council. However, the Board considers the grant of the Related Party Performance Rights is reasonable in the circumstances for the reason set out in paragraph (m);
- (l) the primary purpose of the grant of the Related Party Performance Rights to the Directors is to provide a performance linked incentive component in their remuneration package to motivate and reward their performance in their respective roles as Directors;
- (m) Mr Wessels declines to make a recommendation to Shareholders in relation to Resolution 3 due to his material personal interest in the outcome of the Resolution on the basis that he (and/or his nominee) is to be granted the Related Party Performance Rights should Resolution 3 be passed. However, in respect of Resolutions 4 to 6, Mr Wessels recommends that Shareholders vote in favour of those Resolutions for the following reasons:
- (i) the grant of the Related Party Performance Rights will align the interests of the Directors with those of Shareholders;
  - (ii) the grant of the Related Party Performance Rights is a reasonable and appropriate method to provide cost effective remuneration as the non-cash form of this benefit will allow the Company to spend a greater proportion of its cash reserves on its operations than it would if alternative cash forms of remuneration were given; and
  - (iii) it is not considered that there are any significant opportunity costs to the Company or benefits foregone by the Company in granting the Related Party Performance Rights upon the terms proposed;
- (n) Mr Van der Hoven declines to make a recommendation to Shareholders in relation to Resolution 4 due to his material personal interest in the outcome of the Resolution on the basis that he (and/or his nominee) is to be granted Related Party Performance

Rights in the Company should Resolution 4 be passed. However, in respect of Resolutions 3 and 5-6, Mr Van der Hoven recommends that Shareholders vote in favour of those Resolutions for the reasons set out in paragraph (m);

- (o) Mr Davy declines to make a recommendation to Shareholders in relation to Resolution 5 due to his material personal interest in the outcome of the Resolution on the basis that he (and/or his nominee) is to be granted Related Party Performance Rights in the Company should Resolution 5 be passed. However, in respect of Resolutions 3-4 and 6, Mr Davy recommends that Shareholders vote in favour of those Resolutions for the reasons set out in paragraph (m);
- (p) in forming their recommendations, each Director considered the experience of each other Director, the current market price of Shares, the current market practices when determining the number of Related Party Performance Rights to be granted as well as the vesting conditions of those Related Party Performance Rights; and
- (q) the Related Party Performance Rights are not being issued under an agreement;
- (r) a voting exclusion statement is included in Resolutions 3 to 6 of the Notice; and
- (s) the Board is not aware of any other information that would be reasonably required by Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass Resolutions 3 to 6.

Approval pursuant to ASX Listing Rule 7.1 is not required in order to issue the Related Party Performance Rights to the Directors (and/or their nominees) as approval is being obtained under ASX Listing Rule 10.11. Accordingly, the issue of the Related Party Performance Rights will not be included in the 15% calculation of the Company's annual placement capacity pursuant to ASX Listing Rule 7.1.

## 4. Resolution 7 - Approval to issue of Performance Rights to Employees

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### 4.1 General

Resolution 7 seeks Shareholder approval for the issue of a total of 5,325,000 Performance Rights (which consists of 4,325,000 Class A Performance Rights and 1,000,000 Class B Performance Rights) (**Employee Performance Rights**) to Kyla Garic, Eugene Nel, Daniel Ellis, Stephanie Moulton and James Wilson (and/or their respective nominees) on the terms and conditions set out below.

The issue of the Employee Performance Rights is viewed as a cost effective and efficient way to incentivise and reward the Employees as opposed to alternative forms of incentives, such as the payment of additional cash compensation, and the vesting conditions applicable to the Employee Performance Rights are considered more appropriate in light of current market conditions.

### 4.2 ASX Listing Rule 7.1

An explanation of Listing Rule 7.1 is set out in 1.1.2 above.

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. To this end, Resolution 7 seeks Shareholder approval for the issue of the Employee Performance Rights for the purposes of Listing Rule 7.1.

If Resolution 7 is passed, the Company will be able to proceed with the issue of the Employee Performance Rights. In addition, the issue of the Employee Performance Rights will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of equity securities it can issue without Shareholder approval over the 12 month period following the issue date.

If Resolution 7 is not passed, the Company will not be able to proceed with the issue of the Employee Performance Rights unless the issue of the Employee Performance Rights is able to be made following the Meeting from the Company's 15% placement capacity under Listing Rule 7.1, in which case, the Company will have a reduced ability to issue equity securities without Shareholder approval over the 12 month period following the issue date.

#### **4.3 Technical information required by ASX Listing Rule 7.1**

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to Resolution 1:

- (a) the Employee Performance Rights Shares will be issued to Eugene Nel (Chief Executive Officer), Kyla Garic (Company Secretary), Daniel Ellis (Financial Accountant), Stephanie Moulton (Assistant) and James Wilson (Consultant) (and/or their respective nominees) (none of whom are members of the Company's key management personnel, substantial holders, nor advisers to the Company (nor is the issue being made to an associate of these persons)). None of these subscribers are related parties of the Company;
- (b) a total of 5,325,000 Performance Rights (which consists of 4,325,000 Class A Performance Rights and 1,000,000 Class B Performance Rights) will be issued.
- (c) the terms and conditions of the Employee Performance Rights are set out in Schedule 2;
- (d) the Employee Performance Rights will be issued to the Employees no later than 3 months after the date of this Meeting;
- (e) the Employee Performance Rights will be issued for nil cash consideration, accordingly no funds will be raised;
- (f) the primary purpose of the issue of the Employee Performance Rights to the Employees is to provide a performance linked incentive component to their remuneration package to motivate and reward their performance in their respective roles as Employees;
- (g) the Employee Performance rights are not being issued under an agreement; and
- (h) a voting exclusion statement is included in the Notice.

Approval pursuant to ASX Listing Rule 7.1 is required in order to issue the Employee Party Performance Rights to the Employees (and/or their nominees) as approval is being obtained under ASX Listing Rule 7.1. Accordingly, the issue of the Employee Party Performance Rights will be included in the 15% calculation of the Company's annual placement capacity pursuant to ASX Listing Rule 7.1.

The Directors of the Company believe Resolution 7 is in the best interest of the Company and its Shareholders and unanimously recommend that the Shareholders vote in favour of this Resolution.

## **5. Resolution 8 – Re-election of Mr John Ciganek**

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### **5.1 General**

Resolution 8 seeks approval for election of Mr John Ciganek as a Director.

Clause 14.4 of the Constitution provides that the Directors may appoint a person to be a Director. Any Director so appointed holds office until the following annual general meeting and is then eligible for election.

### **5.2 Qualifications and other material directorships**

Mr John Ciganek was appointed by the Directors to the board to fill a casual vacancy on 18 December 2020.

Mr Ciganek has worked in the mining sector for more than 30 years. His experience spans working in mining operations, project finance, M&A and the equity capital markets. Mr Ciganek is a mine engineer and holds an MBA. He was an executive director for BurnVair Corporate Finance, where he headed the Perth business of BurnVair, which included providing financing and structuring advice, as well as arranging debt and equity financings for capital intensive projects. Mr Ciganek has experience in a range of roles covering business development, research and analyses, and mining engineering.

The Board considers that Mr Ciganek, if re-elected, will continue to be classified as independent director.

### **5.3 Board recommendation**

The members of the Board (in the absence of Mr Ciganek) support the re-election of Mr Ciganek as a director of the Company.

## **6. Enquiries**

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Shareholders are required to contact the Company's Share Registry Automatic Registry Services on 1300 288 664 or +61 2 9698 5414 (overseas) if they have any queries in respect of the matters set out in these documents.

# SCHEDULE 1 - Glossary

**\$** means Australian dollars.

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

**Associate** has the meaning given in sections 12 and 16 of the Corporations Act. Section 12 is to be applied as if paragraph 12(1)(a) included a reference to the Listing Rules and on the basis that the Company is the “designated body” for the purposes of that section. A related party of a director or officer of the Company or of a Child Entity of the Company is to be taken to be an associate of the director or officer unless the contrary is established.

**ASX** means ASX Limited.

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

**Board** means the current board of directors of the Company.

**Business Day** means Monday to Friday inclusive, except New Year’s Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

**Company** means Vanadium Resources Limited (ACN 618 307 887).

**Constitution** means the Company’s constitution.

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

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

**Employees** mean Eugene Nel, Kyla Garic, Daniel Ellis, Stephanie Moulton and James Wilson.

**Employee Performance Rights** has the meaning contained in section 2.1.

**Explanatory Statement** means the explanatory statement accompanying the Notice of Meeting.

**General Meeting** or **Meeting** means the meeting convened by the Notice of Meeting.

**Key Management Personnel** has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, of the consolidated entity, directly or indirectly, including any director (whether executive or otherwise) of the Company, or if the Company is part of a consolidated entity, of an entity within the consolidated group.

**Lead Manager** means Kaai Pty Ltd (ACN 644 272 131) trading as Kaai Capital.

**Lead Manager Mandate** has the meaning contained in section 1.1.

**Lead Manager Shares** has the meaning contained in section 1.2.1.

**Notice of Meeting** means this notice of general meeting including the Explanatory Statement.

**Ordinary Securities** has the meaning set out in the ASX Listing Rules.

**Placement** has the meaning contained in section 1.1.

**Placement Shares** has the meaning contained in section 1.1.

**Performance Rights** means the performance rights to be issued under Resolutions 3 to 7, which convert into ordinary shares in the Company subject to satisfaction of the performance milestones and terms and conditions set out in Schedule 2.

**Related Party Performance Rights** has the meaning contained in section 1.3.

**Resolutions** means the resolutions set out in the Notice of Meeting, or any one of them, as the context requires.

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

**Shareholder** means a holder of a Share.

**WST** means western standard time.

## SCHEDULE 2 – Performance Rights

### 1. Grant price

Each Performance Right will be granted by the Company for nil cash consideration.

### 2. Rights

- (a) The Performance Rights do not carry any voting rights in the Company.
- (b) The Performance Rights do not confer on the holder the right to receive notices of general meetings and financial reports and accounts of the Company that are circulated to shareholders. Holders of Performance Rights do not have the right to attend general meetings of shareholders.
- (c) The Performance Rights do not entitle the holder to any dividends.
- (d) The Performance Rights do not confer any right to participate in the surplus profits or assets of the Company upon winding up of the Company.
- (e) The Performance Rights do not confer any right to a return of capital, whether in a winding up, upon a reduction of capital or otherwise.
- (f) The Performance Rights do not confer the right to participate in new issues of securities such as entitlement issues or bonus issues. If the Company makes a bonus issue of Shares or other securities to existing shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment) the number of Shares which must be issued on the exercise of a Performance Right will be increased by the number of Shares which the holder would have received if the Performance Right had been exercised before the record date for the bonus issue.
- (g) If at any time the issued capital of the Company is reorganised, the rights of the holder may change to comply with Listing Rule 6.16. Further, the Performance Rights are to be treated in the manner set out in Listing Rule 7.21 (assuming that the Listing Rules apply), being that the number of Performance Rights or the conversion ratio or both will be reorganised so that the holder of the Performance Rights will not receive a benefit that holders of ordinary shares do not receive and so that the holders of ordinary shares will not receive a benefit that the holder of the Performance Rights does not receive.
- (h) The Performance Rights give the holder no rights other than those expressly provided by these terms and those provided at law where such rights at law cannot be excluded by these terms.

### 3. Rights

- (a) A class of Performance Rights (**Class**) immediately vests and becomes exercisable by the holder into Shares (**Conversion Shares**) on a one for one basis upon and subject to the Company providing written notice (**Vesting Notice**) to the holder that the Company has satisfied the relevant condition (**Condition**) by the relevant expiry date (**Expiry Date**) set out below (on a post-Consolidation basis).

Class	Condition	Expiry Date
Class A	The Company achieving a VWAP of at least \$0.10 over a period of 20 trading days.	3 years from the date of grant
Class B	<p>Either:</p> <p>(a) the Company achieving a VWAP of at least \$0.15 over a period of 20 trading days; or</p> <p>(b) a strategic investor (being a person or entity) investing not less than AUD\$4.5 million into the Company at a price per share of not less than \$0.08 per share; or</p> <p>(c) the Company entering into a legally binding off-take arrangement with a third party.</p>	3 years from the date of grant

- (b) In order to exercise a Class into Conversion Shares following receipt of a Vesting Notice, the holder must provide written notice (**Exercise Notice**) to the Company of its election to exercise the Class into the Conversion Shares. The holder must pay \$0.001 upon exercise for each Performance Right (**Exercise Price**). A Class may only be exercised into Conversion Shares once.
- (c) Despite any other provision, the exercise of any Performance Rights is subject to the Company obtaining any required shareholder or regulatory approval for the purpose of issuing the Conversion Shares. If exercise of all or part of the Performance Rights would result in any person being in contravention of section 606(1) of the *Corporations Act 2001* (Cth) (**Corporations Act**) then the exercise of each Performance Right that would cause the contravention will be deferred until such time or times that the exercise would not at a later date result in a contravention of section 606(1) of the Corporations Act. The holder must give prior written notice to the Company if it considers that the exercise of all or part of its Performance Rights may result in the contravention of section 606(1) of the Corporations Act, failing which the Company will be entitled to assume that the exercise of the Performance Rights under these terms will not result in any person being in contravention of section 606(1) of the Corporations Act.
- (d) Subject to sub-clause (c) above, the Company must issue Conversion Shares in the name of the holder (or its nominee) within 7 days of receiving a valid Exercise Notice and the Exercise Price.
- (e) Each Conversion Share will rank equally with a fully paid ordinary share in the capital of the Company.
- (f) The Performance Rights will not be quoted on any securities exchange and the Company will not make an application for quotation in respect of them. However, if the Company is listed on the ASX at the relevant time, the Company must apply for quotation of any Conversion Shares on the ASX in accordance with the Listing Rules, subject always to the requirements of the Listing Rules, including those relating to escrow and the cleansing requirements under the Corporations Act.

#### 4. **Expiry**

Performance Rights which have not been validly exercised into Conversion Shares on or before the earlier of the relevant Expiry Date will automatically be deemed to be terminated and cancelled by the Company for nil cash consideration.

#### 5. **Transferability**

The Performance Rights are not transferable.

#### 6. **Compliance with the law**

- (a) Despite anything else contained in these terms, if the Corporations Act, Listing Rules or Constitution prohibits an act being done, that act must not be done.
- (b) Nothing contained in these terms prevents an act being done that the Corporations Act, Listing Rules or Constitution require to be done.
- (c) If the Corporations Act, Listing Rules or Constitution conflict with these terms, or these terms do not comply with the Corporations Act, Listing Rules or the Constitution, the holder authorises the Company to do anything necessary to rectify such conflict or non-compliance, including but not limited to unilaterally amending these terms.
- (d) The terms of the Performance Rights may be amended as necessary by the directors of the Company in order to comply with the Listing Rules, or any directions of ASX regarding the terms.

#### 7. **Control Event**

- (a) A change of control event (**Control Event**) occurs where:
  - (i) an offer is made for Shares pursuant to a takeover bid under Chapter 6 of the Corporations Act and is, or is declared, unconditional and the person making the takeover bid has a relevant interest in 50% or more of the Company's Shares;
  - (ii) the Court sanctions under Part 5.1 of the Corporations Act a compromise or arrangement relating to the Company or a compromise or arrangement proposed for the purposes of or in connection with a scheme for the reconstruction of the Company or its amalgamation with any other company or companies; or
  - (iii) any person acquires a relevant interest in 50.1% or more of the Shares in the Company by any other means.
- (b) All the Performance Rights on issue (all Classes) shall automatically vest (without the need for any Vesting Notice) and become exercisable by the holder into Conversion Shares upon the occurrence of a Control Event. Following which, the holder can exercise the Class into a Conversion Share in accordance with clause 7(b).
- (c) The automatic conversion shall only occur if the relevant Control Event is triggered by a person who does not control the entity at the time the Performance Rights were issued.

## SCHEDULE 3 – Valuation of Performance Rights

The performance rights to be issue to the Directors pursuant to the Resolutions which form part of Resolutions which form part of Resolution 3 to 7 have been valued using Hoadleys Hybrid ESO Model.

<b>Related Party</b>	<b>Jurie Wessels</b>	<b>Nico Van der Hoven</b>	<b>Michael Davy</b>	<b>John Ciganek</b>
Share price at valuation date	\$0.069	\$0.069	\$0.069	\$0.069
Exercise price	Nil	Nil	Nil	Nil
Expiry	3 years for all classes from grant date to expiry date	3 years for all classes from grant date to expiry date	3 years for all classes from grant date to expiry date	3 years for all classes from grant date to expiry date
Expected volatility	104%	104%	104%	104%
Risk Free Interest Rate	0.22% for all classes			
Dividend yield	Nil	Nil	Nil	Nil
Value of Class A Performance Rights	\$0.0513 per instrument	\$0.0513 per instrument	\$0.0513 per instrument	\$0.0513 per instrument
Value of Class B Performance	\$0.0448 per instrument	\$0.0448 per instrument	\$0.0448 per instrument	\$0.0448 per instrument

# 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 **3.00pm (WST) on Monday, 30 August 2021**, 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 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>.

## 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:

**WECHAT:** <https://automicgroup.com.au/>

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

