

# ALCHEMY RESOURCES LIMITED

ACN 124 444 122

## NOTICE OF ANNUAL GENERAL MEETING

**TIME:** 11.30am (WST)

**DATE:** 12 November 2020

**PLACE:** BDO Audit (WA) Pty Ltd  
38 Station Street  
Subiaco, Western Australia 6008

YOUR ANNUAL REPORT IS AVAILABLE ONLINE AT:

[www.alchemyresources.com.au](http://www.alchemyresources.com.au)

*This Notice of Annual General 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 Annual General Meeting, please do not hesitate to contact the Company Secretary on (08) 9481 4400.*

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## TIME AND PLACE OF MEETING AND HOW TO VOTE

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### VENUE

The Annual General Meeting of the Shareholders of Alchemy Resources Limited to which this Notice of Meeting relates will be held at 11.30am (WST) on Thursday, 12 November 2020 at BDO Audit (WA) Pty Ltd, 38 Station Street, Subiaco, Western Australia 6008.

### YOUR VOTE IS IMPORTANT

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

### HOW TO VOTE

Shareholders can vote by either:

- attending the meeting and voting in person or by attorney or, in the case of corporate shareholders, by appointing a corporate representative to attend and vote;
- appointing a proxy to attend and vote on their behalf using the proxy form accompanying this Notice of Meeting and by submitting their proxy appointment and voting instructions online, in person, by post, or by facsimile; or
- lodging your proxy and voting online at <https://investor.automic.com.au/#/loginsah> by following the instructions set out on the attached Proxy Form.

### VOTING IN PERSON

Shareholders, or their attorneys, who plan to attend the Meeting are asked to arrive at the venue 15 minutes prior to the time designated for the Meeting, if possible, so that their holding may be checked against the Company's share register and attendance recorded. Attorneys should bring with them an original or certified copy of the power of attorney under which they have been authorised to attend and vote at the Meeting.

### VOTING BY A CORPORATION

A Shareholder that is a corporation may appoint an individual to act as its representative and vote in person at the Meeting. The appointment must comply with the requirements of Section 250D of the Corporations Act. The representative should bring to the Meeting evidence of his or her appointment, including any authority under which it is signed.

Shareholders can download and fill out the "Appointment of Corporate Representative" form from the website of the Company's share registry at: <https://www.automicgroup.com.au/app/uploads/2019/08/A-appointment-of-Corporate-Representative.pdf>.

### VOTING BY PROXY

A Shareholder entitled to attend and vote is entitled to appoint not more than two proxies. Each proxy will have the right to vote on a poll and also to speak at the Meeting.

The appointment of the proxy may specify the proportion or the number of votes that the proxy may exercise. Where more than one proxy is appointed and the appointment does not specify the proportion or number of the Shareholder's votes each proxy may exercise, the votes will be divided equally among the proxies (i.e. where there are two proxies, each proxy may exercise half of the votes).

A proxy need not be a Shareholder.

The proxy can be either an individual or a body corporate.

If a proxy votes, they must cast all directed proxies as directed.

If a proxy does not vote on a resolution which has been directed by the Shareholder, the proxy for that resolution will automatically default to the Chair, who will vote the proxy as directed.

If a proxy is not directed how to vote on an item of business, the proxy may generally vote, or abstain from voting, as they think fit.

If you choose to appoint a proxy, you are encouraged to direct your proxy how to vote on Resolution 1.

Should any resolution, other than those specified in this Notice of Meeting, be proposed at the Meeting, a proxy may vote on that resolution as they think fit.

If a proxy is instructed to abstain from voting on an item of business, they are directed not to vote on the Shareholder's behalf on the poll and the Shares that are the subject of the proxy appointment will not be counted in calculating the required majority.

If a proxy has 2 or more appointments that specify different ways to vote on a resolution then the proxy must not vote on a show of hands.

Shareholders who return their proxy forms with a direction how to vote but do not nominate the identity of their proxy will be taken to have appointed the Chairman of the meeting as their proxy to vote on their behalf.

If a proxy form is returned but the nominated proxy does not attend the meeting, the Chairman of the meeting will act in place of the nominated proxy and vote in accordance with any instructions. Proxy appointments in favour of the Chairman of the Meeting, the Company Secretary or any Director that do not contain a direction how to vote will be used where possible to support each of the resolutions proposed in this Notice of Meeting, provided they are entitled to cast votes as a proxy under the voting exclusion rules which apply to some of the proposed resolutions.

## **LODGEMENT OF PROXY FORMS**

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

### **Online:**

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

### **By Mail:**

Automic  
GPO Box 5193  
Sydney NSW 2001

### **In Person:**

Automic  
Level 5, 126 Phillip Street  
Sydney NSW 2000

### **By Email:**

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

### **By Fax:**

+61 2 8583 3040

so that it is received not later than 11.30am (WST) on Tuesday, 10 November 2020.

Proxy Forms received after this time will be invalid.

## **SHAREHOLDERS WHO ARE ENTITLED TO VOTE**

The Directors have determined pursuant to Regulations 7.11.37 and 7.11.38 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the Annual General Meeting are those who are registered Shareholders at 4.00pm WST on 10 November 2020.

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## NOTICE OF ANNUAL GENERAL MEETING

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Notice is given that the Annual General Meeting of Shareholders of Alchemy Resources Limited will be held at BDO Audit (WA) Pty Ltd, 38 Station Street, Subiaco, Western Australia 6008 at 11.30am (WST) on Thursday, 12 November 2020.

The Explanatory Statement to this Notice of Meeting provides additional information on matters to be considered at the Annual General Meeting. The Explanatory Statement and the Proxy Form are part of this Notice of Meeting.

Terms and abbreviations used in this Notice of Meeting and Explanatory Statement are defined in the Glossary.

### AGENDA

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#### 1. ORDINARY BUSINESS

##### Financial Statements and Reports

To receive and consider the annual financial report of the Company for the financial year ended 30 June 2020 together with the declaration of the directors, the directors' report, the remuneration report and the auditor's report.

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

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

*"That, for the purposes of Section 250R(2) of the Corporations Act and for all other purposes, the Remuneration Report as contained in the Company's Annual Report for the year ended 30 June 2020 be adopted."*

The Remuneration Report is contained in the Directors' Report in the Company's Annual Report for the year ended 30 June 2020.

Note: Whilst the Corporations Act requires the Remuneration Report to be put to the vote, the vote on this Resolution is advisory only and does not bind the Directors of the Company. Shareholders are encouraged to read the Explanatory Statement for further details on the consequences of voting on this Resolution.

**Voting Prohibition Statement:** The Company will disregard any votes cast on this Resolution (in any capacity) by or on behalf of a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report or a Closely Related Party of such a member.

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 voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or
- (b) the voter is the Chairman of the meeting and the appointment of the Chairman as proxy:
  - (i) does not specify the way the proxy is to vote on this Resolution; and
  - (ii) expressly authorises the Chairman to exercise the proxy even if this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel for the Company.

#### 3. RESOLUTION 2: RE-ELECTION OF DIRECTOR – LIZA CARPENE

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

*"That, Liza Carpena, being a Director of the Company who retires in accordance with clause 11.3 of the Company's Constitution and, being eligible, offers herself for election, be re-elected a Director of the Company."*

#### 4. RESOLUTION 3: RATIFICATION OF PRIOR ISSUE OF SHARES

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

*"That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 11,614,232 Shares on the terms and conditions set out in the Explanatory Statement."*

**Voting Exclusion:** The Company will disregard any votes cast in favour of this Resolution by or on behalf of a person who participated in the issue or any associates of those persons. However, this does not apply to a vote cast in favour of the resolution by:

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

#### 5. RESOLUTION 4: RATIFICATION OF PRIOR ISSUE OF SHARES

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

*"That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 55,052,435 Shares on the terms and conditions set out in the Explanatory Statement."*

**Voting Exclusion:** The Company will disregard any votes cast in favour of this Resolution by or on behalf of a person who participated in the issue or any associates of those persons. However, this does not apply to a vote cast in favour of the resolution by:

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

#### 6. RESOLUTION 5: RATIFICATION OF PRIOR ISSUE OF OPTIONS

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

*"That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 16,666,667 Options on the terms and conditions set out in the Explanatory Statement."*

**Voting Exclusion:** The Company will disregard any votes cast in favour of this Resolution by or on behalf of a person who participated in the issue or any associates of those persons. However, this does not apply to a vote cast in favour of the resolution by:

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

## 7. RESOLUTION 6: RATIFICATION OF PRIOR ISSUE OF LEAD MANAGER OPTIONS

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

*"That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 3,000,000 Lead Manager Options on the terms and conditions set out in the Explanatory Statement."*

**Voting Exclusion:** The Company will disregard any votes cast in favour of this Resolution by or on behalf of a person who participated in the issue or any associates of those persons. However, this does not apply to a vote cast in favour of the resolution by:

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

## 8. RESOLUTION 7: APPROVAL OF EMPLOYEE INCENTIVE SCHEME

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

*"That, for the purposes of ASX Listing Rule 7.2 Exception 13(b) and for all other purposes, the Company's Employee Incentive Scheme, and the issue of securities from time to time under the Employee Incentive Scheme, be approved."*

**Voting Exclusion:** The Company will disregard any votes cast in favour of this Resolution by any person who is eligible to participate in the Employee Incentive Scheme or any associates of those persons. However, this does not apply to a vote cast in favour of the resolution by:

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

**Restriction on proxy voting by Restricted Voters:** In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

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

However, the above prohibition does not apply if:

- the proxy is the Chair of the Meeting; and
- the appointment expressly authorises the Chair to exercise the proxy even if this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel for the Company.

## 9. RESOLUTION 8: APPROVAL OF ADDITIONAL 10% PLACEMENT FACILITY

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

*"That, for the purposes of Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of Equity Securities up to 10% of the issued capital of the Company (at the time of the issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2, for the purpose and on the terms set out in the Explanatory Statement."*

**Voting Exclusion:** The Company will disregard any votes cast in favour of this 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 in the Company), or any associates of those persons. However, this does not apply to a vote cast in favour of the resolution by:

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

DATED: 9 OCTOBER 2020  
BY ORDER OF THE BOARD



BERNARD CRAWFORD  
COMPANY SECRETARY

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## EXPLANATORY STATEMENT

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This Explanatory Statement is intended to provide Shareholders with sufficient information to assess the merits of the Resolutions contained in the accompanying Notice of Annual General Meeting of Alchemy Resources Limited (**Alchemy** or the **Company**).

Certain abbreviations and other defined terms are used throughout this Explanatory Statement. Defined terms are generally identifiable by the use of an upper case first letter. Details of the definitions and abbreviations are set out in the Glossary to the Explanatory Statement.

### 1. FINANCIAL STATEMENTS AND REPORTS

The Corporations Act requires the Company to lay its Financial Report, Directors' Report and Auditor's Report for the last financial year before the Annual General Meeting (**AGM**).

No resolution is required for this item, but Shareholders will be given the opportunity to ask questions and to make comments on the reports and the management and performance of the Company.

The Company's Auditor will also be present at the meeting and Shareholders will be given the opportunity to ask the Auditor questions about the conduct of the audit, the preparation and content of the Auditor's Report, the accounting policies adopted by the Company and the independence of the Auditor.

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

(a) the content of the auditor's report to be considered at the Meeting; and

(b) the conduct of the audit of the annual financial report to be considered at the Meeting,

may be submitted no later than 5 Business Days before the Meeting to the Company Secretary at the Company's registered office.

The Company's 2020 Annual Report is available on the Company's website at [www.alchemyresources.com.au](http://www.alchemyresources.com.au).

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

#### 2.1 Introduction

In accordance with Section 250R(2) of the Corporations Act, the Company is required to put a resolution at its AGM to its Shareholders that the Remuneration Report be adopted.

The Directors' Report for the year ended 30 June 2020 contains a Remuneration Report which explains the Board's policies in relation to the nature and level of remuneration paid to Key Management Personnel (including Directors), and sets out remuneration details, service agreements and the details of any share-based compensation.

Under the Corporations Act, if 25% or more of votes that are cast are voted against the adoption of the Remuneration Report at two consecutive annual general meetings, Shareholders will be required to vote at the second of those annual general meetings on a resolution that a further meeting is held at which all of the Company's Directors who were directors of the Company when the resolution to make the directors' report considered at the second of those annual general meetings was passed (other than the Managing Director) must go up for re-election.

The vote on the Resolution is advisory only and does not bind the Directors or the Company. A reasonable opportunity will be provided for Shareholders to ask questions about, or make comments on, the Remuneration Report at the Annual General Meeting.

#### 2.2 Voting on the Remuneration Report

Pursuant to the Corporations Act, if you elect to appoint a member of Key Management Personnel whose remuneration details are included in the Remuneration Report (other than the Chair) or any Closely Related Party of that member as your proxy to vote on the Remuneration Report, you must direct the proxy how they are to vote. Where you do not direct a member of Key Management Personnel (other than the Chair) whose remuneration details are included in the Remuneration Report or Closely Related Party of that member on how to vote on the Remuneration Report, the proxy is prevented by the Corporations Act from exercising your vote and your vote will not be counted in relation to this Resolution.

The above note on voting does not apply if the voter is the Chair of the meeting and the undirected proxy expressly authorises the Chair to exercise the proxy even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel for the Company.



### **3. RESOLUTION 2: RE-ELECTION OF DIRECTOR – LIZA CARPENE**

Clause 11.3 of the Company's Constitution requires that at the AGM in every year one-third of the Directors for the time being, or, if their number is not 3 nor a multiple of 3, then the number nearest one-third, and any other Director not in such one-third who has held office for 3 years or more (except the Managing Director), must retire from office.

A Director who retires by rotation under clause 11.3 of the Constitution is eligible for re-election. Ms Liza Carpene retires in accordance with clause 11.3 of the Constitution and being eligible, seeks re-election.

Ms Carpene has worked in the resources industry for more than 20 years, and has significant experience in corporate administration, HR, legal, environment, IT and stakeholder relations. Up until February 2018, Ms Carpene was part of Northern Star Resources Limited's ("Northern Star") executive team responsible for its transformational growth, through a combination of acquisition, organic growth and divestment, to an ASX100 company.

Prior to Northern Star, Ms Carpene was Company Secretary/Chief Financial Officer for ASX listed exploration companies, Venturex Resources Limited and Newland Resources Limited, and previously held various site and Perth based management roles with Great Central Mines Limited, Normandy Mining Limited, Newmont Australia Limited, Agincourt Resources Limited and Oxiana Limited.

Ms Carpene is also a Non-Executive Director of ASX-listed Mincor Resources Limited.

Ms Carpene has a Master of Business Administration and a Graduate Diploma in Applied Corporate Governance. She is also a Chartered Secretary and a Graduate of the Australian Institute of Company Director

#### **3.1 Director's Recommendation**

The Directors unanimously support the re-election of Ms Carpene as a Director of the Company (with Ms Carpene abstaining) and recommend that Shareholders vote in favour of this Resolution.

The Chair intends to exercise all available proxies in favour of this Resolution, unless the Shareholder has expressly indicated a different voting intention.

### **4. RESOLUTIONS 3-6: RATIFICATION OF PRIOR ISSUE OF SHARES, OPTIONS AND LEAD MANAGER OPTIONS**

#### **4.1 General**

On 19 August 2020, the Company completed the issue of 66,666,667 ordinary fully paid shares (Placement Shares) and 16,666,667 free attaching unlisted options exercisable at \$0.03 and expiring on 30 September 2022 (Placement Options) (Placement). Veritas Securities Limited were also issued with 3,000,000 unlisted options, with the same terms and conditions as the Placement Options, as part of their fees in facilitating the Placement as Lead Manager (Lead Manager Options).

The Company issued 11,614,232 of the Placement Shares, the 16,666,667 Placement Options and the 3,000,000 Lead Manager Options without prior Shareholder approval from its 15% annual placement capacity under ASX Listing Rule 7.1. The Company issued the remaining 55,052,435 Placement Shares from its additional 10% placement capacity under ASX Listing Rule 7.1A as approved by Shareholders on 22 November 2019.

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.

ASX Listing Rule 7.1A provides that, in addition to issues permitted without prior shareholder approval under ASX Listing Rule 7.1, an entity that is eligible and obtains shareholder approval under ASX Listing Rule 7.1A may issue or agree to issue during the period for which the approval is valid a number of quoted equity securities which represents 10% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period as adjusted in accordance with the formula in ASX Listing Rule 7.1. Where an eligible entity obtains shareholder approval to increase its placement capacity under ASX Listing Rule 7.1A then any ordinary securities issued under that additional placement capacity:

- a) will not be counted in variable "A" in the formula in ASX Listing Rule 7.1A; and
- b) are counted in variable "E",

until their issue has been ratified under ASX Listing Rule 7.4 (and provided that the previous issue did not breach ASX Listing Rule 7.1A) or 12 months has passed since their issue.

As noted above, the Company obtained this additional 10% placement capacity.

The issue of the abovementioned 11,614,232 Placement Shares, Placement Options and Lead Manager Options do not fit within any of the exceptions to Listing Rule 7.1 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.

The issue of the abovementioned 55,052,435 Placement Shares also does not fit within any of the exceptions to Listing Rule 7.1 and, as it has not yet been approved by Shareholders it effectively uses up part of the 10% limit in Listing Rule 7.1A, reducing the Company's capacity to issue further Equity Securities without Shareholder approval under Listing Rule 7.1A 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 Listing 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 3 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of 11,614,232 of the Placement Shares. Resolution 4 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of the remaining 55,052,435 Placement Shares. Resolution 5 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of the 16,666,667 Placement Options. Resolution 6 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of the 3,000,000 Lead Manager Options. By ratifying the issues, the base figure (i.e. variable "A" in the formulas in ASX Listing Rules 7.1 and 7.1A) in which the Company's 15% and 10% annual placement capacities are calculated will be a higher number which in turn will allow a proportionately higher number of securities to be issued without prior Shareholder approval.

If these Resolutions are passed, the Equity Securities issued will be excluded in calculating the Company's 15% and 10% limits in Listing Rules 7.1 and 7.1A respectively, effectively increasing the number of Equity Securities it can issue without Shareholder approval over the 12 month period following the issue date.

If these Resolutions are not passed, the Equity Securities issued will be included in calculating the Company's 15% limit in Listing Rule 7.1, and 10% limit in ASX Listing Rule 7.1A, effectively decreasing the number of Equity Securities it can issue without Shareholder approval over the 12 month period following the issue date.

#### **4.2 Resolution 3 – Technical information required by ASX Listing Rule 7.5 (ASX Listing Rule 7.1)**

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to the issue of the 11,614,232 Placement Shares:

- a) 11,614,232 Shares were issued on 19 August 2020;
- b) the Shares were issued at \$0.015 cents per Share;
- c) the Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- d) the Shares were issued to sophisticated and professional investors identified by the lead manager, Veritas Securities Limited. None of the parties is a related party of the Company;
- e) the funds raised will be used to fund drilling activities within the Overflow and Yellow Mountain Gold-Base Metal projects in New South Wales, the Karonie Gold Project in Western Australia and for working capital; and
- f) a voting exclusion statement is included in the Notice.

#### **4.3 Resolution 4 – Technical information required by ASX Listing Rule 7.5 (ASX Listing Rule 7.1A)**

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to the issue of the remaining 55,052,435 Placement Shares:

- a) 55,052,435 Shares were issued on 19 August 2020;
- b) the Shares were issued at \$0.015 cents per Share;
- c) the Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;

- d) the Shares were issued to sophisticated and professional investors identified by the lead manager, Veritas Securities Limited. None of the parties is a related party of the Company;
- e) the funds raised will be used to fund drilling activities within the Overflow and Yellow Mountain Gold-Base Metal projects in New South Wales, the Karonie Gold Project in Western Australia and for working capital; and
- f) a voting exclusion statement is included in the Notice.

#### **4.4 Resolution 5 – Technical information required by ASX Listing Rule 7.5 (ASX Listing Rule 7.1)**

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to the issue of the Placement Options:

- a) 16,666,667 Options were issued on 19 August 2020;
- b) the unlisted Options are free attaching options to the issue of the Placement Shares and were issued on the basis of one Placement Option for every four Placement Shares issued.
- c) the Options are a new class of unlisted Options exercisable at \$0.03 and expiring on 30 September 2022 (refer to Annexure A for a summary of the terms and conditions of the Options);
- d) the Options were issued to sophisticated and professional investors identified by the lead manager, Veritas Securities Limited as free attaching Options to the Placement Shares. None of the parties is a related party of the Company;
- e) No funds were raised from the issue of the Options; and
- f) a voting exclusion statement is included in the Notice.

#### **4.5 Resolution 6 – Technical information required by ASX Listing Rule 7.5 (ASX Listing Rule 7.1)**

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to the issue of the Lead Manager Options:

- a) 3,000,000 Options were issued on 19 August 2020;
- b) the unlisted Options were issued to Veritas Securities Limited (“Veritas”) as part consideration for facilitating the Placement. The Company engaged Veritas as Lead Manager to the Placement (“Engagement”) under which Veritas identified the investors and arranged the Placement. Veritas was paid a cash fee of 6% of the gross proceeds of the Placement plus the Lead Manager Options. The other terms and conditions of the Engagement were customary for lead manager mandates of this type;
- c) the Options are unlisted Options exercisable at \$0.03 and expiring on 30 September 2022 and are of the same class as the Placement Options (refer to Annexure A for a summary of the terms and conditions of the Options);
- d) the Options were issued to Veritas Securities Limited. Veritas Securities Limited is not a related party of the Company;
- e) no funds were raised from the issue of the Options; and
- f) a voting exclusion statement is included in the Notice.

#### **4.6 Director’s Recommendation**

The Directors unanimously support Resolutions 3 to 6 and recommend that Shareholders vote in favour of the Resolutions.

The Chair intends to exercise all available proxies in favour of these Resolutions, unless the Shareholder has expressly indicated a different voting intention.

### **5. RESOLUTION 7: APPROVAL OF EMPLOYEE INCENTIVE SCHEME**

#### **5.1 General**

The Company has an existing employee incentive scheme which was adopted by the Board and last approved by Shareholders on 23 November 2017.

ASX Listing Rule 7.1 prohibits an entity from issuing or agreeing to issue equity securities in any 12 month period which amount to more than 15% of its ordinary securities without the approval of holders of its ordinary securities.

However ASX Listing Rule 7.2, exception 13(b) provides that ASX Listing Rule 7.1 does not apply in relation to, amongst other things, an issue under an employee incentive scheme if within 3 years before the date of the issue the holders of the entity's ordinary securities approve the issue of securities under the Plan as an exception to Listing Rule 7.1.

The ASX Listing Rules define "employee incentive scheme" as:

- a) a scheme for the issue or acquisition of Equity Securities in an entity to be held by, or for the benefit of, participating employees or non-executive directors of the entity or a related entity or their associates; or
- b) a scheme which, in ASX's opinion, is an employee incentive scheme.

Under the ASX Listing Rules, equity securities include shares, options over issued or unissued shares and performance rights in an entity. The Company's Employee Incentive Scheme is therefore an employee incentive scheme for the purposes of the ASX Listing Rules.

If this Resolution is passed, the Company will be able to issue Equity Securities under the Employee Incentive Scheme during the next 3 years without using the Company's 15% annual placement capacity under Listing Rule 7.1. This would assist the Company should it require additional fundraising flexibility.

If this Resolution is not passed, the Company will not be able to issue Equity Securities under the Employee Incentive Scheme during the next 3 years without using the Company's 15% annual placement capacity under Listing Rule 7.1. Any Equity Securities issued under the ESOP will reduce the Company's 15% annual placement capacity under Listing Rule 7.1.

The following information is provided for the purposes of Listing Rule 7.2 Exception 13(b):

- a) a summary of the terms of the Employee Incentive Scheme is outlined in Annexure B and a full copy of the Employee Incentive Scheme is available for inspection at the Company's registered office until the date of the Annual General Meeting; and
- b) no securities have been issued under the Company's Employee Incentive Scheme since the date of its approval on 23 November 2017;
- c) the maximum number of Equity Securities proposed to be issued under the Employee Incentive Scheme within the 3 year period after the date of the passing of this Resolution shall not exceed 70,000,000 of the Company's Equity Securities currently on issue. The maximum number is not intended to be a prediction of the actual number of Equity Securities to be granted under the Employee Incentive Scheme, but simply a ceiling for the purposes of Listing Rule 7.2 exception 13(b); and
- d) A voting exclusion statement is included in the Notice.

## 5.2 Director's Recommendation

The Directors may be eligible to participate in the Employee Incentive Scheme and therefore they make no recommendation to Shareholders in respect of this Resolution.

The Chair intends to exercise all available proxies in favour of this Resolution, unless the Shareholder has expressly indicated a different voting intention.

## 6. RESOLUTION 8: APPROVAL OF ADDITIONAL 10% PLACEMENT FACILITY

### 6.1 General

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.

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

An 'eligible entity' means an entity which is not included in the S&P/ASX 300 Index and which has a market capitalisation of \$300 million or less. The Company is an eligible entity for these purposes.

This Resolution seeks shareholder approval by way of special resolution for the Company to have the additional 10% capacity provided for in Listing Rule 7.1A to issue Equity Securities without shareholder approval.

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

If this Resolution is not passed, the Company will not be able to access the additional 10% capacity to issue Equity Securities and will remain subject to the 15% limit on issuing Equity Securities without shareholder approval set out in Listing Rule 7.1.

Formula for calculating 10% Placement Facility

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

$(A \times D) - E$

Where:

'A' is the number of Shares on issue 12 months immediately preceding the date of issue or agreement ("relevant period"):

- (A) plus the number of Shares issued in the 12 months under an exception in Listing Rule 7.2 other than exception 9, 16 or 17;
- (B) plus the number of Shares issued in the relevant period on the conversion of convertible securities within Listing Rule 7.2 exception 9 where:
  - (1) the convertible securities were issued or agreed to be issued before the commencement of the relevant period; or
  - (2) the issue of, or agreement to issue, the convertible securities was approved, or taken under the Listing Rules to have been approved, under Listing Rule 7.1 or Listing Rule 7.4;
- (C) plus the number of Shares issued in the relevant period under an agreement to issue Shares within Listing Rule 7.2 exception 16 where:
  - (1) the agreement was entered into before the commencement of the relevant period; or
  - (2) the agreement or issue was approved, or taken under the Listing Rules to have been approved, under Listing Rule 7.1 or Listing Rule 7.4;
- (D) plus the number of any other Shares issued in the relevant period with approval under Listing Rule 7.1 or Listing Rule 7.4;
- (E) less the number of Shares cancelled in the relevant period.

'D' is 10%

'E' is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the relevant period where the issue or agreement has not been subsequently approved by Shareholders under Listing Rule 7.4.

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

## 6.2 Technical information required by Listing Rule 7.3A

### a) 10% Placement Period

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

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

(10% Placement Period).

### b) Minimum Issue Price

Any Equity Securities issued under Listing Rule 7.1A must be in an existing class of quoted Equity Securities and issued for a cash consideration per security that is not less than 75% of the VWAP of Equity Securities in the same class calculated over the 15 Trading Days immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed; or

- (ii) if the Equity Securities are not issued within 10 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.
- c) Use of funds raised

The Company intends to use funds raised from the issue of any Equity Securities issued under Listing Rule 7.1A towards exploration work on the Overflow and Yellow Mountain Gold-Base Metal projects in New South Wales, the Karonie Gold Project in Western Australia and for working capital.

- d) Statement of risk of economic and voting dilution

If this Resolution is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Facility, the existing Shareholders' voting power in the Company will be diluted as shown in the below table. There is a risk that:

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

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

The table also shows:

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

Variable "A" in Listing Rule 7.1A		Dilution		
		\$0.0095 50% decrease in Issue Price	\$0.019 Issue Price	\$0.038 100% increase in Issue Price
Current Variable A 672,243,453 Shares	10% voting dilution	67,224,345 Shares	67,224,345 Shares	67,224,345 Shares
	Funds raised	\$638,631	\$1,277,262	\$2,554,525
50% increase in current variable A 1,008,365,179 Shares	10% voting dilution	100,836,517 Shares	100,836,517 Shares	100,836,517 Shares
	Funds raised	\$957,946	\$1,915,893	\$3,831,787
100% increase in current variable A 1,344,486,906 Shares	10% voting dilution	134,448,690 Shares	134,448,690 Shares	134,448,690 Shares
	Funds raised	\$1,277,262	\$2,554,525	\$5,109,050

The table has been prepared on the following assumptions:

- i) The Company issues the maximum number of Equity Securities available under the 10% Placement Facility.
- ii) No Options are exercised into Shares before the date of the issue of the Equity Securities.
- iii) The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
- iv) The table shows only the effect of issue of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.
- v) The issue price is \$0.019, being the closing price of the Shares on ASX on 18 September 2020.
- e) Allocation Policy for issues under Listing Rule 7.1A

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

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

The recipients under the 10% Placement Facility have not been determined as at the date of this Notice but may include existing substantial Shareholders and/or new Shareholders who are not related parties or associates of a related party of the Company.

The Company previously obtained approval from its Shareholders pursuant to ASX Listing Rule 7.1A at its 2019 annual general meeting (Previous Approval). The Company has issued, or agreed to issue, 55,052,435 Equity Securities under Listing Rule 7.1A.2. under the Previous Approval. This represents approximately 9.62% of the total number of Equity Securities on issue at the time of the Previous Approval. Details of those issues of Equity Securities by the Company are as follows:

<b>Date of issue:</b>	19 August 2020
<b>Number of Equity Securities issued:</b>	55,052,435
<b>Class of Equity Security:</b>	Fully paid ordinary shares
<b>Summary of the terms of the class of Equity Security:</b>	The Shares rank equally in all respects with existing fully paid ordinary shares of the Company.
<b>Names of persons to whom the Equity Securities were issued or the basis on which those persons were determined:</b>	The Shares were issued to sophisticated and professional investors. None of the parties is a related party of the Company.
<b>Price at which the Equity Securities were issued:</b>	\$0.015 per Share
<b>Discount of price to closing market price (if any):</b>	16.5% discount to the 15 day VWAP as at the last day of trading prior to the announcement of the Placement.
<b>Total cash consideration received:</b>	\$825,787 (before costs)
<b>Amount of cash consideration spent and its use:</b>	As at the date of this Notice, none of the cash consideration has been spent
<b>Intended use of remaining cash consideration:</b>	To fund drilling activities within the Overflow and Yellow Mountain Gold-Base Metal projects in New South Wales, the Karonie Gold Project in Western Australia and for working capital.
<b>Non-cash consideration (if any):</b>	N/A
<b>Current value of non-cash consideration:</b>	N/A

- g) A voting exclusion statement is included in the Notice. At the date of this Notice, the Company has not approached any particular existing Shareholder or security holder or an identifiable class of existing security holder to participate in the issue of the Equity Securities. No existing Shareholder's votes will therefore be excluded under the voting exclusion in the Notice.

### 6.3 Director's Recommendation

The Directors unanimously support this Resolution and recommend that Shareholders vote in favour of the Resolution.

The Chair intends to exercise all available proxies in favour of this Resolution, unless the Shareholder has expressly indicated a different voting intention.

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## GLOSSARY

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\$ means Australian dollars.

**10% Placement Facility** has the meaning given in Section 6.1 of the Explanatory Statement.

**10% Placement Period** has the meaning given in Section 6.1 of the Explanatory Statement.

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

**Annual Report** means the Directors' Report, the Financial Report, and Auditor's Report, in respect to the year ended 30 June 2020.

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

**ASX** means ASX Limited or the Australian Securities Exchange, as the context requires.

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

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

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

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

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

**Company** means Alchemy Resources Limited (ACN 124 444 122).

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

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

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

**Employee Incentive Scheme** means the Company's Employee Incentive Scheme, a summary of which is included as Annexure B.

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

**Equity Securities** has the meaning given in the ASX Listing Rules.

**Key Management Personnel** has the same meaning as in the accounting standards and broadly includes those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any director (whether executive or otherwise) of the Company.

**Lead Manager Options** has the meaning given in Section 4.1 of the Explanatory Statement.

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

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

**Notice, Notice of Meeting** or **Notice of Annual General Meeting** means this notice of Annual General Meeting including the Explanatory Statement.

**Placement Options** has the meaning given in Section 4.1 of the Explanatory Statement.

**Placement Shares** has the meaning given in Section 4.1 of the Explanatory Statement.

**Proxy Form** means the proxy form accompanying this Notice.

**Resolution** means a resolution as set out in the Notice of Meeting, or any of them, as the context requires.

**Share** means a fully paid ordinary share in the capital of the Company, unless specified to the contrary.

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

**Trading Day** or **Trading Days** has the meaning given in the ASX Listing Rules.

**VWAP** means volume weighted average price as defined in the ASX Listing Rules.

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



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ANNEXURE A - TERMS OF PLACEMENT, BROKER AND NON-RENOUNCEABLE RIGHTS ISSUE OPTIONS

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The rights attaching to the Options are regulated by the Constitution, the Corporations Act, the Listing Rules and the general law.

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

(Exercise Price): The amount payable upon exercise of each Option will be \$0.03.

(Expiry Date): Each Option will expire at 5.00pm (WST) on 30 September 2022. An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

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

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

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

(Quotation): The Options are unquoted. The Company may elect to seek quotation of its Options at its sole election.

(Quotation of Shares issued on exercise): Application will be made by the Company to ASX for quotation of the Shares issued upon the exercise of the Options.

(Timing of issue of Shares on exercise): Within 5 Business Days after the Exercise Date, the Company will:

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

arrangements imposed by ASX, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

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

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

(Reconstruction of capital): In the event of any reconstruction (including consolidation, subdivision, reduction or return of capital) of the issued capital of the Company prior to the expiry date of the Options, all rights of the Option holder will be varied in accordance with the Listing Rules.

(Participation in new issues): There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options. However, the Company will give the holders of Options notice of the proposed issue prior to the date for determining entitlements to participate in any such issue.

(Change in exercise price): There will be no change to the exercise price of the Options or the number of Shares over which the Options are exercisable in the event of the Company making a pro-rata issue of Shares or other securities to the holders of Shares in the Company (other than a bonus issue).

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

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

(Transferability): The Options are transferable with the prior consent of the Company.

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## ANNEXURE B - SUMMARY OF EMPLOYEE INCENTIVE SCHEME

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### Eligible Participants

An eligible participant is a person invited by the Board to be an eligible participant including full, part time or casual employees, contractors, directors of the Company or an associated body corporate of the Company, or a prospective participant being a person to whom an invitation is made but who can only accept the invitation if an arrangement has been entered into that will result in the person becoming a full, part time, or casual employee, contractor, director of the Company (Eligible Participant).

### Incentive Securities

Incentive Securities are Incentive Options, Incentive Performance Rights, Shares or any other securities issued under the Employee Incentive Scheme.

### Purpose

The purpose of the Employee Incentive Scheme is to provide an incentive for the Eligible Participants to participate in the future growth of the Company and, upon becoming shareholders, to participate in the Company's profits and development; and ensure that securities issued under the Employee Incentive Scheme are issued in accordance with the Corporations Act and the Listing Rules.

### Offers

The Board may from time to time and in its absolute discretion determine that an Eligible Participant may participate in the Employee Incentive Scheme and the extent of that participation.

### Lapse

If at any time before the exercise of an Incentive Option or an Incentive Performance Right, a holder ceases to be an Eligible Participant:

- a) by reason of death, disability, bona fide redundancy or other reason approved by the Board, and at that time the Eligible Participant continued to satisfy any other relevant conditions of the grant, the Board may determine the extent to which the Incentive Securities held by the Eligible Participant vest; and a period of time for the Incentive Options or Incentive Performance Rights to be exercised; or
- b) for any other reason, all Incentive Options or Incentive Performance Rights held by the Eligible Participant will automatically lapse unless the Board otherwise determines within 30 days of the holder ceasing to be an Eligible Participant.

### Shares issued on exercise of Incentive Options and Incentive Performance Rights

Each Incentive Option or Incentive Performance Right entitles the holder to one fully paid ordinary share on exercise of the Incentive Option or Incentive Performance Right.

The Board may decide in its absolute discretion that an Eligible Participant may make use of a "cashless exercise facility" whereby the Eligible Participant will not be required to provide payment of the Exercise Price of Incentive Options or Incentive Performance Rights, but that on exercise of the Incentive Options or Incentive Performance Rights, the Eligible Participant may elect that the Company instead allot and issue the number of Shares that are equal in value to the difference between the then Share price and the Exercise Price otherwise payable in relation to the Incentive Options or Incentive Performance Rights (with the number of Shares rounded down).

### Limitation on number of Securities

If the Company is relying on the ASIC relief to issue Incentive Securities then, at the time of making the offer of Incentive Securities, the Company must have reasonable grounds to believe that the number of Shares to be received on the exercise of all Incentive Securities under the Incentive Plan when aggregated with the number of Shares that have been issued or that may be issued during the previous 3 years under any employee incentive scheme of the Company must not exceed 5% of the total number of Shares on issue at the time of the relevant offer. Various excluded offers may be disregarded so as to not count for the 5% limit.

### Restrictions on trading

The Board may determine, prior to the offer of the relevant Incentive Securities, any restrictions upon trading in Shares issued under the Employee Incentive Scheme or issued pursuant to the exercise of an Incentive Security.

### Administration of the Employee Incentive Scheme

The Employee Incentive Scheme will be administered under the directions of the Board and the Board may make regulations and establish procedures for the administration and management of the Employee Incentive Scheme as it considers appropriate.

### Operation

The operation of the Employee Incentive Scheme is subject to the ASX Listing Rules and the Corporations Act.

# Proxy Voting Form

If you are attending the meeting  
in person, please bring this with you  
for Securityholder registration.

Holder Number:

Your proxy voting instruction must be received by **11.30am (WST) on Tuesday, 10 November 2020**, being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

## SUBMIT YOUR PROXY

Complete the form overleaf in accordance with the instructions set out below.

### YOUR NAME AND ADDRESS

The name and address shown above is as it appears on the Company's share register. If this information is incorrect, and you have an Issuer Sponsored holding, you can update your address through the investor portal: <https://investor.automic.com.au/#/home> Shareholders sponsored by a broker should advise their broker of any changes.

### STEP 1 – APPOINT A PROXY

If you wish to appoint someone other than the Chair of the Meeting as your proxy, please write the name of that Individual or body corporate. A proxy need not be a Shareholder of the Company. Otherwise if you leave this box blank, the Chair of the Meeting will be appointed as your proxy by default.

### DEFAULT TO THE CHAIR OF THE MEETING

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

### STEP 2 - VOTES ON ITEMS OF BUSINESS

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

### APPOINTMENT OF SECOND PROXY

You may appoint up to two proxies. If you appoint two proxies, you should complete two separate Proxy Voting Forms and specify the percentage or number each proxy may exercise. If you do not specify a percentage or number, each proxy may exercise half the votes. You must return both Proxy Voting Forms together. If you require an additional Proxy Voting Form, contact Automic Registry Services.

### SIGNING INSTRUCTIONS

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

**Joint holding:** Where the holding is in more than one name, all Shareholders should sign.

**Power of attorney:** If you have not already lodged the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Voting Form when you return it.

**Companies:** To be signed in accordance with your Constitution. Please sign in the appropriate box which indicates the office held by you.

**Email Address:** Please provide your email address in the space provided.

**By providing your email address, you elect to receive all communications despatched by the Company electronically (where legally permissible) such as a Notice of Meeting, Proxy Voting Form and Annual Report via email.**

### CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate 'Appointment of Corporate Representative' should be produced prior to admission. A form may be obtained from the Company's share registry online at <https://automic.com.au>.

### Lodging your Proxy Voting Form:

#### Online:

Use your computer or smartphone to appoint a proxy at

<https://investor.automic.com.au/#/login>

or scan the QR code below using your smartphone

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



#### BY MAIL:

Automic  
GPO Box 5193  
Sydney NSW 2001

#### IN PERSON:

Automic  
Level 5, 126 Phillip Street  
Sydney NSW 2000

#### BY EMAIL:

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

#### BY FACSIMILE:

+61 2 8583 3040

**All enquiries to Automic:**

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

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

