



ACN 161 615 783

## IMPORTANT INFORMATION IN REGARD TO SHAREHOLDER MEETING VOTING

Notice is hereby given that the Annual General Meeting of Shareholders of PolarX Limited (**Company**) will be held at Suite 1, 245 Churchill Avenue, Subiaco WA 6008 on Friday 10 December 2021 at 9.00am (WST) (**Meeting**).

Based on the information available at the date of the Notice of Meeting, the Board considers that it will be in a position to hold a physical meeting with appropriate measures in place to comply with Federal and State COVID-19 restrictions regarding gatherings. However, the Company strongly encourages Shareholders to submit completed Proxy Forms prior to the Meeting in accordance with the instructions set out in the Proxy Form and the Notice. The Board also advises Shareholders to monitor the Company's website and ASX announcements for any updates in relation to the Meeting that may need to be provided.

In accordance with the *Treasury Laws Amendment (2021 Measures No. 1) Act 2021* (Cth), the Company will not be sending hard copies of the Notice of Meeting to Shareholders. Instead, Shareholders can access a copy of the Notice at the following link:

<https://www.polarx.com.au/notice-of-annual-general-meeting-10122021.pdf>

### 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. 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 9.00am (WST) on Wednesday 8 December 2021.
2. Shareholders may submit questions in advance of the Meeting by email to the Company Secretary at [ianc@polarx.com.au](mailto:ianc@polarx.com.au). Responses will be provided at the Meeting in respect of all valid questions received prior to 5.00pm (WST) on Thursday 9 December 2021. Shareholders who physically attend the Meeting, will also have the opportunity to submit questions during the Meeting.

Shareholders should contact the Company Secretary on +61 8 9226 1356 or by email at [ianc@polarx.com.au](mailto:ianc@polarx.com.au) 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 [www.polarx.com.au](http://www.polarx.com.au).



ACN 161 615 783

## NOTICE OF ANNUAL GENERAL MEETING AND EXPLANATORY STATEMENT

**TIME:** 9.00am (WST)  
**DATE:** 10 December 2021  
**PLACE:** Suite 1, 245 Churchill Avenue  
Subiaco, Western Australia 6008

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

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 8 9226 1356.

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## IMPORTANT INFORMATION

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### **Time and place of Meeting**

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The Annual General Meeting of the Shareholders to which this Notice of Meeting relates will be held at 9.00am (WST) on Friday, 10 December 2021 at:

Suite 1, 245 Churchill Avenue  
Subiaco, Western Australia 6008

### **Your vote is important**

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

### **Voting eligibility**

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The Company may specify a time, not more than 48 hours before the Meeting, at which a “snap-shot” of Shareholders will be taken for the purposes of determining Shareholder entitlements to vote at the Meeting.

The Company’s Directors have determined that all Shares of the Company that are on issue at 4.00pm (WST) on Wednesday, 8 December 2021 shall, for the purposes of determining voting entitlements at the Meeting, be taken to be held by the persons registered as holding the Shares at that time.

### **Voting in person**

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To vote in person, attend the Meeting at the time, date and place set out above. However, the Company strongly encourages all Shareholders to participate in the Meeting by reading the Notice carefully and voting by proxy in accordance with instructions below.

### **Voting by proxy**

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Shareholders are strongly 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 Shareholder’s instructions. Lodgement instructions (which include the ability to lodge proxies online) are set out in the Proxy Form attached to this 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. **Proxy Forms must be received prior to 9.00am (WST) on Wednesday 8 December 2021.**

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## BUSINESS OF THE MEETING

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The business to be considered at the Meeting is set out below.

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### 1. FINANCIAL STATEMENTS AND REPORTS

To receive and consider the annual financial report of the Company for the financial year ended 30 June 2021 together with the declaration of the Directors, the Directors' report, the Remuneration Report and the Auditor's report.

*Note: there is no requirement for Shareholders to approve these reports.*

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### 2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT (NON-BINDING RESOLUTION)

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

*"That, for the purpose of section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Company's annual financial report for the financial year ended 30 June 2021."*

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

**Voting Exclusion:** The Company will disregard any votes cast on Resolution by any member of the Key Management Personnel of the Company whose remuneration is included in the Remuneration Report, or a Closely Related Party of such member. However, the Company will not disregard any votes cast on Resolution by such person if:

- (a) the person is acting as proxy and the Proxy Form specifies how the proxy is to vote on the Resolution, and the vote is not cast on behalf of a person who is otherwise excluded from voting on this Resolution as described above; or
- (b) the person is the Chair voting an undirected proxy and their appointment expressly authorises the Chair to exercise the proxy even though Resolution is connected with the remuneration of the Key Management Personnel of the Company.

If you are a member of the Key Management Personnel of the Company or a Closely Related Party of such person (or are acting on behalf of any such person) and purport to cast a vote (other than as a proxy as permitted in the manner set out above), that vote will be disregarded by the Company (as indicated above) and you may be liable for an offence for breach of voting restrictions that apply to you under the Corporations Act.

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### 3. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – MARK BOJANJAC

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

*"That, for the purposes of ASX Listing Rule 14.4 and clause 11.3(b)(iii) of the Company's Constitution and for all other purposes, Mark Bojanjac, a Director, retires, and being eligible, is re-elected as a Director."*

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### 4. RESOLUTION 3 – APPROVAL OF 10% PLACEMENT CAPACITY

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

*"That, for the purpose of ASX Listing Rule 7.1A and for all other purposes, approval is given for the issue of Equity Securities totalling up to 10% of the issued capital of the Company (at the time of issue) calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2, for the purpose and 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 the Resolution by or on behalf of any person who is expected to participate in, 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) or an Associate of those persons. However, the Company will not disregard a vote if it is cast by:

- (a) a person as proxy or attorney for a person who is entitled to vote on Resolution 3, in accordance with the directions on the Proxy Form given to the proxy or attorney to vote on Resolution 3 in that way; or

- (b) the Chair acting as proxy or attorney for a person who is entitled to vote on Resolution 3, in accordance with a direction given to the Chair to vote on Resolution 3 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 Resolution 3; and
  - (ii) the holder votes on Resolution 3 in accordance with directions given by the beneficiary to the holder to vote in that way.

**Important note:** The persons to whom any Equity Securities under the 10% Placement Capacity may be issued to are not as yet known or identified. In these circumstances (and in accordance with the note set out in ASX Listing Rule 14.11.1 relating to ASX Listing Rules 7.1 and 7.1A), for a person's vote to be excluded, it must be known that that person will participate in the proposed issue. Where it is not known who will participate in the proposed issue (as is the case in respect of any Equity Securities issued under the 10% Placement Capacity), Shareholders must consider the proposal on the basis that they may or may not get a benefit and that it is possible that their holding will be diluted, and there is no reason to exclude their votes.

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#### 5. RESOLUTION 4 – ISSUE OF DIRECTOR OPTIONS TO FRAZER TABEART

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

*“That, for the purposes of ASX Listing Rule 10.14, 10.19, sections 195(4), 208, 200B and 200E of the Corporations Act and for all other purposes, Shareholders approve the issue of up to 5,000,000 Director Options under the Long-Term Incentive Plan to Frazer Tabeart or his nominee, on the terms and conditions set out in the Explanatory Statement accompanying this Notice of Meeting.”*

**Voting Exclusion:** a voting exclusion statement for this Resolution is provided after Resolution 6.

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#### 6. RESOLUTION 5 – ISSUE OF DIRECTOR OPTIONS TO MARK BOJANJAC

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

*“That, for the purposes of ASX Listing Rule 10.14, 10.19, sections 195(4), 208, 200B and 200E of the Corporations Act and for all other purposes, Shareholders approve the issue of up to 5,000,000 Director Options under the Long-Term Incentive Plan to Mark Bojanjac or his nominee, on the terms and conditions set out in the Explanatory Statement accompanying this Notice of Meeting.”*

**Voting Exclusion:** a voting exclusion statement for this Resolution is provided after Resolution 6.

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#### 7. RESOLUTION 6 – ISSUE OF DIRECTOR OPTIONS TO JASON BERTON

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

*“That, for the purposes of ASX Listing Rule 10.14, 10.19 sections 195(4), 208, 200B and 200E of the Corporations Act and for all other purposes, Shareholders approve the issue of up to 5,000,000 Director Options under the Long-Term Incentive Plan to Jason Berton or his nominee, on the terms and conditions set out in the Explanatory Statement accompanying this Notice of Meeting.”*

**Voting Exclusion Statement for Resolutions 4 to 6 – ASX Listing Rules:** The Company will disregard any votes cast in favour of Resolutions 4 to 6 by or on behalf of a person referred to in ASX Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the Long-Term Incentive Plan, or an officer of the Company or any of its child entities who is entitled to participate in a termination benefit, and any Associate of those persons (**Excluded Persons**). However, the Company need not disregard a vote if:

- (a) a person as proxy or attorney for a person who is entitled to vote on Resolutions 4 to 6, in accordance with the directions given to the proxy or attorney to vote on Resolutions 4 to 6 in that way; or

- (b) the Chair acting as proxy or attorney for a person who is entitled to vote on Resolution 4 to 6, in accordance with a direction given to the Chair to vote on Resolutions 4 to 6 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 Resolutions 4 to 6; and
  - (ii) the holder votes on Resolutions 4 to 6 in accordance with directions given by the beneficiary to the holder to vote in that way.

The Excluded Persons for Resolutions 4 to 6 under the ASX voting exclusions are set out in the table below.

Resolution	Excluded Persons
Resolution 4	Dr Frazer Tabeart or his Associates and any person referred to in ASX Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the employee incentive scheme
Resolution 5	Mr Mark Bojanjac or his Associates and any person referred to in ASX Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the employee incentive scheme
Resolution 6	Dr Jason Berton or his Associates and any person referred to in ASX Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the employee incentive scheme

**Corporations Act:** For the purposes of the Corporations Act, a vote on Resolutions 4 to 6 must not be cast by or on behalf of those persons set out in the table below:

Resolution	Excluded Persons
Resolution 4	Dr Frazer Tabeart or his Associates
Resolution 5	Mr Mark Bojanjac or his Associates
Resolution 6	Dr Jason Berton or his Associates

However, this does not prevent the casting of a vote on Resolutions 4 to 6 if it is cast by a person as a proxy in writing that specifies how the proxy is to vote on the proposed resolutions and it is not cast on behalf of a person referred to in sub-paragraphs (a) or (b) directly above. Where the Chair is the related party the subject of the Resolutions or is an associate of the related party, the Chair cannot cast undirected proxies in respect of the Resolution.

A vote must not be cast on Resolutions 4 to 6 by a member of the Key Management Personnel, or a closely related party of a Key Management Personnel, acting as proxy if their appointment does not specify the way the proxy is to vote on this Resolution. However, the Company will not disregard any proxy votes cast on that Resolution by a Key Management Personnel if the Key Management Personnel is the chairman of the Meeting acting as proxy and their appointment expressly authorised the proxy even though the Resolution is connected with the remuneration of the Key Management Personnel for the Company.

**Dated:** 28 October 2021

**By order of the Board**



**IAN CUNNINGHAM**  
COMPANY SECRETARY

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## EXPLANATORY STATEMENT

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This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions.

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### 1. FINANCIAL STATEMENTS AND REPORTS

In accordance with the Constitution, the business of the Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 30 June 2021 together with the declaration of the Directors, the Directors' report, the Remuneration Report and the Auditor's report.

The Company will not provide a hard copy of the Company's annual financial report to Shareholders unless specifically requested to do so. The Company's annual financial report is available on its website at [www.polarx.com.au](http://www.polarx.com.au).

There is no requirement for Shareholders to approve these reports and no vote will be taken on the Annual Financial Statements. However, Shareholders attending the Annual General Meeting will be given a reasonable opportunity to ask questions about, or make comments on, the Annual Financial Statements and the management of the Company.

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### 2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT (NON-BINDING RESOLUTION)

#### 2.1 General

Pursuant to section 250R(2) of the Corporations Act, the Company submits to Shareholders for consideration and adoption, by way of a non-binding resolution, its remuneration report for the year ended 30 June 2021 (the **Remuneration Report**). The Remuneration Report is a distinct section of the annual directors' report (the **Directors' Report**) which deals with the remuneration of Directors, executives and senior managers of the Company. More particularly, the Remuneration Report can be found within the Directors' Report in the Company's 2021 Annual Report. The Annual Report is available on the Company's website at [www.polarx.com.au](http://www.polarx.com.au).

By way of summary, the Remuneration Report:

- (a) explains the Company's remuneration policy and the process for determining the remuneration of its Directors and executive officers;
- (b) addresses the relationship between the Company's remuneration policy and the Company's performance; and
- (c) sets out the remuneration details for each Director and executive officer named in the Remuneration Report for the financial year ended 30 June 2021.

The remuneration levels for Directors, executives and senior managers are competitively set to attract and retain appropriate Directors and key management personnel.

A reasonable opportunity will be provided for discussion of the Remuneration Report at the Annual General Meeting.

#### 2.2 Regulatory Requirements

Under changes to the Corporations Act which came into effect on 1 July 2011, a company is required to put to its shareholders a resolution proposing the calling of another meeting of shareholders to consider the appointment of directors of the company (**Spill Resolution**) if, at consecutive annual general meetings, at least 25% of the votes cast on a remuneration report resolution are voted against adoption of the remuneration report and at the first of those annual general meetings a Spill Resolution was not put to vote. If required, the Spill Resolution must be put to vote at the second of those annual general meetings.

If more than 50% of Shareholders vote in favour of the Spill Resolution, the Company must convene the general meeting (**Spill Meeting**) within 90 days of the second annual general meeting.

All of the directors of the company who were in office when the directors' report (as included in the company's annual financial report for the previous financial year) was approved, other than the managing director of the company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting.

Following the Spill Meeting those persons whose election or re-election as directors of the company is approved will be the directors of the company.

### 2.3 Previous voting results

At the Company's previous annual general meeting the votes cast against the remuneration report considered at that meeting were less than 25%. Accordingly, the Spill Resolution is not relevant for this Meeting.

### 2.4 Proxy voting restrictions

Shareholders appointing a proxy for this Resolution should note the following:

Proxy	Directions given	No directions given
Key Management Personnel <sup>1</sup>	Vote as directed	Unable to vote <sup>3</sup>
Chair <sup>2</sup>	Vote as directed	Able to vote at discretion of Proxy <sup>4</sup>
Other	Vote as directed	Able to vote at discretion of Proxy

Notes:

1. Refers to Key Management Personnel (other than the Chair) whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such a member.
2. Refers to the Chair (where he/she is also a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report), or a Closely Related Party of such a member).
3. Undirected proxies granted to these persons will not be voted and will not be counted in calculating the required majority if a poll is called on this Resolution.
4. The Proxy Form notes it is the Chair's intention to vote all undirected proxies in favour of all Resolutions.

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## 3. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – MARK BOJANJAC

### 3.1 Legal requirements

ASX Listing Rule 14.4 and clause 11.3(a) of the Company's Constitution provide that a director of the Company must not hold office (without re-election) past the third AGM following the director's appointment or last election or for more than 3 years, whichever is the longer. Further, clause 11.3(b) of the Constitution and ASX Listing Rule 14.5 requires that there be an election of Directors at each annual general meeting of the Company. In accordance with clause 11.3(c) of the Constitution, the Managing Director is exempt from retirement and re-election.

Mr Bojanjac has been a director the longest since his last re-election at the Company's annual general meeting held on 16 November 2018. Since then, there have been a further two annual general meetings. Accordingly, Mr Bojanjac, will retire in accordance with clause 11.3(a) of the Company's Constitution and the ASX Listing Rules and being eligible, seeks re-election in accordance with clause 11.3(b)(iii) of the Constitution.

### 3.2 Director information

Mr Bojanjac is a Chartered Accountant with over 25 years' experience in developing resource companies. Mr Bojanjac was a founding director of Gilt-Edged Mining Limited which discovered one of Australia's highest-grade gold mines and was managing director of a public company which successfully developed and financed a 2.4m oz gold resource in Mongolia.

Mr Bojanjac was most recently Chief Executive Officer of Adamus Resources Limited and oversaw its advancement from an early-stage exploration project through its definitive feasibility studies and managed the debt and equity financing of its successful Ghanaian gold mine. Mr Bojanjac is also currently a non-executive director of Kula Gold Limited and Metallica Minerals Limited.

### 3.3 Board recommendation

The Board (other than Mark Bojanjac) recommends Shareholders vote in favour of Resolution 2.

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## 4. RESOLUTION 3 – APPROVAL OF 10% PLACEMENT CAPACITY

### 4.1 General

ASX Listing Rule 7.1A provides that an Eligible Entity may seek Shareholder approval at its annual general meeting to allow it to issue Equity Securities up to 10% of its issued capital (**10% Placement Capacity**). The 10% Placement Capacity is in addition to the Company's 15% annual placement capacity granted under ASX Listing Rule 7.1.

Broadly speaking, and subject to a number of exceptions, ASX Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any

12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that period.

Under ASX Listing Rule 7.1A, however, an eligible entity can seek approval from its members, by way of a special resolution passed at its annual general meeting, to increase this 15% limit by an extra 10% to 25%.

An 'eligible entity' means an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less (**Eligible Entity**). The Company is an Eligible Entity as it is not included in the S&P/ASX 300 Index and has a market capitalisation of approximately \$26.2 million based on the closing Share price on 27 October 2021.

If Shareholders approve Resolution 3, the number of Equity Securities the Eligible Entity may issue under the 10% Placement Capacity will be determined in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 (as set out in Section 4.2). The Company will be able to issue equity securities up to the combined 25% limit in ASX Listing Rules 7.1 and 7.1A without any further shareholder approval.

If Resolution 3 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 ASX Listing Rule 7.1A and will remain subject to the 15% limit on issuing equity securities without shareholder approval set out in ASX Listing Rule 7.1.

Resolution 3 is a special resolution. Accordingly, at least 75% of votes cast by Shareholders present and eligible to vote at the Meeting must be in favour of Resolution 3 for it to be passed.

#### 4.2 ASX Listing Rule 7.1A

ASX Listing Rule 7.1A came into effect on 1 August 2012 and enables an Eligible Entity to seek shareholder approval at its annual general meeting to issue Equity Securities in addition to those under the Eligible Entity's 15% annual placement capacity.

Any Equity Securities issued must be in the same class as an existing class of quoted Equity Securities. The Company currently has one class of Equity Securities on issue, being the Shares (ASX Code: PXX).

The exact number of Equity Securities that the Company may issue under an approval under ASX Listing Rule 7.1A will be calculated according to the following formula:

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

Where:

- A** the number of fully paid ordinary securities on issue at the commencement of the relevant period,
- (i) plus the number of fully paid ordinary securities issued in the relevant period under an exception in ASX Listing Rule 7.2 other than exception 9, 16 or 17;
  - (ii) 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:
    - (A) the convertible securities were issued or agreed to be issued before the commencement of the relevant period; or
    - (B) the issue of, or agreement to issue, the convertible securities was approved, or taken under the ASX Listing Rules to have been approved, under ASX Listing Rule 7.1 or ASX Listing Rule 7.4,
  - (iii) 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:
    - (A) the agreement was entered into before the commencement of the relevant period; or
    - (B) the agreement or issue was approved, or taken under these rules to have been approved, under ASX Listing Rule 7.1 or ASX Listing Rule 7.4
  - (iv) plus the number of any other fully paid ordinary securities issued in the relevant period within approval under ASX Listing Rule 7.1 or ASX Listing Rule 7.4

- (v) plus the number of partly paid ordinary securities that became fully paid in the relevant period; and
- (vi) less the number of fully paid ordinary securities cancelled in the relevant period.

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

- D** is 10%.
- E** is the number of Equity Securities issued or agreed to be issued under ASX Listing Rule 7.1A.2 in the relevant period where the issue or agreement has not been subsequently approved by holders of its ordinary securities under ASX Listing Rule 7.4.

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

Pursuant to and in accordance with ASX Listing Rule 7.3A, the information below is provided in relation to this Resolution 3:

##### **(b) Date of Issue**

The Equity Securities may be issued under the 10% Placement Capacity commencing on the date of the Meeting and expiring on the first to occur of the following:

- (i) 12 months after the date of this Meeting;
- (ii) the time and date of the Company's next annual general meeting; and
- (iii) the date of approval by Shareholders of any transaction under ASX Listing Rules 11.1.2 (a significant change to the nature or scale of the Company's activities) or 11.2 (disposal of the Company's main undertaking),

##### **(10% Placement Capacity Period).**

The Company will only issue Equity Securities under the 10% Placement Facility during the 10% Placement Period and that the approval will cease to be valid in the event that holders of the eligible entity's ordinary securities approve a transaction under ASX Listing Rules 11.1.2 or 11.2.

##### **(c) Minimum Price**

The minimum price at which the Equity Securities may be issued is 75% of the volume weighted average price of Equity Securities in that class, calculated over the 15 ASX 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 ASX trading days of the date in Section 4.3(b)(i), the date on which the Equity Securities are issued.

##### **(d) Purpose of Issue under 10% Placement Capacity**

The Company will only issue Equity Securities under the 10% Placement Capacity for cash consideration for the following purposes:

- (i) exploration and development activities at its Alaska Range Project in Alaska, USA;
- (ii) general working capital; and
- (iii) the acquisition of new resource assets and investments.

The Company will comply with the disclosure obligations under ASX Listing Rules 7.1A.4 and 3.10.3 upon issue of any Equity Securities.

##### **(e) Risk of voting dilution**

Any issue of Equity Securities under the 10% Placement Capacity will dilute the interests of Shareholders who do not receive any Shares under the issue.

If Resolution 3 is approved by Shareholders and the Company issues the maximum number of Equity Securities available under the 10% Placement Capacity, the economic and voting dilution of existing Shares would be as shown in the table below.

The table below shows the dilution of existing Shareholders calculated in accordance with the formula outlined in ASX Listing Rule 7.1A.2, on the basis of the current market price of Shares and the current number of Equity Securities on issue as at the date of this Notice.

The table also shows the voting dilution impact where the number of Shares on issue (Variable A in the formula) changes and the economic dilution where there are changes in the issue price of Shares issued under the 10% Placement Capacity.

Number of Shares on Issue (Variable 'A' in ASX Listing Rule 7.1A.2)	Dilution			
	Issue Price (per Share)	\$0.0195 50% decrease in Issue Price	\$0.039 Issue Price	\$0.078 100% increase in Issue Price
672,216,731 (Current Variable A)	Shares issued - 10% voting dilution	67,221,673 Shares	67,221,673 Shares	67,221,673 Shares
	Funds raised	\$1,310,823	\$2,621,645	\$5,243,291
1,008,325,097 (50% increase in Variable A)	Shares issued - 10% voting dilution	100,832,510 Shares	100,832,510 Shares	100,832,510 Shares
	Funds raised	\$1,966,234	\$3,932,468	\$7,864,936
1,344,433,462 (100% increase in Variable A)	Shares issued - 10% voting dilution	134,443,346 Shares	134,443,346 Shares	134,443,346 Shares
	Funds raised	\$2,621,645	\$5,243,291	\$10,486,581

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

**The table above uses the following assumptions:**

- (i) There are currently 672,216,731 Shares on issue as at the date of this Notice of Meeting.
- (ii) The issue price of \$0.039 per Share set out above is the closing price of the Shares on the ASX on 27 October 2021.
- (iii) The Company issues the maximum possible number of Equity Securities under the 10% Placement Capacity.
- (iv) No Options are exercised into Shares before the date of issue of the Equity Securities.
- (v) The Company has not issued any Equity Securities in the 12 months prior to the date of issue that were not issued under an exception in ASX Listing Rule 7.2 or with approval under ASX Listing Rule 7.1.
- (vi) The issue of Equity Securities under the 10% Placement Capacity consists only of Shares.
- (vii) This table does not set out any dilution pursuant to approvals under ASX Listing Rule 7.1.
- (viii) 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%.
- (ix) 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 Capacity, based on that Shareholder's holding at the date of the Meeting. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.

Shareholders should note that there is a risk that:

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

(f) **Allocation under the 10% Placement Capacity**

The recipients of the Equity Securities to be issued under the 10% Placement Capacity have not yet been determined. However, the recipients of Equity Securities could consist of current Shareholders or new investors (or both), none of whom will be related parties of the Company.

The Company will determine the recipients at the time of the issue under the 10% Placement Capacity, on a case-by-case basis having regard to the factors including but not limited to the following:

- (i) the purpose of the issue;
- (ii) alternative methods for raising funds available to the Company at that time, including, but not limited to, a rights issue, a placement and a pro rata offer, a placement and an offer under securities purchase plan or other issues in which existing security holders can participate;
- (iii) the effect of the issue of the Equity Securities on the control of the Company;
- (iv) the circumstances of the Company, including, but not limited to, the financial position and solvency of the Company;
- (v) prevailing market conditions; and
- (vi) advice from corporate, financial and broking advisers (if applicable).

(f) **Previous Approval under ASX Listing Rule 7.1A**

The Company previously obtained Shareholder approval under ASX Listing Rule 7.1A at its last annual general meeting held on 20 November 2020.

The Company has issued a total of 53,994,178 Equity Securities during the 12 months preceding the date of this Meeting under ASX Listing Rule 7.1A.2, representing approximately 9.4% of the total diluted number of Equity Securities on issue in the Company as at the date of the last annual general meeting.

Information relating to issues of Equity Securities under ASX Listing Rule 7.1A.2 by the Company in the 12 months prior to the date of this Meeting is set out in Schedule 1.

(g) **Compliance with ASX Listing Rules 7.1A.4 and 3.10.3**

When the Company issues Equity Securities pursuant to the 10% Placement Capacity, it will give to ASX:

- (i) a list of the recipients of the Equity Securities and the number of Equity Securities issued to each (not for release to the market), in accordance with ASX Listing Rule 7.1A.4; and;
- (ii) the information required by ASX Listing Rule 3.10.3 for release to the market.

#### 4.4 **Voting Exclusion**

A voting exclusion statement is included in this Notice. At the date of the Notice of Meeting, the Company has not approached any particular existing security holder or an identifiable class of existing security holders to participate in the issue of the Equity Securities. Accordingly, the proposed persons to whom any Equity Securities may be issued to under the 10% Placement Facility are not as yet known or identified.

In these circumstances (and in accordance with guidance in ASX Guidance Note 21 relating to ASX Listing Rule 7.1A), ASX considers a material benefit to be one that is likely to induce the recipient of the benefit to vote in favour of the transaction regardless on its impact on ordinary security holders. Where it is not known who will participate in the proposed issue (as is the case in respect of any Equity Securities issued under the 10% Placement Facility), Shareholders must consider the proposal on the basis that they may or may not get a benefit and that it is possible that their holding will be diluted, and there is no reason to exclude their votes.

No existing Shareholders' votes will therefore be excluded from voting on Resolution 3.

#### 4.5 **Board Recommendation**

The Board believes that the 10% Placement Facility is beneficial for the Company as it will give the Company the flexibility to issue further securities representing up to 10% of the Company's

share capital during the next 12 months. Accordingly, the Board unanimously recommend that Shareholders approve Resolution 3.

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## 5. RESOLUTIONS 4 TO 6 – ISSUE OF DIRECTOR OPTIONS

### 5.1 Background

Shareholders are being asked to approve Resolutions 4 to 6 to allow Options that may vest under the Long-Term Incentive Plan (**Plan**) to be issued to the Executive Directors (**Director Options**), as set out below. Resolution 5 is conditional on the passing of Resolution 2, so that Resolution 5 will not have any effect unless Resolution 2 is passed.

The Board considers that the Directors are important to the operation of the Company's ongoing business. The Board also considers that its current strategy in relation to the Alaska Range and Humboldt Range projects offer a significant value creation opportunity for its shareholders, whilst also requiring Directors and management to manage the challenges that come with the development of the projects. The Board considers that the Executive Directors are essential to the achievement of this strategy and operation of the Company's ongoing business. Accordingly, the independent member of the Board has determined that the proposed grant of Director Options under the Plan is an appropriate form of long-term incentive for the Company's Executive Directors.

Accordingly, the Company is proposing, subject to obtaining Shareholder approval, to issue the following Director Options to the Director(s) under the Plan:

Resolution	Director	Number of Options
Resolution 4	Frazer Tabearth	5,000,000
Resolution 5	Mark Bojanjac	5,000,000
Resolution 6	Jason Berton	5,000,000

The key terms and conditions of the Director Options are summarised in Schedule 2.

### 5.2 Regulatory Requirements

Resolutions 4 to 6 seek Shareholder approval in order to comply with the requirements of ASX Listing Rule 10.14 and sections 195(4), 208, 200B and 200E of the Corporations Act.

### 5.3 Listing Rules

As noted in section 5.1, the Company is proposing to issue securities to Directors under the Plan (**Issues**).

ASX Listing Rule 10.14 provides that a company must not issue, under an employee incentive scheme, Equity Securities to:

- (i) a director of the Company;
- (ii) an associate of a director of the Company;
- (iii) a person whose relationship with the Company or a person referred to in ASX Listing Rule 10.14.1 or 10.14.2 is such that, in ASX's opinion, the acquisition should be approved by the Shareholders,

unless the issue has been approved by holders of ordinary securities.

The Issues fall within ASX Listing Rule 10.14.1 above and therefore requires the approval of Shareholders under ASX Listing Rule 10.14.

Resolutions 4 to 6 seek the required Shareholder approval to the Issues under and for the purposes of ASX Listing Rule 10.14.

If approval is given by Shareholders under ASX Listing Rule 10.14, the Company will be able to proceed with the Issues.

If approval is not given by Shareholders under ASX Listing Rule 10.14, the Issues will not be able to proceed.

Accordingly, under Resolutions 4 to 6, the Company seeks approval from Shareholders for the issue of Director Options to the Directors, who by virtue of their position as Directors of the Company are related parties of the Company.

### **ASX Listing Rule 10.15**

In compliance with the information requirements of ASX Listing Rule 10.15, Shareholders are advised of the following information:

(a) **Nature of relationship between person to receive securities and the Company**

The Director Options are proposed to be issued to Frazer Tabearth, Mark Bojanjac (subject to the passing of Resolution 2) and Jason Berton; all of whom are Directors of the Company and are, as such, related parties of the Company in accordance with ASX Listing Rule 10.14.1.

(b) **Maximum number of securities that may be acquired pursuant to Resolution**

The maximum number of Director Options to be issued to each Director is outlined in section 5.1 above.

(c) **Issue price**

The Director Options will be issued for nil consideration and accordingly no funds will be raised.

(d) **Previous issues under the Plan**

No persons covered by ASX Listing Rule 10.14 have received securities under the Plan since the date of last approval on 20 November 2020.

(e) **Director's current total remuneration package**

Details of the remuneration of each Director (who was a Director during that period), including their related entities, for the year ended 30 June 2021, is set out below.

Name	Salary & fees \$	Share Options <sup>(iv)</sup> \$	Total Remuneration \$
Frazer Tabearth <sup>(i)</sup>	202,000	7,990	209,990
Mark Bojanjac <sup>(ii)</sup>	230,000	7,990	237,990
Jason Berton <sup>(iii)</sup>	182,500	7,990	190,490

(i) Dr. Tabearth's fixed remuneration, in the form of consulting fees, is set at \$230,000 per annum for the 2022 financial year.

(ii) Mr. Bojanjac's fixed remuneration, in the form of consulting fees, is set at \$270,000 per annum for the 2022 financial year.

(iii) Dr. Berton's fixed remuneration, in the form of consulting fees, is set at \$210,000 per annum for the 2022 financial year.

(iv) Value of options granted in December 2018 was determined using the Black & Scholes Option Pricing Model. These options expire on 20 December 2021

(f) **Material terms and valuation of the Director Options**

A summary of the material terms of the Director Options is provided for in Schedule 2 to this Notice.

The Company has engaged Independent Valuation specialist, Stantons International Securities Pty Ltd, to calculate the fair values. Full details in respect of this valuation, including the valuation methodology is set out in Schedule 4.

(g) **Summary of material terms of the Plan**

A summary of the material terms of the Plan is provided for in Schedule 3 to this Notice.

(h) **Eligible participants under the Plan**

Under the Plan, Director Options may be issued to the Directors, being Frazer Tabcart, Mark Bojanjac and Jason Berton (and/or their respective nominees). These recipients are the only people referred to in ASX Listing Rule 10.14 currently eligible to participate in the Plan. Any additional persons covered by ASX Listing Rule 10.14 who become entitled to participate in the Plan after these Resolutions are approved and who are not named in Notice of General Meeting will not participate until approval is obtained under ASX Listing Rule 10.14.

(i) **Issue date**

The latest date that the Company will issue Director Options under Resolutions 4 to 6 will be no later than 3 years after the date of the Meeting.

(j) **Loan**

No loans have or will be made by the Company in connection with the proposed issue of Director Options.

(k) **Voting exclusion statement**

A voting exclusion statement for each of Resolutions 4 to 6 is included in the Notice of Meeting preceding this Explanatory Statement.

The independent Director, Mr Robert Boaz, (**Independent Director**) considers that the issue of Director Options to its Executive Directors is a cost effective and efficient means for the Company to provide rewards and incentives to those Executive Directors as opposed to alternative forms of incentives such as cash bonuses or increased remuneration.

Details of any securities issued under the scheme will be published in the annual report of the entity relating to the period in which they were issued, along with a statement that approval for the issue was obtained under ASX Listing Rule 10.14.

Any additional persons covered by ASX Listing Rule 10.14 who became entitled to participate in an issue of securities under the scheme after the resolution is approved and who were not named in the notice of meeting will not participate until approval is obtained under that rule.

#### 5.4 **Section 208 Corporations Act**

Chapter 2E of the Corporations Act regulates the provision of "financial benefits" to "related parties" by a public company. Chapter 2E prohibits a public company from giving a financial benefit to a related party of the public company unless either:

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

A "related party" is widely defined under the Corporations Act, and includes the directors of the company. As such, the Directors of the Company are related parties of the Company for the purposes of Section 208 of the Corporations Act.

A "financial benefit" is construed widely and in determining whether a financial benefit is being given, Section 229 of the Corporations Act requires that any consideration that is given is disregarded, even if the consideration is adequate. It is necessary to look at the economic and commercial substance and the effect of the transaction in determining the financial benefit. Section 229 of the Corporations Act includes as an example of a financial benefit, the issuing of securities or the granting of an option to a related party.

In compliance with the information requirements of Section 219 of the Corporations Act, Shareholders are advised of the information below. Neither the Directors nor the Company are aware of any other information that would be reasonably required by Shareholders to make a decision in relation to the financial benefits contemplated by Resolutions 4 to 6.

(a) **Identity of the related parties to whom Resolutions 4 to 6 permits financial benefits to be given.**

The Director Options are proposed to be issued to each of the Directors, each of whom are a related party of the Company.

(b) **Nature of the financial benefit**

Resolutions 4 to 6 seek approval from Shareholders to allow the Company to issue an aggregate of 15,000,000 Director Options to the Directors for nil consideration.

Schedule 2 of this Notice of Meeting sets out the key terms and conditions of the Director Options including, the vesting conditions and expiry date of the Director Options.

The Shares to be issued upon exercise of the Director Options will be fully paid ordinary shares in the capital of the Company on the same terms and conditions as the Company's existing Shares and will rank equally in all respects with the Company's existing Shares. The Company will apply for official quotation of the Shares on ASX.

The Independent Director considers that the issue of Director Options to its Executive Directors is a cost effective and efficient means for the Company to provide rewards and incentives to those Executive Directors as opposed to alternative forms of incentives such as cash bonuses or increased remuneration. The Independent Director considers that, to enable the Company to secure and retain employees and directors who can assist the Company in achieving its objectives, it is necessary to provide remuneration and incentives to such personnel. The issue of the Director Options is designed to achieve this objective, by encouraging continued improvement in performance over time and by encouraging personnel to acquire and retain significant Shareholdings in the Company.

The Independent Director reviewed the practices of other companies of a similar size and stage of development to determine the number of Director Options required to be issued and terms thereof to attract and retain senior directors. The Independent Director considered that information, along with other factors, in determining that the number and terms of the Director Options proposed to be issued under Resolutions 4, 5 and 6 to be appropriate.

(c) **Valuation of financial benefit**

The Company is proposing to issue a total of 15,000,000 Director Options under Resolutions 4 to 6. The indicative fair value of the Director Options as at the date of grant is \$294,000 (based on \$0.0196 per Director Option).

The Company has engaged Independent Valuation specialist, Stantons International Securities Pty Ltd, to calculate the fair values. Full details in respect of this valuation, including the valuation methodology is set out in Schedule 4.

(d) **Dilution**

If the Director Options vest and are exercised, the effect will be to dilute the holdings of Shares of other Shareholders. The issue of the Director Options will in aggregate be equal to approximately 2.18% of the Company's diluted share capital assuming implementation of all the Resolutions and exercise of all the Director Options granted pursuant to the Resolutions (based on the number of Shares on issue as at the date of this Notice of Meeting), resulting in a total of 687,216,731 Shares on issue.

(e) **Interests of the Directors in the Company**

The direct and indirect interests of the Directors in securities of the Company as at the date of this Notice of Meeting are:

Name	Shares	Options*
Frazer Tabcart	5,755,657	5,000,000

Name	Shares	Options*
Mark Bojanjac	1,000,000	5,000,000
Jason Berton	14,664,938	5,000,000

\*Each exercisable at \$0.125 on or before 20 December 2021

(f) **Remuneration of Directors**

Details of the remuneration of each Director (who was a Director during that period), including their related entities, for the year ended 30 June 2020, is set out below.

Name	Salary & fees \$	Share Options <sup>(iv)</sup> \$	Total Remuneration \$
Frazer Tabearth <sup>(i)</sup>	202,000	7,990	209,990
Mark Bojanjac <sup>(ii)</sup>	230,000	7,990	237,990
Jason Berton <sup>(iii)</sup>	182,500	7,990	190,490

- (i) Dr. Tabearth's fixed remuneration, in the form of consulting fees, is set at \$230,000 per annum for the 2022 financial year.
- (ii) Mr. Bojanjac's fixed remuneration, in the form of consulting fees, is set at \$270,000 per annum for the 2022 financial year.
- (iii) Dr. Berton's fixed remuneration, in the form of consulting fees, is set at \$210,000 per annum for the 2022 financial year.
- (iv) Value of options granted in December 2018 was determined using the Black & Scholes Option Pricing Model. These options expire on 20 December 2021.

(g) **Trading history**

The highest and lowest closing market sale prices of the Shares on ASX during the 12 months prior to the date of this Notice were:

Highest: \$0.06 per Share on 2 February 2021

Lowest: \$0.027 per Share on 25 November 2020 and 18 and 31 December 2020

The latest available closing market sale price of the Shares on ASX prior to the date of this Notice was \$0.039 per Share on 27 October 2021.

(h) **Taxation consequences**

There are no taxation consequences for the Company arising from the issue of the Director Options (including fringe benefits tax).

**5.5 Sections 200B and 200E Corporations Act**

The Corporations Act restricts the benefits that can be given to persons who hold a "managerial or executive office" (as defined in the Corporations Act) on leaving their employment with the Company or any of its related bodies corporate.

Under Sections 200B and 200E of the Corporations Act, a company may only give a person a benefit in connection with them ceasing to hold a managerial or executive office if the benefit is approved by shareholders or an exemption applies.

Amendments to the Corporations Act in 2009 significantly expanded the scope of these provisions and lowered the threshold for termination benefits that do not require shareholder approval. The term "benefit" has a wide meaning and may include benefits resulting from the Board exercising certain discretions under the rules of the Plan, including the discretion to determine the accelerated vesting or automatic vesting of Director Options in certain circumstances.

Under the Long-Term Incentive Plan, a participant may become entitled to accelerated vesting or automatic vesting of Director Options if there is a change of control of the Company or if the Board exercises its discretion upon cessation of employment. Accordingly,

Shareholder approval is sought for the Executive Directors to be given any such benefit in connection with his retirement from office or employment with the Company if that occurs within 3 years of the date of this Meeting.

If Shareholder approval is given under Resolutions 4, 5 and 6, the Company will still be required to comply with ASX Listing Rules 10.18 and 10.19, which place restrictions on the circumstances in which termination benefits can be paid and a cap on the value of termination benefits that can be paid to officers of the Company.

The value of the benefit will depend on the number of Director Options that may vest pursuant to the Long-Term Incentive Plan and the market value of the Shares at the time the accelerated vesting or automatic vesting event occurs.

#### **5.6 Section 195(4) Corporations Act**

Three of the Company's four directors have a material personal interest in the outcome of Resolutions 4 to 6 (as applicable to each Director) in this Notice of Meeting by virtue of the fact that Resolutions 4 to 6 are concerned with the issue of Director Options.

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

In the absence of Shareholder approval under section 195(4) of the Corporations Act, the Directors may not be able to form a quorum at Board meetings necessary to carry out the terms of these Resolutions.

The Directors have accordingly exercised their right under section 195(4) of the Corporations Act to put the issue to Shareholders to determine.

#### **5.7 ASX Listing Rule 10.19**

ASX Listing Rule 10.19 provides that without the approval of shareholders, an entity must ensure that no officer of the entity or any of its child entities will be, or may be, entitled to termination benefits if the value of those benefits and the termination benefits that may become payable to all officers together exceed 5% of the equity interests of the entity as set out in the latest accounts given to ASX under the Listing Rules.

The Company is also seeking Shareholder approval for the purposes of ASX Listing Rule 10.19. As noted in section 5.3 of this Notice, it is the Board's intention to exercise its discretion so that the Director Options to be issued to Frazer Tabearth, Mark Bojanjac and Jason Berton (or their nominees) for past performance shall not be forfeited by virtue of their resignation.

The value of the termination benefit payable to Frazer Tabearth, Mark Bojanjac and Jason Berton (or their nominees) under Resolutions 4 to 6 depends on the factors set out above in section 5.3 of this Notice. It is possible that the provision of the benefit associated with the vesting and exercise of Director Options in the future may exceed 5% of the equity interests of the Company at the relevant time, although it is unlikely.

#### **5.8 Board Recommendation**

The Directors do not consider that, from an economic and commercial point of view, there are any costs or detriments, including opportunity costs or taxation consequences for the Company or benefits foregone by the Company in granting the Director Options to the Directors pursuant to Resolutions 4 to 6.

Dr Tabearth 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 is to be issued Director Options should Resolution 4 be passed. However, in respect of Resolutions 5 and 6, Dr Tabearth recommends that Shareholders vote in favour of those Resolutions on the basis that the grant of the Director Options will allow the Company to adequately reward and incentivise the other Directors whilst preserving the Company's cash reserves.

Mr Bojanjac 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 is to be granted Director Options should Resolution 5 be passed. However, in respect of Resolutions 4 and 6, Mr Bojanjac recommends that Shareholders vote in favour of those Resolutions on the

basis that the grant of the Director Options will allow the Company to adequately reward and incentivise the other Directors whilst preserving the Company's cash reserves.

Dr Berton declines to make a recommendation to Shareholders in relation to Resolution 6 due to his material personal interest in the outcome of the Resolution on the basis that he is to be granted Director Options should Resolution 6 be passed. However, in respect of Resolutions 4 and 5, Dr Berton recommends that Shareholders vote in favour of those Resolutions on the basis that the grant of the Director Options will allow the Company to adequately reward and incentivise the other Directors whilst preserving the Company's cash reserves.

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**6. ENQUIRIES**

Shareholders may contact the Company Secretary on (+61) 8 9226 1356 if they have any queries in respect of the matters set out in these documents.

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## GLOSSARY

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

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

**Associate** has the meaning given to that term in the ASX Listing Rules.

**ASX** means ASX Limited (ACN 008 624 691) or the financial market operated by ASX Limited, as the context requires.

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

**Auditor** means the auditor of the Company.

**Board** means board of Directors.

**Chair** means the chair of the Meeting.

**Closely Related Party** of a member of the Key Management Personnel means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent of the member or the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the *Corporations Regulations 2001 (Cth)* for the purposes of the definition of 'closely related party' in the Corporations Act.

**Company** means PolarX Limited (ACN 161 615 783).

**Constitution** means constitution of the Company.

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

**Director** means director of the Company.

**Director Option** means the Options to be issued to Directors the subject of Resolutions 4, 5 and 6.

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

**Explanatory Statement** means the explanatory statement that accompanies this 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.

**Long-Term Incentive Plan** or **Plan** means the Long-Term Incentive Plan adopted by the Directors on 13 October 2020, a summary of which is set out in Schedule 3.

**Notice of Meeting** or **Notice** means this notice of Annual General Meeting.

**Option** means an option to subscribe for a Share.

**Proxy Form** means the proxy form enclosed with this Notice of Meeting.

**Remuneration Report** means the remuneration report set out in the Director's report section of the Company's annual financial report for the year ended 30 June 2021.

**Resolutions** means the resolutions set out in the Notice, 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 registered holder of a Share.

**Variable A** means "A" as set out in the calculation in Section 4.2.

**WST** means Western Standard Time as observed in Perth, Western Australia.

**10% Placement Capacity** has the meaning given in Section 4.

**WST** means Western Standard Time as observed in Perth, Western Australia.

**SCHEDULE 1 – ISSUE OF EQUITY SECURITIES UNDER ASX LISTING RULE 7.1A.2 SINCE 20 NOVEMBER 2020**

Date of Issue	Number	Class	Recipients	Issue Price (and discount to market price <sup>1</sup> ) if applicable	Form of Consideration
17 February 2021	53,994,178	Shares	Sophisticated, professional or other exempt investors. The recipients comprised existing institutional shareholders and other placees who were identified through a bookbuild process undertaken by the brokers to the placement. None of the placees were related parties of the Company or material investors.	\$0.04 (no discount)	Cash Amount raised = \$2.16m Amount spent = \$2.16m Use of funds – (i) exploration, development and related activities for the Alaska Range Project and Humboldt Range Project; and (iii) general working capital

**Notes:**

1. Market Price means the closing price on ASX (excluding special crossings, overnight sales and exchange traded option exercises). For the purposes of this table the discount (if any) is calculated on the Market Price on the date of issue of the relevant Equity Securities and not the date of announcement of the proposed issue.

## **SCHEDULE 2 – TERMS AND CONDITIONS OF DIRECTOR OPTIONS**

The Director Options will be issued pursuant to Plan, with the following key terms and conditions:

**1. Entitlement**

Each Director Option will entitle its holder to subscribe for and be issued, one Share (upon exercise of that Director Option).

**2. Exercise price**

Subject to the terms of the Plan, the amount payable upon exercise of each Director Option will be set at \$0.058.

**3. Expiry date**

Each Director Option expires at 5.00 pm (WST) on 27 October 2025.

**4. Exercise period**

The Director Options are exercisable at any time on or before the Expiry Date.

**5. Vesting conditions**

The Director Options are subject to the following vesting conditions:

<b>Tranche</b>	<b>% of Director Options</b>	<b>Vesting Period</b>	<b>Performance Hurdle*</b>
1.	33%	1 year	Provision of continual services to the Company and remains a director
2.	33%	2 years	Provision of continual services to the Company and remains a director
3.	33%	3 years	Provision of continual services to the Company and remains a director

**6. Participation in new issues**

There are no participating rights or entitlements inherent in the Director Options and participants will not be entitled to participate in new issues of securities offered to Shareholders of the Company during the currency of the Director Options.

**7. Transferability**

The Director Options are not transferable, without Board approval.

**8. Quotation**

Director Options will not be listed for quotation on the ASX, however, the Company will apply for official quotation of the Shares issued upon the exercise of any vested Director Options.

**9. Reorganisation of Capital**

If there is a reorganisation of the issued capital of the Company prior to expiry of any Director Options, the terms of the Director Options will be changed to comply with the requirements of the Listing. Rules.

## **SCHEDULE 3 – SUMMARY OF TERMS OF LONG-TERM INCENTIVE PLAN**

### **1. Participation**

The Board may from time to time in its sole and absolute discretion determine that a person who is an eligible employee under the Plan (**Eligible Employee**) may participate in the Plan.

### **2. Offers to participate**

Following a determination that an Eligible Employee may participate in the Plan, the Board may at any time and from time to time make an invitation to an Eligible Employee to apply for the grant of Director Options or Options (**Awards**) under the rules in respect of the operation of the Plan (**Rules**) to the Eligible Employee (**Offer**).

The terms and conditions of Awards offered or granted under the Rules to each Eligible Employee will be determined by the Board in its sole and absolute discretion and set out in an offer letter delivered to the Eligible Employee (**Offer Letter**). The Offer Letter will include as a minimum:

- (i) the date of the Offer;
- (ii) the name of the Eligible Employee to whom the Offer is made;
- (iii) the number and type of Award which are capable of becoming exercisable if the conditions (if any) are met;
- (iv) the grant date;
- (v) in the case of an Option, the exercise price and the exercise period;
- (vi) the expiry date (if any);
- (vii) any applicable conditions associated with the Award;
- (viii) any disposal or other restrictions attaching to the Award or the fully paid ordinary share (**Share**) issued upon exercise of the Award;
- (ix) any rights attaching to the Awards; and
- (x) agreement with the Eligible Employee for the Company to supply details to third parties where required by law.

### **3. Rules of the Plan**

The following is a summary of the key terms of the Plan:

- (i) **Nature of Awards:** Each Option or Performance Right entitles the participant holding the Award to subscribe for, or be transferred, one Share. Any Share acquired pursuant to the exercise of a Performance Right and/or Option will rank equally with all existing Shares from the date of acquisition.
- (ii) **No consideration:** An Eligible Employee will not pay anything for the grant of Awards.
- (iii) **Conditions:** Awards may be subject to exercise conditions, performance hurdles or vesting conditions (**Conditions**). These Conditions must be specified in the Offer Letter to Eligible Employees. In the event that a takeover bid for the Company is declared unconditional, there is a change of control in the Company, or if a merger by way of a scheme of arrangement has been approved by a court, then the Board may determine that:
  - (a) all or a percentage of unvested Options will vest and become exercisable;
  - (b) all or a percentage of Director Options will be automatically exercised; and
  - (c) any Shares issued or transferred to a participant under the Plan that have restrictions (on their disposal, the granting of any security interests in or over, or otherwise on dealing with), will be free from any restrictions on disposal.
- (iv) **Vesting of Awards:** Awards will vest if and when any Conditions have been satisfied, waived by the Board, or are deemed to have been satisfied under the Plan rules, and the Company has issued a notice (**Vesting Notification**) to the participant informing them that some or all of their Awards have vested.
- (v) **Exercise of Awards:** The period during which a vested Performance Right and/or Option may be exercised will commence when a Vesting Notification has been issued by the Company and ends on the Expiry Date (as defined below). Vested Awards must be exercised by delivering to the Company a signed notice together all other required documents and in the case of vested Options, a cheque or cash or such other form of payment determined by the Board for the amount of the Exercise Price (if any).

- (vi) **Cashless exercise:** Participants may, at their election, elect to pay the exercise price for an Option by setting off the exercise price against the number of Shares which they are entitled to receive upon exercise (**Cashless Exercise Facility**). By using the Cashless Exercise Facility, the participant will receive Shares to the value of the surplus after the exercise price has been set off.

If a participant elects to use the Cashless Exercise Facility, the participant will only be issued that number of Shares (rounded down to the nearest whole number) as are equal to the value to the difference between the exercise price otherwise payable for the Options and the then market value of the Shares at the time of exercise (determined as the volume weighted average price of Shares on the ASX over the five trading days prior to providing a notice of exercise).

- (vii) **Lapse:** Unvested Awards will generally lapse on the earlier of:
- (a) the cessation of employment, engagement or office of a relevant person;
  - (b) the day the Board makes a determination that all unvested Awards and vested Options of the relevant person will lapse because, in the opinion of the Board a relevant person has acted fraudulently or dishonestly, or is in material breach of his or her duties or obligations to the Company;
  - (c) if any applicable Conditions are not achieved by the relevant time;
  - (d) if the Board determines that any applicable Conditions have not been met and cannot be met prior to the date that is 5 years from the grant date or any other date determined by the Board and as specified in the Offer (Expiry Date); or
  - (e) the Expiry Date.

Where a relevant person who holds Awards ceases employment with the Company and becomes a "Bad Leaver", unvested Awards will lapse in accordance with paragraph (i) above and vested Options that have not been exercised will lapse on the date of cessation of employment, engagement or office. A Bad Leaver is a person who ceases employment or engagement with the Company in the following circumstances:

- (a) as a result of termination of their employment or engagement due to serious and wilful misconduct, a material breach of their contract of employment, engagement or office, gross negligence or other conduct justifying termination without notice under their contract of employment, engagement or office or at common law;
  - (b) the relevant person ceases their employment, engagement or office for any reason and commences employment, engagement or office, or otherwise acts, in breach of any post-termination restrictions contained in his or her contract of employment, engagement or office; or
  - (c) the relevant person is disqualified from managing corporations for the purposes of Part 2D.6 Corporations Act.
- (viii) **Good Leaver:** If a relevant person, who is classified as a "Good Leaver", ceases employment, engagement or office with the Company, unless the Board determines otherwise, the person's Awards will lapse in accordance with the terms of the Plan and vested Options that have not been exercised will continue in force and remain exercisable, subject to the satisfaction of any exercise conditions, until the Expiry Date. A Good Leaver is a person who is not a Bad Leaver, and includes where the relevant person's employment, engagement or office ceases due to death, permanent incapacity, redundancy, resignation, retirement or any other reason the Board determines in its discretion.
- (ix) **No assignment:** Awards granted under the Plan may not be assigned, transferred, novated, encumbered with a security interest (such as a mortgage, charge, pledge, lien, encumbrance or other third party interest of any nature) over them, or otherwise disposed of by a participant, other than to a nominated party (such as a spouse, child, trustee of a trust or company) in accordance with the Plan, unless:
- (a) the prior consent of the Board is obtained; or
  - (b) such assignment or transfer occurs by force of law upon the death of a participant to the participant's legal personal representative.
- (x) **Change of control:** In the event of a Change of Control Event, the Board may, at its discretion, determine that:
- (a) all or a percentage of unvested Awards will vest and become exercisable; and
  - (b) any Plan Shares will be free from restrictions on disposal,

with such vesting or freedom from restriction on disposal deemed to have taken place immediately prior to the effective date of the Change of Control, regardless of whether the Relevant Person is terminated or their employment or engagement ceases in connection with the Change of Control Event. The Company shall give written notice of any proposed Change of Control Event to each relevant person.

- (xi) **Issue Limitations:** The Board is not entitled to make an Offer to an Eligible Employee if offers of Awards under the Plan or under similar plans (excluding offers to persons situated at the time of receipt of the offer outside of Australia, that do not require the use of a disclosure document, or made under a disclosure document) in the previous 3 years would exceed 5% of the issued capital of the Company.

(xii) **Amendment of the Plan:**

The Board may at any time amend the Plan rules without shareholder approval in respect of the following matters:

- (a) amendments of a "housekeeping" nature;
- (b) changing the vesting and exercise provisions of the Plan or any Performance Right and/or Option so that the scheduled expiry date for that Performance Right and/or Option is not extended, including to provide for accelerated vesting and early exercise of any Awards;
- (c) changing the termination provisions of the Plan or any Performance Right and/or Option so that its originally scheduled expiry date is not extended;
- (d) changing the provisions on transferability of Awards for normal estate settlement purposes;
- (e) changing the process by which a Participant who wishes to exercise his or her Performance Right and/or Option can do so, including the required form of payment for the Shares being purchased, the form of exercise notice and the place where such payments and notices must be delivered; and
- (f) adding a conditional exercise feature which would give Participants the ability to conditionally exercise in certain circumstances determined by the Board.

No amendment to the Plan rules may be made if the amendment materially reduces the rights of any participant in respect of the Awards granted to them prior to the date of the Amendment (except in relation to amendments stipulated by the Plan rules).

No amendment to the Plan that requires shareholder approval under any applicable securities laws or requirements shall become effective until such approval is obtained.

The Board may at any time terminate the Plan or suspend the operation of the Plan.

#### **SCHEDULE 4 – VALUATION OF DIRECTOR OPTIONS**

The Director Options, to be issued pursuant to Resolutions 4, 5 and 6 have been independently valued by Stantons International Securities Pty Ltd.

Using the Black & Scholes option valuation methodology and based on the assumptions set out below, the estimated value of the Director Options is as follows:

<b>Assumptions:</b>	
Valuation date	28 October 2021
Market price of Shares at deemed grant date	3.9 cents
Exercise price	5.8 cents
Deemed grant dates	28 October 2021
Deemed vesting dates	Tranche 1 – 28 October 2022 Tranche 2 - 28 October 2023 Tranche 3 – 28 October 2024
Deemed expiry date	27 October 2025
Risk free interest rate	1.3541%
Volatility	80%
<b>Indicative fair value per Director Option</b>	0.0196 cents
<b>Total Indicative Fair Value of Director Options</b>	\$294,000
- <i>Frazer Tabear</i>	\$98,000
- <i>Mark Bojanjac</i>	\$98,000
- <i>Jason Berton</i>	\$98,000

Note: The indicative valuation noted above is not necessarily the market price that the Director Options could be traded at and is not automatically the market price for taxation purposes.



PXX

MR SAM SAMPLE  
FLAT 123  
123 SAMPLE STREET  
THE SAMPLE HILL  
SAMPLE ESTATE  
SAMPLEVILLE VIC 3030

## Need assistance?



**Phone:**

1300 850 505 (within Australia)  
+61 3 9415 4000 (outside Australia)



**Online:**

[www.investorcentre.com/contact](http://www.investorcentre.com/contact)



## YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **9:00am (AWST) on Wednesday, 8 December 2021.**

# Proxy Form

## How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

### APPOINTMENT OF PROXY

**Voting 100% of your holding:** Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

**Voting a portion of your holding:** Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

**Appointing a second proxy:** You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

**A proxy need not be a securityholder of the Company.**

### SIGNING INSTRUCTIONS FOR POSTAL FORMS

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

**Joint Holding:** Where the holding is in more than one name, all of the securityholders 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 form when you return it.

**Companies:** Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

### PARTICIPATING IN THE MEETING

#### Corporate Representative

If a representative of a corporate securityholder or proxy is to participate in the meeting you will need to provide the appropriate "Appointment of Corporate Representative". A form may be obtained from Computershare or online at [www.investorcentre.com/au](http://www.investorcentre.com/au) and select "Printable Forms".

## Lodge your Proxy Form:

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### Online:

Lodge your vote online at [www.investorvote.com.au](http://www.investorvote.com.au) using your secure access information or use your mobile device to scan the personalised QR code.

Your secure access information is



**Control Number: 999999**

**SRN/HIN: I9999999999**

**PIN: 99999**

For Intermediary Online subscribers (custodians) go to [www.intermediaryonline.com](http://www.intermediaryonline.com)

### By Mail:

Computershare Investor Services Pty Limited  
GPO Box 242  
Melbourne VIC 3001  
Australia

### By Fax:

1800 783 447 within Australia or  
+61 3 9473 2555 outside Australia



**PLEASE NOTE:** For security reasons it is important that you keep your SRN/HIN confidential.

MR SAM SAMPLE  
FLAT 123  
123 SAMPLE STREET  
THE SAMPLE HILL  
SAMPLE ESTATE  
SAMPLEVILLE VIC 3030

**Change of address.** If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



I 9999999999

I ND

# Proxy Form

Please mark  to indicate your directions

## Step 1 Appoint a Proxy to Vote on Your Behalf

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I/We being a member/s of PolarX Limited hereby appoint

the Chairman of the Meeting **OR**

**PLEASE NOTE:** Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of PolarX Limited to be held at Suite 1, 245 Churchill Avenue, Subiaco, WA 6008 on Friday, 10 December 2021 at 9:00am (AWST) and at any adjournment or postponement of that meeting.

**Chairman authorised to exercise undirected proxies on remuneration related resolutions:** Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Resolution 1, 4, 5 and 6 (except where I/we have indicated a different voting intention in step 2) even though Resolution 1, 4, 5 and 6 are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

**Important Note:** If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Resolution 1, 4, 5 and 6 by marking the appropriate box in step 2.

## Step 2 Items of Business

**PLEASE NOTE:** If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

		For	Against	Abstain
Resolution 1	Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Re-election of Director – Mark Bojanjac	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Approval of 10% Placement Capacity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Issue of Director Options - Frazer Tabear	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Issue of Director Options- Mark Bojanjac	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Issue of Director Options- Jason Berton	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

## Step 3 Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1  Securityholder 2  Securityholder 3  / /  
Sole Director & Sole Company Secretary Director Director/Company Secretary Date

**Update your communication details** (Optional)

Mobile Number  Email Address  By providing your email address, you consent to receive future Notice of Meeting & Proxy communications electronically

