

21 December 2021

Dear Shareholder

2021 Annual General Meeting

Kingsrose Mining Limited (ASX: KRM) (“Kingsrose” or the “Company”) is pleased to invite you to attend the 2021 Annual General Meeting (**AGM**), to be held on **Friday, 28 January 2022 at 3.00pm** (AWST).

To allow more Shareholders to attend the AGM and in light of the ongoing global COVID-19 pandemic, the Company has decided to hold its AGM virtually, to ensure all Shareholders can participate in the AGM while maintaining their health and safety and abiding by social distancing requirements.

Shareholders will not be able to attend the AGM in person and can only participate in the AGM online via <https://meetings.linkgroup.com/KRM21>. Shareholders will be able to listen and participate in the AGM in real time on their computer or mobile device through an online platform that allows you to listen to the business of the AGM, submit questions and vote. The notice of meeting (**Notice**) describes the business that will be proposed at the AGM and sets out how you can attend, vote and ask questions using the virtual meeting technology available.

In accordance with the *Treasury Laws amendment (2021 Measure No.1) Bill 2021* (Cth), the Company will not be sending hard copies of the Notice to Shareholders. Instead, a copy of the Notice will be available under the “News” section of the Company’s website at www.kingsrosemining.com.

The Notice is important and should be read in its entirety. If you are in doubt as to the course of action you should follow, you should consult your adviser. If you have any difficulties accessing a copy of the Notice, please contact the Company’s share registry, Link Market Services Limited on 1300 554 474 (within Australia) or +61 1300 554 474 (overseas).

We recommend logging in to our online platform at least 15 minutes prior to the scheduled start time for the AGM using the instructions below:

1. Enter <https://meetings.linkgroup.com/KRM21> into a web browser on your computer or online device;
2. You will need your Shareholder Reference Number (SRN) or Holder Identification Number (HIN) printed at the top of the Voting Form; and
3. Proxyholders will need their proxy code which Link Market Services will provide prior to the AGM.

If you have not elected to receive notices by email, a copy of this letter and your personalised proxy form will be posted out to you for your convenience. Shareholders are encouraged to complete and lodge their proxies online or otherwise in accordance with the instructions set out in the proxy form and the Notice.

ASX:KRM

info@kingsrosemining.com • +61 8 9389 4498 • www.kingsrosemining.com

45 Ventnor Avenue, West Perth, WA 6005 • ABN: 49 112 389 910



Further information on how to participate, ask questions and vote virtually is set out in this Notice and the Virtual Meeting Guide at www.kingsrosemining.com

Your proxy voting instruction must be received by 3:00pm (AWST) on Wednesday, 26 January 2022, being not less than 48 hours before the commencement of the AGM. Any proxy voting instructions received after that time will not be valid for the AGM.

Full instructions on how to submit your proxy are set out in the Notice.

Shareholders experience any difficulties obtaining a copy of the Notice or using the virtual meeting technology should contact the Company's share registry, details below.

This ASX Announcement was authorised for release by Managing Director, Fabian Baker.

For more information, please contact:

Fabian Baker
Managing Director
+61 8 9389 4494
info@kingsrosemining.com

Joanna Kiernan
Company Secretary
+61 8 9389 4494
joanna@kingsrosemining.com

Link Market Services
Share Registry
+ 61 1300 554 474
registrars@linkmarketservices.com.au

KINGSROSE MINING LIMITED - ACN 112 389 910

NOTICE OF ANNUAL GENERAL MEETING

TIME: 3:00pm AWST

DATE: 28 January 2022

PLACE: <https://meetings.linkgroup.com/KRM21>

IMPORTANT NOTES

Virtual Meeting

In light of the ongoing global COVID-19 pandemic, the Company has decided to hold its Annual General Meeting virtually, to ensure all Shareholders can participate in the Meeting while maintaining their health and safety and abiding by social distancing requirements.

Shareholders will not be able to attend the Meeting in person and can only participate in the Meeting online via <https://meetings.linkgroup.com/KRM21>. Shareholders will be able to listen to the meeting, ask questions online and cast their votes.

We recommend logging in to our online platform at least 15 minutes prior to the scheduled start time for the Meeting using the instructions below:

Enter <https://meetings.linkgroup.com/KRM21> into a web browser on your computer or online device:

- Shareholders will need their Shareholder Reference Number (SRN) or Holder Identification Number (HIN) printed at the top of the Voting Form; and
- Proxyholders will need their proxy code which Link Market Services will provide prior to the Meeting.

Further information on how to participate, ask questions and vote virtually is set out in this Notice and the Virtual Meeting Guide at www.kingsrosemining.com

General

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

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on (+61) 8 9389 4494.

CONTENTS PAGE

Notice of Annual General Meeting	4
Explanatory Statement (explaining the proposed resolutions)	12
Glossary	49
Schedule 1 – Summary of the Plan	52
Schedule 2 – Summary of the terms of the Related Party Options	55
Schedule 3 – Valuation of Related Party Options	57
Schedule 4 - Details of E-46 Shareholder Consideration and Deferred Consideration	58
Proxy Form	Enclosed

IMPORTANT INFORMATION

Time and place of meeting

Notice is given that the meeting of the Shareholders to which this Notice of Meeting relates will be held at 3:00pm (AWST) on 28 January 2022 at <https://meetings.linkgroup.com/KRM21>

Your vote is important

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

Voting eligibility

The Directors have determined pursuant to Regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 7:00pm (AWST) on 26 January 2022.

Poll

Shareholders are advised that all Resolutions to be considered at the Annual General Meeting will be put to a poll, in accordance with the provisions of the Company's Constitution.

Proxy

To vote by proxy, please complete and sign the Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

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

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

The proxy form and the power of attorney or other authority (if any) under which it is signed (or a certified copy) must be received by the Share Registry, Link Market Services Limited, no later than 3:00pm (AWST) on 26 January 2022 (that is, at least 48 hours before the meeting). Proxies received after this time will not be accepted.

Instructions for completing the proxy form are outlined on the form, which may be returned by:

- posting it in the reply-paid envelope provided:
 - posting it Kingsrose Mining Limited c/- Link Market Services Limited, Locked Bag A14, Sydney South NSW 1235;
 - hand delivering it to Link Market Services Limited at Level 12, 680 George Street, Sydney NSW 2000;
- faxing it to Link Market Services Limited on +61 2 9287 0309; and
- lodging it online at linkmarketservices.com.au in accordance with the instructions provided on the website. You will need your HIN or SRN to lodge your proxy form online.

Proxies from corporate shareholders must be executed in accordance with their Constitution or signed by a duly authorised attorney.

A proxy may decide whether to vote on any motion except where the proxy is required by law or the Constitution to vote, or abstain from voting, in their capacity as a proxy. If a proxy directs how to vote on an item of business, the proxy may only vote on that item, in accordance with that direction. If a proxy is not directed how to vote on an item of business, a proxy may vote how he/she thinks fit.

The Constitution provides that where the appointment of a proxy has not identified the person who may exercise it, the appointment will be deemed to in favour of the Chair of the meeting to which it relates, or to another person as the Board determines.

If a shareholder appoints the Chair of the meeting as the shareholder's proxy and does not specify how the Chair is to vote on an item of business, the Chair will vote, as a proxy for that shareholder, in favour of the item on a poll.

How to Vote Online

Shareholders may vote by either:

- Appointing a Proxy; or
- Using the online platform. We recommend logging in to the online platform at least 15 minutes prior to the scheduled start time for the Meeting using the instructions below:
 - Enter <https://meetings.linkgroup.com/KRM21> into a web browser on your computer or online device;
 - Securityholders will need their SRN or HIN (printed at the top of the Voting Form); and
- Proxyholders will need their proxy code which Link Market Services will provide via email no later than 48 hours prior to the Meeting.

Online voting will be open between the commencement of the Meeting at 3:00pm (AWST) on 28 January 2022 and the time at which the Chair announces voting closure.

More information about online participation in the Meetings is available in the Virtual Meeting Guide at www.kingsrosemining.com

NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the meeting of the Shareholders to which this Notice of Meeting relates will be held at 3:00pm (WST) on 28 January 2022 at:

<https://meetings.linkgroup.com/KRM21>

The Explanatory Statement and Proxy Form which accompany and form part of this Notice, describe in more detail the matters to be considered. Please consider this Notice, the Explanatory Statement and the Proxy Form in their entirety.

Capitalised terms not otherwise defined in this Notice have the meaning given in the Glossary which accompanies this Notice. References to the “Corporations Act” are to the *Corporations Act 2001* (Cth) unless the context requires otherwise.

AGENDA

ORDINARY BUSINESS

Financial Statements and Reports

To receive and consider the annual financial report, directors’ report, the remuneration report and auditor’s report for the Company and its controlled entities for the year ended 30 June 2021.

1. Resolution 1 – Adoption of Remuneration Report

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

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

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

Voting Prohibition Statement: A vote on this Resolution must not be cast (in any capacity) by or on behalf of any of the following persons:

- (a) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or
- (b) a Closely Related Party of such a member.

However, a person described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:

- (a) the person does so as a proxy appointed by writing that specifies how the proxy is to vote on the Resolution; or
- (b) the voter is the Chair and the appointment of the Chair as proxy:
 - (i) does not specify the way the proxy is to vote on this Resolution; and
 - (ii) expressly authorises the Chair to exercise the proxy even if the

Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

2. Resolution 2 – Election of Mr Daryl Corp as a Director

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

“That for the purposes of clause 12.17 of the Constitution, ASX Listing Rule 14.4 and for all other purposes, Mr Daryl Corp, a Director who was appointed on 19 November 2020, retires, and being eligible, is elected as a Director.”

3. Resolution 3 – Election of Mr Andrew Cooke as a Director

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

“That for the purposes of clause 12.17 of the Constitution, ASX Listing Rule 14.4 for all other purposes, Mr Andrew Cooke, a Director who was appointed on 19 November 2020, retires, and being eligible, is elected as a Director.”

4. Resolution 4 – Election of Dr Timothy Coughlin as a Director

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

“That for the purposes of clause 12.17 of the Constitution, ASX Listing Rule 14.4 for all other purposes, Dr Timothy Coughlin, a Director who was appointed on 19 November 2020, retires, and being eligible, is elected as a Director.”

5. Resolution 5 – Re-election of Mr John Carlile as a Director

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

“That, for the purpose of clause 12.11 of the Company’s Constitution, Listing Rule 14.4 and for all other purposes, Mr John Carlile, a Director, retires by rotation and being eligible, is re-elected as a Director.”

6. Resolution 6 – Replacement of Constitution

To consider and, if thought fit, to pass the following resolution as a special resolution:

“That, for the purposes of section 136(2) of the Corporations Act and for all other purposes, approval is given for the Company to repeal its existing Constitution and adopt a new constitution in its place in the form as signed by the Chair for identification purposes.”

7. Resolution 7 - Approval of Incentive Option and Performance Rights Plan

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

“That, for the purposes of Listing Rule 7.2 Exception 13(b) and all other

purposes, approval is given for the Company to adopt an employee incentive scheme titled "Incentive Option and Performance Rights Plan" and issue a maximum of 36,500,368 securities under the Plan on the terms and conditions set out in the explanatory statement."

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who is eligible to participate in the employee incentive scheme and any associate of that person or those persons. However, this does not apply to a vote cast in favour of a Resolution by:

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

Voting Prohibition Statement: 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.

However, the above prohibition does not apply if:

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

8. Resolution 8 – Grant of Options under Incentive Option and Performance Rights Plan to Mr John Carlile

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

"That, for the purposes of Listing Rule 10.14, section 208 of the Corporations Act and for all other purposes, approval is given for the Company to grant

4,500,000 Options to Director Mr John Carlile (or his permitted nominee) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of Mr Carlile (or his permitted nominee) and any of his associates. However, this does not apply to a vote cast in favour of a Resolution by:

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

Voting Prohibition Statement: 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.

However, the above prohibition does not apply if:

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

9. Resolution 9 – Grant of Options under Incentive Option and Performance Rights Plan to Dr Timothy Coughlin

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

“That, for the purposes of Listing Rule 10.14, section 208 of the Corporations Act and for all other purposes, approval is given for the Company to grant 4,500,000 Options to Director Dr Timothy Coughlin (or his permitted nominee) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of Dr Coughlin (or his permitted nominee) and any of his associates. However, this does not apply to a vote cast in favour of a Resolution by:

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

Voting Prohibition Statement: 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.

However, the above prohibition does not apply if:

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

10. Resolution 10 – Grant of Options under Incentive Option and Performance Rights Plan to Mr Andrew Cooke

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

“That, for the purposes of Listing Rule 10.14, section 208 of the Corporations Act and for all other purposes, approval is given for the Company to grant 4,500,000 Options to Director Mr Andrew Cooke (or his permitted nominee) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of Mr Cooke (or his permitted nominee) and any of his associates. However, this does not apply to a vote cast in favour of a Resolution by:

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

Voting Prohibition Statement: 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.

However, the above prohibition does not apply if:

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

11. Resolution 11 – Grant of Options under Incentive Option and Performance Rights Plan to Dr Michael Andrews

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

“That, for the purposes of Listing Rule 10.14, section 208 of the Corporations Act and for all other purposes, approval is given for the Company to grant 4,500,000 Options to Director Dr Michael Andrews (or his permitted nominee) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of Dr Andrews (or his permitted nominee) and any of his associates. However, this does not apply to a vote cast in favour of a Resolution by:

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

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

Voting Prohibition Statement: 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.

However, the above prohibition does not apply if:

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

12. Resolution 12 – Grant of Options under Incentive Option and Performance Rights Plan to Mr Daryl Corp

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

“That, for the purposes of Listing Rule 10.14, section 208 of the Corporations Act and for all other purposes, approval is given for the Company to grant 4,500,000 Options to Director Mr Daryl Corp (or his permitted nominee) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of Mr Corp (or his permitted nominee) and any of his associates. However, this does not apply to a vote cast in favour of a Resolution by:

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

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

Voting Prohibition Statement: 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.

However, the above prohibition does not apply if:

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

13. Resolution 13 – Ratification of issue of Consideration Shares to Non-Related Sellers

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

"That, pursuant to and in accordance with Listing Rule 7.4 and for all other purposes, Shareholders ratify the prior issue of 14,379,166 Consideration Shares to E-46 Shareholders, excluding the Related Sellers, on the terms and conditions in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of E-46 Shareholders or an associate of those persons. However, this does not apply to a vote cast in favour of a resolution by:

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

- (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
- (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

14. Resolution 14 – Approval to issue Consideration Shares to Fabian Baker

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

"That, pursuant to and in accordance with Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of 340,000 Consideration Shares to Fabian Baker (or his permitted nominee) on the terms and conditions in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of Fabian Baker (or his nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities) or as associate of that person or those persons. However, this does not apply to a vote cast in favour of a Resolution by:

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

15. Resolution 15 – Approval to issue Consideration Shares to Timothy Coughlin

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

"That, pursuant to and in accordance with Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of up to 1,700,001 Consideration Shares to Timothy Coughlin (or his permitted nominee) on the terms and conditions in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of Timothy Coughlin (or his nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a

benefit solely by reason of being a holder of ordinary securities) or as associate of that person or those persons. However, this does not apply to a vote cast in favour of a Resolution by:

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

16. Resolution 16 – Ratification of issue Deferred Consideration Shares to Non-Related sellers

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

"That, pursuant to and in accordance with Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 26,874,166 Deferred Consideration Shares on the terms and conditions in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of 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) or an associate of that person (or those persons). However, this does not apply to a vote cast in favour of a Resolution by:

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

17. Resolution 17 – Approval to issue Deferred Consideration Shares to Fabian Baker

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

"That, pursuant to and in accordance with Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of 340,000 Deferred Consideration Shares to Fabian Baker (or his permitted nominee) on the terms and conditions in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of Fabian Baker (or his nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities) or as associate of that person or those persons. However, this does not apply to a vote cast in favour of a Resolution by:

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

18. Resolution 18 – Approval to issue Deferred Consideration Shares to Timothy Coughlin

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

"That, pursuant to and in accordance with Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of 4,250,001 Deferred Consideration Shares to Timothy Coughlin (or his permitted nominee) on the terms and conditions in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of Timothy Coughlin (or his nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities) or as associate of that person or those persons. However, this does not apply to a vote cast in favour of a Resolution by:

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

DATED: 21 DECEMBER 2021
BY ORDER OF THE BOARD



Joanna Kiernan
Company Secretary
KINGSROSE MINING LIMITED

Explanatory Statement

This Explanatory Statement has been prepared for the information of the Shareholders of the Company in connection with the business to be conducted at the Annual General Meeting to be held at 3pm (AWST) on 28 January 2022 at:

<https://meetings.linkgroup.com/KRM21>

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

Financial Statements and Reports

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

There is no requirement for shareholders to approve these reports. The Chair will allow a reasonable time for shareholders to ask questions about or make comments on the management of the Company. Shareholders will also be given a reasonable opportunity to ask the auditor questions about the conduct of the audit, and the preparation and content of the auditor's report, the accounting policies adopted by the Company and the independence of the auditor in relation to the conduct of the audit.

The Company will not provide a hard copy of the Company's annual financial report to Shareholders unless specifically requested to do so. The Company's annual financial report is available on its website at <https://www.kingsrosemining.com>

1. Resolution 1 – Adoption of the Remuneration Report

The remuneration report for the Company is set out in the Company's 2021 Annual Report. The remuneration report outlines the Company's remuneration framework and the remuneration outcomes for the financial year the subject of the remuneration report for the Board and Key Management Personnel.

The Chair will allow a reasonable opportunity for Shareholders to ask questions about, or make comments on, the remuneration report at the meeting.

Under the Corporations Act if, at two consecutive annual general meetings, at least 25% of the votes cast on a remuneration report resolution are voted against adoption of the remuneration report, then a further resolution (**Spill Resolution**) may be required to be considered at the second annual general meeting as to whether a further meeting be convened to put certain Directors to re-election. The Directors to be put to re-election are those Directors, other than the Managing Director, who were Directors when the resolution to make the directors report was passed.

At the Company's previous annual general meeting the votes cast against the remuneration report considered at that annual general meeting were less than 25%. Accordingly, the requirement for a Spill Resolution will not arise at this Meeting irrespective of the outcome of the vote on Resolution 1.

Resolution 1 is an ordinary resolution.

The Chair intends to exercise all available proxies in favour of Resolution 1.

If you are appointing the Chair as your proxy, please note that the proxy form accompanying this Notice expressly authorises the Chair to vote any undirected

proxies in favour of Resolution 1 even though the resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel. Accordingly, if you are appointing the Chair as your proxy and do not wish your proxy to vote in favour of Resolution 1, you will need to mark “against” or “abstain” where indicated in the proxy form in relation to Resolution 1.

2. Resolution 2 – Election of Mr Daryl Corp as a Director

Clause 12.17 of the Company’s Constitution, and Listing Rule 14.4, requires that a Director appointed to fill a casual vacancy or as an additional Director to the existing number of Directors, holds office only until the next Annual General Meeting after the appointment and is then eligible for election.

Mr Daryl Corp, appointed by the Board as a Director on 19 November 2020, will retire in accordance with clause 12.17 of the Constitution at the Meeting and, being eligible seeks election.

Mr Daryl Corp is an experienced mining executive with over 40 years in the minerals industry in a wide range of both corporate and operational roles. This has involved base metals, iron ore and precious metals projects and operations, both in Australia and offshore. Commencing his career as a graduate mining engineer in Broken Hill he moved to a role as Senior Mining Engineer with a small gold and base metals company before joining Newcrest Mining Limited in mid-1990. Whilst at Newcrest he progressed through technical roles to more senior roles where he developed broader corporate skills, holding a range of positions including Transformation Executive – Business Development, General Manager – ExCo Co-ordination and Projects, Head of Ore Reserves Governance, General Manager – Corporate Affairs, and Manager – Business Development. Mr Daryl Corp managed feasibility studies for several underground gold mine developments and well as initial studies for both the Cadia Hill and Ridgeway mines. He was responsible for delivering permits required for development of the Gosowong Gold Mine in Indonesia, remaining with the project as Project Manager – Mining during the construction and early operations at Gosowong. Mr Daryl Corp holds a Bachelor of Engineering in Mining from the University of Melbourne and a Diploma in Geoscience from Macquarie University. He is a Fellow of The Australasian Institute of Mining and Metallurgy.

Mr Daryl Corp is currently a director of Sihayo Gold Limited (ASX: SIH), an ASX listed company.

The Company has confirmed Mr Daryl Corp’s qualifications and material employment history and conducted an ASIC search and criminal history search of Mr Daryl Corp. Nothing of concern has arisen from these enquiries.

Mr Daryl Corp does not have any interest, position or relationship that might influence, or reasonably be perceived to influence, in a material respect their capacity to bring an independent judgement to bear on issues before the Board and to act in the best interests of the Company as a whole rather than in the interests of an individual security holder or other party.

The Board considers that Mr Daryl Corp will, if elected, qualify as an independent Director.

Resolution 2 is an ordinary resolution.

The Chair intends to exercise all available proxies in favour of Resolution 2

The Board (other than Mr Daryl Corp who has a material interest in the outcome of Resolution 2) supports the election of Mr Daryl Corp as a Director.

3. Resolution 3 – Election of Mr Andrew Cooke as a Director

Clause 12.17 of the Company's Constitution, and Listing Rule 14.4, requires that a Director appointed to fill a casual vacancy or as an additional Director to the existing number of Directors, holds office only until the next Annual General Meeting after the appointment and is then eligible for election.

Mr Andrew Cooke, appointed by the Board as a Director on 19 November 2020, will retire in accordance with clause 12.17 of the Constitution at the Meeting and, being eligible seeks election.

Mr Andrew Cooke holds a law degree from Sydney University and has extensive experience in law, corporate finance, governance and compliance. He has over 30 years of boardroom experience and has developed a practical blend of legal and commercial acumen. He has served as a consultant to listed, public and private companies in the resources, property, mining services, technology and biotech sectors focussing on stock exchange, capital raisings, regulatory compliance and a wide range of corporate transactions. Much of his work has been focussed on the resource sector where he has worked closely with exploration, mining and oil and gas companies in Australia, Canada, Indonesia, Fiji and the Solomon Islands.

The Company has confirmed Mr Andrew Cooke's qualifications and material employment history and conducted an ASIC search and criminal history search of Mr Andrew Cooke. Nothing of concern has arisen from these enquiries.

Mr Andrew Cooke does not have any interest, position or relationship that might influence, or reasonably be perceived to influence, in a material respect their capacity to bring an independent judgement to bear on issues before the Board and to act in the best interests of the Company as a whole rather than in the interests of an individual security holder or other party.

The Board considers that Mr Andrew Cooke will, if elected, qualify as an independent Director.

Resolution 3 is an ordinary resolution.

The Chair intends to exercise all available proxies in favour of Resolution 3.

The Board (other than Mr Andrew Cooke who has a material interest in the outcome of Resolution 3) supports the election of Mr Andrew Cooke as a Director.

4. Resolution 4 – Election of Dr Timothy Coughlin as a Director

Clause 12.17 of the Company's Constitution, and Listing Rule 14.4, requires that a Director appointed to fill a casual vacancy or as an additional Director to the existing number of Directors, holds office only until the next Annual General Meeting after the appointment and is then eligible for election.

Dr Timothy Coughlin, appointed by the Board as a Director on 19 November 2020, will retire in accordance with clause 12.17 of the Constitution at the Meeting and, being eligible seeks election.

Dr Timothy Coughlin is an exploration geologist with over 30-years of experience

exploring for gold, copper, base metals and oil in Australasia, the Americas, Asia, the Middle East and Eastern Europe. Dr Coughlin was responsible for the discovery of new gold deposits in Peru and Armenia. He has held senior positions with major companies and founded and listed two successful exploration companies on the Toronto Stock Exchange.

Dr Coughlin is currently President and CEO of TSXV-listed and Latin America-focused Royal Road Minerals Ltd.

The Company has confirmed Dr Timothy Coughlin's qualifications and material employment history and conducted and ASIC search and criminal history search of Dr Timothy Coughlin. Nothing of concern has arisen from these enquiries.

Dr Timothy Coughlin does not have any interest, position or relationship that might influence, or reasonably be perceived to influence, in a material respect their capacity to bring an independent judgement to bear on issues before the Board and to act in the best interests of the Company as a whole rather than in the interests of an individual security holder or other party.

The Board considers that Dr Timothy Coughlin will, if elected, qualify as an independent Director.

Resolution 4 is an ordinary resolution.

The Chair intends to exercise all available proxies in favour of Resolution 4.

The Board (other than Mr Tim Coughlin who has a material interest in the outcome of Resolution 4) supports the election of Dr Timothy Coughlin as a Director.

5. Resolution 5 – Re-election of Mr John Carlile as a Director

Clause 12.11 of the Constitution requires that at the Company's annual general meeting in every year, one-third of the Directors for the time being, or, if their number is not a multiple of 3, then the number nearest one-third, shall retire from office, provided always that no Director (except a Managing Director) shall hold office for a period in excess of 3 years, or until the third annual general meeting following his or her appointment, whichever is the longer, without submitting himself or herself for re-election.

The Directors to retire at an annual general meeting are those who have been longest in office since their last election, but, as between persons who became Directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by drawing lots.

A Director who retires by rotation under clause 12.11 of the Constitution is eligible for re-election.

The Company currently has 6 Directors, 3 of which are retiring under clause 12.17 of the Constitution and accordingly 1 must retire.

Mr John Carlile, the Director longest in office since his last election, retires by rotation and seeks re-election.

Mr John Carlile has been a Director of the Company for a period of approximately 2 years and 9 months since 5 February 2019.

Mr John Carlile is a geologist with over 35 years' experience in major and junior resources companies with a proven track-record of discovery, project acquisitions, and growth of public companies. Mr John Carlile led Newcrest's presence in Indonesia and grass-roots discovery and exploration of Gosowong high-grade Epithermal gold-silver deposit. Previously as a member of BHP-Utah's World Metals Group, he was involved in evaluation of acquisition and exploration opportunities in a number of countries, particularly in Asia. Mr John Carlile has extensive experience in Indonesia, has a good command of the language and has co-authored several geological publications on mineralisation in the volcanic arcs of Indonesia. Mr Carlile is currently a Non-executive Director of Southern Arc Minerals Inc., and Principal of JEM Resources Limited.

The Board considers that Mr John Carlile will, if re-elected, qualify as an independent Director.

Resolution 5 is an ordinary resolution.

The Chair intends to exercise all available proxies in favour of Resolution 5

The Board (other than Mr John Carlile who has a material interest in the outcome of Resolution 5) supports the re-election of Mr John Carlile as a Director.

6. Resolution 6 – Replacement of Constitution

6.1 General

A company may modify or repeal its constitution or a provision of its constitution by special resolution of Shareholders in accordance with section 136 of the Corporations Act.

Resolution 6 is a special resolution and seeks shareholder approval to repeal the Company's existing Constitution and adopt a new constitution (**Proposed Constitution**).

The Proposed Constitution will incorporate amendments to the Corporations Act and Listing Rules since the current Constitution was adopted in 2007 and selectively updated in 2012.

The Board has conducted a review of the current Constitution and believe that it is preferable in the circumstances to replace the existing Constitution with the Proposed Constitution rather than to amend a multitude of specific provisions.

The Proposed Constitution is broadly consistent with the provisions of the existing Constitution. Many of the proposed changes are administrative or minor in nature including but not limited to:

- (a) updating references to bodies or legislation which have been renamed; and
- (b) expressly providing for statutory rights by mirroring these rights in provisions of the Proposed Constitution.

The Directors believe these amendments are not material nor will they have any significant impact on Shareholders. It is not practicable to list all of the changes to the Constitution in detail in this Explanatory Statement, however, a summary of the proposed material changes is set out below.

A copy of the Proposed Constitution is available for review by Shareholders at the Company's website <https://www.kingsrosemining.com> and at the office of the Company. A copy of the Proposed Constitution can also be sent to Shareholders upon request to the Company Secretary (+61 8 9389 4498). Shareholders are invited to contact the Company if they have any queries or concerns.

If Resolution 6 is passed, the Proposed Constitution will be effective from the close of the Meeting.

Resolution 6 is a special resolution requiring approval of at least 75% of Shareholders eligible to vote.

The Chair intends to exercise all available proxies in favour of Resolution 6.

6.2 Summary of material proposed changes

(a) Minimum Shareholding (clause 3)

Clause 8.26 of the Constitution outlines how the Company can manage shareholdings which represent an "unmarketable parcel" of shares, being a shareholding that is less than \$500 based on the closing price of the Company's Shares on ASX as at the relevant time.

The Proposed Constitution is in line with the requirements for dealing with "unmarketable parcels" outlined in Listing Rule 15.13 such that where the Company elects to undertake a sale of unmarketable parcels, the Company:

- (i) may do so only once in any 12 month period;
- (ii) must notify the security holder in writing of its intention;
- (iii) the security holder must be given at least 6 weeks notice to tell the Company it wishes to retain the holding, to which the Company must not sell it;
- (iv) the power to sell lapses following the announcement of a takeover;
- (v) the Company or the purchaser must pay the costs of the sale; and
- (vi) the proceeds of the sale will not be sent until the Company has received any certificate relating to the securities (or is satisfied that the certificate has been lost or destroyed).

Clause 3 of the Proposed Constitution continues to outline in detail the process that the Company must follow for dealing with unmarketable parcels.

(b) Fee for registration of off market transfers (clause 8.4(c))

On 24 January 2011, ASX amended Listing Rule 8.14 with the effect that the Company may now charge a "reasonable fee" for registering paper-based transfers, sometimes referred to "off-market transfers". This freedom to charge a reasonable fee reflect the fact that these activities are out of the ordinary and therefore involve additional time and effort and require particular care and diligence on the part of the Company to avoid fraud.

Clause 8.4 of the Proposed Constitution is being made to enable the Company to charge a reasonable fee when it is required to register off-

market transfers from Shareholders. The fee is intended to represent the cost incurred by the Company in upgrading its fraud detection practices specific to off-market transfers.

Before charging any fee, the Company is required to notify ASX of the fee to be charged and provide sufficient information to enable ASX to assess the reasonableness of the proposed amount.

(c) Dividends (clause 21)

Section 254T of the Corporations Act was amended effective 28 June 2010.

There is now a three-tiered test that a company will need to satisfy before paying a dividend replacing the previous test that dividends may only be paid out of profits.

The amended requirements provide that a company must not pay a dividend unless:

- (i) the company's assets exceed its liabilities immediately before the dividend is declared and the excess is sufficient for the payment of the dividend;
- (ii) the payment of the dividend is fair and reasonable to the company's shareholders as a whole; and
- (iii) the payment of the dividend does not materially prejudice the company's ability to pay its creditors.

(d) Partial (proportional) takeover provisions (new clause 36)

A proportional takeover bid is a takeover bid where the offer made to each shareholder is only for a proportion of that shareholder's shares but for the same proportion of each shareholder's shares.

In accordance with section 648D(1)(a) of the Corporations Act, the Company has included in the Proposed Constitution a provision whereby a proportional takeover bid for Shares may only proceed after the bid has been approved by a meeting of Shareholders held in accordance with the terms set out in the Corporations Act.

Pursuant to section 648G(1) of the Corporations Act, proportional takeover provisions are required to be renewed on the third anniversary of the date of the adoption of last renewal of that clause. If the proportional takeover provisions are not renewed, a company's constitution is taken to be altered by omitting the provisions pursuant to section 648G(3) of the Corporations Act.

The following information is required by section 648G of the Corporations Act:

(i) Effect of proposed proportional takeover provisions

By the inclusion of the proposed proportional takeover provision, the registration of a transfer of shares acquired under a proportional off-market bid in respect of a class of securities in a company, is prohibited unless and until a majority resolution to approve the

proportional off-market bid is passed.

The Directors must ensure that a meeting of Shareholders is convened to vote on the resolution. The resolution must be voted on at least with 14 days before the last day of the bid period (**Resolution Deadline**). If no resolution to approve the bid has been voted on at the end of the day before the Resolution Deadline, a resolution to approve the bid is taken to have been passed.

If the resolution is not passed before the Resolution Deadline, the bid cannot proceed and any transfers giving effect to the takeover contracts for the bid will not be registered.

These proportional takeover provisions do not apply to a full takeover bid for all of the Shares in the Company.

(ii) Reasons for proportional takeover provisions

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

(iii) Knowledge of any acquisition proposals

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

(iv) Potential advantages and disadvantages of proportional takeover provisions

The Directors consider that the proportional takeover provisions have no potential advantages or disadvantages for them and that they remain free to make a recommendation on whether an offer under a proportional takeover bid should be accepted.

The potential advantages of the proportional takeover provisions for Shareholders include:

- (I) the right to decide by majority vote whether an offer under a proportional takeover bid should proceed;
- (II) assisting in preventing Shareholders from being locked in as a minority;
- (III) increasing the bargaining power of Shareholders which may assist in ensuring that any proportional takeover bid is adequately priced; and
- (IV) each individual Shareholder may better assess the likely

outcome of the proportional takeover bid by knowing the view of the majority of Shareholders which may assist in deciding whether to accept or reject an offer under the takeover bid.

The potential disadvantages of the proportional takeover provisions for Shareholders include:

- (I) proportional takeover bids may be discouraged due to the obstacles in the way of the partial bids and therefore reducing a potential opportunity for Shareholders to sell a portion of their holding in a partial takeover bid;
- (II) lost opportunity to sell a portion of their Shares at a premium;
- (III) if a proportional takeover offer is made, the Company will incur the cost of convening a meeting of Shareholders;
- (IV) an individual Shareholder who wishes to accept a proportional offer will be unable to sell to the bidder unless a majority of Shareholders vote in favour of the resolution; and
- (V) the likelihood of a proportional takeover bid succeeding may be reduced.

6.3 Recommendation of the Board

The Directors do not believe the potential disadvantages outweigh the potential advantages of adopting the proportional takeover provisions and as a result consider that the proportional takeover provision in the Proposed Constitution is in the interest of Shareholders and unanimously recommend that Shareholders vote in favour of Resolution 6.

7. Resolution 7 – Approval of Incentive Option and Performance Rights Plan

7.1 Overview

Resolution 7 seeks Shareholders approval for the adoption of the employee incentive scheme titled “Incentive Performance Rights and Option Plan” (**Plan**) in accordance with Listing Rule 7.2 (Exception 13) and to enable Performance Rights and Options to be issued under the Plan.

The objective of the Plan is to assist in attracting, motivating and retaining key employees and it is considered by the Company that the adoption of the Plan and the future issue of securities under the Plan will provide selected employees and other eligible participants with the opportunity to participate in the future growth of the Company in a manner which aligns their interests with the interests of the Shareholders as a whole.

Broadly speaking, Listing Rule 7.1 provides that, without the approval of the holders of its ordinary securities, a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12-month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

Listing Rule 7.2 (Exception 13(b)) sets out an exception to Listing Rule 7.1 which provides that issues under an employee incentive scheme are exempt for a period of 3 years from the date on which shareholders approve the issue of securities under the scheme as an exception to Listing Rule 7.1.

If Resolution 7 is passed, the Company will be able to issue securities under the Plan to eligible participants over a period of 3 years without impacting on the Company's ability to issue up to 15% of its total ordinary securities without Shareholder approval in any 12-month period.

If Resolution 7 is not passed, the Company may still issue securities to eligible Directors, employees and contractors under the Plan but any issue will reduce, to that extent, the Company's capacity to issue securities under Listing Rule 7.1 for the 12-month period following the issue.

7.2 Technical information required by Listing Rule 7.2

The number of securities issued under the Plan since the Plan was last approved by shareholders on 2 November 2018 is as follows:

Number	Type of securities
13,200,000	Options
5,789,115	Performance Rights
0	Shares (issue upon conversion of Options or Performance Rights)

The maximum number of equity securities proposed to be issued under the Plan following this approval is 36,500,368 Options and Performance Rights.

Any future issues of securities under the Plan to a related party or a person whose relationship with the company or the related party is, in ASX's opinion, such that approval should be obtained will require additional Shareholder approval under Listing Rule 10.14 at the relevant time.

Accordingly, the Company is also seeking approval under Resolutions 8 to 12 for the issue of securities to 5 Directors (or their permitted nominees) pursuant to the Plan.

A summary of the key terms of the Plan is set out in Schedule 1.

In addition a copy of the Plan is available for review by Shareholders at the registered office of the Company until the date of the Meeting. A copy of the Plan can be sent to Shareholders upon request to the Company Secretary at (+61) 8 9389 4494. Shareholders are invited to contact the Company if they have any queries.

A voting exclusion statement is included in the Notice for Resolution 7.

7.3 Recommendation of the Board

As the Directors are excluding from voting on this Resolution 7 pursuant to the Listing Rules, the Directors decline to a recommendation to Shareholders on this Resolution 7.

8. Resolutions 8 to 12 – Grant of Options to Messrs Carlile, Coughlin, Cooke, Andrews and Corp (or nominees) under the Incentive Option and Performance Rights Plan

8.1 Overview

The Company has agreed, subject to obtaining Shareholder approval, to grant 4,500,000 Options for each of Messrs Carlile, Coughlin, Cooke, Andrews and Corp, who are Directors of the Company (**Related Parties**) on the terms and conditions set out below (**Related Party Options**).

The Company is at an important stage of its development with the recent transition from gold producer to a discovery focused explorer. In addition to continuing exploration activities at the Way Linggo Project, its high-grade gold and silver deposit in South Sumatra Indonesia, the Company is actively targeting the acquisition of high-quality exploration assets in the precious metals and or energy metals space with outsized growth potential. Whilst in this phase, the Company faces significant opportunities and challenges in both the near and long-term, and the proposed issue seeks to align the efforts of the Non-Executive Directors in seeking to achieve growth of the Share price and in the creation of Shareholder value. In addition, the Board also believes that incentivising with these Related Party Options is a prudent means of conserving the Company's available cash reserves. The Board believes it is important to offer these Related Party Options to continue to attract and maintain highly experienced and qualified Board members in a competitive market.

The Related Party Options are being offered and will be granted under the Company's Plan.

Please refer to Schedule 1 for a summary of the terms of the Plan.

Each Related Party Option will have an exercise price equal to a 25% premium to the volume weighted average price of Shares traded on ASX in the period of 30 days before the date which is 1 day before the holding of the Annual General Meeting.

Each Related Party Option will have an expiry date of 30 June 2026.

Refer to Schedule 2 for a summary of the material terms of the Related Party Options.

Resolutions 8 to 12 seek Shareholder approval for the grant of the Related Party Options to Messrs Carlile, Coughlin, Cooke, Andrews and Corp respectively.

Resolutions 8 to 12 are ordinary resolutions.

The Chair intends to exercise all available proxies in favour of Resolutions 8 to 12.

8.2 Chapter 2E of the Corporations Act

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

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

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

The grant of Related Party Options constitutes giving a financial benefit and the Related Parties are related parties of the Company by virtue of being Directors.

As the Related Parties comprise all of the Directors of the Company except for the Managing Director, Mr Fabian Baker, the Directors are unable to form a quorum to consider whether one of the exceptions in section 210 to 216 of the Corporations Act applies to the grant of the Related Party Options. Accordingly, Shareholder approval for the grant of the Related Party Options to the Related Parties is sought in accordance with Chapter 2E of the Corporations Act.

8.3 Section 195 of the Corporations Act

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

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

The Directors are unable to form a quorum to consider any matters relating to the proposed grant of the Related Party Options to the Related Parties under Resolutions 8 to 12, as Messrs Carlile, Coughlin, Cooke, Andrews and Corp, comprise all of the Directors of the Company except for the Managing Director, Mr Fabian Baker.

Therefore, the Company is seeking Shareholder approval under section 195(4) of the Corporations Act for Shareholders to deal with the matter.

8.4 Listing Rule 10.14

Listing Rule 10.14 provides that a listed entity must not permit any of the following persons to acquire equity securities under an employee incentive scheme unless it obtains shareholder approval:

10.14.1 a director of the entity;

10.14.2 an associate of a director of the entity; or

10.14.3 a person whose relationship with the entity, director or associate of the director is, in ASX’s opinion, such that the acquisition should be approved by Shareholders.

The grant of the Related Party Options under Resolutions 8 to 12 involves the grant of securities to related parties of the Company. This falls within Listing Rule 10.14.1 and therefore Shareholder approval is required for the grant of the Related Party Options to the Related Parties under Listing Rule 10.14.

8.5 Technical Information required by Listing Rule 14.1A

If Resolutions 8 to 12 are passed, the Company will be able to proceed with the grant of the Related Party Options to the Related Parties under those Resolutions.

If any of Resolutions 8 to 12 is not passed, the Company will not be able to grant the relevant Related Party Options to the relevant Related Party the subject of the Resolution.

8.6 Technical Information required by Listing Rule 10.15

Pursuant to and in accordance with Listing Rule 10.15, the following information is provided in relation to Resolutions 8 to 12:

- (a) the Related Party Options are to be granted to as follows:
- (i) Resolution 8– 4,500,000 Related Party Options to be granted to Mr John Carlile (or his permitted nominee), who falls within Listing Rule 10.14.1 by virtue of being a Director;
 - (ii) Resolution 9 – 4,500,000 Related Party Options to be granted to Dr Timothy Coughlin (or his permitted nominee), who falls within Listing Rule 10.14.1 by virtue of being a Director;
 - (iii) Resolution 10 – 4,500,000 Related Party Options to be granted to Mr Andrew Cooke (or his permitted nominee), who falls within Listing Rule 10.14.1 by virtue of being a Director;
 - (iv) Resolution 11 – 4,500,000 Related Party Options to be granted to Dr Michael Andrews (or his permitted nominee), who falls within Listing Rule 10.14.1 by virtue of being a Director; and
 - (v) Resolution 12 – 4,500,000 Related Party Options to be granted to Mr Daryl Corp (or his permitted nominee), who falls within Listing Rule 10.14.1 by virtue of being a Director;
- (b) the remuneration from the Company to the Related Parties for the previous financial year and the proposed remuneration for the current financial year are set out below:

Related Party	Current Financial Year ¹	Previous Financial Year
Mr John Carlile	\$11,000	\$43,800
Dr Tim Coughlin	\$11,000	\$27,010
Mr Andrew Cooke	\$11,000	\$27,010
Dr Michael Andrews	\$16,500	\$65,700
Mr Daryl Corp	\$11,000	\$27,010

^{1.} Directors' fees are paid quarterly. This figure represents the amount each Director has been paid for the period 1 July 2021 – 30 September 2021.

- (c) the Related Parties have not previously been granted any incentives under the Plan;
- (d) each Related Party Option will have an exercise price equal to a 25% premium to the volume weighted average price of Shares traded on ASX in the period of 30 days before the date which is 1 day before the holding of the Annual General Meeting. Refer to Schedule 2 for a summary of the material terms of the Related Party Options;

- (e) Options are being issued because they provide a cost-effective incentive for the Related Parties in their role as Directors;
- (f) the total of the fair value of the Related Party Options proposed to be granted, as determined on 20 October 2021 using the methodology set out in Schedule 3, is \$0.042 per Related Party Option, meaning the value of the Related Party Options proposed to be granted to the Related Parties is:
 - (i) \$189,000 in respect of Mr John Carlile;
 - (ii) \$189,000 in respect of Dr Tim Coughlin;
 - (iii) \$189,000 in respect of Mr Andrew Cooke;
 - (iv) \$189,000 in respect of Dr Michael Andrews; and
 - (v) \$189,000 in respect of Mr Daryl Corp;
- (g) the Related Party Options will be granted no later than 3 years 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 the grant of the Related Party Options will occur on the same date;
- (h) the Related Party Options will have a nil issue price. However, the Related Party Options will have an exercise price as noted above;
- (i) a summary of the material terms of the Plan is provided in Schedule 1;
- (j) there is no loan being provided to Related Parties in respect of the Related Party Options;
- (k) details of any securities issued under the Plan will be published in the Company's annual report relating to the period in which they were issued, along with a statement that approval for the issue was obtained under Listing Rule 10.14; and
- (l) any additional persons covered by Listing Rule 10.14 who become entitled to participate in an issue of securities under the Plan after Resolutions 8 to 12 are approved and who were not named in this Notice of Meeting will not participate until approval is obtained under that rule.

8.7 Technical Information required by section 219 of the Corporations Act

In accordance with the requirements of section 219 of the Corporations Act, the following information is provided in relation to the proposed grant of the Options:

- (a) the related parties are Messrs Carlile, Coughlin, Cooke, Andrews and Corp and they are related parties by virtue of being Directors of the Company. If any Related Party Options are to be granted to a permitted nominee of a Related Party then such nominee will be a related party by virtue of being an entity controlled by that Related Party;
- (b) the maximum number of Related Party Options (being the nature of the financial benefit being provided) to be granted to the Related Parties is:
 - (i) Resolution 8 – 4,500,000 Related Party Options to be granted to Mr John Carlile (or his permitted nominee);

- (ii) Resolution 9 – 4,500,000 Related Party Options to be granted to Dr Tim Coughlin (or his permitted nominee);
 - (iii) Resolution 10 – 4,500,000 Related Party Options to be granted to Mr Andrew Cooke (or his permitted nominee);
 - (iv) Resolution 11 – 4,500,000 Related Party Options to be granted to Dr Michael Andrews (or his permitted nominee); and
 - (v) Resolution 12– 4,500,000 Related Party Options to be granted to Mr Daryl Corp (or his permitted nominee).
- (c) Refer to Schedule 2 for a summary of the material terms of the Related Party Options;
 - (d) the value of the Related Party Options and the pricing methodology is set out in Schedule 3;
 - (e) the relevant interests of the Related Parties in securities of the Company as at the date of this Notice are set out below:

Related Party	Shares	Options
Mr John Carlile	1,750,000 ¹	Nil
Mr Tim Coughlin	Nil	Nil
Mr Andrew Cooke	Nil	Nil
Mr Michael Andrews	71,388,435 ²	Nil
Mr Daryl Corp	Nil	Nil

Notes:

1. Registered in the name of BNP Paribas Nominees Pty Ltd on behalf of JEM Resources Ltd Mr Carlile is the sole director and shareholder of Jem Resources Ltd.
 2. 4,562,411 Shares are held by BNP Paribas Nominees Pty Ltd on behalf of Jarvis A/C Non Treaty DRP (in which Mr Andrew's is the beneficiary). The balance are held by Mr Andrews directly.
- (f) refer to section 8.6(b) of this Explanatory Statement for details of the remuneration from the Company to the Related Parties for the previous financial year and the proposed remuneration for the current financial year;
 - (g) if all Related Party Options granted to the Related Parties are exercised, a total of 22,500,000 million Shares would be issued. This will increase the number of Shares on issue from 746,486,518 to 768,986,518 (assuming that no other Shares are issued in the meantime) with the effect that the shareholding of existing Shareholders would be diluted by an aggregate of approximately 2.93%;¹
 - (h) the market price for Shares as traded on the ASX during the term of the Related Party Options would normally determine whether or not the Related Party Options are exercised. If, at any time any of the Related Party Options are exercised and the Shares are trading on ASX at a price that is higher than the exercise price of those Related Party Options, there may be a notional or actual cost to the Company, including by way of an opportunity

¹ This includes 600,000 Shares to be issued on 1 January 2022 as announced on 1 December 2021.

cost, being the loss of the opportunity to issue the resultant Shares at an issue price which is equal to, or close to, the then market price of the Shares;

- (i) some details of the trading history of the Shares on ASX in the 12 months before the date of this Notice is set out below:

	Price	Date
Highest	8.7 cents	25 November 2021
Lowest	3.3 cents	10 December 2020
Last	7.7 cents	26 November 2021

- (j) a primary purpose of the grant of the Related Party Options to the Related Parties is to align the efforts of the Non-Executive Directors in seeking to achieve growth of the Company's Share price and in the creation of Shareholder value. In addition, the grant of the Related Party Options is important in assisting the Company in retaining their services and expertise in a manner which does not unduly impact on the cash reserves of the Company;

- (k) Mr John Carlile does not wish to make a recommendation to Shareholders in relation to Resolution 8 due to having a material personal interest in the outcome of the Resolution on the basis that they or their nominee is to be granted Related Party Options in the Company should that Resolution be passed. However, in respect of Resolutions 9 to 12 he recommends that Shareholders vote in favour of each of those Resolutions for the following reasons:

- (i) the grant of Related Party Options to the Related Parties will align interests of the relevant Related Parties with those of Shareholders and provide meaningful incentive to those Related Parties to work towards the Company becoming commercially successful; and
- (ii) regard to the size and level of operations of the Company, its cash reserves and importance to the Company of attracting and retaining experienced and qualified Directors in a manner which does not unduly impact on the Company's cash resources, the grant of the Related Party Options is a reasonable and appropriate method to provide cost effective supplementary remuneration to those Related Parties thereby allowing the Company to spend a greater proportion of its cash reserves on its operations;

- (l) Dr Timothy Coughlin does not wish to make a recommendation to Shareholders in relation to Resolution 9 due to having a material personal interest in the outcome of the Resolution on the basis that they or their nominee is to be granted Related Party Options in the Company should that Resolution be passed. However, in respect of Resolutions 8 and 10 to 12 he recommends that Shareholders vote in favour of each of those Resolutions for the following reasons:

- (i) the grant of Related Party Options to the Related Parties will align interests of the relevant Related Parties with those of Shareholders and provide meaningful incentive to those Related Parties to work towards the Company becoming commercially successful; and

- (ii) regard to the size and level of operations of the Company, its cash reserves and importance to the Company of attracting and retaining experienced and qualified Directors in a manner which does not unduly impact on the Company's cash resources, the grant of the Related Party Options is a reasonable and appropriate method to provide cost effective supplementary remuneration to those Related Parties thereby allowing the Company to spend a greater proportion of its cash reserves on its operations;

- (m) Mr Andrew Cooke does not wish to make a recommendation to Shareholders in relation to Resolution 10 due to having a material personal interest in the outcome of the Resolution on the basis that they or their nominee is to be granted Related Party Options in the Company should that Resolution be passed. However, in respect of Resolutions 8, 9, 11 and 12 he recommends that Shareholders vote in favour of each of those Resolutions for the following reasons:
 - (i) the grant of Related Party Options to the Related Parties will align interests of the relevant Related Parties with those of Shareholders and provide meaningful incentive to those Related Parties to work towards the Company becoming commercially successful; and
 - (ii) regard to the size and level of operations of the Company, its cash reserves and importance to the Company of attracting and retaining experienced and qualified Directors in a manner which does not unduly impact on the Company's cash resources, the grant of the Related Party Options is a reasonable and appropriate method to provide cost effective supplementary remuneration to those Related Parties thereby allowing the Company to spend a greater proportion of its cash reserves on its operations;

- (n) Dr Michael Andrews does not wish to make a recommendation to Shareholders in relation to Resolution 11 due to having a material personal interest in the outcome of the Resolution on the basis that they or their nominee is to be granted Related Party Options in the Company should that Resolution be passed. However, in respect of Resolutions 8 to 10 and 12 he recommends that Shareholders vote in favour of each of those Resolutions for the following reasons:
 - (i) the grant of Related Party Options to the Related Parties will align interests of the relevant Related Parties with those of Shareholders and provide meaningful incentive to those Related Parties to work towards the Company becoming commercially successful; and
 - (ii) regard to the size and level of operations of the Company, its cash reserves and importance to the Company of attracting and retaining experienced and qualified Directors in a manner which does not unduly impact on the Company's cash resources, the grant of the Related Party Options is a reasonable and appropriate method to provide cost effective supplementary remuneration to those Related Parties thereby allowing the Company to spend a greater proportion of its cash reserves on its operations;

- (o) Mr Daryl Corp does not wish to make a recommendation to Shareholders in relation to Resolution 12 due to having a material personal interest in the outcome of the Resolution on the basis that they or their nominee is to be

granted Related Party Options in the Company should that Resolution be passed. However, in respect of Resolutions 8 to 11 he recommends that Shareholders vote in favour of each of those Resolutions for the following reasons:

- (i) the grant of Related Party Options to the Related Parties will align interests of the relevant Related Parties with those of Shareholders and provide meaningful incentive to those Related Parties to work towards the Company becoming commercially successful; and
 - (ii) regard to the size and level of operations of the Company, its cash reserves and importance to the Company of attracting and retaining experienced and qualified Directors in a manner which does not unduly impact on the Company's cash resources, the grant of the Options is a reasonable and appropriate method to provide cost effective supplementary remuneration to those Related Parties thereby allowing the Company to spend a greater proportion of its cash reserves on its operations;
- (p) Mr Fabian Baker recommends that Shareholders vote in favour of each of Resolutions 8 to 12 for the following reasons:
- (i) the grant of Related Party Options to the Related Parties will align interests of the relevant Related Parties with those of Shareholders and provide meaningful incentive to those Related Parties to work towards the Company becoming commercially successful; and
 - (ii) regard to the size and level of operations of the Company, its cash reserves and importance to the Company of attracting and retaining experienced and qualified Directors in a manner which does not unduly impact on the Company's cash resources, the grant of the Options is a reasonable and appropriate method to provide cost effective supplementary remuneration to those Related Parties thereby allowing the Company to spend a greater proportion of its cash reserves on its operations.
- (q) in forming their various recommendations, each Director when making a recommendation considered the qualifications and experience of each other Related Party, the current market price of Shares, the current market practices when determining the number of Related Party Options to be granted as well as the exercise price, expiry date and other material terms of those Related Party Options;
- (r) voting exclusion statements are included in the Notice for Resolutions 8 to 12; and
- (s) the Board is not aware of any other information that would be reasonably required by Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass Resolutions 8 to 12.

9. Background to Resolutions 13 – 18

9.1 Overview

The Company has entered into a binding, conditional share sale and purchase agreement (**Share Sale and Purchase Agreement**) with the shareholders of Element-46 Ltd (**E-46**) to acquire all of the issued capital in E-46 (**Transaction**).

9.2 Transaction

E-46 is a UK incorporated private mineral exploration and development company, with a focus on high-tech environmental metals used in industrial applications, emphasising platinum group metals. E-46 has two exploration projects, being:

- (a) the Porsanger Project located in Norway which is prospective for palladium, platinum, copper and nickel; and
- (b) the Penikat Project located in Finland which is prospective for palladium and platinum (with gold as a by-product).

The Company has conducted due diligence to evaluate and negotiate the terms of the Transaction. As a result of the due diligence a revised deferred consideration structure has been agreed between the parties whereby the cash and scrip consideration initially proposed will now be paid in two tranches, with the deferred consideration subject to satisfaction of a deferred milestone.

9.3 Material terms and conditions

The shareholders of E-46 are listed in Schedule 4 (each, an **E-46 Shareholder**).

The following E-46 Shareholders are also directors of the Company:

- (a) Fabian Baker; and
- (b) Timothy Coughlin,

(**Related Sellers**). All other E-46 Shareholders are **Non-Related Sellers**.

Completion of the Transaction will occur in two stages, being:

- (a) **First Completion:** at which time the shares in E-46 will be transferred to the Company and the Consideration Shares (defined below) and Cash Consideration (defined below) will be paid and issued to the Non-Related Sellers; and
- (b) **Second Completion:** subject to the Company holding this Meeting and Shareholders approving Resolutions 13 - 18, the Consideration Shares and the Cash Consideration will be paid to the Related Sellers.

9.4 Conditions precedent

First Completion is conditional on:

- (a) the simultaneous:

- (i) withdrawal of the concession application by Andrew Dacey; and
- (ii) the filing of new concession applications by or on behalf of Kingsrose Exploration Oy,

and the registration of the new concession applications in the name of Kingsrose Exploration Oy in the mining register maintained by the Finnish Safety and Chemicals Agency to the satisfaction of the Company (in its absolute discretion); and

- (b) ASX confirming the deferred consideration is equitable and appropriate for the purposes of Listing Rule 6.1 and that the deferred consideration can be issued after the required period following the date of any approval and ratification for the purposes of Listing Rules 7.4 and 10.11.

Second Completion is conditional on:

- (c) all conditions precedent to First Completion detailed above; and
- (d) the Company holding this Meeting to approve Resolutions 13 -18.

9.5 Consideration

The consideration to be paid and issued by the Company to the E-46 Shareholders in their relevant proportions detailed in Schedule 4, is as follows:

- (a) a cash payment of £293,750 in aggregate (**Cash Consideration**) comprising:
 - (i) £277,083 to be paid to the Non-Related Sellers at First Completion; and
 - (ii) £16,667 to be paid to the Related Sellers at Second Completion;
- (b) 16,419,167 Shares in aggregate (**Consideration Shares**) comprising:
 - (i) 14,379,166 Consideration Shares to be issued to the Non-Related Sellers at First Completion; and
 - (ii) 2,040,001 Consideration Shares to be issued to the Related Sellers at Second Completion;
- (c) subject to the satisfaction of the Deferred Consideration Milestone (defined below) or where clause 9.5 applies (refer below):
 - (i) a cash payment of £451,250 (**Deferred Consideration Payment**); and
 - (ii) 31,464,167 Shares (**Deferred Consideration Shares**),

(together, **Deferred Consideration**), to be paid and issued within 10 business days of the satisfaction of the Deferred Consideration Milestone.
- (d) The Deferred Consideration will be paid and issued following the occurrence of the earlier of the following events to occur during the 5 years following First Completion (**Deferred Consideration Milestone Period**):

- (i) the moment in time when the exploration licence, as well as other required permits and/or derogation decisions, in respect of the application for an exploration licence (and where necessary two applications for two exploration licences) over all or parts of the Penikat Project that allows the Company to drill not less than 80% of the drill holes applied for in the drilling plan are legally valid, as set out in schedule 8 of the Share Sale and Purchase Agreement (**Exploration Licence Milestone**); or
- (ii) the completion of 5,000 metres of drilling at the concessions held by E-46 at the Porsanger Project in Norway (**Drilling Milestone**),
(Deferred Consideration Milestone).

9.6 Deferred Consideration Shares

The Company has received confirmation from ASX that for the purposes of ASX Listing Rule 6.1 the Deferred Consideration Shares constitute ordinary course acquisition securities and therefore are appropriate and equitable.

9.7 Cash Out Alternative

If Resolutions 14 and 15 are not passed, the consideration payable to the Related Sellers will be fully and finally satisfied by upfront cash payment of an amount equal to the number of Consideration Shares payable to the relevant Related Seller multiplied by the higher of:

- (a) the 5-day VWAP of Shares at the business day prior to the date of the Share Sale and Purchase Agreement; and
- (b) the 5-day VWAP of Shares for the 5 business days after this Meeting,

converted from Australian dollars to British pounds sterling at the conversion rate set by xe.com at 9.00am (Sydney time) on the applicable date.

9.8 Deferred Cash Out Alternative

If Resolutions 17 and 18 are not passed, the consideration payable to the Related Sellers will be fully and finally satisfied by upfront cash payment of an amount equal to the number of Deferred Consideration Shares payable to the relevant Related Seller multiplied by the higher of:

- (a) the 5-day VWAP of Shares at the business day prior to the date of this agreement; and
- (b) the 5-day VWAP of Shares for the 5 business days after the date the Deferred Consideration Milestone is satisfied or where clause 9.5 applies (refer below),

converted from Australian dollars to British pounds sterling at the conversion rate set by xe.com at 9.00am (Sydney time) on the applicable date.

9.9 Exploration Licence Milestone

The Deferred Consideration Milestone Period has been determined based on, and to which is customary to Finnish Law and by reason of the environmental protections over the Penikat Project, the lengthy regulatory periods that exploration licence

applications are succumbed to and therefore the satisfaction of the Exploration Licence Milestone.

The process in granting an exploration licence requires:

- (a) the preparation of an environmental impact assessment (**EIA**), to identify protected species and habitats;
- (b) based on the EIA findings there may be 'no-go' areas where the Company would not be granted rights to drill and therefore the Company will need to put forward a plan to avoid sensitive habitats and implement mitigation measures to protect the environment; and
- (c) a recommendation from the Ministry of Environment (**MoE**) to the Ministry of Mines (**MoM**) who can approve the exploration licence whilst containing restrictions recommended by the MoE.

The restrictions recommended by the MoE may preclude the Company from being able to access and work on a sufficient area to justify work on the exploration licence and payment of the Deferred Consideration.

Further, a public hearing process is required and as a result, disputes may arise in an administrative court process to which will further delay the process.

The satisfaction of the Exploration Licence Milestone is deferred by the typical timeframe for the process which is:

- (a) 1 year for the preparation and submission of EIA and exploration licence application;
- (b) 1 – 2 years for MoE's review followed by MoM's grant of licence (with conditions); and
- (c) 1 – 2 years if subjected to the Administrative court appeal process.

Therefore, the Deferred Consideration Milestone Period has factored in the regulatory requirements and the potential lengthy process that follows to ensure the Exploration Licence Milestone is commercially feasible under the Transaction.

9.10 Drilling Milestone

Further to paragraph 9.9 of this Explanatory Statement, the Deferred Consideration Milestone Period has also factored in the absence of any drilling by E-46 pursuant to a drilling programme proposed by the Company for the concessions held on the Porsanger Project. The drilling programme will only be capable of successful conclusion and therefore satisfying the Drilling Milestone, should the Company:

- (a) provide the necessary funding for the drilling programme from its existing cash balance, any revenue from its existing assets and/or further debt or equity financing;
- (b) be successful in acquiring additional land user approvals; and
- (c) complete the drilling programme.

Therefore, the Deferred Consideration Milestone Period, needs to be a commercially appropriate time period in order to satisfy the Drilling Milestone.

9.11 Clause 9.5

Pursuant to clause 9.5 of the Share Sale and Purchase Agreement if at any time during the Deferred Consideration Milestone Period, the Company transfers, sells or grants to any third party any rights that would confer a direct or economic interest in, all or materially all of the concessions held by E-46 at the Porsanger Project in Norway, the Company is to immediately pay the Deferred Consideration Payment and issue the Deferred Consideration Shares to the E-46 Shareholders on the date of such sale or grant of rights by the Company.

10. Resolution 13 – Ratification of issue of Consideration Shares to Non-Related Sellers

10.1 Overview

The background to Resolution 13 is explained in section 9 of this Explanatory Statement.

Resolution 13 is an ordinary resolution.

The Chair intends to exercise all available proxies in favour of Resolution 13.

10.2 Listing Rule 7.4

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

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

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

The Company wishes to retain as much flexibility as possible to issue additional equity securities into the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1. To this end, Resolution 13 seeks Shareholder approval for the issue of Consideration Shares under and for the purposes of Listing Rule 7.4.

If Resolution 13 is passed, the issue of Consideration Shares will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of equity securities it can issue without Shareholder approval over the 12 month period following the issue date.

If Resolution 13 is not passed, the issue of Consideration Shares will be included in calculating the Company's 15% limit in Listing Rule 7.1, effectively decreasing the number of equity securities it can issue without Shareholder approval over the 12 month period following the issue date.

10.3 Specific information required by Listing Rule 7.5

In accordance with Listing Rule 7.5, information is provided in relation to the Consideration Shares as follows:

- (a) 14,379,166 fully paid ordinary shares were issued to the E-46 Shareholders in the relevant proportions detailed in Schedule 4.
- (b) The Consideration Shares are fully paid ordinary shares and rank equally in all respects with the Company's existing Shares.
- (c) The Consideration Shares were issued on 30 November 2022.
- (d) The Consideration Shares were issued for nil consideration.
- (e) The Consideration Shares were issued as part consideration of the Transaction pursuant to the Share Sale and Purchase Agreement, the material terms of which are summarised above at section 9 of this Explanatory Statement.
- (f) A voting exclusion statement is included in the Notice for Resolution 13.

10.4 Recommendation of the Board

The Directors recommend that Shareholders vote in favour of Resolution 13.

11. Resolution 14 & 15 – Approval to issue Consideration Shares to Fabian Baker and Timothy Coughlin

11.1 Overview

In accordance with Listing Rule 10.11, Shareholder approval is required for the issue of Consideration Shares to a related party. Fabian Baker and Timothy Coughlin are related parties of the Company.

The Company is proposing to issue:

- (a) 1,700,001 Consideration Shares to Timothy Coughlin (or his permitted nominee); and
- (b) 340,000 Consideration Shares to Fabian Baker (or his permitted nominee).

Resolution 14 and 15 are ordinary resolutions.

The Chair intends to exercise all available proxies in favour of Resolution 14 and 15.

11.2 Section 208 of Corporations Act

In accordance with section 208 of the Corporations Act, to give a financial benefit to a related party, the Company must obtain Shareholder approval unless the giving of the financial benefit falls within an exception in sections 210 to 216 of the Corporations Act.

Timothy Coughlin and Fabian Baker, who are Directors, are related parties of the Company. The Board considers that Shareholder approval pursuant to section 208 of the Corporations Act is not required in respect of the Consideration Shares as the exception in section 210 of the Corporations Act applies. The Consideration Shares will be issued to Timothy Coughlin and Fabian Baker on the same terms as Consideration Shares issued to the Non-Related Sellers under the Share Sale and Purchase Agreement and as such the giving of the financial benefit is on arm's length terms.

In the event the Cash Out Alternative mechanism is employed, the amount to be paid to Timothy Coughlin and Fabian Baker will be at an equivalent cash value by reference to the 5-day VWAP of the Shares for the 5 business days after this Meeting and as such the Cash Out Alternative is also considered by the Company to be on arm's length terms within the scope of the exception in section 210 of the Corporations Act.

11.3 Listing Rule 10.11

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

10.11.1 a related party;

10.11.2 a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (30%+) holder in the company;

10.11.3 a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (10%+) holder in the company and who has nominated a director to the board of the company pursuant to a relevant agreement which gives them a right or expectation to do so;

10.11.4 an associate of a person referred to in Listing Rules 10.11.1 to 10.11.3; or

10.11.5 a person whose relationship with the company or a person referred to in Listing 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 shareholder approval.

The issue of:

(a) 1,700,001 Consideration Shares to Timothy Coughlin (or his permitted nominee); and

(b) 340,000 Consideration Shares to Fabian Baker (or his permitted nominee)

falls within Listing Rule 10.11.1, as Timothy Coughlin and Fabian Baker are related parties to the Company, and do not fall within any of the exceptions in Listing Rule 10.12. Therefore, the approval of the Company's Shareholders under Listing Rule 10.11 is required.

If Resolution 14 and Resolution 15 are passed, the Company will be able to proceed with the issue of:

- (a) 1,700,001 Consideration Shares to Timothy Coughlin (or his permitted nominee); and
- (b) 340,000 Consideration Shares to Fabian Baker (or his permitted nominee),

and pursuant to Listing Rule 7.2, exception 14, the Company may issue the Consideration Shares without using up the Company's 15% placement capacity under Listing Rule 7.1.

If Resolution 14 and Resolution 15 are not passed, the Company will not be able to proceed with the issue of Consideration Shares to Timothy Coughlin and Fabian Baker (or their permitted nominees), and the Cash Out Alternative mechanism will come into effect.

11.4 Specific information required by Listing Rule 10.13 and section 219 of the Corporations Act

Information must be provided to Shareholders for the purposes of obtaining Shareholder approval as follows:

- (a) The Consideration Shares will be issued to Timothy Coughlin and Fabian Baker (or their permitted nominees).
- (b) Timothy Coughlin and Fabian Baker (or their permitted nominees) fall within Listing Rule 10.11.1 as they are related parties of the Company by virtue of being Directors.
- (c) The maximum number of fully paid ordinary shares to be issued to Timothy Coughlin (or his permitted nominee) is 1,700,001 Shares.
- (d) The maximum number of fully paid ordinary shares to be issued to Fabian Baker (or his permitted nominee) is 340,000 Shares.
- (e) The Consideration Shares are fully paid ordinary shares and will rank equally in all respects with the Company's existing Shares on issue.
- (f) The Consideration Shares will be issued no later than one month after the date of the Meeting.
- (g) No funds will be raised from the issue of the Consideration Shares as they are being issued for nil cash consideration but as part consideration for the Transaction.
- (h) the relevant interests of the Timothy Coughlin and Fabian Baker in securities of the Company as at the date of this Notice are set out below:

	Shares	Options	Performance Rights
Mr Fabian Baker	1,773,000	5,000,000	3,500,000
Mr Tim Coughlin	Nil	Nil	Nil

- (i) The remuneration of Timothy Coughlin and Fabian Baker currently consists of:

Director	Salary and Fees (\$)	Cash Bonus	Consulting Fees	Share Based Payments	Total
Timothy Coughlin	27,010	-	-	-	27,010
Fabian Baker	-	35,000	101,903	140,248	277,151

- (j) The Shares are issued pursuant to the Share Sale and Purchase Agreement, the material terms of which are summarised in section 9 of this Explanatory Statement.
- (k) The maximum number of Consideration Shares to be issued to Timothy Coughlin and Fabian Baker is capped at 2,040,001, which represents 0.27% of the Company's issued capital on an undiluted basis post issue of the Consideration Shares.²
- (l) The valuation for which the Company attributes to the number of Consideration Shares is:

Director	Shares	Value of Shares (\$) ¹	Value of Shares (£) ²
Timothy Coughlin	1,700,001	113,900.07	62,382.87
Fabian Baker	340,000	22,780	12,525.79

1. This is calculated as at 8 November 2021 of a share price of \$0.0670, being the date before the Share Sale and Purchase Agreement was executed.

2. Converted from Australian dollars to British pounds sterling at the conversion rate set by xe.com on 8 November 2021, being the date before the Share Sale and Purchase Agreement was executed.

- (m) Voting exclusion statements are included in the Notice for Resolutions 14 and 15.
- (n) Other than the information above and otherwise set out in the Notice, the Company believes that there is no other information that would be reasonably required by Shareholders to pass Resolution 14 and Resolution 15.

11.5 Recommendation of the Board

The Directors, other than Timothy Coughlin and Fabian Baker, recommend that Shareholders vote in favour of these Resolutions 14 and 15.

² This includes 600,000 Shares to be issued on 1 January 2022 as announced on 1 December 2021.

12. Resolution 16 – Ratification of issue of Deferred Consideration Shares to Non-Related Sellers

12.1 Overview

The background to Resolution 16 is explained in section 9 of this Explanatory Statement.

Resolution 16 is an ordinary resolution.

The Chair intends to exercise all available proxies in favour of Resolution 16.

12.2 Waiver and confirmation

Pursuant to Listing Rule 7.3.4, if Shareholder approval is received pursuant to Resolution 16, the approval will only remain valid for the Deferred Consideration Shares that are issued within 3 months of the Meeting.

However, the Company has applied for and been granted a waiver from Listing Rule 7.3.4, to permit the Company to issue the Deferred Consideration Shares after the date which is 3 months from this Meeting (**Waiver**).

The Waiver has been granted on the basis of the following conditions:

- (a) The Deferred Consideration Shares are to be issued immediately upon satisfaction of the Deferred Consideration Milestone, or where clause 9.5 applies and in any event no later than five years from the date of this Meeting.
- (b) The Deferred Consideration Milestone must not be varied.
- (c) The maximum number of Deferred Consideration Shares to be issued is capped at 26,874,166, which represents 3.47% of the Company's issued capital on an undiluted basis post issue of the Deferred Consideration Shares to Non-Related Sellers.³
- (d) For any annual reporting period during which any of the Deferred Consideration Shares have been issued or any of them remain to be issued, the Company's annual report sets out the number of Deferred Consideration Shares issued in that annual reporting period, the number of Deferred Consideration Shares that remain to be issued, and the basis on which the Deferred Consideration Shares may be issued.
- (e) This Explanatory Statement contains the material terms and conditions of the agreement pursuant to which the Deferred Consideration Shares will be issued as well as the conditions of this waiver (refer to section 9).

12.3 Listing Rule 7.4

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

³ This includes 600,000 Shares to be issued on 1 January 2022 as announced on 1 December 2021.

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

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

The Company wishes to retain as much flexibility as possible to issue additional equity securities into the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1. To this end, Resolution 16 seeks Shareholder approval for the issue of Deferred Consideration Shares under and for the purposes of Listing Rule 7.4.

If Resolution 16 is passed, the issue of Deferred Consideration Shares will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of equity securities it can issue without Shareholder approval over the 12 month period following the issue date.

If Resolution 16 is not passed, the issue of Deferred Consideration Shares will be included in calculating the Company's 15% limit in Listing Rule 7.1, effectively decreasing the number of equity securities it can issue without Shareholder approval over the 12 month period following the issue date.

12.4 Specific information required by Listing Rule 7.5

In accordance with Listing Rule 7.5, information is provided in relation to the Deferred Consideration Shares as follows:

- (a) 26,874,166 fully paid ordinary shares will be issued to the E-46 Shareholders in the relevant proportions detailed in Schedule 4.
- (b) The Deferred Consideration Shares are fully paid ordinary shares and rank equally in all respects with the Company's existing Shares.
- (c) Pursuant to the Share Sale and Purchase Agreement, the Company agreed to issue the Deferred Consideration Shares to the Non-Related Sellers, subject to satisfaction of the Deferred Consideration Milestone or where clause 9.5 applies. In accordance with the terms of the Waiver, the Deferred Consideration Shares will be issued immediately upon satisfaction of the Deferred Consideration Milestone, or where clause 9.5 applies, and in any event no later than five years from the date of this Meeting.
- (d) The Deferred Consideration Shares will be issued for nil consideration.
- (e) The Deferred Consideration Shares will be issued as deferred consideration of the Transaction pursuant to the Share Sale and Purchase Agreement, the material terms of which are summarised above at section 9 of this Explanatory Statement.
- (f) A voting exclusion statement is included in the Notice for Resolution 16.

12.5 Recommendation of the Board

The Directors recommend that Shareholders vote in favour of Resolution 16.

13. Resolutions 17 and 18 - Approval to issue Deferred Consideration Shares to Fabian Baker and Timothy Coughlin

13.1 General

In accordance with Listing Rule 10.11 and section 208 of the Corporations Act, Shareholder approval is required for the issue of Deferred Consideration Shares to a related party. Fabian Baker and Timothy Coughlin are related parties of the Company.

The Company is proposing to issue:

- (a) 4,250,001 Deferred Consideration Shares to Timothy Coughlin (and/or his nominee); and
- (b) 340,000 Deferred Consideration Shares to Fabian Baker (and/or his nominee).

Resolution 17 and 18 are ordinary resolutions.

The Chair intends to exercise all available proxies in favour of Resolution 17 and 18.

13.2 Waiver

Pursuant to Listing Rule 10.13.5, if Shareholder approval is received pursuant to Resolutions 17 and 18, the approval will only remain valid for the Deferred Consideration Shares that are issued within 1 month of the Meeting.

However, the Company has applied for and been granted a waiver from Listing Rule 10.13.5, to permit the Company to issue the Deferred Consideration Shares after the date which is 1 month from this Meeting (**Waiver**).

The Waiver has been granted on the basis of the following conditions:

- (a) The Deferred Consideration Shares are to be issued immediately upon satisfaction of the Deferred Consideration Milestone, or where clause 9.5 applies and in any event no later than five years from the date of this Meeting.
- (b) The Deferred Consideration Milestone must not be varied.
- (c) The maximum number of Deferred Consideration Shares to be issued is capped at 4,590,001, which represents 0.61% of the Company's issued capital on an undiluted basis post issue of the Deferred Consideration Shares.⁴
- (d) For any annual reporting period during which any of the Deferred Consideration Shares have been issued or any of them remain to be issued, the Company's annual report sets out the number of Deferred Consideration Shares issued in that annual reporting period, the number of Deferred Consideration Shares that remain to be issued, and the basis on which the Deferred Consideration Shares may be issued.

⁴ This includes 600,000 Shares to be issued on 1 January 2022 as announced on 1 December 2021.

- (e) This Explanatory Statement contains the material terms and conditions of the agreement pursuant to which the Deferred Consideration Shares will be issued as well as the conditions of this waiver (see Section 9)

13.3 Section 208 of Corporations Act

In accordance with section 208 of the Corporations Act, to give a financial benefit to a related party, the Company must obtain Shareholder approval unless the giving of the financial benefit falls within an exception in sections 210 to 216 of the Corporations Act.

Timothy Coughlin and Fabian Baker, who are Directors of the Company, are related parties. The Board considers that Shareholder approval pursuant to section 208 of the Corporations Act is not required in respect of the Deferred Consideration Shares as the exception in section 210 of the Corporations Act applies. The Deferred Consideration Shares will be issued to Timothy Coughlin and Fabian Baker on the same terms as Deferred Consideration Shares issued to the Non-Related Sellers under the Share Sale and Purchase Agreement and as such the giving of the financial benefit is on arm's length terms.

In the event the Deferred Cash Out Alternative mechanism is employed, the amount to be paid to Timothy Coughlin and Fabian Baker will be at an equivalent cash value by reference to the 5-day VWAP of the Shares for the 5 business days after the Deferred Consideration Milestone is satisfied and as such the Deferred Cash Out Alternative is also considered by the Company to be on arm's length terms within the scope of the exception in section 210 of the Corporations Act.

13.4 Listing Rule 10.11

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

- 10.11.1 a related party;
- 10.11.2 a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (30%+) holder in the company;
- 10.11.3 a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (10%+) holder in the company and who has nominated a director to the board of the company pursuant to a relevant agreement which gives them a right or expectation to do so;
- 10.11.4 an associate of a person referred to in Listing Rules 10.11.1 to 10.11.3; or
- 10.11.5 a person whose relationship with the company or a person referred to in Listing 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 shareholder approval.

The issue of:

- (a) 4,250,001 Deferred Consideration Shares to Timothy Coughlin (or his permitted nominee); and
- (b) 340,000 Deferred Consideration Shares to Fabian Baker (or his permitted nominee),

falls within Listing Rule 10.11.1, as Timothy Coughlin and Fabian Baker are related parties to the Company, and do not fall within any of the exceptions in Listing Rule 10.12. Therefore, the approval of the Company's Shareholders under Listing Rule 10.11 is required.

If Resolutions 17 and 18 are passed, the Company will be able to proceed with the issue of:

- (a) 4,250,001 Deferred Consideration Shares to Timothy Coughlin (or his permitted nominee); and
- (b) 340,000 Deferred Consideration Shares to Fabian Baker (or his permitted nominee),

and pursuant to Listing Rule 7.2, exception 14, the Company may issue the Shares without using up the Company's 15% placement capacity under Listing Rule 7.1.

If Resolutions 17 and 18 are not passed, the Company will not be able to proceed with the issue of Deferred Consideration Shares to Timothy Coughlin and Fabian Baker (or their permitted nominees), and the Deferred Cash Out Alternative mechanism will come into effect.

13.5 Specific information required by Listing Rule 10.13 and section 219 of the Corporations Act

Information must be provided to Shareholders for the purposes of obtaining Shareholder approval as follows:

- (a) The Deferred Consideration Shares will be issued to Timothy Coughlin and Fabian Baker (or their permitted nominees).
- (b) Timothy Coughlin and Fabian Baker (or their permitted nominees) fall within Listing Rule 10.11.1 as they are related parties of the Company through their directorship.
- (c) The maximum number of fully paid ordinary shares to be issued to Timothy Coughlin (or his permitted nominee) is 4,250,001 Shares.
- (d) The maximum number of fully paid ordinary shares to be issued to Fabian Baker (or his permitted nominee) is 340,000 Shares.
- (e) The Deferred Consideration Shares are fully paid ordinary shares and will rank equally in all respects with the Company's existing Shares on issue.
- (f) The Company has received a waiver from the requirements of Listing Rule 10.13.5 to allow the Company to issue the Deferred Consideration Shares on satisfaction of the Deferred Consideration Milestone, or where clause 9.5 applies, but in any event, no later than 5 years after this Meeting.
- (g) No funds will be raised from the issue of the Deferred Consideration Shares as they are being issued for nil cash consideration but as part consideration of the Transaction.
- (h) The relevant interests of Timothy Coughlin and Fabian Baker are identified in section 11.4(h) of this Explanatory Statement.

- (i) The remuneration of Timothy Coughlin and Fabian Baker are identified in section 11.4(i) of this Explanatory Statement.
- (j) The valuation for which the Company attributes to the number of Consideration Shares is:

Director	Shares	Value of Shares (\$) ¹	Value of Shares (£) ²
Timothy Coughlin	4,250,001	284,750.07	155,956.29
Fabian Baker	340,000	22,780	12,525.79

- 1. This is calculated as at 8 November 2021 of a share price of \$0.0670, being the date before the Share Sale and Purchase Agreement was executed.
- 2. Converted from Australian dollars to British pounds sterling at the conversion rate set by xe.com on 8 November 2021, being the date before the Share Sale and Purchase Agreement was execute

- (k) The Deferred Consideration Shares are issued pursuant to the Share Sale and Purchase Agreement, the material terms of which are summarised in section 9 of this Explanatory Statement.
- (l) A voting exclusion statement is included in the Notice for Resolution 17 and Resolution 18.

Other than the information above and otherwise set out in the Notice, the Company believes that there is no other information that would be reasonably required by Shareholders to pass Resolution 17 and Resolution 18.

13.6 Recommendation of the Board

The Directors, other than Timothy Coughlin and Fabian Baker, recommend that Shareholders vote in favour of these Resolution 17 and 18.

GLOSSARY

\$ means Australian dollars.

£ means Pounds Sterling.

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

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited.

AWST means Western Standard Time as observed in Perth, Western Australia.

Board means the current board of directors of the Company.

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

Cash Consideration means £293,750.

Cash Out Alternative means the amount equal to the number of Consideration Shares payable to the relevant Related Seller multiplied by the higher of:

- A. the 5-day VWAP of Shares at the business day prior to the date of the Share Sale and Purchase Agreement; and
- B. the 5-day VWAP of Shares for the 5 business days after this Meeting,

converted from Australian dollars to British pounds sterling at the conversion rate set by xe.com at 9.00am (Sydney time) on the applicable date.

Chair means the chair of the Meeting.

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

- A. a spouse or child of the member;
- B. a child of the member's spouse;
- C. a dependent of the member's spouse;
- D. anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- E. a company the member controls; or
- F. a person prescribed by the Corporations Regulations 2001 (Cth).

Company means Kingsrose Mining Limited ACN 112 389 910.

Consideration Shares means 16,419,167 Shares.

Constitution means the Company's constitution.

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

Deferred Consideration Payment means £451,250.

Deferred Cash Out Alternative means the amount equal to the number of Deferred Consideration Shares payable to the relevant Related Seller multiplied by the higher of:

- A. the 5-day VWAP of Shares at the business day prior to the date of the Share Sale and Purchase Agreement; and
- B. the 5-day VWAP of Shares for the 5 business days after the date the Deferred Consideration Milestone is satisfied or where clause 9.5 applies,

converted from Australian dollars to British pounds sterling at the conversion rate set by xe.com at 9.00am (Sydney time) on the applicable date.

Deferred Consideration Milestone means the earlier of the following to occur:

- A. Exploration Licence Milestone; or
- B. Drilling Milestone,

during the Deferred Consideration Milestone Period.

Deferred Consideration Milestone Period means the period between First Completion and the date that is 5 years after First Completion.

Deferred Consideration Shares means 31,464,167 Shares.

Directors means the current directors of the Company.

Drilling Milestone means the completion of 5,000 metres of drilling at the concessions held by E-46 at the Porsanger Project in Norway.

E-46 means Element-46 Limited Company #12075650.

E-46 Shareholder means the shareholders of E-46 as identified in schedule 4.

EIA means environment impact assessment that the exploration licence requires.

Explanatory Statement means the explanatory statement accompanying the Notice.

Exploration Licence Milestone means the moment in time when the exploration licence, as well as other required permits and/or derogation decisions, in respect of the application for an exploration licence (and where necessary two applications for two exploration licences) over all or parts of the Penikat Project that allows the Company to drill not less than 80% of the drill holes applied for in the drilling plan are legally valid, as set out in schedule 8 of the Share Sale and Purchase Agreement.

First Completion means completion of sale and purchase of the shares in accordance with the Share Sale and Purchase Agreement.

Group Company means the Company or any of its subsidiaries.

Key Management Personnel has the same meaning as in the accounting standards (as that term is defined in the Corporations Act) and broadly includes those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, directly or indirectly, including any director (whether executive or non-executive) of the Company or if the Company is part of a consolidated entity

of an entity within the consolidated group.

Kingsrose Exploration Oy means Kingsrose Exploration Oy Company #3217792-7.

Listing Rules means the Listing Rules of ASX.

MoE means the Finnish Ministry of Environment.

MoM means the Finnish Ministry of Mines.

Non-Related Sellers means each of the E-46 Shareholders other than the Related Sellers.

Notice or **Notice of Meeting** means this notice of meeting including the Explanatory Statement and the Proxy Form.

Option means an option to acquire a Share.

Optionholder means a holder of an Option as the context requires.

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

Performance Right means a performance right granted under the Plan.

Plan means the Kingsrose Mining Ltd Incentive Options and Performance Rights Plan.

Proxy Form means the proxy form accompanying the Notice.

Related Party Options have the meaning given in section 8.1 of the Explanatory Statement.

Related Parties Options have the meaning given in section 8.1 of the Explanatory Statement.

Related Sellers means Timothy Coughlin and Fabian Baker.

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

Share Sale and Purchase Agreement means the share sale and purchase agreement between the Company, E-46 and E-46 Shareholders.

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

Second Completion means completion of sale and purchase of the shares in accordance with the Share Sale and Purchase Agreement.

Shareholder means a holder of a Share.

Transaction means the acquisition of 100% of E-46's issued capital by the Company.

VWAP means the volume weighted average price of shares (calculated to four decimal places) traded on ASX 'On-market' (as that term is defined in the ASX Operating Rules), excluding special crossings, overseas trades, trades pursuant to the exercise of options or overnight trades, as determined in accordance with ASX's customary practice.

Schedule 1 – Summary of the terms of the Plan

A. Offers

The Board may from time to time make an offer of Options or Performance Rights (**Securities**) to an eligible participant under the Plan. The offer will specify, amongst other matters:

- (a) the number of Securities offered and their expiry dates;
- (b) the exercise price of any Options;
- (c) the period during which the offer must be accepted;
- (d) any conditions attaching to the exercise/vesting of the Securities and any transfer restrictions on the underlying Shares (once issued); and
- (e) any other terms and conditions applicable to the offer.

B. Exercise

Exercise of Securities can generally only occur once the relevant vesting conditions have been satisfied and provided that exercise occurs prior to the expiry date. Performance Rights can be exercised for nil consideration.

Options, upon vesting, will require payment of the exercise price (as set out in the offer) by the holder when exercised. However:

- (a) an Optionholder may elect for a cashless exercise facility in lieu of paying the exercise price. Essentially the holder will be able to set off the exercise price against the number of shares (at market value) they are entitled to receive upon exercise of their options. So, they will receive less Shares; or
- (b) where the offer for the Options provided for a cash payment alternative, the Board may, in its discretion, pay a cash amount equal to the market value of a share on the exercise date less the exercise price and any superannuation or other taxes, duties or other amounts the Company is required to pay or withhold in respect of any cash payment.

C. Eligibility

The following persons are eligible to participate in the Plan:

- (a) directors of any Group Company;
- (b) full or part time employees of any Group Company;
- (c) casual employees of any Group Company working, or reasonably expected to work, approximately 40% or more of a comparable full time position;
- (d) contractors of any Group Company where the individual performing the work is working, or reasonably expected to work, approximately 40% or more of a comparable full time position; and
- (e) a person who is to become one of the above,

(Eligible Participant).

Subject to Board approval, an offer may be renounced by an Eligible Participant in favour of immediate family members, a company whose shareholders comprise only the eligible participant or immediate family members, or a corporate trustee of a self-managed superannuation fund in which the eligible participant is a director of the trustee.

D. Conditions

The Board may impose conditions to the vesting or exercise of a Security, or restrictions to the trading or disposal of Shares issued upon exercise of a Security, which conditions must be set out in the relevant offer document. The Board may, in its discretion, waive any such conditions by notice in writing to the relevant participant.

E. General terms of Securities

- (a) **(Grant Price)**: Securities will be granted for nil consideration.
- (b) **(Non-transferable)**: Securities are generally non-transferable. However, upon the death of the participant the Securities may be transferred to their legal representative. Also, with the Board's prior written consent, Securities may be transferred where the relevant person ceases to be an eligible participant due to permanent disability, retirement, redundancy, suffering a severe financial hardship or any other circumstance stated as a special circumstance when the offer is made.
- (c) **(Voting Rights)**: The holder of a Security has no right to vote, except as otherwise required by law until the relevant vesting conditions have been satisfied and the Security has converted into Shares.
- (d) **(Dividends)**: The holder of a Security is not entitled to a dividend, whether fixed or at the discretion of the directors until the relevant vesting conditions have been satisfied and the Security has converted into Shares.
- (e) **(Return of Capital)**: The holder of a Security has no right to a return of capital, whether in winding up, upon a reduction of capital or otherwise until the relevant vesting conditions have been satisfied and the Security has converted into Shares.
- (f) **(Winding Up)**: The holder of a Security has no right to participate in the surplus profit or assets of the Company upon a winding up until the relevant vesting conditions have been satisfied and the Security has converted into Shares.
- (g) **(Quotation)**: The Securities will not be quoted on the ASX. However, the Company will apply for quotation of Shares issued upon exercise of the Securities subject to any restriction conditions specified in the offer for the Securities.
- (h) **(Rights attaching to Shares)**: Shares issued upon exercise of Securities will rank equally with fully paid ordinary shares in the capital of the Company subject to any restriction conditions specified in the offer for the Securities.
- (i) **(Reorganisation of Capital)**: If at any time the capital of the Company is reorganised, the terms and number of Securities may be changed by the Company in a manner consistent with and as required by the Corporations Act and the ASX Listing Rules at the time of the reorganisation.

- (j) **(Overriding restrictions):** No Securities may be offered, granted or exercised and no Share may be issued on exercise of any Security if to do so would contravene the ASX Listing Rules or any other applicable law.
- (k) **(No Rights of Participation in New Issues):** The holder of a Security has no right to participate in new issues by the Company except to the extent that the holder exercises the Security prior to the record date for the new issue.
- (l) **(Taxation):** Subdivision 83A-C of the Income Tax Assessment Act 1997 applies to the award except to the extent an offer provides otherwise.

F. Lapsing of Securities

Unexercised Securities will generally lapse on the relevant expiry date. However, Securities will also lapse earlier:

- (a) by notice from the Board if the eligible participant ceases to be an eligible participant where the relevant group company has terminated their engagement for cause and the Board determines the Securities have lapsed;
- (b) if a vesting condition is not satisfied by the due date or becomes incapable of satisfaction (unless the Board exercises its discretion to waive the condition);
- (c) if the eligible participant ceases to be an eligible participant (unless the Board exercises its discretion to waive any remaining vesting conditions or to resolve that the Security does not lapse);
- (d) by notice from the Board if the Securityholder purports to dispose of or encumber or hedge a Security in a manner not permitted by the Plan;
- (e) by notice from the Board if the eligible participant acts fraudulently or dishonestly, is grossly negligent, demonstrates serious and wilful misconduct or causes a material adverse effect on the Company's reputation; and
- (f) where a relevant person ceases to be an eligible participant and the Securities have vested in the relevant person but have not been exercised the Board, in its discretion, may resolve that either the relevant person has a further 1 month in which to exercise the Securities before they lapse or that the Company may cancel the Securities in consideration for a cash payment.

G. Plan Limit

Where the Company needs to rely on ASIC Class Order 14/1000 in respect of an offer the Company must have reasonable grounds to believe when making an offer, that the number of Shares to be received on exercise of Securities offered under the offer, when aggregated with the number of Shares issued or that may be issued as a result of offers made at any time during the previous 3 year period under an employee incentive scheme covered by ASIC Class Order 14/1000, or an ASIC exempt arrangement of a similar kind to an employee incentive scheme, will not exceed 5% of the total number of Shares on issue at the date of the offer.

H. Administration of the Plan

The Board may appoint a committee for the administration and management of the Plan. The decision of the Board as to the interpretation, effect or application of the Plan will be final.

I. Amendment

Subject to the Corporations Act and the ASX Listing Rules:

- (a) the Board may, at any time, by resolution amend or add to all or any of the provisions of the Plan, an offer or the terms or conditions of any award issued under the Plan; and
- (b) any amendment may be given such retrospective effect as is specified in the written instrument or resolution by which the amendment is made.

Schedule 2 – Summary of the Terms of the Related Party Options

The Options entitle the holder to subscribe for, and be issued, ordinary shares in the capital of the Company (**Shares**) on and subject to the following terms and conditions:

- (a) Each Option gives the Optionholder the right to subscribe for, and be issued, one Share.
- (b) The Options granted under the Kingsrose Mining Limited Incentive Option and Performance Right Plan (**Plan**) and the provisions of the Plan will apply to the Options.
- (c) The Options will expire at 5.00pm (WST) on 30 June 2026 (**Expiry Date**) (although Options may, in certain circumstances, expire earlier under the terms of the Plan). Any Option not exercised before the Expiry Date will automatically lapse on the Expiry Date (if the Option has not lapsed earlier under the terms of the Plan).
- (d) The amount payable upon exercise of each Option will be equal to a 25% premium to the volume weighted average price of Shares traded on ASX in the period of 30 days before the date which is 1 day before the holding of the Company's 2021 Annual General Meeting (whether its held in 2021 or 2022) **Exercise Price**.
- (e) The Options held by each Optionholder may be exercised in whole or in part, and if exercised in part, multiples of 1,000 must be exercised on each occasion on which Options are exercised.
- (f) An Optionholder may exercise any Options then exercisable under Plan and Offer by lodging with the Company, before the Expiry Date:
 - (i) a written notice of exercise of Options specifying the number of Options being exercised (**Exercise Notice**); and
 - (ii) a cheque or electronic funds transfer for the aggregate Exercise Price for the number of Options being exercised or an election to use the cashless exercise facility.
- (g) Unless using the cashless exercise facility, an Exercise Notice is only effective when the Company has received the full amount of the aggregate Exercise Price in relation to the Options the subject of that Exercise Notice.
- (h) By lodging an Exercise Notice, the Optionholder agrees to take the applicable Shares and agrees to be bound by the constitution of the Company.
- (i) Within 5 Business Days of receipt of an Exercise Notice and the aggregate Exercise Price, the Company will issue the applicable Shares to the Optionholder.
- (j) The Options are not transferable and will not be listed for quotation on the ASX or on any other stock exchange.
- (k) All Shares allotted upon the exercise of Options will upon allotment rank pari passu in all respects with other issued fully paid Shares.
- (l) The Company will apply for quotation of all Shares allotted pursuant to the exercise of Options on ASX within 5 Business Days after the date of allotment of those Shares.
- (m) If prior to the Expiry Date the issued capital of the Company is reorganised, all rights of an Optionholder in relation to subsisting Options are to be changed in a manner consistent with, and to the extent necessary to comply with, the Corporations Act and

any requirements with the ASX Listing Rules applying to a reorganisation of capital at the time of the reorganisation.

- (n) There are no participating rights or entitlements inherent in the Options.
- (o) An Optionholder will not be entitled to participate in new issues of securities offered to Shareholders during the currency of the Options except to the extent that Options are exercised prior to the 'record date' for a new issue.
- (p) An Option does not confer on the holder any right to a change in exercise price or a change in the number of underlying securities over which the Option can be exercised.
- (q) For clarity, were an Offer provides that any condition or requirement must be satisfied before an Option may be exercised, such Option cannot be exercised unless and until such condition or requirement is either satisfied or waived by the Company (where waiver is permissible under the Plan or Offer).

Schedule 3 – Valuation of Related Party Options

The Related Party Options to be issued to the Related Parties pursuant to Resolutions 8 to 12 have been independently valued by BDO Corporate Finance (WA) Pty Ltd.

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

Assumptions:	
Valuation date	12 November 2021
Market price of Shares	7 cents
Exercise price	8 cents ¹
Expiry date (length of time from issue)	30 June 2026
Risk free interest rate	1.435%
Expected Volatility	80%
Indicative value per Related Party Option	4.2 cents
Total Value of Options	\$945,000
Mr John Carlile (or his permitted nominee)	\$189,000
Dr Tim Coughlin (or his permitted nominee)	\$189,000
Mr Andrew Cooke (or his permitted nominee)	\$189,000
Dr Michael Andrews (or his permitted nominee)	\$189,000
Mr Daryl Corp (or his permitted nominee)	\$189,000

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

¹ This is a deemed strike price for valuation purposes only. Each Related Party Option will have an exercise price equal to a 25% premium to the volume weighted average price of Shares traded on ASX in the period of 30 days before the date which is 1 day before the holding of the Annual General Meeting.

Schedule 4 – Details of E-46 Shareholder Consideration and Deferred Consideration

Seller	Sale Shares	Proportion	Completion Payment	Consideration Shares	Deferred Consideration Payment	Deferred Consideration Shares
Andrew Dacey	3,500,000	32.51%	£45,000	4,590,000	£130,000	13,260,000
Susana Seijas	300,000	2.79%	£7,500	255,000	£22,500	765,000
Ian Lynch	483,333	4.49%	£9,583	807,499	£17,083	1,572,499
Timothy Coughlin	1,166,667	10.84%	£16,667	1,700,001	£41,667	4,250,001
Rémy Welschinger	1,333,333	12.39%	£20,833	2,124,999	£45,833	4,674,999
O von Bahr	566,667	5.26%	£28,333	963,334	£28,333	963,334
Moongolde Ltd	366,667	3.41%	£18,333	623,334	£18,333	623,334
Karl-Patrick von Bahr	50,000	0.46%	£2,500	85,000	£2,500	85,000
Thomas Leriche	320,000	2.97%	£16,000	544,000	£16,000	544,000
Fabian Baker	100,000	0.93%	£0	340,000	£0	340,000
Dominic Frisby	100,000	0.93%	£5,000	170,000	£5,000	170,000
VC Resources Ltd	130,000	1.21%	£6,500	221,000	£6,500	221,000
John Forrest	100,000	0.93%	£5,000	170,000	£5,000	170,000
Hathaway Consulting	60,000	0.56%	£3,000	102,000	£3,000	102,000
Leo Hathaway	200,000	1.86%	£10,000	340,000	£10,000	340,000
Jon Beardmore	200,000	1.86%	£10,000	340,000	£10,000	340,000
David Beckford	25,000	0.23%	£1,250	42,500	£1,250	42,500
Stuart Richards	25,000	0.23%	£1,250	42,500	£1,250	42,500
Rob Hones	25,000	0.23%	£1,250	42,500	£1,250	42,500
Consciousness AB	200,000	1.86%	£10,000	340,000	£10,000	340,000
Bjorkstigen Holdings AB	260,000	2.41%	£13,000	442,000	£13,000	442,000
NP Property Management Consulting AB	270,000	2.51%	£13,500	459,000	£13,500	459,000
Mikael Weiland	300,000	2.79%	£15,000	510,000	£15,000	510,000
Ditowin Invest AB	260,000	2.41%	£13,000	442,000	£13,000	442,000

Seller	Sale Shares	Proportion	Completion Payment	Consideration Shares	Deferred Consideration Payment	Deferred Consideration Shares
Oliver Hewitt	250,000	2.32%	£12,500	425,000	£12,500	425,000
Andrew Craig	25,000	0.23%	£1,250	42,500	£1,250	42,500
Matthew Higgins	25,000	0.23%	£1,250	42,500	£1,250	42,500
Paul Mckillen	50,000	0.46%	£2,500	85,000	£2,500	85,000
Alan Hendra	25,000	0.23%	£1,250	42,500	£1,250	42,500
Colin Locke	50,000	0.46%	£2,500	85,000	£2,500	85,000
TOTALS	10,766,667		£293,749	16,419,167	£451,249	31,464,167

LODGE YOUR VOTE


 **ONLINE**
www.linkmarketservices.com.au

 **BY MAIL**
 Kingsrose Mining Limited
 C/- Link Market Services Limited
 Locked Bag A14
 Sydney South NSW 1235 Australia

 **BY FAX**
 +61 2 9287 0309

 **BY HAND***
 Link Market Services Limited
 Level 12, 680 George Street, Sydney NSW 2000

*during business hours Monday to Friday (9:00am - 5:00pm)
 and subject to public health orders and restrictions

 **ALL ENQUIRIES TO**
 Telephone: 1300 554 474 Overseas: +61 1300 554 474

LODGE MENT OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given above by **3:00pm (AWST) on Wednesday, 26 January 2022**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Proxy Forms may be lodged using the reply paid envelope or:

 **ONLINE**
www.linkmarketservices.com.au

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" - Securityholder Reference Number (SRN) or Holder Identification Number (HIN).

 **BY MOBILE DEVICE**
 Our voting website is designed specifically for voting online. You can now lodge your proxy by scanning the QR code adjacent or enter the voting link www.linkmarketservices.com.au into your mobile device. Log in using the Holder Identifier and postcode for your shareholding.

To scan the code you will need a QR code reader application which can be downloaded for free on your mobile device.

QR Code



HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

YOUR NAME AND ADDRESS

This is your name and address as it appears on the Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

APPOINTMENT OF PROXY

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name of that individual or body corporate in Step 1. A proxy need not be a shareholder of the Company.

DEFAULT TO CHAIRMAN OF THE MEETING

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

VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

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

APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company's share registry or you may copy this form and return them both together.

To appoint a second proxy you must:

- on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- return both forms together.

SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided:

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, either shareholder may sign.

Power of Attorney: to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, 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 indicate the office held by signing in the appropriate place.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting virtually the appropriate "Certificate of Appointment of Corporate Representative" must be received at registrars@linkmarketservices.com.au prior to admission in accordance with the Notice of Annual General Meeting. A form of the certificate may be obtained from the Company's share registry or online at www.linkmarketservices.com.au.

NAME SURNAME
 ADDRESS LINE 1
 ADDRESS LINE 2
 ADDRESS LINE 3
 ADDRESS LINE 4
 ADDRESS LINE 5
 ADDRESS LINE 6



X99999999999

PROXY FORM

I/We being a member(s) of Kingsrose Mining Limited and entitled to attend and vote hereby appoint:

APPOINT A PROXY

the Chairperson of the Meeting (mark box)

OR if you are **NOT** appointing the Chairperson of the Meeting as your proxy, please write the name and email of the person or body corporate you are appointing as your proxy. An email will be sent to your appointed proxy with details on how to access the virtual meeting.

Name

Email

or failing the person or body corporate named, or if no person or body corporate is named, the Chairperson of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the Annual General Meeting of the Company to be held at **3:00pm (AWST) on Friday, 28 January 2022 (the Meeting)** and at any postponement or adjournment of the Meeting.

The Meeting will be conducted as a virtual meeting and you can participate by logging in online at <https://meetings.linkgroup.com/KRM21> (refer to details in the Virtual Meeting Online Guide).

Important for Resolutions 1, 7, 8, 9, 10, 11, 12, 14, 15, 17 & 18: If the Chairperson of the Meeting is your proxy, either by appointment or by default, and you have not indicated your voting intention below, you expressly authorise the Chairperson of the Meeting to exercise the proxy in respect of Resolutions 1, 7, 8, 9, 10, 11, 12, 14, 15, 17 & 18, even though the Resolutions are connected directly or indirectly with the remuneration of a member of the Company's Key Management Personnel (KMP).

The Chairperson of the Meeting intends to vote undirected proxies in favour of each item of business.

STEP 1

VOTING DIRECTIONS

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting.

Please read the voting instructions overleaf before marking any boxes with an

Resolutions

	For	Against	Abstain*		For	Against	Abstain*
1 Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	10 Grant of Options under Incentive Option and Performance Rights Plan to Mr Andrew Cooke	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Election of Mr Daryl Corp as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	11 Grant of Options under Incentive Option and Performance Rights Plan to Dr Michael Andrews	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Election of Mr Andrew Cooke as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	12 Grant of Options under Incentive Option and Performance Rights Plan to Mr Daryl Corp	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Election of Dr Timothy Coughlin as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	13 Ratification of issue of Consideration Shares to Non-Related Sellers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5 Re-election of Mr John Carlile as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	14 Approval to issue Consideration Shares to Fabian Baker	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6 Replacement of Constitution	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	15 Approval to issue Consideration Shares to Timothy Coughlin	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7 Approval of Incentive Option and Performance Rights Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	16 Ratification of issue Deferred Consideration Shares to Non-Related sellers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8 Grant of Options under Incentive Option and Performance Rights Plan to Mr John Carlile	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	17 Approval to issue Deferred Consideration Shares to Fabian Baker	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9 Grant of Options under Incentive Option and Performance Rights Plan to Dr Timothy Coughlin	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	18 Approval to issue Deferred Consideration Shares to Timothy Coughlin	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

* If you mark the Abstain box for a particular Item, you are directing your proxy not to vote on your behalf on a poll and your votes will not be counted in computing the required majority on a poll.

STEP 2

SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Joint Shareholder 2 (Individual)

Joint Shareholder 3 (Individual)

Sole Director and Sole Company Secretary

Director/Company Secretary (Delete one)

Director

This form should be signed by the shareholder. If a joint holding, either shareholder may sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).

STEP 3

KRM PRX2201N

