



Locksley Resources Limited

ACN 629 672 144

NOTICE OF GENERAL MEETING AND EXPLANATORY MEMORANDUM

Thursday, 10 August 2023

11am (WST)

**Level 8, 216 St Georges Terrace
Perth WA 6000**

This Notice of General Meeting and Explanatory Memorandum should be read in its entirety. If Shareholders are in doubt as to how to vote, they should seek advice from their accountant, solicitor or other professional adviser without delay.

Should you wish to discuss any matter please do not hesitate to contact the Company by telephone on +61 08 9481 0389.

NOTICE OF MEETING

Notice is given that the General Meeting of Shareholders of Locksley Resources Limited ACN 629 672 144 (**Company**) will be held at Level 8, 216 St Georges Terrace Perth WA on Thursday, 10 August 2023 commencing at 11am (WST) (**Meeting**).

The Explanatory Memorandum to this Notice provides additional information on matters to be considered at the Meeting. The Explanatory Memorandum and the Proxy Form form part of this Notice.

The Directors have determined pursuant to regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the Meeting are those who are registered as Shareholders at 5pm (WST) on Tuesday, 8 August 2023.

Terms and abbreviations used in this Notice and Explanatory Memorandum are defined in Schedule 1.

AGENDA

1. Resolution 1(a) and 1(b) – Ratification of Prior Issue of Tranche 1 Placement Shares – Listing Rules 7.1 and 7.1A

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

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of:

- (a) *10,499,999 Tranche 1 Placement Shares issue under the Company’s Listing Rule 7.1 capacity; and*
- (b) *6,999,999 Tranche 1 Placement Shares issued under the Company’s Listing Rule 7.1A capacity,*

on the terms and conditions in the Explanatory Memorandum.”

Voting Exclusion Statement

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

- (a) a person who participated in the issue or is a counterparty to the agreement being approved (namely, the Tranche 1 Placement Participants); or
- (b) an Associate of that person or those persons.

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

- (a) a person as proxy or attorney 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 the 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 – Approval to Issue Tranche 2 Placement Shares

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

“That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue 49,166,669 Tranche 2 Placement Shares, on the terms and conditions set out in the Explanatory Memorandum.”

Voting Exclusion Statement

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

- (a) a 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 in the Company) (namely, the Tranche 2 Placement Participants); or
- (b) an Associate of that person or those persons.

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

- (a) a person as proxy or attorney 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 the 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 Consideration Shares

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

“That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue 10,000,000 Consideration Shares, on the terms and conditions set out in the Explanatory Memorandum.”

Voting Exclusion Statement

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

- (a) a 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 in the Company) (namely, the Vendors (and/or their nominees)); or
- (b) an Associate of that person or those persons.

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

- (a) a person as proxy or attorney 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 the 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.

4. Resolution 4 – Approval to Issue Consideration Options

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

“That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue 5,000,000 Consideration Options, on the terms and conditions set out in the Explanatory Memorandum.”

Voting Exclusion Statement

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

- (a) a 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 in the Company) (namely, the Vendors (and/or their nominees)); or
- (b) an Associate of that person or those persons.

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

- (a) a person as proxy or attorney 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 the 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.

5. Resolution 5 – Approval to Issue Consideration Performance Rights

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

“That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue 30,000,000 Performance Rights, on the terms and conditions set out in the Explanatory Memorandum.”

Voting Exclusion Statement

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

- (a) a 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 in the Company) (namely, the Vendors (and/or their nominees)); or
- (b) an Associate of that person or those persons.

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

- (a) a person as proxy or attorney 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 the 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.

6. Resolution 6 – Approval to Issue Lead Manager Options

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

“That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue 11,500,000 Lead Manager Options, on the terms and conditions set out in the Explanatory Memorandum.”

Voting Exclusion Statement

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

- (a) a 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 in the Company) (namely, the Joint Lead Managers (and/or their respective nominees)); or
- (b) an Associate of that person or those persons.

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

- (a) a person as proxy or attorney 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 the 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.

7. Resolution 7 – Approval to Issue Incentive Securities to Director – Stephen Woodham

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

“That, for the purposes of section 195(4) and section 208 of the Corporations Act and ASX Listing Rule 10.11, and for all other purposes, approval is given for the Company to issue 2,000,000 Incentive Options and 1,000,000 Incentive Performance Rights to Mr Stephen Woodham (and/or his nominee), on the terms and conditions set out in the Explanatory Memorandum.

Voting Prohibition Statement

In accordance with section 224 of the Corporations Act, a vote on this Resolution must not be cast (in any capacity) by or on behalf of a related part of the Company to whom the Resolution would permit a financial benefit to be given, or an associate of such a related party (**Resolution 7 Excluded Party**). However, this prohibition does not apply if the vote is cast by a person as proxy appointed by writing that specifies how the proxy is to vote on the Resolution and is not cast on behalf of a Resolution 7 Excluded Party.

In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on 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
- (b) 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 are connected directly or indirectly with remuneration of a member of the Key Management Personnel.

Voting Exclusion Statement

The Company will disregard any votes cast in favour of:

- (a) Mr Stephen Woodham (and/or his nominees) 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
- (b) an Associate of that person or those persons.

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

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

8. Resolution 8 – Approval to Issue Incentive Options to Director – Stephen Brockhurst

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

“That, for the purposes of section 195(4) and section 208 of the Corporations Act and ASX Listing Rule 10.11, and for all other purposes, approval is given for the Company to issue 1,000,000 Incentive Options to Mr Stephen Brockhurst (and/or his nominee), on the terms and conditions set out in the Explanatory Memorandum.

Voting Prohibition Statement

In accordance with section 224 of the Corporations Act, a vote on this Resolution must not be cast (in any capacity) by or on behalf of a related part of the Company to whom the Resolution would permit a financial benefit to be given, or an associate of such a related party (**Resolution 8 Excluded Party**). However, this prohibition does not apply if the vote is cast by a person as proxy appointed by writing that specifies how the proxy is to vote on the Resolution and is not cast on behalf of a Resolution 8 Excluded Party.

In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on 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
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

Provided the Chair is not a Resolution 8 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 are connected directly or indirectly with remuneration of a member of the Key Management Personnel.

Voting Exclusion Statement

The Company will disregard any votes cast in favour of:

- (a) Mr Stephen Brockhurst (and/or his nominees) 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
- (b) an Associate of that person or those persons.

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

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

9. Resolution 9 – Approval to Issue Incentive Options to Director – Adam Giles

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

“That, for the purposes of section 195(4) and section 208 of the Corporations Act and ASX Listing Rule 10.11, and for all other purposes, approval is given for the Company to issue 500,000 Incentive Options to Mr Adam Giles (and/or his nominee), on the terms and conditions set out in the Explanatory Memorandum.

Voting Prohibition Statement

In accordance with section 224 of the Corporations Act, a vote on this Resolution must not be cast (in any capacity) by or on behalf of a related part of the Company to whom the Resolution would permit a financial benefit to be given, or an associate of such a related party (**Resolution 9 Excluded Party**). However, this prohibition does not apply if the vote is cast by a person as proxy appointed by writing that specifies how the proxy is to vote on the Resolution and is not cast on behalf of a Resolution 9 Excluded Party.

In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on 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
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

Provided the Chair is not a Resolution 9 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 are connected directly or indirectly with remuneration of a member of the Key Management Personnel.

Voting Exclusion Statement

The Company will disregard any votes cast in favour of:

- (a) Mr Adam Giles (and/or his nominees) 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
- (b) an Associate of that person or those persons.

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

- (a) a person as a proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with directions given to the proxy or attorney to vote on this Resolution in that way; or
- (b) the Chair of the meeting as proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with a direction given to the Chair to vote on this 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 this Resolution; and

- (ii) the holder votes on this Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

10. Resolution 10 – Approval to Issue Facilitator Options

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

“That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue 6,000,000 Facilitator Options, on the terms and conditions set out in the Explanatory Memorandum.”

Voting Exclusion Statement

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

- (a) a 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 in the Company) (namely, the Facilitator (and/or its nominees)); or
- (b) an Associate of that person or those persons.

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

- (a) a person as proxy or attorney 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 the 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.

Dated 5 July 2023

BY ORDER OF THE BOARD



Alan Armstrong
Company Secretary

EXPLANATORY MEMORANDUM

1. Introduction

This Explanatory Memorandum has been prepared for the information of Shareholders of the Company in connection with the business to be conducted at the Meeting to be held at Level 8, 216 St Georges Terrace, Perth WA on Thursday, 10 August 2023 commencing at 11am (WST).

This Explanatory Memorandum should be read in conjunction with and forms part of the accompanying Notice. The purpose of this Explanatory Memorandum is to provide information to Shareholders in deciding whether or not to pass the Resolutions in the Notice.

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

2. Action to be taken by Shareholders

Shareholders should read the Notice and this Explanatory Memorandum carefully before deciding how to vote on the Resolutions.

2.1 Proxies

A Proxy Form is attached to the Notice. This is to be used by Shareholders if they wish to appoint a representative (a proxy) to vote in their place. All Shareholders are invited and encouraged to attend the Meeting or, if they are unable to attend in person, sign and return the Proxy Form to the Company in accordance with the instructions thereon. Lodgement of a Proxy Form will not preclude a Shareholder from attending and voting at the Meeting in person.

Please note that:

- (a) a member of the Company entitled to attend and vote at the Meeting is entitled to appoint a proxy;
- (b) a proxy need not be a member of the Company; and
- (c) a member of the Company entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise, but where the proportion or number is not specified, each proxy may exercise half of the votes.

Shareholders and their proxies should be aware that:

- (a) If proxy holders vote, they must cast all directed proxies as they are directed to; and
- (b) Any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

Further details 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:

- (a) 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);

- (b) 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;
- (c) 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
- (d) 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:

- (a) 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
- (b) the appointed proxy is not the Chair of the meeting; and
- (c) at the meeting, a poll is duly demanded on the resolution; and
- (d) either of the following applies:
 - (i) the proxy is not recorded as attending the meeting; or
 - (ii) 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.

The enclosed Proxy Form provides further details on appointing proxies and lodging Proxy Forms.

2.2 Proxy Holders and Voting Instructions

If the Chair is appointed as your proxy and the Chair is not directed how to vote, you are authorising the Chair to cast your undirected vote on all proposed resolutions.

If a member of the Company's Key Management Personnel, or a Closely Related Party of such member, is appointed as your proxy, they will not be able to vote your proxy on Resolution 7, Resolution 8 and Resolution 9.

If you intend to appoint a member of the Company's Key Management Personnel, or a Closely Related Party of such member, or the Chair, as your proxy, you are encouraged to direct them how to vote on Resolution 7, Resolution 8 and Resolution 9, by marking "For", "Against" or "Abstain" for each of those resolutions.

2.3 Corporate Representatives

A corporation may appoint an individual as a representative to exercise its powers as Shareholder or as a Shareholder's proxy. The representative must bring to the Meeting evidence of his or her appointment, including any authority under which it is signed, unless it has been previously given to the Company's share registry.

2.4 Submit your Proxy Vote Online

Vote online at www.investorvote.com.au, and simply follow the instructions on the enclosed proxy form.

Or alternatively:

2.5 Submit your Proxy Vote by Paper

If you do not wish to vote online, then it is necessary to complete in accordance with the detailed instructions set out on the enclosed Proxy Form.

The return of your completed form (ONLY if you do NOT vote online) can be done by one of the following ways:

BY MAIL	Computershare Investor Services Pty Limited GPO Box 242 Melbourne Victoria 3001, Australia
BY FAX	1800 783 447 (within Australia) or +61 3 9473 2555 (outside Australia)
BY MOBILE	Scan the QR Code on your proxy form and follow the prompts
CUSTODIAN VOTING	For Intermediary Online subscribers only (custodians) please visit https://www.intermediaryonline.com/Login.aspx to submit your voting intentions

3. Resolutions 1(a) and 1(b) – Ratification of Prior Issue of Tranche 1 Placement Shares – Listing Rules 7.1 and 7.1A

3.1 General

Resolutions 1(a) and 1(b) seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of a total of 16,666,667 Shares issued under Tranche 1 of the Placement.

3.2 Background to Placement

On 15 June 2023, the Company announced that it has secured firm commitments from institutional and sophisticated investors (including existing Shareholders) at an issue price of \$0.06 per Share (**Placement Shares**) to raise \$4,000,000 (before costs) (**Placement**).

On 27 June 2023, the Company issued a total of 17,499,998 Shares under Tranche 1 of the Placement (**Tranche 1 Placement Shares**), as follows:

- (a) 10,499,999 Tranche 1 Placement Shares issued under the Company's Listing Rule 7.1 capacity (the subject of Resolution 1(a)); and
- (b) 6,999,999 Tranche 1 Placement Shares issued under the Company's Listing Rule 7.1A capacity (the subject of Resolution 1(b)).

The balance of the Placement, comprising 49,166,669 Shares under Tranche 2 of the Placement (**Tranche 2 Placement Shares**), will be issued subject to the receipt of Shareholder approval (the subject of Resolution 2).

The funds raised from the Placement will be used towards exploration on the Company's Mojave and Tottenham Projects, as well as towards general working capital.

The Company appointed CPS Capital Group Pty Ltd and Peloton Capital Pty Ltd as joint lead managers to the Placement (**Joint Lead Managers**). Further details in respect of the Placement are available in the Company's announcement to ASX on 15 June 2023.

3.3 ASX Listing Rules 7.1 and 7.1A

Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without 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 12 month period.

Under 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%.

The issue of the Tranche 1 Placement Shares does not fit within any of the exceptions set out in Listing Rule 7.2 and, as it has not yet been approved by Shareholders, it effectively uses up part of the 25% limit in Listing Rules 7.1 and 7.1A, reducing the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1 and 7.1A for the 12 month period following the date of issue of the Tranche 1 Placement Shares.

3.4 ASX Listing Rule 7.4

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 in the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1. Accordingly, the Company is seeking Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Tranche 1 Placement Shares.

3.5 Technical information required by Listing Rule 14.1A

If Resolutions 1(a) and 1(b) are passed, the Tranche 1 Placement Shares will be excluded in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, effectively increasing the number of equity securities the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Tranche 1 Placement Shares.

If Resolutions 1(a) and 1(b) are not passed, the Tranche 1 Placement Share will be included in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, effectively decreasing the number of equity securities the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Tranche 1 Placement Shares.

3.6 Technical information required by ASX Listing Rule 7.5

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to Resolutions 1(a) and 1(b):

- (a) the Tranche 1 Placement Shares were issued to professional and sophisticated investors who are clients of the Joint Lead Manager, as well existing Shareholders and investors introduced by the Company (**Tranche 1 Placement Participants**). The Tranche 1 Placement Participants were identified through a bookbuild process, which involved the Joint Lead Managers and the Company seeking expressions of interest to participate in the Placement from non-related parties of the Company;

- (b) in accordance with paragraph 7.2 of ASX Guidance Note 21, the Company confirms that none of the Tranche 1 Placement Participants are:
 - (i) related parties of the Company, members of the Company's Key Management Personnel, substantial holders of the Company, advisers of the Company or an associate of any of these parties; and
 - (ii) issued more than 1% of the issued capital of the Company at the time of issue,
- (c) a total of 17,499,998 Tranche 1 Placement Shares were issued on the following basis:
 - (i) 10,499,999 Tranche 1 Placement Shares issued under the Company's Listing Rule 7.1 capacity (the subject of Resolution 1(a)); and
 - (ii) 6,999,999 Tranche 1 Placement Shares issued under the Company's Listing Rule 7.1A capacity (the subject of Resolution 1(b));
- (d) the Tranche 1 Placement Shares were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (e) the Tranche 1 Placement Shares were issued on 27 June 2023;
- (f) the issue price was \$0.06 per Tranche 1 Placement Share. The Company has not and will not receive any other consideration for the issue of the Tranche 1 Placement Shares;
- (g) the purpose of the Tranche 1 Placement Shares was to raise approximately \$1,050,000 (before costs). Funds raised from the issue of the Tranche 1 Placement Shares will be aggregated with the funds raised from the issue of the Tranche 2 Placement Shares and used for the purposes specified in Section 3.2 above; and
- (h) the Tranche 1 Placement Shares were not issued under an agreement.

4. Resolution 2 – Approval to Issue Tranche 2 Placement Shares

4.1 General

Resolution 2 seeks Shareholder approval for the issue of 49,166,669 Tranche 2 Placement Shares to Tranche 2 Placement Participants under Tranche 2 of the Placement.

4.2 ASX Listing Rule 7.1

A summary of ASX Listing Rule 7.1 is set out in Section 3.3 above.

The proposed issue of the Tranche 2 Placement Shares does not fall within any of the exceptions set out in Listing Rule 7.2 and exceeds the 15% limit in Listing Rule 7.1. It therefore requires the approval of Shareholders under Listing Rule 7.1.

4.3 Technical information required by ASX Listing Rule 14.1A

If Resolution 2 is passed, the Company will be able to proceed with the issue of the Tranche 2 Placement Shares to the Tranche 2 Placement Participants. In addition, the issue of the

Tranche 2 Placement Shares will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolution 2 is not passed, the Company will not be able to proceed with the issue of the Tranche 2 Placement Shares to the Tranche 2 Placement Participants, and therefore, the Company will not be able to complete Tranche 2 of the Placement.

4.4 Technical information required by ASX Listing Rule 7.3

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to Resolution 2:

- (a) the Tranche 2 Placement Shares will be issued to professional and sophisticated investors who are clients of the Joint Lead Managers, as well as existing Shareholders and investors introduced by the Company (**Tranche 2 Placement Participants**). The Tranche 2 Placement Participants were identified through a bookbuild process, which involved the Joint Lead managers and the Company seeking expressions of interest to participant in the Placement from non-related parties of the Company;
- (b) in accordance with paragraph 7.2 of ASX Guidance Note 21, the Company confirms that none of the Tranche 2 Placement Participants are:
 - (i) related parties of the Company, members of the Company's Key Management Personnel, substantial holders of the Company, advisers of the Company or an associate of any of these parties; and
 - (ii) issued more than 1% of the issued capital of the Company at the time of issue;
- (c) the maximum number of Tranche 2 Placement Shares to be issued is 49,166,669 Tranche 2 Placement Shares;
- (d) the Tranche 2 Placement Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (e) the Tranche 2 Placement Shares will be issued no later than three (3) months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that issue of all the Tranche 2 Placement Shares will occur on the same date;
- (f) the issue price of the Tranche 2 Placement Shares will be \$0.06 per Tranche 2 Placement Share. The Company will not receive any other consideration for the issue of the Tranche 2 Placement Shares;
- (g) the purpose of the issue of the Tranche 2 Placement Shares is to raise approximately \$2,950,000 (before costs). Funds raised from the issue of the Tranche 2 Placement Shares will be aggregated with the funds raised from the issue of the Tranche 1 Placement Shares and used for the purposes specified in Section 3.2 above;
- (h) the Tranche 2 Placement Shares are not being issued under an agreement; and
- (i) the Tranche 2 Placement Shares are not being issued under, or to funds, a reverse takeover.

5. Resolution 3 – Approval to Issue Consideration Shares

5.1 General

As announced by the Company on 15 June 2023, the Company has entered into an acquisition agreement with the Vendors (**Acquisition Agreement**) to acquire 100% of the issued capital of Enigma Strategic Minerals Holdings Pty Ltd (**ESM**) (**Acquisition**).

ESM, through its wholly owned subsidiaries, owns 201 mineral claims making up the North Block and South Block of the Mojave Project located in the Mojave Desert, California, USA,. ESM (through its wholly owned subsidiaries), also has the option to acquire an additional 5 mineral claims making up the El Campo Prospect area (**Option Agreement**). Resolution 3 seeks approval for the issue of 10,000,000 Shares (**Consideration Shares**) to the shareholders of Enigma Strategic Minerals Holding Pty Ltd (**Vendors**) (and/or their respective nominees), as consideration for the Acquisition in accordance with the Acquisition Agreement.

5.2 Acquisition Agreement

The material terms of the Acquisition Agreement are summarised below:

- (a) (**Consideration**): the Consideration payable by the Company to the Vendors (and/or their nominees) comprises:
 - (i) (**Consideration Shares**): 10,000,000 Shares (which will be subject to a voluntary escrow until 15 December 2023);
 - (ii) (**Options**): 5,000,000 unlisted options to acquire Shares (exercisable at \$0.10, on or before 30 March 2026);
 - (iii) (**Performance Rights**): 30,000,000 performance rights, which will convert into Shares on a one for one basis, subject to satisfaction of the respective milestones before the respective expiry date, as follows:
 - (A) (**Class A Performance Rights**): 10,000,000 performance rights which each convert into one Share upon the Company announcing that it has identified a selected rock chip samples greater than 4% Total Rare Earth Oxide (**TREO**) from a rock chip sampling program conducted within the area of the ESM Project or El Campo Prospect which support a decision by the Company (at its discretion) to commence drilling of over 2000 metres in total;
 - (B) (**Class B Performance Rights**): 10,000,000 performance rights which each convert into one Share upon the Company announcing, after completion of 2,000 metres drilling, achievement of a drilling intersection within the area of the ESM Project or El Campo Prospect greater than 5 metres with an average grade above 4% TREO; and
 - (C) (**Class C Performance Rights**): 10,000,000 performance rights which each convert into one Share upon the Company announcing achievement of a drilling intersection within the ESM Project greater than 5 metres with an average grade above 4% TREO; and
 - (iv) subject to the Company receiving all supporting documentation reasonably requested and being satisfied that this payment represents reimbursement of expenditure incurred by ESM in developing the Enigma Project, the Company agrees to pay up to \$500,000 in cash to ESM (or its nominees);

- (b) **(Conditions Precedent):** Settlement of the Acquisition Agreement is subject to the satisfaction of the following conditions precedent:
- (i) the Company notifying ESM that it has completed and is reasonably satisfied with the due diligence on ESM and the tenements comprising the Enigma Project and El Campo Project;
 - (ii) the Company obtaining shareholder approval at a general meeting for the issue of the Consideration Shares, Options and Performance Rights, as well as for the second tranche of Shares to be issued under the capital raising;
 - (iii) no material adverse changes to the financial position of ESM, except as approved in writing by the parties; and
 - (iv) the Company obtaining the necessary shareholder, regulatory, statutory and third-party approvals, consents or waivers that are required to implement the transactions contemplated by the Acquisition Agreement.

The Acquisition Agreement otherwise contains terms and conditions which are considered standard for agreements of this nature.

5.3 ASX Listing Rule 7.1

A summary of Listing Rule 7.1 is provided at Section 3.3 above.

5.4 Technical Information required by ASX Listing Rule 14.1A

If Resolution 3 is passed (and all other conditions precedent to the Acquisition are satisfied or waived, as applicable), the Company will be able to proceed with the issue of the Consideration Shares which allow the Company to satisfy its obligations pursuant to the Acquisition Agreement. In addition, the issue of the Consideration Shares will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolution 3 is not passed, the Company will not be able to proceed with the issue of the Consideration Shares or the Acquisition as the Acquisition is conditional on Shareholder approval for the issue of the Consideration Shares.

5.5 Technical Information required by ASX Listing Rule 7.3

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

- (a) the Consideration Shares will be issued to the Vendors (and/or their nominees);
- (b) in accordance with paragraph 7.2 of ASX Guidance Note 21, the Company confirms that the Vendors (and/or their nominees) are not:
 - (i) a related party of the Company, members of the Company's Key management Personnel, substantial holders of the Company, advisers of the Company or an associate of any of these parties; and
 - (ii) issued more than 1% of the issued capital of the Company at the time of issue;
- (c) the maximum number of Consideration Shares to be issued is 10,000,000;
- (d) the Consideration Shares to be issued are all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;

- (e) the Consideration Shares will be issued no later than three (3) months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that all the Consideration Shares will be issued on the same date;
- (f) the Consideration Shares will be issued at a nil issue price;
- (g) the purposes of the issue of the Consideration Shares is as consideration to the Vendors (and/or their nominees) pursuant to the Acquisition Agreement;
- (h) the Consideration Shares are being issued under the Acquisition Agreement. A summary of the material terms of the Acquisition Agreement are set out in Section 5.2 above;
- (i) the Consideration Shares are not being issued under, or to fund, a reverse takeover; and
- (j) a voting exclusion statement is included in Resolution 3 of the Notice.

The Board believes this Resolution is in the best interest of the Company and its Shareholders and unanimously recommend that the Shareholders vote in favour of this Resolution 3.

6. Resolution 4 – Approval to Issue Consideration Options

6.1 General

Resolution 4 seeks the approval for the issue of 5,000,000 Options (exercisable at \$0.10 and expiry on 30 March 2026) (**Consideration Options**) to the Vendors (and/or their nominees), in consideration pursuant to the Acquisition Agreement. A summary of the Acquisition Agreement is provided at Section 5.2 above.

6.2 ASX Listing Rule 7.1

A summary of Listing Rule 7.1 is provided at Section 3.3 above.

6.3 Technical Information required by ASX Listing Rule 14.1A

If Resolution 4 is passed (and all other conditions precedent to the Acquisition are satisfied or waived, as applicable) the Company will be able to proceed with the issue of the Consideration Options which allow the Company to satisfy its obligations pursuant to the Acquisition Agreement. In addition, the issue of the Consideration Options will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolution 4 is not passed, the Company will not be able to proceed with the issue of the Consideration Options or the Acquisition as the Acquisition is condition on Shareholder approval for the issue of the Consideration Options.

6.4 Technical Information required by ASX Listing Rule 7.3

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

- (a) the Consideration Options will be issued to the Vendors (and/or their respective nominees);

- (b) in accordance with paragraph 7.2 of ASX Guidance Note 21, the Company confirms that the Vendors (and/or their nominees) are not:
- (i) a related party of the Company, members of the Company's Key management Personnel, substantial holders of the Company, advisers of the Company or an associate of any of these parties; and
 - (ii) issued more than 1% of the issued capital of the Company at the time of issue;
- (c) a total of 5,000,000 Consideration Options will be issued;
- (d) the Consideration Options will be issued on the terms set out in Schedule 2;
- (e) the Consideration Options will be issued no later than three (3) months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules);
- (f) the Consideration Options will be issued for nil consideration;
- (g) the purposes of the issue of the Consideration Options is as consideration to the Vendors (and/or their nominees) pursuant to the Acquisition Agreement;
- (h) the Consideration Options are being issued pursuant to the Acquisition Agreement. A summary of the material terms of the Acquisition Agreement are set out at Section 5.2 above;
- (i) the Consideration Options are not being issued under, or to fund, a reverse takeover; and
- (j) a voting exclusion statement is included in Resolution 4 of the Notice.

The Board believes this Resolution is in the best interest of the Company and its Shareholders, and unanimously recommend that the Shareholders vote in favour of this Resolution 4.

7. Resolution 5 – Approval to Issue Consideration Performance Rights

7.1 General

Resolution 5 seeks Shareholder approval for the issue of a total 30,000,000 performance rights to the Vendors (and/or their nominees), as follows:

Class	Number of Performance Rights	Vesting Conditions	Expiry Date
A	10,000,000	Each Performance Right converts into one (1) Share upon the Company announcing that it has identified a selected rock chip samples greater than 4% Total Rare Earth Oxide (TREO) from a rock chip sampling program conducted within the area of the ESM project or El Campo Prospectus which support a decision by the Company (at	Three (3) years from the date of issue

		its discretion) to commence drilling of over 2,000 metres in total.	
B	10,000,000	Each Performance Right converts into one (1) Share upon the Company announcing, after completion of 2,000 metres drilling, achievement of a drilling intersection within the area of the ESM Project or El Campo Prospect greater than 5 metres with an average grade above 4% TREO.	Three (3) years from the date of issue
C	10,000,000	Each Performance Right converts into one (1) Share upon the Company announcing achievement of a drilling intersection within the ESM Project greater than 5 metres with an average grade above 4% TREO.	Three (3) years from the date of issue

(together, the **Consideration Performance Rights**).

7.2 ASX Listing Rule 7.1

A summary of Listing Rule 7.1 is provided at Section 3.3 above.

7.3 Technical Information required by ASX Listing Rule 14.1A

If Resolution 5 is passed (and all other conditions precedent to the Acquisition are satisfied or waived, as applicable), the Company will be able to proceed with the issue of the Consideration Performance Rights which allow the Company to satisfy its obligations pursuant to the Acquisition Agreement. In addition, the issue of the Consideration Performance Rights will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolution 5 is not passed, the Company will not be able to proceed with the issue of the Consideration Performance Rights or the Acquisition as the Acquisition is conditional on Shareholder approval for the issue of the Consideration Performance Rights.

7.4 Technical Information required by ASX Listing Rule 7.3

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to the Consideration Performance Rights:

- (a) the Consideration Performance Rights will be issued to the Vendors (and/or their respective nominees);
- (b) in accordance with paragraph 7.2 of ASX Guidance Note 21, the Company confirms that the Vendors (and/or their nominees) are not:
 - (i) a related party of the Company, members of the Company's Key management Personnel, substantial holders of the Company, advisers of the Company or an associate of any of these parties; and
 - (ii) issued more than 1% of the issued capital of the Company at the time of issue;
- (c) a total of 30,000,000 Consideration Performance Rights will be issued;

- (d) the Consideration Performance Rights will be issued on the terms set out in Schedule 3;
- (e) the Consideration Performance Rights will be issued no later than three (3) months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules);
- (f) the Consideration Performance Rights will be issued for nil consideration;
- (g) the purposes of the issue of the Consideration Performance Rights is as consideration to the Vendors (and/or their nominees) pursuant to the Acquisition Agreement;
- (h) the Consideration Performance Rights are being issued pursuant to the Acquisition Agreement. A summary of the material terms of the Acquisition Agreement are set out at Section 5.2 above;
- (i) the Consideration Performance Rights are not being issued under, or to fund, a reverse takeover; and
- (j) a voting exclusion statement is included in Resolution 5 of the Notice.

The Board believes this Resolution is in the best interest of the Company and its Shareholders, and unanimously recommend that the Shareholders vote in favour of this Resolution 5.

8. Resolution 6 – Approval to Issue Lead Manager Options

8.1 General

The Company and the Joint Lead Managers entered into an agreement, pursuant to which the Joint Lead Managers would act as joint lead managers of the Company in respect to the Placement (**Joint Lead Manager Mandate**).

Resolution 6 seeks Shareholder approval for the issue of 11,500,000 unlisted Options (exercisable at \$0.10 each and expiring 3 years from the date of issue) (**Lead Manager Options**) to the Joint Lead Managers (and/or their respective nominees), pursuant to the Joint Lead Manager Mandate (a summary provided at Section 8.2 below).

8.2 Joint Lead Manager Mandate

A summary of the material terms of the Joint Lead Manager Mandate are:

- (a) (Services): The Company appoints the Joint Lead Managers to be lead managers, broker and corporate advisers to the Company in respect of the Placement.
- (b) (Fees): The Company has agreed to pay the Joint Lead Managers the following:
 - (i) (Management Fee): a management fee of 2% (plus GST) of the total amount raised under the Placement, which will be split 50/50 between the Joint Lead Managers;
 - (ii) (Placement Fee): a placing fee of 4% (plus GST) of the total amount raised under the Placement;
 - (iii) (Lead Manager Options): subject to shareholder approval, issue the Joint Lead Managers (and/or their nominees) 2,500,000 Options (exercisable at \$0.10 and expiring 3 years from the date of issue); and

- (iv) (Lead Manager Options): subject to shareholder approval, issue the Joint Lead Managers (and/or their nominees) 3,000,000 Options (exercisable at \$0.10 and expiring 3 years from the date of issue) per every AUD\$1,000,000 raised under the Placement. For the avoidance of doubt, in the event that \$3,000,000 is raised under the Placement, the Company will issue the Joint Lead Managers (and/or their nominees) a total of 9,000,000 Options (exercisable at \$0.10 and expiring 3 years from the date of issue).
- (c) (Termination): The Company may terminate the Joint Lead Manager Mandate by giving 7 days' written notice. The Joint Lead Managers may terminate the Joint Lead Manager Mandate by giving 14 days' notice in the event that the Company becomes insolvent, or materially breaches the terms of the Joint Lead Manager Mandate.

The Joint Lead Manager Mandate is otherwise on terms and conditions considered standard for agreements of this nature.

8.3 ASX Listing Rule 7.1

A summary of Listing Rule 7.1 is provided at Section 3.3 above.

8.4 Technical Information required by ASX Listing Rule 14.1A

If Resolution 6 is passed the Company will be able to proceed with the issue of the Lead Manager Options which allow the Company to satisfy its obligations pursuant to the Joint Lead Manager Mandate. In addition, the issue of the Lead Manager Options will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolution 6 is not passed, the Company will not be able to proceed with the issue of the Lead Manager Options, and the Company will have to consider an alternative means of consideration to the Joint Lead Managers, for example by way of cash consideration.

8.5 Technical Information required by ASX Listing Rule 7.3

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

- (a) the Lead Manager Options will be issued to the Joint Lead Managers (and/or their respective nominees);
- (b) in accordance with paragraph 7.2 of ASX Guidance Note 21, the Company confirms that the Joint Lead Managers (and/or their respective nominees) are not:
 - (i) a related party of the Company, members of the Company's Key Management Personnel, substantial holders of the Company, advisers of the Company or an associate of any of these parties; and
 - (ii) issued more than 1% of the issued capital of the Company at the time of issue
- (c) a total of 11,500,000 Lead Manager Options will be issued;
- (d) the Lead Manager Options will be issued on the terms set out in Schedule 4;
- (e) the Lead Manager Options will be issued no later than three (3) months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules);
- (f) the Lead Manager Options will be issued for nil cash consideration;

- (g) the purpose of the issue of the Lead Manager Options is as consideration to the Joint Lead Managers (and/or their nominees) pursuant to the Joint Lead Manager Mandate;
- (h) the Lead Manager Options will be issued pursuant to the Joint Lead Manager Mandate. A summary of the material terms of the Joint Lead Manager Mandate is included at Section 8.2 above;
- (i) the Lead Manager Options are not being issued under, or to fund, a reverse takeover; and
- (j) a voting exclusion statement is included in Resolution 6 of the Notice.

The Board believes this Resolution is in the best interest of the Company and its Shareholders and unanimously recommend that the Shareholders vote in favour of this Resolution 6.

9. Resolutions 7 to 9 – Approval to Issue Incentive Options and Incentive Performance Rights to Directors

9.1 General

Resolutions 7 to 9 (inclusive) seek the approval of Shareholders for the issue of a total of 3,500,000 Options to Directors (exercisable at \$0.10 and expiring on 30 March 2026) (**Incentive Options**) and 1,000,000 Performance Rights (on the same terms as the Class B Consideration Performance Rights) (**Incentive Performance Rights**) (together, the **Incentive Securities**) to the Directors, being Stephen Woodham, Stephen Brockhurst and Adam Giles (and/or their respective nominees) (**Directors**) in accordance with section 208 of the Corporations Act and Listing Rule 10.11.

The Company proposes to issue the Incentive Securities as follows:

- (a) 2,000,000 Incentive Options and 1,000,000 Incentive Performance Rights to be issued to Stephen Woodham (and/or his nominee) (subject of Resolution 7);
- (b) 1,000,000 Incentive Options to be issued to Stephen Brockhurst (and/or his nominee) (subject of Resolution 8); and
- (c) 500,000 Incentive Options to be issued to Adam Giles (and/or his nominee) (subject of Resolution 9).

The Incentive Securities are being issued to incentivise the Directors by providing an equity-based incentive component to their respective remuneration packages. Resolutions 7 to 9 (inclusive) are not conditional upon one another.

9.2 Section 195(4) of the Corporations Act

Each of the Directors have a material personal interest in the outcome of Resolutions 7 to 9 (as applicable to each Directors) by virtue of the fact that Resolutions 7 to 9 are concerned with the issue of Incentive Options to each Director (or their nominees). 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 Resolutions 7 to 9. The Directors have

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

9.3 Chapter 2E of the Corporations Act

Chapter 2E of the Corporations Act regulates the provision of financial benefits to related parties by a public company. Section 208 of the Corporations Act prohibits a public company giving a financial benefit to a related party of that public company unless one of a number of exceptions applies.

A “financial benefit” is defined in the Corporations Act in broad terms and includes the issue of securities. For the purposes of the Meeting, a related party includes a director of the Company.

For the purposes of Chapter 2E of the Corporations Act, the Directors are related parties of the Company by virtue of the fact that they are Directors of the Company.

Section 208 of the Corporations Act provides that for a public company, or an entity that a public company controls, to give a financial benefit to a related third 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 of such approval,

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

For the avoidance of doubt the Company is seeking the approval of Shareholders for the purposes of Chapter 2E of the Corporations Act in respect of the Incentive Securities proposed to be issued to the Directors.

As Incentive Securities are proposed to be issued to all of the Directors, and therefore the Directors have a material personal interest, the Directors cannot for a quorum to determine whether the giving of the financial benefit falls within an exception set out in Section 210 to 216 of the Corporations Act. Shareholder approval is therefore also sought for the purposes of Chapter 2E of the Corporations Act.

9.4 Technical Information required under Listing Rule 14.1A

If Resolutions 7 to 9 are passed, the Company will be able to proceed with issuing the Incentive Securities to the Directors. This will occur within one (1) month after the date of the meeting (or such later date as permitted by an ASX waiver or modification of the Listing Rules). As approval pursuant to Listing Rule 7.1 is not required for the issue of the Incentive Securities (because approval is being obtained under Listing Rule 10.11) the issue of the Incentive Securities will not use up any of the Company’s 15% placement capacity under Listing Rule 7.1.

If Resolutions 7 to 9 are not passed, the Company will not be able to proceed with the issue of the Incentive Securities to the Directors and the Company may consider alternative forms of remuneration in lieu of such issue.

9.5 ASX Listing Rule 10.11

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

- (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.

The issue of the Incentive Securities falls within Listing Rule 10.11.1 and does not fall within any of the exceptions under Listing Rule 10.4. Resolutions 7 to 9 seek the required shareholder approval for the Incentive Securities under and for the purposes of Chapter 2E of the Corporations Act and Listing Rule 10.4.

9.6 Technical information required by Listing Rule 10.13 and section 219 of the Corporations Act

Pursuant to and in accordance with Listing Rule 10.13 and section 219 of the Corporations Act, the following information is provided in relation to Resolutions 7 to 9:

- (a) the Incentive Securities will be issued to Directors of the Company, that being Stephen Woodham, Stephen Brockhurst and Adam Giles (and/or their respective nominees);
- (b) each of Mr Woodham, Mr Brockhurst and Mr Giles fall within the category of Listing Rule 10.11.1 by virtue of being Directors of the Company;
- (c) the total number of Incentive Securities to be issued to Directors (being the value of the financial benefit proposed to be given) is 3,500,000 Incentive Options and 1,000,000 Incentive Performance Rights, comprising:
 - (i) 2,000,000 Incentive Options and 1,000,000 Incentive Performance Rights to be issued to Stephen Woodham (and/or his nominees);
 - (ii) 1,000,000 Incentive Options to be issued to Stephen Brockhurst (and/or his nominees);
 - (iii) 500,000 Incentive Options to be issued to Adam Giles (and/or his nominees);
- (d) a summary of the material terms of the Incentive Options is set out in Schedule 2;
- (e) a summary of the material terms of the Incentive Performance Rights is set out in Schedule 3 (being the same terms as the Class B Consideration Performance Rights);
- (f) the Incentive Securities will be granted to the Directors no later than one (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 Incentive Securities will be allocated on one date;

- (g) the Incentive Securities will be issued for nil cash consideration and accordingly no funds will be raised. The Company will not receive any consideration in respect of the issue of the Incentive Securities (other than in respect of funds received on exercise of the Incentive Options);
- (h) the value of the Incentive Securities and the pricing methodology is set out in Schedule 5;
- (i) the purpose of the issue is set out in Section 9.1 above;
- (j) the relevant interests of the Directors in securities of the Company as at the date of this Notice are:

Director	Shares	Options	Performance Rights
Stephen Woodham ¹	2,667,893	2,000,000	nil
Stephen Brockhurst ²	1,375,001	1,000,000	nil
Adam Giles ³	1,280,000	1,000,000	nil

Notes:

1. Comprising:
 - (a) 2,500,000 Shares and 2,000,000 unquoted Options (exercisable at \$0.25 and expiring on 31 March 2024) held indirectly via Alpha Pty Ltd <Alpha Family Trust A/C>, an entity associated with Mr Woodham (of which 1,999,000 Shares and 2,000,000 Options are subject to ASX imposed escrow until 8 July 2023);
 - (b) 119,587 Shares held indirectly via Locksley Holdings Pty Ltd, an entity associated with Mr Woodham; and
 - (c) 48,306 Shares held indirectly via Stephen Woodham & Elizabeth Woodham <Weemala Super Fund A/C>.
 2. Comprising:
 - (a) 1,375,000 Shares and 1,000,000 Options (exercisable at \$0.25 and expiring on 31 March 2024) held indirectly via Stephen Michael Brockhurst <SM Brockhurst Family A/C>, all of which are subject to ASX imposed escrow until 8 July 2024; and
 - (b) 1 Share held directly by Mr Brockhurst.
 3. Comprising, 1,280,000 Shares and 1,000,000 Options (exercisable at \$0.25 and expiring on 31 March 2024) held indirectly via Adgile Investments Pty Ltd, an entity associated with Mr Giles (of which 999,500 Shares and 1,000,000 Options are subject to ASX imposed escrow until 8 July 2023).
- (k) the remuneration from the Company to each Director (and their respective associates) for the prior financial year and the proposed remuneration for the current financial year are set out below:

Director	Current Financial Year (ending 30 June 2023)	Prior Financial Year (ending 30 June 2022)
Stephen Woodham ¹	\$190,488	\$210,545
Stephen Brockhurst ²	\$45,760	\$52,000

Adam Giles ³	\$55,250	\$64,783
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Notes:

1. Mr Woodham is entitled to a base salary of \$195,000 per annum (plus superannuation), effective from the date the Company was admitted to the Official List of ASX. As per his employment agreement, Mr Woodham is also entitled to a motor vehicle allowance of \$30,000 per annum.
2. Mr Brockhurst is entitled to a base salary of \$48,000 per annum (plus superannuation), effective from the date the Company was admitted to the Official List of ASX.
3. Mr Giles is entitled to a base Chairman fee of \$60,000 per annum (plus superannuation), effective from the date the Company was admitted to the Official List of ASX.

- (l) the Incentive Securities are not being issued under any agreement;
- (m) if the Incentive Securities granted to the Directors are exercised, a total of 4,500,000 Shares would be allotted and issued. this will increase the number of Shares on issue from 69,999,998 to 74,499,998 (assuming that no other Options are exercised and no Shares are issued) with the effect that the shareholder of existing shareholders would be diluted by an aggregate of 6.43%;
- (n) the market price of Shares during the term of the Incentive Securities would normally determine whether or not the Incentive Securities are exercised. If, at any time any of the Incentive Securities are exercised and the Shares are trading on ASX at a price that is higher than the exercise price of the Incentive Securities, there may be a perceived cost to the Company;
- (o) the trading history of the Shares on ASX in the twelve (12) months before the date of this Notice of General Meeting is set out below:

	Price	Date
Highest	\$0.125	20 June 2022
Lowest	\$0.058	28 April 2023
Last	\$0.062	27 June 2023

- (p) in respect of Resolutions 7 to 9:
 - (i) the primary purpose of the grant of the Incentive Securities is to incentivise the Directors and to provide cost effective consideration to the Directors for their ongoing commitment and contribution to the Company in their respective roles as Directors, whilst allowing the Company to maintain cash reserves for acquisitions and operations. In addition, the Board considers the grant of the Incentive Securities to the Directors to be reasonable, given the necessity to attract high calibre professional to the Company whilst maintaining the Company's cash reserves;
 - (ii) the Board (other than in respect of the relevant Resolutions that they have an interest in) considered the extensive experience and reputation of the relevant Director within the industry, the current market price of Shares and current market practices when determining the number and exercise price of Incentive Securities to be issued to the Related Parties. Relevantly, the exercise price of the Incentive Options is the price that is approximately 66% higher than the price of the Shares on ASX on the date when consideration of the grant of the Incentive Securities was decided by the Board; and

- (iii) the Board does not consider there are any significant opportunity costs to the Company in issuing the Incentive Options to the Directors;
- (q) Each of Stephen Woodham, Stephen Brockhurst and Adam Giles are Directors and have a material person interest in the outcome of Resolutions 7 to 9 (as applicable) on the basis that they (and/or their respective nominees) are to be issued Incentive Securities. For this reason, the Directors do not believe that it is appropriate to make recommendations on Resolutions 7 to 9 of this Notice;
- (r) 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 these Resolutions; and
- (s) a voting exclusion statement is included for Resolutions 7 to 9 of this Notice.

10. Resolution 10 – Approval to Issue Facilitator Options

10.1 General

Resolution 10 seeks Shareholder approval for the issue of 6,000,000 unlisted Options (exercisable at \$0.10 each and expiring 3 years from the date of issue) (**Facilitator Options**) to Veritas Securities Limited (**Facilitator**) (and/or its nominees) as consideration for facilitating the Acquisition and services provided in respect of the Placement.

10.2 ASX Listing Rule 7.1

A summary of Listing Rule 7.1 is provided at Section 3.3 above.

10.3 Technical Information required by ASX Listing Rule 14.1A

If Resolution 10 is passed the Company will be able to proceed with the issue of the Facilitator Options. In addition, the issue of the Facilitator Options will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolution 10 is not passed, the Company will not be able to proceed with the issue of the Facilitator Options, and the Company will have to consider an alternative means of consideration to the Facilitator, for example by way of cash consideration.

10.4 Technical Information required by ASX Listing Rule 7.3

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to Resolution 10:

- (a) the Facilitator Options will be issued to the Facilitator (and/or its nominees);
- (b) in accordance with paragraph 7.2 of ASX Guidance Note 21, the Company confirms that the Facilitator (and/or its nominees) are not:
 - (i) a related party of the Company, members of the Company's Key Management Personnel, substantial holders of the Company, advisers of the Company or an associate of any of these parties; and
 - (ii) issued more than 1% of the issued capital of the Company at the time of issue
- (c) a total of 6,000,000 Facilitator Options will be issued;

- (d) the Facilitator Options will be issued on the terms set out in Schedule 4;
- (e) the Facilitator Options will be issued no later than three (3) months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules);
- (f) the Facilitator Options will be issued for nil consideration;
- (g) the purpose of the issue of the Facilitator Options is as consideration to the Facilitator (and/or its nominees) for facilitation services and assisting with procuring applications under the Placement;
- (h) the Facilitator Options will not be issued pursuant to an agreement;
- (i) the Facilitator Options are not being issued under, or to fund, a reverse takeover; and
- (j) a voting exclusion statement is included in Resolution 10 of the Notice.

The Board believes this Resolution is in the best interest of the Company and its Shareholders and unanimously recommend that the Shareholders vote in favour of this Resolution 10.

SCHEDULE 1– DEFINITIONS

In this Notice and the Explanatory Memorandum:

\$ means Australian Dollars.

Acquisition has the meaning given in Section 5.1.

Acquisition Agreement has the meaning given in Section 5.1.

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 (ACN 008 624 691) and, where the context permits, the Australian Securities Exchange operated by ASX.

Board means the board of Directors.

Business Day means:

- (a) for determining when a notice, consent or other communication is given, a day that is not a Saturday, Sunday or public holiday in the place to which the notice, consent or other communication is sent; and
- (b) for any other purpose, a day (other than a Saturday, Sunday or public holiday) on which banks are open for general banking business in Perth.

Chair means the person appointed to chair the Meeting convened by this Notice.

Closely Related Party means:

- (a) a spouse or child of the member; or
- (b) has the meaning given in section 9 of the Corporations Act.

Company means Locksley Resources Limited (ACN 629 672 144).

Consideration Options has the meaning given in Section 6.1.

Consideration Performance Rights has the meaning given in Section 7.1.

Consideration Shares has the meaning given in Section 5.1.

Constitution means the constitution of the Company as at the commencement of the Meeting.

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

Director means a director of the Company.

El Campo Prospect means the 5 mineral claims making up the El Campo Prospect within the Mojave Project, which are currently subject to the Option Agreement.

Equity Securities has the same meaning as in the Listing Rules.

ESM means Enigma Strategic Minerals Holdings Pty Ltd.

ESM Project means the 201 mineral claims making up the North Block and South Block of the Mojave Project.

Explanatory Memorandum means the explanatory memorandum attached to the Notice.

Facilitator has the meaning given in Section 10.1.

Facilitator Options has the meaning given in Section 10.1.

Incentive Performance Rights has the meaning given in Section 9.1

Incentive Options has the meaning given in Section 9.1.

Incentive Securities has the meaning given in Section 9.1.

Joint Lead Managers has the meaning given in Section 3.2.

Joint Lead Manager Mandate has the meaning given in Section 8.1.

Key Management Personnel means persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of the Company.

Lead Manager Options has the meaning given in Section 8.1.

Listing Rules means the listing rules of ASX.

Meeting has the meaning in the introductory paragraph of the Notice.

Mojave Project means ESM Project and the El Campo Prospect.

New Legislation has the meaning given in Section 7.1.

New Rules has the meaning given in Section 7.2.

North Block means the 164 claims totalling 14.9km² within the Mojave Project.

Notice means this notice of meeting.

Option means an option which entitles the holder to subscribe for one Share.

Option Agreement has the meaning given to it in Section 5.1.

Placement has the meaning given in Section 3.2.

Placement Shares has the meaning given in Section 3.2.

Proxy Form means the proxy form attached to the Notice.

Related Party has the meaning set out in the ASX Listing Rule 10.11.

Resolution means resolution contained in the Notice.

Schedule means a schedule to this Notice.

Section means a section contained in this Explanatory Memorandum.

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

Shareholder means a shareholder of the Company.

South Block means the 32 claims totalling 3.5km² in the Mojave Project.

Tottenham Project has the meaning given in the Company's IPO prospectus dated 18 May 2021.

Trading Day means a day determined by ASX to be a trading day in accordance with the Listing Rules.

Tranche 1 Placement Participants has the meaning given in Section 3.6(a).

Tranche 1 Placement Shares has the meaning given in Section 3.2.

Tranche 2 Placement Participants has the meaning given in Section 4.4(a).

Tranche 2 Placement Shares has the meaning given in Section 3.2.

Vendors has the meaning given in Section 5.1.

WST means Western Standard Time, being the time in Perth, Western Australia.

In this Notice and the Explanatory Memorandum words importing the singular include the plural and vice versa.

SCHEDULE 2 – Terms of Consideration Options and Incentive Options

The terms and conditions of the Options (subject of Resolutions 4, 7, 8 and 9) are as follows:

(a) **Entitlement**

Each Option entitles the holder to subscribe for one (1) Share upon exercise of the Option.

(b) **Exercise Price**

Subject to paragraph (i), the amount payable upon exercise of each Options is \$0.10 per Options (**Exercise Price**).

(c) **Expiry Date**

The Options will expire at 5.00pm (WST) on 30 March 2026 (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

The Options are exercisable at any time prior to the Expiry Date (**Exercise Period**).

(e) **Notice of Exercise**

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

(f) **Exercise Date**

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

(g) **Timing of issue of Shares on exercise**

Following the Exercise Date and within the time period specified by the ASX Listing Rules, the Company will:

- (i) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

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

necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(h) **Shares issued on exercise**

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

(i) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(j) **Participation in new issues**

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

(k) **Transferability**

The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

SCHEDULE 3 – Terms of Consideration Performance Rights and Incentive 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) In the event the issued capital of the Company is reconstructed, all rights of a holder will be changed to the extent necessary to comply with the ASX Listing Rules and Corporations Act at the time of reorganisation provided that, subject to compliance with the ASX Listing Rules and Corporations Act, following such reorganisation the economic and other rights of the holder are not diminished or terminated.
- (g) Subject always to the rights under paragraph (f), a Performance Right does not entitle the holder (in its capacity as a holder of a Performance Right) to participate in new issues of capital offered to holders of Shares such as bonus issues and entitlement issues.
- (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. Conversion

- (a) The Performance Rights in the relevant class (**Class**) immediately vest and becomes exercisable by the holder into fully paid ordinary shares in the capital of the Company (**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 condition (**Condition**) applicable to each Class by the relevant expiry date (**Expiry Date**), set out below:

Class	Condition	Expiry Date
A	The Company announcing that it has identified selected rock chip samples greater than 4% Total Rare Earth Oxide (TREO) from a rock chip sampling program conducted within the area of the ESM Project or the El Campo Prospect which support a decision by the Company (at its discretion) to commence a drilling program to drill over 2,000 metres in total at the ESM Project or the El Campo Prospect.	Three (3) years from the date of issue

B	The Company announcing achievement of a drilling intersection within the area of the ESM Project or the El Campo Prospect greater than 5 metres with an average grade above 4% TREO.	Three (3) years from the date of issue
C	The Company announcing achievement of a drilling intersection within the area of the ESM Project greater than 5 metres with an average grade above 4% TREO.	Three (3) years from the date of issue

- (b) In order to exercise the Performance Rights 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 Performance Rights into the Conversion Shares. The holder must pay \$0.0001 upon exercise for each Consideration Performance Right (**Exercise Price**). The Performance Rights 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) Each Conversion Share will rank equally with a fully paid ordinary share in the capital of the Company.
- (e) 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

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

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 (with the mutual written agreement of the holder) in order to comply with the Listing Rules, or any directions of ASX regarding the terms in order to comply with the Listing Rules.
- (e) Any reference to the Listing Rules in these terms and conditions is to be complied with only where the Company is admitted to the official list of ASX at the relevant time.

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 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 Performance Rights into a Conversion Share in accordance with clause 3(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 4 – Terms of Lead Manager Options and Facilitator Options

The terms and conditions of the Options (subject of Resolution 6 and Resolution 10) are as follows:

(a) **Entitlement**

Each Option entitles the holder to subscribe for one (1) Share upon exercise of the Option.

(b) **Exercise Price**

Subject to paragraph (i), the amount payable upon exercise of each Options is \$0.10 per Options (**Exercise Price**).

(c) **Expiry Date**

The Options will expire at 5.00pm (AEST) on the date that is three (3) years from the date of issue (**Expiry Date**). A Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Notice of Exercise**

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

(e) **Exercise Date**

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

(f) **Timing of issue of Shares on exercise**

In accordance with the Corporations Act and ASX Listing Rules, after the Exercise Date the Company will:

- (i) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

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

(g) **Restrictions on transfer or disposal of Shares**

If the Company is unable to give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, Shares issued on conversion of the Options may not be traded until 12 months after their issue unless the Company, at its sole discretion, elects to issue a prospectus to section 708A(11) of the Corporations Act.

(h) **Shares issued on exercise**

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

(i) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(j) **Participation in new issues**

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

(k) **Adjustment for rights issue**

In the event the Company proceeds with a pro rata issue (except a bonus issue) of securities to Shareholders after the issue of the Options, the Exercise Price may be reduced in accordance with the formula set out in ASX Listing Rule 6.22.2.

(l) **Adjustment for bonus issues of Shares**

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

- (i) the number of Share which must be issued on exercise of the Options will be increased by the number of Shares with the Optionholder would have received if the Optionholder had exercised the Options before the record date for the bonus issue; and
- (ii) no change will be made to the Exercise Price.

(m) **Unquoted**

The Company will not apply for quotation of the Options.

(n) **Transferability**

The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

SCHEDULE 5– Valuation of Incentive Securities

The Incentive Securities to be issued to the Directors, pursuant to Resolutions 7 to 9 have been valued by internal management.

Incentive Options

Using the Black & Scholes option model and based on the assumptions set out below, the Incentive Options were ascribed the following value:

Assumptions:	
Valuation date	27 June 2023
Market price of Shares	\$0.062
Exercise price	\$0.10
Expiry date (length of time from issue)	30 March 2026
Risk free interest rate	3.93 %
Volatility (discount)	90 %
Indicative value per Incentive Options	\$0.027
Total Value of Incentive Options	\$94,500
- Stephen Woodham (Resolution 7)	\$54,000
- Stephen Brockhurst (Resolution 8)	\$27,000
- Adam Giles (Resolution 9)	\$13,500

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

Incentive Performance Rights


Based on the assumptions set out below, the Incentive Performance Rights were ascribed the following value:


Assumptions:	
Valuation date	27 June 2023
Market price of Shares	\$0.062
Total value of Incentive Performance Rights:	\$62,000
- Stephen Woodham (Resolution 7)	\$62,000

Note: The valuation noted above is not necessarily the market price that the Incentive Performance Rights could be traded at and is not automatically the market price for taxation purposes. The value of the Incentive Performance Rights have been recognised on the basis that all performance metrics

will be achieved and have not been discounted for the likelihood of achievement of those performance metrics.

Need assistance?

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

 **Online:**
www.investorcentre.com/contact



YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **11:00am (AWST) on Tuesday, 8 August 2023.**

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 and select "Printable Forms".

Lodge your Proxy Form:

XX

Online:

Lodge your vote online at 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: 182749

For Intermediary Online subscribers (custodians) go to 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.

You may elect to receive meeting-related documents, or request a particular one, in electronic or physical form and may elect not to receive annual reports. To do so, contact Computershare.

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.

Proxy Form

Please mark to indicate your directions

Step 1 Appoint a Proxy to Vote on Your Behalf

XX

I/we being a member/s of Locksley Resources 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 General Meeting of Locksley Resources Limited to be held at Level 8, 216 St Georges Terrace, Perth, WA 6000 on Thursday, 10 August 2023 at 11:00am (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 Resolutions 7, 8 and 9 (except where I/we have indicated a different voting intention in step 2) even though Resolutions 7, 8 and 9 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 Resolutions 7, 8 and 9 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			For	Against	Abstain
1(a)	Ratification of Prior Issue of Tranche 1 Placement Shares – Listing Rule 7.1	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	8	Approval to Issue Incentive Options to Director – Stephen Brockhurst	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
1(b)	Ratification of Prior Issue of Tranche 1 Placement Shares – Listing Rule 7.1A	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	9	Approval to Issue Incentive Options to Director – Adam Giles	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2	Approval to Issue Tranche 2 Placement Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	10	Approval to Issue Facilitator Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3	Approval to Issue Consideration Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>					
4	Approval to Issue Consideration Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>					
5	Approval to Issue Consideration Performance Rights	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>					
6	Approval to Issue Lead Manager Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>					
7	Approval to Issue Incentive Securities to Director – Stephen Woodham	<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

