
POWER MINERALS LIMITED
ACN 101 714 989
NOTICE OF GENERAL MEETING

Notice is given that the Meeting will be held at:

TIME: 10:00am WST

DATE: 28 June 2024

PLACE: Level 1, 389 Oxford Street, Mount Hawthorn WA 6016

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

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.

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 4:00pm WST on 26 June 2024.

BUSINESS OF THE MEETING

AGENDA

1. RESOLUTION 1 – RATIFICATION OF PRIOR ISSUE OF PLACEMENT SHARES TO PLACEMENT PARTICIPANTS – LISTING RULE 7.1A

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

“That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 5,228,936 Placement Shares to the Placement Participants on the terms and conditions set out in the Explanatory Statement.”

A voting exclusion statement applies to this Resolution. Please see below.

2. RESOLUTION 2 – APPROVAL TO ISSUE PLACEMENT OPTIONS TO THE PLACEMENT PARTICIPANTS

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 7.1 and for all other purposes, approval is given for the Company to issue 2,614,468 New Options to the Placement Participants (or their nominee(s)) on the terms and conditions set out in the Explanatory Statement.”

A voting exclusion statement applies to this Resolution. Please see below.

3. RESOLUTION 3 – APPROVAL FOR DIRECTOR PARTICIPATION IN THE PLACEMENT

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 10.11 and for all other purposes, approval is given for the Company to issue 357,143 Shares and 178,572 New Options to Mr Mena Habib (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

A voting exclusion statement applies to this Resolution. Please see below.

4. RESOLUTION 4 – APPROVAL TO ISSUE BROKER OPTIONS TO GBA CAPITAL

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 7.1 and for all other purposes, approval is given for the Company to issue 10,004,702 New Options to GBA Capital (or its nominee(s)) on the terms and conditions set out in the Explanatory Statement.”

A voting exclusion statement applies to this Resolution. Please see below.

5. RESOLUTION 5 – RATIFICATION OF PRIOR ISSUE OF PERFORMANCE RIGHTS TO MS JULIE KRASSAY

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 7.4 and for all other purposes, Shareholders ratify the issue of 200,000 Performance Rights to Ms Julie Krassay on the terms and conditions set out in the Explanatory Statement.”

A voting exclusion statement applies to this Resolution. Please see below.

6. RESOLUTION 6 – RATIFICATION OF PRIOR ISSUE OF OPTIONS TO NOTEHOLDERS

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 7.4 and for all other purposes, Shareholders ratify the issue of 1,125,000 Options to the Noteholders on the terms and conditions set out in the Explanatory Statement.”

A voting exclusion statement applies to this Resolution. Please see below.

7. RESOLUTION 7 – RATIFICATION OF PRIOR ISSUE OF OPTIONS TO GBA CAPITAL

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 7.4 and for all other purposes, Shareholders ratify the issue of 800,000 Options to GBA Capital on the terms and conditions set out in the Explanatory Statement.”

A voting exclusion statement applies to this Resolution. Please see below.

8. RESOLUTION 8 – RATIFICATION OF PRIOR ISSUE OF SHARES TO SPARK PLUS PTE LTD

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 7.4 and for all other purposes, Shareholders ratify the issue of 200,000 Shares to Spark Plus Pte Ltd on the terms and conditions set out in the Explanatory Statement.”

A voting exclusion statement applies to this Resolution. Please see below.

9. RESOLUTION 9 – APPROVAL TO ISSUE PERFORMANCE RIGHTS TO GRAEME CARLIN

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 7.1 and for all other purposes, approval is given for the Company to issue 100,000 Performance Rights to Graeme Carlin (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

A voting exclusion statement applies to this Resolution. Please see below.

10. RESOLUTION 10 – APPROVAL TO ISSUE SHARES TO YIMBA PTY LTD

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 7.1 and for all other purposes, approval is given for the Company to issue 250,000 Shares to Yimba Pty Ltd (or its nominee) on the terms and conditions set out in the Explanatory Statement.”

A voting exclusion statement applies to this Resolution. Please see below.

Dated: 24 May 2024

By order of the Board

**Jay Stephenson
Company Secretary**

Voting Exclusion Statements

In accordance with Listing Rule 14.11, the Company will disregard any votes cast in favour of the resolution set out below by or on behalf of the following persons:

| | |
|---|---|
| Resolution 1 - Ratification of prior issue of Placement Shares to Placement Participants – Listing Rule 7.1A | The Placement Participants or any other person who participated in the issue or is a counterparty to the agreement being approved or an associate of that person or those persons. |
| Resolution 2 – Approval to issue New Options to the Placement Participants | The Placement Participants or any other 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 an associate of that person (or those persons). |
| Resolution 3 – Approval for Director Participation in the Placement | Mr Mena Habib (or his nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons. |
| Resolution 4 – Approval to Issue Broker Options to GBA Capital | GBA Capital or any other 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 an associate of that person (or those persons). |
| Resolution 5 – Ratification of Prior Issue of Performance Rights to Ms Julie Krassay | Ms Julie Krassay or any other person who participated in the issue or is a counterparty to the agreement being approved or an associate of that person or those persons. |
| Resolution 6 – Ratification of Prior Issue of Options to the Noteholders | The Noteholders or any other person who participated in the issue or is a counterparty to the agreement being approved or an associate of that person or those persons. |
| Resolution 7 – Ratification of Prior Issue of Options to GBA Capital | GBA Capital or any other person who participated in the issue or is a counterparty to the agreement being approved (namely GBA Capital) or an associate of that person or those persons. |
| Resolution 8 – Ratification of Prior Issue of Shares to Spark Plus Pte Ltd | Spark Plus Pte Ltd or any other person who participated in the issue or is a counterparty to the agreement being approved or an associate of that person or those persons. |
| Resolution 9 – Approval to issue Performance Rights to Graeme Carlin | Graeme Carlin (or his nominee) or any other 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 an associate of that person (or those persons). |
| Resolution 10 – Approval to issue Shares to Yimba Pty Ltd | Yimba Pty Ltd or any other 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 an associate of that person (or those persons). |

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

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

To vote by proxy, please complete and sign the enclosed 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, Shareholders are advised that:

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

Shareholders and their proxies should be aware that:

- if proxy holders vote, they must cast all directed proxies as directed; and
- any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

Voting in person

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

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on + 61 8 8218 5000.

EXPLANATORY STATEMENT

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

1. BACKGROUND TO RESOLUTIONS 1 TO 4

1.1 Overview of the Capital Raising

As announced on 26 March 2024 and 5 April 2024, the Company is undertaking a capital raising to raise up to approximately \$1,090,734 (before costs) comprising:

- (a) the issue of 5,228,936 Shares (**Placement Shares**) to unrelated institutional, sophisticated and professional investors (**Placement Participants**) at an issue price of \$0.14 per Share to raise \$732,051 (before costs) (**Placement**). Subject to Shareholder approval, Placement Participants will also be issued one option to acquire a Share (**New Option**) for every two Shares subscribed for and issued under the Placement;
- (b) subject to Shareholder approval, the issue of 357,143 Shares at an issue price of \$0.14 per Share, together with 178,572 New Options (on the basis of one New Option for every two Shares subscribed for and issued) to Director, Mena Habib, to enable him to participate in the Placement (**Director Participation**). The Director Participation will enable the Company to raise an additional \$50,000 (before costs); and
- (c) a pro-rata underwritten non-renounceable loyalty options offer of one option to acquire a Share for every three Shares held by eligible shareholders at \$0.01 per option (**Loyalty Options**) to raise up to an additional \$308,683 (before costs) (**Loyalty Options Offer**),

(together, the **Capital Raising**).

The New Options are exercisable at \$0.30 each, expiring on 5:00 pm (ACST) on the date that is five years from the date of the initial issue of New Options to Eligible Shareholders under the Loyalty Options Offer.

The Company issued the Placement Shares on 11 April 2024 to the Placement Participants pursuant to the Company's placement capacity under ASX Listing Rule 7.1A.

1.2 Lead manager and underwriter

GBA Capital Pty Ltd (ACN 643 039 123) (CAR 001285020 of AFSL 544680) (**GBA Capital**) has been appointed as the underwriter of the Loyalty Options Offer and the lead manager of the Placement. GBA Capital will receive an underwriting fee of 5% of the total amount raised under the Loyalty Options Offer, which fee will be satisfied through the issue of 1,543,415 New Options, approval for which is sought under Resolution 4.

The lead manager mandate (**Lead Manager Mandate**) entered into between the Company and GBA Capital in respect of the Placement and the Director Participation. In consideration for these services, the Company agreed to:

- (a) pay GBA Capital a capital raising fee of 6% of the total funds raised under the Placement and the Director Participation (which fee will be satisfied through the issue of 5,161,537 New Options); and
- (b) subject to obtaining Shareholder approval, issue GBA Capital (or its nominee) 3,000,000 New Options.

The Company has also agreed to satisfy its obligation to reimburse GBA Capital for legal fees of \$2,997.50 incurred in connection with the Placement through the issue of 299,750 New Options.

A summary of the underwriting agreement and lead manager mandate are set out in Schedule 4.

1.3 Use of funds

The Company intends to apply the funds raised from the Capital Raising (less expenses) to fund exploration and development at the Company's Salta Lithium Project, project access and exploration at the Musgrave Project, for general working capital purposes and to meet the expenses of the Capital Raising.

1.4 Approvals and ratifications sought in respect of the Capital Raising

Pursuant to this Notice of Meeting, the Company is seeking the following Shareholder approvals and ratifications in respect of the Capital Raising:

- (a) Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Placement Shares issued on 11 April 2024 (Resolution 1);
- (b) Shareholder approval pursuant to Listing Rule 7.1 for the issue of New Options to the Placement Participants (Resolution 2);
- (c) Shareholder approval for the Director Participation pursuant to Listing Rule 10.11, so Mr Habib may participate in the Placement on the same terms as unrelated Placement Participants (Resolution 3); and
- (d) Shareholder approval pursuant to Listing Rule 7.1 for the issue of 10,004,702 New Options to GBA Capital (Resolution 4).

2. RESOLUTION 1 – RATIFICATION OF PRIOR ISSUE OF SHARES - LISTING RULE 7.1A

2.1 General

Resolution 1 seeks Shareholder ratification pursuant to Listing Rule 7.4 for the prior issued of the 5,228,936 Placement Shares issued to Placement Participants on 11 April 2024.

The issue of the Placement Shares did not breach Listing Rule 7.1A at the time of the issue.

Further information with respect to the Placement is set out in Section 1.1 above.

2.2 Listing Rules 7.1 and 7.1A

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 12-month period.

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

The Company obtained approval to increase its limit to 25% at the annual general meeting held on 30 November 2023.

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

2.3 Listing Rule 7.4

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

The Company wishes to retain as much flexibility as possible to issue additional equity securities in the future without having to obtain Shareholder approval for such issues under Listing Rules 7.1 and 7.1A. Accordingly, the Company is seeking Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Placement Shares.

2.4 Technical information required by Listing Rule 14.1A

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

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

2.5 Technical information required by Listing Rule 7.5

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

- (a) the Placement Shares were issued to the Placement Participants who are professional and sophisticated investors who are clients of GBA Capital. The Placement Participants were identified through a bookbuild process, which involved GBA Capital seeking expressions of interest to participate in the capital raising from non-related parties of the Company;
- (b) in accordance with paragraph 7.4 of ASX Guidance Note 21, the Company confirms that none of the Placement Participants were:

- (i) related parties of the Company, members of the Company's Key Management Personnel, substantial holders of the Company, advisers of the Company or an associate of any of these parties; and
 - (ii) issued more than 1% of the issued capital of the Company;
- (c) 5,228,936 Placement Shares were issued on 11 April 2024;
- (d) the Placement Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (e) the issue price was \$0.14 per Placement Share. The Company has not and will not receive any other consideration for the issue of the Placement Shares;
- (f) the purpose of the issue of the Placement Shares was to raise \$732,051 (before costs), which will be applied towards the activities set out in Section 1.3 above; and
- (g) the Placement Shares were not issued under an agreement.

3. RESOLUTION 2 – APPROVAL TO ISSUE NEW OPTIONS TO PLACEMENT PARTICIPANTS

3.1 General

Resolution 2 seeks Shareholder approval pursuant to Listing Rule 7.1 to issue 2,614,468 New Options to the Placement Participants (**Placement Options**). Further information with respect to the Placement is set out in Section 1.1 above.

3.2 Listing Rule 7.1

A summary of Listing Rule 7.1 is set out in Section 2.2 above.

The proposed issue of the New Options falls within exception 17 of Listing Rule 7.2. It therefore requires the approval of Shareholders under Listing Rule 7.1.

3.3 Technical information required by Listing Rule 14.1A

If Resolution 2 is passed, the Company will be able to proceed with the issue of the Placement Options. In addition, the issue of the Placement Options will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolution 2 is not passed, the Company will not be able to proceed with the issue of the Placement Options to the Placement Participants.

3.4 Technical information required by Listing Rule 7.3

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

- (a) the Placement Options will be issued to the Placement Participants who are professional and sophisticated investors who are clients of GBA Capital. The Placement Participants were identified through a bookbuild process, which will involve GBA Capital seeking expressions of interest to

- participate in the capital raising from non-related parties of the Company;
- (b) the Company confirms that none of the Placement Participants will be:
 - (i) related parties of the Company, members of the Company's Key Management Personnel, substantial holders of the Company, advisers of the Company or an associate of any of these parties; and
 - (ii) issued more than 1% of the issued capital of the Company;
 - (c) the maximum number of Placement Options to be issued to the Placement Participants is 2,614,468;
 - (d) the terms and conditions of the Placement Options are set out in Schedule 1;
 - (e) the Placement Options will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules);
 - (f) the issue price will be nil per Placement Option, as the Placement Options are being issued free attaching to the Placement Shares on a 1:2 basis. The Company will not receive any other consideration for the issue of the Placement Options (other than in respect of funds received on exercise of the Options);
 - (g) the purpose of the issue of the Placement Options is to incentivise the Placement Participants. No funds will be raised from the issue of the Placement Options;
 - (h) the Placement Options are not being issued under an agreement; and
 - (i) the Placement Options are not being issued under, or to fund, a reverse takeover.

4. RESOLUTIONS 3 – APPROVAL FOR DIRECTOR PARTICIPATION IN THE PLACEMENT

4.1 General

Resolution 3 seeks shareholder approval under and for the purposes of Listing Rule 10.11 for the Director Participation.

Managing Director, Mr Mena Habib, wishes to participate in the Placement on the same terms as unrelated Placement Participants for an aggregate of \$50,000, which will result in the issue of the following securities to him (or his nominee(s)):

- (a) 357,143 Shares at an issue price of \$0.14 per Share; and
- (b) 178,572 New Options (on the basis of one New Option for every two Shares subscribed for and issued under the Placement),

together, the **Director Participation Securities**).

Should Resolution 3 be passed, the Company will receive \$50,000 (before costs) from the Director Participation to be applied towards the activities set out in Section 1.3.

4.2 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 issue of the Director Participation Securities to Mr Habib (or his nominee(s)) constitutes giving a financial benefit and Mr Habib is a related party of the Company by virtue of being the Managing Director of the Company.

The Directors (other than Mr Habib who has a material personal interest in Resolution 3) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of Resolution 4 because the Director Participation Securities will be issued to Mr Habib on the same terms as the Shares and New Options issued under the Placement to unrelated Placement Participants and as such, the giving of the financial benefit is on arm's length terms.

4.3 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 the approval of its shareholders.

The Director Participation falls within Listing Rule 10.11.1 and does not fall within any of the exceptions in Listing Rule 10.12. It therefore requires the approval of Shareholders under Listing Rule 10.11.

4.4 Technical information required by Listing Rule 14.1A

If Resolution 3 is passed, the Company will be able to proceed with the issue of the Director Participation Securities within one month after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules). As approval pursuant to Listing Rule 7.1 is not required for the issue of the Director Participation Securities (because approval is being obtained under Listing Rule 10.11), the issue of the Director Participation Securities will not use up any of the Company's 15% annual placement capacity under Listing Rule 7.1.

If Resolution 3 is not passed, the Company will not be able to proceed with the issue of the Director Participation Securities and the \$50,000 that would be raised via the Director Participation under the Placement will not be raised.

4.5 Technical Information required by Listing Rule 10.13

Pursuant to, and in accordance with Listing Rule 10.13, the following information is provided in relation to Resolution 3:

- (a) the Director Participation Securities will be issued to Mr Habib (or his nominee(s)), who falls within the category set out in Listing Rule 10.11.1 as Mr Habib is a related party of the Company by virtue of being the Managing Director of the Company;
- (b) the maximum number of Director Participation Securities to be issued is:
 - (i) 357,143 Shares; and
 - (ii) 178,572 New Options,
- (c) the Shares issued via the Director Participation will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (d) the New Options issued via the Director Participation will be issued on the terms set out in Schedule 1;
- (e) the issue price of the Shares is the same issue price as the Shares issued to other participants in the Placement (being \$0.14 each). The Company will not receive any other consideration for the issue of the Shares via the Director Participation;
- (f) the New Options will be issued at a nil issue price, as the New Options are being issued free attaching to the Shares issued via the Director Participation on a 1:2 basis. The Company will not receive any other consideration for the issue of the New Options (other than in respect of funds received on exercise of the New Options);
- (g) the Director Participation Securities will be issued no later than 1 month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that issue of the Director Participation Securities will occur on the same date;
- (h) the Director Participation will raise an additional \$50,000 (before costs) which the Company intends to use in the manner set out in Section 1.3; and

- (i) the Director Participation Securities are not being issued under an agreement.

5. RESOLUTION 4 – APPROVAL TO ISSUE OPTIONS TO GBA CAPITAL

5.1 General

Resolution 4 seeks Shareholder approval pursuant to Listing Rule 7.1 to issue 10,004,702 New Options to GBA Capital as consideration for lead manager services provided in respect of the Placement and an underwriting fee in respect of the Loyalty Options Offer and reimbursement of legal fees incurred in connection with the Placement (**Broker Options**).

Further information with respect to GBA Capital's role as lead manager and underwriter is set out in Section 1.2 above.

5.2 Listing Rule 7.1

A summary of Listing Rule 7.1 is set out in Section 2.2 above.

The proposed issue of the Broker Options falls within exception 17 of Listing Rule 7.2. It therefore requires the approval of Shareholders under Listing Rule 7.1.

5.3 Technical information required by Listing Rule 14.1A

If Resolution 4 is passed, the Company will be able to proceed with the issue of the Broker Options. In addition, the issue of the Broker Options will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolution 4 is not passed, the Company will not be able to proceed with the issue of the Broker Options to GBA Capital, and the Company will be required to renegotiate the fees payable to GBA Capital pursuant to the Lead Manager Mandate and the Underwriting Agreement. This may involve payment of the relevant fees in cash which will be less cost effective for the Company.

5.4 Technical information required by Listing Rule 7.3

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to Resolution 4:

- (a) the Broker Options will be issued to GBA Capital (or its nominee(s));
- (b) the maximum number of Broker Options to be issued is 10,004,702 . The terms and conditions of the Broker Options are set out in Schedule 1;
- (c) the Broker Options will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules);
- (d) the issue price will be nil per Broker Option, as the Broker Options are being issued as part consideration for lead manager and underwriting services provided in respect of the Capital Raising. The Company will not receive any other consideration for the issue of the Broker Options (other than in respect of funds received on exercise of the Options);

- (e) the purpose of the issue of the Broker Options is to satisfy the Company's obligations under the Lead Manager Mandate and Underwriting Agreement which are summarised in Schedule 4; and
- (f) the Broker Options are not being issued under, or to fund, a reverse takeover.

6. RESOLUTION 5 – RATIFICATION OF PRIOR ISSUE OF PERFORMANCE RIGHTS TO MS JULIE KRASSAY

6.1 General

Resolution 5 seeks Shareholder ratification pursuant to Listing Rule 7.4 for the issue of Performance Rights issued to Chief Financial Officer, Ms Julie Krassay, on 11 March 2024 (**Krassay Performance Rights**).

The issue of the Krassay Performance Rights did not breach Listing Rule 7.1 at the time of the issue.

6.2 Listing Rule 7.1

A summary of Listing Rule 7.1 is set out in Section 2.2 above.

The issue of the Krassay Performance Rights does not fit within any of the exceptions set out in Listing Rule 7.2 and, as it has not yet been approved by Shareholders, it effectively uses up part of the 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 date of issue of the Krassay Performance Rights.

6.3 Listing Rule 7.4

A summary of Listing Rule 7.4 is set out in Section 2.3.

The Company wishes to retain as much flexibility as possible to issue additional equity securities in the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1. Accordingly, the Company is seeking Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Krassay Krassay Performance Rights.

6.4 Technical information required by Listing Rule 14.1A

If Resolution 5 is passed, the Krassay Performance Rights will be excluded in calculating the Company's 15% limit in Listing Rules 7.1, effectively increasing the number of equity securities the Company can issue without Shareholder approval under Listing Rule 7.1 over the 12-month period following the date of issue of the Krassay Performance Rights.

If Resolution 5 is not passed, the Krassay Performance Rights will be included in calculating the Company's combined 15% limit in Listing Rules 7.1, effectively decreasing the number of equity securities the Company can issue without Shareholder approval under Listing Rule 7.1 over the 12-month period following the date of issue of the Krassay Performance Rights.

6.5 Technical information required by Listing Rule 7.5

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to Resolution 5:

- (a) 200,000 Performance Rights were issued to Ms Julie Krassay on 11 March 2024;
- (b) the Krassay Performance Rights were issued on the terms set out in Schedule 2;
- (c) the issue price was nil per Krassay Performance Right. The Company has not and will not receive any other consideration for the issue of the Krassay Performance Rights;
- (d) the purpose of the issue of the Krassay Performance Rights was to reward Ms Krassay's performance in her role as Chief Financial Officer; and
- (e) the Krassay Performance Rights were not issued under an agreement.

7. BACKGROUND TO RESOLUTIONS 6 AND 7

7.1 Overview of Convertible Note Capital Raising

As announced on 22 August 2023, the Company raised \$1.5 million through the issue of convertible notes (**Convertible Notes**) to professional and sophisticated investors who were clients of GBA Capital (**Noteholders**).

The funds raised from the Convertible Notes were applied to make a key acquisition of a new salar and to facilitate the strategic expansion of the Company's lithium brine project area in Argentina (**Convertible Note Capital Raising**). The Convertible Notes were repaid in full on 16 October 2024.

Noteholders were issued 0.75 Options for every dollar subscribed for a total of 1,250,000 Options (**Convertible Note Options**). The Convertible Note Options are unlisted, exercisable at \$0.50 per Option and will expire on 31 December 2025.

Noteholders also received an establishment fee of 4% and interest at 36% per annum upon subscription of their Convertible Notes.

7.2 Lead manager

GBA Capital was engaged as lead manager to the Convertible Note Capital Raising. GBA Capital received a fee of 5% of the funds raised under the Convertible Note Capital Raising and was issued 800,000 Options on the same terms as the Convertible Note Options (**Lead Manager Options**).

A summary of the other material terms of mandate entered into between the Company and GBA Capital dated 18 August 2023 in relation to the Convertible Note Capital Raising (**GBA Mandate**) is included in Schedule 4.

7.3 Resolutions relevant to the Convertible Note Capital Raising

Shareholder ratification is sought under and for the purposes of Listing Rule 7.4 for the issue of the Convertible Note Options and Lead Manager Options pursuant to Resolutions 6 and 7 respectively.

8. RESOLUTION 6 – RATIFICATION OF PRIOR ISSUE OF OPTIONS TO NOTEHOLDERS

8.1 General

Resolution 6 seeks Shareholder ratification under and for the purposes of Listing Rule 7.4 for the issue of the Convertible Note Options to the Noteholders.

8.2 Listing Rule 7.1

A summary of Listing Rule 7.1 is set out in Section 2.2 above.

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

8.3 Listing Rule 7.4

A summary of Listing Rule 7.4 is set out in Section 2.3.

The Company wishes to retain as much flexibility as possible to issue additional equity securities in the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1. Accordingly, the Company is seeking Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Convertible Note Options.

8.4 Technical information required by Listing Rule 14.1A

If Resolution 6 is passed, the Convertible Note Options will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of equity securities the Company can issue without Shareholder approval under Listing Rule 7.1 over the 12-month period following the date of issue of the Convertible Note Options.

If Resolution 6 is not passed, the Convertible Note Options will be included in calculating the Company's 15% limit in Listing Rule 7.1, effectively decreasing the number of equity securities the Company can issue without Shareholder approval under Listing Rule 7.1 over the 12-month period following the date of issue of the Convertible Note Options.

8.5 Technical information required by Listing Rule 7.5

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to Resolution 6:

- (a) 1,250,000 Convertible Note Options were issued to the Noteholders, who were clients of GBA Capital;
- (b) in accordance with paragraph 7.4 of ASX Guidance Note 21, the Company confirms that none of the Noteholders were:
 - (i) related parties of the Company, members of the Company's Key Management Personnel, substantial holders of the Company, advisers of the Company or an associate of any of these parties; and

- (ii) issued more than 1% of the issued capital of the Company;
- (c) the Convertible Note Options were issued on 27 October 2023 on the terms set out in Schedule 3;
- (d) the issue price was nil per Convertible Note Option. The Company has not and will not receive any other consideration for the issue of the Convertible Note Options (other than on exercise of the Convertible Note Options);
- (e) the purpose of the issue of the Convertible Note Options was to incentivise the Noteholders to participate in the Convertible Note Capital Raising; and
- (f) the Convertible Note Options were issued pursuant to convertible note agreements with the Noteholders, a summary of the material terms of which is included in Section 7.1 above.

9. RESOLUTION 7 – RATIFICATION OF PRIOR ISSUE OF OPTIONS TO GBA CAPITAL

9.1 General

Resolution 7 seeks Shareholder ratification under and for the purposes of Listing Rule 7.4 for the issue of the Lead Manager Options to GBA Capital.

9.2 Listing Rule 7.1

A summary of Listing Rule 7.1 is set out in Section 2.2 above.

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

9.3 Listing Rule 7.4

A summary of Listing Rule 7.4 is set out in Section 2.3.

The Company wishes to retain as much flexibility as possible to issue additional equity securities in the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1. Accordingly, the Company is seeking Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Lead Manager Options.

9.4 Technical information required by Listing Rule 14.1A

If Resolution 7 is passed, the Lead Manager Options will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of equity securities the Company can issue without Shareholder approval under Listing Rule 7.1 over the 12-month period following the date of issue of the Lead Manager Options.

If Resolution 7 is not passed, the Lead Manager Options will be included in calculating the Company's 15% limit in Listing Rule 7.1, effectively decreasing the number of equity securities the Company can issue without Shareholder

approval under Listing Rule 7.1 over the 12-month period following the date of issue of the Lead Manager Options.

9.5 Technical information required by Listing Rule 7.5

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to Resolution 7:

- (a) 800,000 Lead Manager Options were issued to GBA Capital;
- (b) the Lead Manager Options were issued on 27 October 2023 on the terms set out in Schedule 3;
- (c) the issue price was nil per Lead Manager Option, as the Options were issued as part consideration for lead manager services provided by GBA in the Convertible Note Capital Raising. The Company has not and will not receive any other consideration for the issue of the Lead Manager Options (other than on exercise of the Lead Manager Options); and
- (d) the purpose of the issue of the Lead Manager Options was to satisfy the Company's obligations under the GBA Mandate, a summary of the material term of which are summarised in Schedule 4.

10. RESOLUTION 8 – RATIFICATION OF PRIOR ISSUE OF SHARES TO SPARK PLUS PTE LTD

10.1 General

Resolution 8 seeks Shareholder ratification under and for the purposes of Listing Rule 7.4 for the issue of 200,000 Shares at a deemed issue price of \$0.25 each, issued to Spark Plus Pte Ltd on 6 November 2023 (**Service Provider Shares**).

The Service Provider Shares were issued as consideration for corporate advisory and investor related services provided by Spark Plus Pte Ltd to the Company pursuant to a mandate letter agreement dated 18 October 2023 (**Spark Mandate**).

The Spark Mandate provided that the Company was to issue that number of Shares equal to \$50,000, determined by the 5-day VWAP of Shares prior to the date of the mandate (being 18 October 2023).

The Spark Mandate otherwise contains customer terms and conditions that are considered standard for an agreement of its nature.

10.2 Listing Rule 7.1

A summary of Listing Rule 7.1 is set out in Section 2.2 above.

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

10.3 Listing Rule 7.4

A summary of Listing Rule 7.4 is set out in Section 2.3.

The Company wishes to retain as much flexibility as possible to issue additional equity securities in the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1. Accordingly, the Company is seeking Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Service Provider Shares.

10.4 Technical information required by Listing Rule 14.1A

If Resolution 8 is passed, the Service Provider Shares will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of equity securities the Company can issue without Shareholder approval under Listing Rule 7.1 over the 12-month period following the date of issue of the Service Provider Shares.

If Resolution 8 is not passed, the Service Provider Shares will be included in calculating the Company's 15% limit in Listing Rule 7.1, effectively decreasing the number of equity securities the Company can issue without Shareholder approval under Listing Rule 7.1 over the 12-month period following the date of issue of the Service Provider Shares.

10.5 Technical information required by Listing Rule 7.5

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to Resolution 8:

- (a) 200,000 Service Provider Shares were issued to Spark Plus Pte Ltd;
- (b) the Service Provider Shares were issued on 6 November 2023 and are fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (c) the issue price was nil per Service Provider Share, as the Service Provider Shares were issued as part consideration for corporate advisory and investor related services provided by Spark Plus Pte Ltd. The deemed issue price The Company has not and will not receive any other consideration for the issue of the Service Provider Shares; and
- (d) the purpose of the issue of the Service Provider Shares was to satisfy the Company's obligations under the Spark Mandate with Spark Plus Pte Ltd, a summary of the material terms of which is included in Section 10.1 above.

11. RESOLUTION 9 – APPROVAL TO ISSUE PERFORMANCE RIGHTS TO GRAEME CARLIN

11.1 General

Resolution 9 seeks Shareholder approval pursuant to Listing Rule 7.1 to issue 100,000 Performance Rights to Graeme Carlin (or his nominee), General Counsel to the Company (**Carlin Performance Rights**).

11.2 Listing Rule 7.1

A summary of Listing Rule 7.1 is set out in Section 2.2 above.

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

11.3 Technical information required by Listing Rule 14.1A

If Resolution 9 is passed, the Company will be able to proceed with the issue of the Carlin Performance Rights. In addition, the issue of the Carlin Performance Rights will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolution 9 is not passed, the issue of the Carlin Performance Rights can still proceed but it will reduce, to that extent, the Company's capacity to issue equity securities without Shareholder approval under Listing Rule 7.1 for 12-months following the issue.

11.4 Technical information required by Listing Rule 7.1

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to Resolution 9:

- (a) the Carlin Performance Rights are proposed to be issued to Graeme Carlin (or his nominee);
- (b) the maximum number of Carlin Performance Rights to be issued is 100,000. The Carlin Performance Rights will convert, subject to the satisfaction of the milestone set out in Schedule 2, into fully paid ordinary shares in the capital of the Company on a 1:1 basis. All Shares issued on conversion will rank equally with all other Shares on issue;
- (c) the Carlin Performance Rights will be issued on the terms set out in Schedule 2;
- (d) the Carlin Performance Rights will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules);
- (e) the Carlin Performance Rights will be issued at a nil issue price as the purpose of the issue of the Carlin Performance Rights is to reward Mr Carlin in the performance of his role as General Counsel to the Company; and
- (f) the Carlin Performance Rights are not being issued under, or to fund, a reverse takeover.

12. RESOLUTION 10 – APPROVAL TO ISSUE SHARES TO YIMBA

12.1 General

As announced on 17 December 2022, Damien Bidiara-Barnes has been appointed as a land access general manager of the Company in accordance with a consultancy agreement between the Company and Yimba Pty Ltd (ACN 633 773 207) (**Yimba**) dated 31 November 2022 as subsequently extended on 5 July 2023 (**Yimba Agreement**).

The Company has agreed to issue 250,000 Shares to Yimba (or its nominee) if a signed Deed of Exploration over ELA2015/0214 with the APY Lands traditional owners is delivered before 30 June 2024 (**Yimba Shares**). Yimba has nominated Yimba Holding Company Pty Ltd (ACN 641 031 138) (**Yimba Holding Company**) to receive the Yimba Shares.

The Company previously sought Shareholder approval in respect of the issue of the Yimba Shares at the Company's extraordinary general meeting held on 26 October 2023, however this approval has since lapsed so the Company is seeking a fresh approval for the issue of the Yimba Shares at this Meeting.

12.2 Listing Rule 7.1

A summary of Listing Rule 7.1 is set out in Section 2.2 above.

The proposed issue of the Yimba Shares does not fit within any of the exceptions set out in Listing Rule 7.2. While the issue does not exceed the 15% limit in Listing Rule 7.1 and can therefore be made without breaching that rule, the Company wishes to retain as much flexibility as possible to issue additional equity securities in the future without having to obtain Shareholder approval under Listing Rule 7.1. Accordingly, the Company is seeking Shareholder approval pursuant to Listing Rule 7.1 so that it does not use up any of its 15% placement capacity under Listing Rule 7.1.

12.3 Technical information required by Listing Rule 14.1A

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

If Resolution 10 is not passed, the issue of the Yimba Shares can still proceed but it will reduce, to that extent, the Company's capacity to issue equity securities without Shareholder approval under Listing Rule 7.1 for 12-months following the issue.

12.4 Technical information required by Listing Rule 7.1

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

- (a) the Yimba Shares are proposed to be issued to Yimba (or its nominee, Yimba Holding Company Pty Ltd (ACN 641 031 138));
- (b) the maximum number of Yimba Shares to be issued is 250,000. The Yimba Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (c) the Yimba Shares will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules);
- (d) the Yimba Shares will be issued at a nil issue price as the Yimba Shares are being issued as consideration for the services to be provided by Yimba pursuant to the terms of the Yimba Agreement and have an approximate aggregate value of \$121,150. The Company will not receive any other consideration for the issue of the Yimba Shares;
- (e) the purpose of the issue of the Yimba Shares is to satisfy the Company's obligations under the Yimba Agreement described above in Section 12.1; and

- (f) the Yimba Shares are not being issued under, or to fund, a reverse takeover.

GLOSSARY

\$ means Australian dollars.

Alternative Capital Raising has the meaning given to it in Section 1.2.

Alternative Transaction Fee has the meaning given to it in Section 1.2.

ASIC means the Australian Securities & Investments Commission.

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

Board means the current board of directors of the Company.

Broker Options has the meaning given to it in Section 1.2.

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.

Capital Raising has the meaning given to it in Section 1.1.

Chair means the chair of the Meeting.

Company means Power Minerals Limited (ACN 101 714 989).

Constitution means the Company's constitution.

Convertible Note Capital Raising has the meaning given to it in Section 7.1.

Convertible Note Options has the meaning given to it in Section 7.1.

Convertible Notes has the meaning given to it in Section 7.1.

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

Director Participation has the meaning given to it in Section 1.1.

Director Participation Securities has the meaning given to it in Section 4.1.

Directors means the current directors of the Company.

Explanatory Statement means the explanatory statement accompanying the Notice.

GBA or **GBA Capital** means GBA Capital Pty Ltd (ACN 643 039 123) (CAR 001285020 of AFSL 544680).

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

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

Lead Manager Mandate has the meaning given to it in Section 1.2.

Lead Manager Options has the meaning given to it in Section 7.2.

Listing Rules means the Listing Rules of ASX.

Loyalty Options has the meaning given to it in Section 1.1.

Loyalty Options Offer has the meaning given to it in Section 1.1.

Material Adverse Effect means:

- (a) a material adverse effect on the outcome of the Loyalty Options Offer or on the subsequent market for the Underwritten Securities (including, without limitation, a material adverse effect on a decision of an investor to invest in Underwritten Securities); or
- (b) a material adverse effect on the condition, trading or financial position and performance, profits and losses, results, prospects, business or operations of the Company and its Subsidiaries taken as a whole.

New Option means an Options to acquire a Share on the terms set out in Schedule 1.

Noteholders has the meaning given to it in Section 7.1.

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.

Performance Rights means a right to acquire a Share on the terms set out in Schedule 3.

Placement has the meaning given to it in Section 1.1.

Placement Options has the meaning given to it in Section 3.1.

Placement Participants has the meaning given to it in Section 1.1.

Placement Shares has the meaning given to it in Section 1.1.

Prospectus means the entitlement issue and cleansing prospectus lodged by the Company on 10 April 2024.

Prescribed Occurrence means:

- (a) a Relevant Company converting all or any of its shares into a larger or smaller number of shares;
- (b) a Relevant Company resolving to reduce its share capital in any way;
- (c) a Relevant Company:
 - (i) entering into a buy-back agreement; or
 - (ii) resolving to approve the terms of a buy-back agreement under section 257D or 257E of the Corporations Act;

- (d) a Relevant Company making an issue of, or granting an option to subscribe for, any of its shares or any other securities, or agreeing to make such an issue or grant such an option (other than pursuant to the Loyalty Options Offer or on conversion of convertible securities on issue as at the date of the Underwriting Agreement or as previously notified to GBA Capital prior to the date of the Underwriting Agreement);
- (e) a Relevant Company issuing, or agreeing to issue, convertible notes;
- (f) a Relevant Company disposing, or agreeing to dispose, of the whole, or a substantial part, of its business or property;
- (g) a Relevant Company charging, or agreeing to charge, the whole, or a substantial part, of its business or property;
- (h) a Relevant Company resolving that it be wound up;
- (i) the appointment of a liquidator or provisional liquidator of a Relevant Company;
- (j) the making of an order by a court for the winding up of a Relevant Company;
- (k) an administrator of a Relevant Company, being appointed under section 436A, 436B or 436C of the Corporations Act;
- (l) a Relevant Company executing a deed of company arrangement; or
- (m) the appointment of a receiver, or a receiver and manager, in relation to the whole, or a substantial part, of the property of a Relevant Company.

Proxy Form means the proxy form accompanying the Notice.

Relevant Company means the Company and each of its Subsidiaries.

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

Section means a section of the Explanatory Statement.

Service Provider Shares has the meaning given to it in Section 10.1.

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

Shareholder means a registered holder of a Share.

Subsidiary has the meaning given to that term in the Corporations Act.

Underwritten Securities means 30,868,300 New Options which are being offered pursuant to the Loyalty Options Offer.

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

Yimba Agreement has the meaning given to it in Section 12.1.

Yimba Holding Company means Yimba Holding Company Pty Ltd (ACN 641 031 138).

Yimba means Yimba Pty Ltd (ACN 633 773 207).

Yimba Shares has the meaning given to it in Section 12.1.

SCHEDULE 1 – TERMS OF NEW OPTIONS

(a) **Entitlement**

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

(b) **Exercise Price**

Subject to paragraph (i), the amount payable upon exercise of each Option will be \$0.30 (**Exercise Price**).

(c) **Expiry Date**

Each Option will expire at 5:00 pm (ACST) on the date that is five years from the date of the initial issue of Options to eligible shareholders under the Loyalty Options Offer (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

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

(e) **Notice of Exercise**

The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) 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.

(f) **Exercise Date**

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

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

Within 5 Business Days after the Exercise Date, the Company will:

- (i) issue the number of Shares (i) 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) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

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

(h) **Shares issued on exercise**

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

(i) **Reconstruction of capital**

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

(j) **Participation in new issues**

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

(k) **Change in exercise price**

An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

(l) **Transferability**

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

SCHEDULE 2 – TERMS OF PERFORMANCE RIGHTS

The following is a summary of the key terms and conditions of the Performance Rights:

| | |
|--|--|
| Consideration | No amount is payable by the holder for the grant or conversion of the Performance Rights. |
| Vesting Condition | The Performance Rights will vest upon the holder remaining employed by the Company at 31 December 2024 (Vesting Condition) and a vesting notice is given to the holder (Vesting Notice). |
| Additional Exercise Restrictions | The Performance Rights cannot be exercised during a Prohibited Period as defined in the Company's Securities Trading Policy. |
| Notice of Exercise | Following the receipt of a Vesting Notice from the Company, the holder may exercise the holder's Performance Rights by lodging with the Company, on or prior to the Expiry Date a written notice of exercise substantially in the form of Section B, specifying the number of Performance Rights being exercised (Notice of Exercise). |
| Expiry Date | Each Performance Right will expire on 31 July 2025 (Expiry Date). A Performance Right not exercised before the Expiry Date will automatically lapse on the Expiry Date. |
| Allocation of Shares | As soon as possible following the issue of a Notice of Exercise, the Company will: <ul style="list-style-type: none"> • issue the holder one Share for every Performance Right exercised under the Notice of Exercise; • if required, issue the holder a substitute certificate for any remaining unexercised Performance Rights; and • do all such acts, matters and things to obtain the grant of quotation of the Shares by ASX in accordance with the ASX Listing Rules and subject to the expiry of any restriction period that applies to the Shares under the Corporations Act or the ASX Listing Rules. |
| Trading Restrictions on Shares following exercise of Performance Rights | Shares issued on exercise of Performance Rights must be traded in accordance with the Company's Trading Policy. |
| Lapse of Performance Right | The Performance Rights will lapse if: <ul style="list-style-type: none"> • the Vesting Condition is not met prior to the Expiry Date, or • if the holder has not exercised the Performance Rights prior to the Expiry Date. Lapsed Performance Rights are cancelled and cannot be exercised. |
| Transfer of Performance Rights | The Performance Rights are not transferrable and Subdivision 83A-C of the <i>Income Tax Assessment Act 1997</i> (Cth) applies to the Plan and this Offer. |
| Dealings | Performance Rights may not be dealt with (except by force of law upon death or bankruptcy) and will lapse immediately if the holder purports to deal with them in breach of these terms. The holder is also prohibited from entering into any scheme or arrangement under which the holder "hedge" or alter the economic benefit that the holder may derive in respect of its Performance Rights. |
| Participation rights | There are no participation rights or entitlements attached to the Performance Rights. The holder is not entitled to participate in new issues of capital offered to the existing shareholders of the Company without first exercising its Performance Right. |
| Reconstruction of capital | If at any time the issued capital of the Company reorganisation (including consolidation, subdivision, reduction or return), all rights attaching to the |

| | |
|---|---|
| | Performance Rights are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules (if applicable) at the time of a reorganisation. |
| Bonus issues | If the Company makes a bonus issue of Shares or other securities to existing shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment) the number of Shares or other securities to be issued upon the exercise of the Performance Rights will be increased by the number of Shares or other securities which the holder would have received if the holder had exercised the Performance Right before the record date for the bonus issue. |
| Change of control | <p>If a Change of Control Event (defined below) occurs, or the Board determines that such an event is likely to occur, all unvested Performance Rights will automatically vest and must be exercised within 30 days of the Change of Control Event. Performance Rights not exercised in this time period will lapse.</p> <p>Change of Control Event means:</p> <ul style="list-style-type: none"> • a change in Control (as defined in section 50AA of the Corporations Act) of the Company; • where members of the Company approve any compromise or arrangement for the purpose of, or in connection with, a scheme for the reconstruction of the Company or its amalgamation with any other body corporate or bodies corporate (other than a scheme that does not involve a change in the ultimate beneficial ownership of the Company), which will, upon becoming effective, result in any person (either alone or together with its Associates) owning more than 50% of issued capital in the Company; • where a person becomes the legal or the beneficial owner of, or has a Relevant Interest (as defined in the Corporations Act) in, more than 50% of issued capital in the Company; • where a person becomes entitled to acquire, hold or has an equitable interest in more than 50% of issued capital in the Company; and • where a takeover bid is made to acquire more than 50% of issued capital in the Company (or such lesser number of Shares that when combined with the Shares that the bidder (together with its Associates (as defined in the Corporations Act) already owns will amount to more than 50% of issued capital in the Company) and the takeover bid becomes unconditional and the bidder (together with its Associates) has a Relevant Interest in more than 50% of issued capital in the Company, <p>but, for the avoidance of doubt, does not include any internal reorganisation of the structure, business and/or assets of the Company.</p> |
| Voting rights | Performance Right does not entitle the holder to an entitlement to vote (except as otherwise required by law) or receive dividends. |
| Rights on return of capital | Performance Right does not entitle the holder to a return of capital, whether in a winding up, upon a reduction of capital or otherwise. |
| Participation in profits or assets | Performance Right does not entitle the holder to participate in the surplus profits or assets of the Company upon winding up. |
| No other rights | Performance Right does not entitle the holder to any rights other than those expressly provided by these terms and those provided at law where such rights at law cannot be excluded by these terms. |

SCHEDULE 3 – TERMS OF CONVERTIBLE NOTE OPTIONS AND LEAD MANAGER OPTIONS

(a) **Entitlement**

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

(b) **Exercise Price**

Subject to paragraph 1.1(i), the amount payable upon exercise of each Option will be \$0.50 (**Exercise Price**).

(c) **Expiry Date**

Each Option will expire at 5:00 pm (ACST) on 31 December 2025 (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

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

(e) **Notice of Exercise**

The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) 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.

(f) **Exercise Date**

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

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

Within five Business Days after the Exercise Date, the Company will:

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

If a notice delivered under 1.1(g)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(h) **Shares issued on exercise**

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

(i) **Reconstruction of capital**

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

(j) **Participation in new issues**

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

(k) **Change in exercise price**

An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

(l) **Transferability**

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

SCHEDULE 4 – SUMMARY OF GBA MANDATES

1. Lead Manager Mandate - Placement

| | |
|---|---|
| <p>Fees</p> | <p>The Company agreed to:</p> <ul style="list-style-type: none"> (a) pay GBA Capital a capital raising fee of 6% of the total funds raised under the Placement and the Director Participation (excluding any funds raised from existing substantial Shareholder Summit Nanotech Corporation in respect of which a 2% fee will be payable); and (b) subject to obtaining Shareholder approval, issue GBA Capital (or its nominee) 3,000,000 New Options (Broker Options). <p>GBA Capital has subsequently agreed with the Company to satisfy the cash fees set out at paragraph (a) above through the issue of 5,161,537 New Options, approval for which is sought under Resolution 4.</p> |
| <p>Reimbursement of Expenses</p> | <p>The Company agrees to reimburse GBA Capital for all reasonable out-of-pocket expenses (including any applicable GST) incurred by GBA Capital in connection with the Capital Raising, including:</p> <ul style="list-style-type: none"> (a) legal fees of GBA Capital, up to a maximum of \$10,000 (excluding GST); and (b) all other reasonable costs and expenses including marketing and communication costs, printing, couriers, postage and other distribution costs and travel and accommodation expenses in respect of the Placement and the Director Participation, provided that GBA Capital must seek prior approval from the Company before incurring any expense in an amount greater than \$2,000, other than legal expenses other than the legal expenses noted in paragraph (a) above; and (c) any stamp duty or similar taxes (but excluding any income tax or capital gains tax of GBA Capital) payable in respect of the Capital Raising. <p>GBA Capital has subsequently agreed with the Company to satisfy the Company's obligation to reimburse GBA Capital for legal fees incurred in connection with the Capital Raising as set out at paragraph (a) above through the issue of 299,750 New Options, approval for which is sought under Resolution 4.</p> |
| <p>Termination</p> | <p>The Lead Manager Mandate will commence on its date of execution and will remain in place until terminated by either party.</p> <p>A party may terminate the Lead Manager Mandate at any time, with or without cause by giving five Business Days' notice to the other party.</p> |
| <p>Alternative Capital Raising</p> | <p>If during the term of the Lead Manager Mandate or within 12-months from the date of termination of the Lead Manager Mandate the Company announces an equity capital raising (other than the Capital Raising or a dividend reinvestment plan) (Alternative Capital Raising), the Company must pay GBA Capital, a fee equivalent to the fee payable under the Lead Manager Mandate (Alternative Transaction Fee). The Alternative Transaction Fee will be payable on settlement of the Alternative Capital Raising. No Alternative Transaction Fee is payable if the Lead Manager Mandate is terminated by the Company for cause, where "for cause" means because of the inability to complete, gross negligence, wilful misconduct, recklessness, fraud or material breach of the Lead Manager Mandate by GBA Capital or its respective representatives.</p> |

| | |
|--------------------|--|
| Lock-Up | After announcement of the Capital Raising, and for the period ending 60 days from completion of the Capital Raising, the Company will not issue, or agree or offer to issue, any equity securities, other than in connection with the Capital Raising, pursuant to the exercise or conversion of any equity securities, pursuant to an employee incentive scheme or pursuant to any distribution reinvestment plan or enter into any agreement or commitment which is material in the context of the Company without the prior written consent of GBA Capital. |
| Other Terms | The Lead Manager Mandate otherwise contains provisions considered standard for an agreement of its nature (including representations, warranties, indemnities and confidentiality provisions). |

2. Underwriting Agreement

The material terms and conditions of the Underwriting Agreement are summarised below:

| | |
|----------------------------------|---|
| Fees | The Company has agreed to pay GBA Capital an underwriting fee of 5% of \$308,683, being the maximum amount to be raised under the Loyalty Options Offer (Underwritten Amount). |
| Reimbursement of Expenses | <p>In addition, the Company agrees to indemnify and keep indemnified GBA Capital for all costs and expenses of and incidental to the Loyalty Options Offer including but not limited to disbursements, accommodation and travelling expenses and all marketing and promotional expenditure provided that the aggregate of all costs and expenses does not exceed \$2,000 (without the prior written consent of the Company).</p> <p>The Company has also agreed to pay the Australian legal fees of GBA Capital, up to a maximum of \$10,000 (excluding GST).</p> |
| Termination Events | <p>GBA Capital, may, without prejudice, by written notice to the Company, terminate its obligations under the Underwriting Agreement upon or at any time prior to completion of the Loyalty Options Offer if:</p> <p>(c) indices fall: the S&P ASX 200 Index is at any time after the date of the Underwriting Agreement 10% or more below its respective level as at the close of business on the Business Day prior to the date of the Underwriting Agreement; or</p> <p>(d) Withdrawal: the Prospectus or the Loyalty Options Offer is withdrawn by the Company; or</p> <p>(e) Supplementary prospectus:</p> <p>(i) GBA Capital, having elected not to exercise its right to terminate its obligations under the Underwriting Agreement as a result of an occurrence as described in paragraph (p)(v) below, forms the view on reasonable grounds that a supplementary prospectus should be lodged with ASIC for any of the reasons referred to in section 719 of the Corporations Act and the Company fails to lodge a supplementary prospectus in such form and content and within such time as the Underwriter may reasonably require; or</p> <p>(ii) the Company lodges a supplementary prospectus without the prior written consent of GBA Capital; or</p> <p>(f) Non-compliance with disclosure requirements: it transpires that the Prospectus does not contain all the information that investors and their professional advisers would reasonably</p> |

require to make an informed assessment of:

- (i) the assets and liabilities, financial position and performance, profits and losses and prospects of the Company; and
 - (ii) the rights and liabilities attaching to the Underwritten Securities;
- (g) **Misleading Prospectus:** it transpires that there is a statement in the Prospectus that is misleading or deceptive or likely to mislead or deceive, or that there is an omission from the Prospectus (having regard to the provisions of sections 711, 713 and 716 of the Corporations Act) or if any statement in the Prospectus becomes misleading or deceptive or likely to mislead or deceive or if the issue of the Prospectus is or becomes misleading or deceptive or likely to mislead or deceive; or
- (h) **proceedings:** ASIC or any other person proposes to conduct any enquiry, investigation or proceedings, or to take any regulatory action or to seek any remedy, in connection with the Loyalty Options Offer or the Prospectus, or publicly foreshadows that it may do so; or
- (i) **Unable to Issue Securities:** the Company is prevented from issuing the Underwritten Securities within the time required by the Underwriting Agreement, the Corporations Act, the Listing Rules, any statute, regulation or order of a court of competent jurisdiction by ASIC, ASX or any court of competent jurisdiction or any governmental or semi-governmental agency or authority; or
- (j) **future matters:** any statement or estimate in the Prospectus which relates to a future matter is or becomes incapable of being met or, in the reasonable opinion of GBA Capital, unlikely to be met in the projected timeframe; or
- (k) **Withdrawal of consent to Prospectus:** any person (other than GBA Capital) who has previously consented to the inclusion of its, his or her name in the Prospectus or to be named in the Prospectus, withdraws that consent; or
- (l) **No Quotation Approval:** the Company fails to lodge an Appendix 3B in relation to the Underwritten Securities with ASX by the time required by the Corporations Act, the Listing Rules or any other regulation; or
- (m) **ASIC application:** an application is made by ASIC for an order under section 1324B or any other provision of the Corporations Act in relation to the Prospectus, the date by which the Company must give GBA Capital written notice of the Shortfall Securities (as outlined in Section **Error! Reference source not found.**) has arrived, and that application has not been dismissed or withdrawn; or
- (n) **ASIC hearing:** ASIC gives notice of its intention to hold a hearing under section 739 of the Corporations Act in relation to the Prospectus to determine if it should make a stop order in relation to the Prospectus or ASIC makes an interim or final stop order in relation to the Prospectus under section 739 of the Corporations Act; or
- (o) **Takeovers Panel:** the Takeovers Panel makes a declaration that circumstances in relation to the affairs of the Company are unacceptable circumstances under Pt 6.10 of the Corporations Act, which in GBA Capital's reasonable opinion has a Material Adverse Effect; or
- (p) **Authorisation:** any authorisation which is material to anything referred to in the Prospectus is repealed, revoked or terminated or expires, or is modified or amended in a

manner unacceptable to GBA Capital acting reasonably;
or

(q) **Indictable offence:** a director or senior manager of a Relevant Company is charged with an indictable offence;
or

(r) **Termination Events:** any of the following events occurs:

(i) **Hostilities:** there is an outbreak of hostilities or a material escalation of hostilities (whether or not war has been declared) after the date of this Agreement involving one or more of Australia, New Zealand, Indonesia, Japan, Russia, the United Kingdom, the United States of America, India, Pakistan, or the Peoples Republic of China or any member of the European Union other than hostilities involving Libya, Afghanistan, Iraq, Iran, Syria, Lebanon or Israel and GBA Capital believes (on reasonable grounds) that the outbreak or escalation is likely to result in the S&P ASX 200 Index falling by the percentage contemplated by paragraph (a) above;

(ii) **Default:** default or breach by the Company under the Underwriting Agreement of any terms, condition, covenant or undertaking;

(iii) **Incorrect or untrue representation:** any representation, warranty or undertaking given by the Company in the Underwriting Agreement is or becomes untrue or incorrect in a material respect;

(iv) **Contravention of constitution or Act:** a material contravention by a Relevant Company of any provision of its constitution, the Corporations Act, the Listing Rules or any other applicable legislation or any policy or requirement of ASIC or ASX;

(v) **Adverse change:** an event occurs which gives rise to a Material Adverse Effect or any adverse change or any development including a likely Material Adverse Effect after the date of the Underwriting Agreement in the assets, liabilities, financial position, trading results, profits, forecasts, losses, prospects, business or operations of any Relevant Company including, without limitation, if any forecast in the Prospectus becomes incapable of being met or in GBA Capital's reasonable opinion, unlikely to be met in the projected time;

(vi) **Error in Due Diligence Results:** it transpires that any of the due diligence investigations undertaken prior to lodgement of the Propsectus or any part of the verification material was, misleading or deceptive, materially false or that there was a material omission from them;

(vii) **Significant change:** a "new circumstance" as referred to in section 719(1) of the Corporations Act arises that is materially adverse from the point of view of an investor;

(viii) **Public statements:** without the prior approval of GBA Capital a public statement is made by the Company in relation to the Loyalty Options Offer or the Prospectus other than a statement the Company is required to make in order to comply with its disclosure obligations under the Listing Rules and/or the Corporations Act;

- (ix) **Misleading information:** any information supplied at any time by the Company or any person on its behalf to the Underwriter in respect of any aspect of the Loyalty Options Offer or the affairs of any Relevant Company is or becomes misleading or deceptive or likely to mislead or deceive;
- (x) **Official Quotation qualified:** the official quotation is qualified or conditional (other than a condition which would not, in the reasonable opinion of GBA Capital, have a Material Adverse Effect);
- (xi) **Change in Act or policy:** there is introduced, or there is a public announcement of a proposal to introduce, into the Parliament of Australia or any of its States or Territories any Act or prospective Act or budget or the Reserve Bank of Australia or any Commonwealth or State authority adopts or announces a proposal to adopt any new, or any major change in, existing, monetary, taxation, exchange or fiscal policy that has not been publicly disclosed or proposed as at the date of this Agreement;
- (xii) **Prescribed Occurrence:** a Prescribed Occurrence occurs, other than as disclosed in the Prospectus;
- (xiii) **Suspension of debt payments:** the Company suspends payment of its debts generally;
- (xiv) **Event of Insolvency:** an event of insolvency occurs in respect of a Relevant Company;
- (xv) **Judgment against a Relevant Company:** a judgment in an amount exceeding \$100,000.00 is obtained against a Relevant Company and is not set aside or satisfied within seven days;
- (xvi) **Litigation:** litigation, arbitration, administrative or industrial proceedings are after the date of the Underwriting Agreement commenced against any Relevant Company except as disclosed in the Prospectus;
- (xvii) **Board and senior management composition:** there is a change in the composition of the Board or a change in the senior management of the Company before the date of issue of the Underwritten Securities without the prior written consent of GBA Capital (such consent not to be unreasonably withheld);
- (xviii) **Change in shareholdings:** there is a material change in the major or controlling shareholdings of a Relevant Company (other than as a result of the Loyalty Options Offer or a matter disclosed in the Prospectus) or a takeover offer or scheme of arrangement pursuant to Chapter 5 or 6 of the Corporations Act is publicly announced in relation to a Relevant Company;
- (xix) **Timetable:** there is a delay in any specified date in the timetable which is greater than 2 Business Days;
- (xx) **Force Majeure:** a Force Majeure affecting the Company's business or any obligation under the Underwriting Agreement lasting in excess of seven days occurs;
- (xxi) **Certain resolutions passed:** a Relevant Company passes or takes any steps to pass a resolution

under sections 254N, 257A or 260B of the Corporations Act or a resolution to amend its constitution without the prior written consent of GBA Capital;

(xxii) **Capital Structure:** any Relevant Company alters its capital structure in any manner not contemplated by the Prospectus (other than on conversion of convertible securities on issue as at the date of the Underwriting Agreement or as previously notified to GAB Capital prior to the date of the Underwriting Agreement); or

(xxiii) **Market Conditions:** a suspension or material limitation in trading generally on ASX occurs or any material adverse change or disruption occurs in the existing financial markets, political or economic conditions of Australia, Japan, the United Kingdom, the United States of America or other international financial markets.

The events listed in paragraph (p) do not entitle GBA Capital to exercise its termination rights unless, in the reasonable opinion of GAB Capital reached in good faith, it has or is likely to have, or those events together have, or could reasonably be expected to have, a Material Adverse Effect or could give rise to a liability of GAB Capital under the Corporations Act.

Indemnity

The Company will indemnify and keep indemnified GBA Capital and its directors, officers, employees and agents (**Related Parties**) and hold them harmless from and against all prosecutions, losses (including loss of profit or losses or costs incurred in connection with any investigation, enquiry or hearing by ASIC, ASX or any governmental authority or agency but excluding indirect, special or consequential losses), penalties, actions, suits, claims, costs (including legal costs on a solicitor-and-own-client basis), demands and proceedings (whether civil or criminal) (**Liability**) arising out of or in respect of:

- (a) non-compliance by the Company with or breach of any legal requirement or the Corporations Act or Listing Rules in relation to the Prospectus or any supplementary prospectus;
- (b) the Loyalty Options Offer, the Prospectus or any supplementary prospectus;
- (c) any statement, misstatement, misrepresentation, non-disclosure, inaccuracy in or omission from the Prospectus or any supplementary prospectus; or
- (d) any breach or failure by the Company to observe any of the terms of the Underwriting Agreement.

The indemnity does not apply to:

- (a) any penalties or fines which the person claiming the benefit of the indemnity must pay in respect of any contravention of the Corporations Act by that person, GBA Capital or any Related Party,
- (b) in respect of liability which results from the wilful default, fraud or the gross negligence of the person claiming the indemnity, GBA Capital or any Related Party other than an act or omission of which the Company has expressly approved in writing;
- (c) to a subscription by GBA Capital for Shortfall Securities;
- (d) to any other amount in respect of which the indemnity would be illegal, void or unenforceable; or
- (e) to any announcement, advertisement or publicity made or distributed by the Related Party without the written approval of the Company in relation to the Loyalty Options Offer or

The Underwriting Agreement otherwise contains provisions considered standard for an agreement of its nature (including representations and warranties and confidentiality provisions).

3. Lead Manager Mandate – Convertible Note Raising

The GBA Mandate provides for the following material terms:

| | |
|---|--|
| Term | The GBA Mandate continues for a term of 12 months from 18 August 2023 (Term). |
| Fees | GBA Capital (GBA) received a fee of 5% of the funds raised under the Convertible Note Capital Raising and was issued 800,000 Options on the same terms as the Convertible Note Options as consideration for acting as lead manager to the Convertible Note Capital Raising |
| Introduction fee | In the event that during the Term, GBA has either introduced to the Company investors or has had negotiations with investors on behalf of the Company (including strategic or industry investors), and those investors invest in the Company within 6 months of their introduction, the Company will pay to GBA a fee of 6.0% of the value of their investment. |
| Restraint on issue of securities | From 18 August 2023 until 90 days after completion of the Convertible Note Capital Raising, the Company will not make any further issues of equity, other than which has already been disclosed to ASX, without first obtaining the written consent of GBA which shall not be unreasonably withheld (other than any issue of shares in respect of existing convertible securities or pursuant to any incentive plan, in each case in accordance with their terms). |
| Right of first refusal | <p>Upon successful completion of the Convertible Note Capital Raising, the Company gives to GBA the first right of refusal to be a lead manager to any future raising conducted by the Company within 12 months from completion.</p> <p>The Company agrees that if the engagement is suspended or terminated by the Company for any reason (other than due to the gross negligence, willful misconduct, recklessness or fraud of GBA), the Company will provide GBA with an opportunity to tender for a role similar to that contemplated by GBA Mandate (on similar terms to those contemplated by the GBA Mandate), if the Convertible Note Capital Raising or any offer of securities on substantially similar terms to the Convertible Note Capital Raising (ignoring any differences in size or targeted investors) or for a similar purpose to that for the Convertible Note Capital Raising is reactivated by the Company within 6 months of the date of the GBA Mandate.</p> |
| Termination | GBA may terminate Engagement if the Company breaches the GBA Mandate and does not remedy the breach within 14 days of written notice of the breach by GBA to the Company. In that instance, all accrued fees are payable by the Company to GBA. |

The GBA Mandate otherwise contains customer terms and conditions that are considered standard for an agreement of its nature.

LODGE YOUR VOTE

ONLINE
<https://investorcentre.linkgroup.com>

BY EMAIL
 admin@powerminerals.com.au

BY MAIL
 Power Minerals 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
 Parramatta Square, Level 22, Tower 6,
 10 Darcy Street, Parramatta NSW 2150

*during business hours Monday to Friday (9:00am - 5:00pm)

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 **10:00am (WST) on Wednesday, 26 June 2024**, 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
<https://investorcentre.linkgroup.com>

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 <https://investorcentre.linkgroup.com> 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 the appropriate "Certificate of Appointment of Corporate Representative" must be produced prior to admission in accordance with the Notice of Meeting. A form of the certificate may be obtained from the Company's share registry or online at www.linkmarketservices.com.au.

**IF YOU WOULD LIKE TO ATTEND AND VOTE AT THE GENERAL MEETING, PLEASE BRING THIS FORM WITH YOU.
 THIS WILL ASSIST IN REGISTERING YOUR ATTENDANCE.**

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 Power Minerals Limited and entitled to attend and vote hereby appoint:

APPOINT A PROXY

the Chairman of the Meeting (mark box)

OR if you are NOT appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate you are appointing as your proxy

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman 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 General Meeting of the Company to be held at **10:00am (WST) on Friday, 28 June 2024 at Level 1, 389 Oxford Street Mount Hawthorn WA 6016** (the Meeting) and at any postponement or adjournment of the Meeting.

Important note for Resolutions 3, 5 and 9: If the Chairman 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 Chairman of the Meeting to exercise the proxy in respect of Resolutions 3, 5 and 9, even though the Resolutions are connected directly or indirectly with the remuneration of a member of the Company's Key Management Personnel (KMP).

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

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 RATIFICATION OF PRIOR ISSUE OF PLACEMENT SHARES TO PLACEMENT PARTICIPANTS – LISTING RULE 7.1A | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | 9 APPROVAL TO ISSUE PERFORMANCE RIGHTS TO GRAEME CARLIN | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 2 APPROVAL TO ISSUE PLACEMENT OPTIONS TO THE PLACEMENT PARTICIPANTS | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | 10 APPROVAL TO ISSUE SHARES TO YIMBA PTY LTD | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 3 APPROVAL FOR DIRECTOR PARTICIPATION IN THE PLACEMENT | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | | | | |
| 4 APPROVAL TO ISSUE BROKER OPTIONS TO GBA CAPITAL | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | | | | |
| 5 RATIFICATION OF PRIOR ISSUE OF PERFORMANCE RIGHTS TO MS JULIE KRASSAY | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | | | | |
| 6 RATIFICATION OF PRIOR ISSUE OF OPTIONS TO NOTEHOLDERS | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | | | | |
| 7 RATIFICATION OF PRIOR ISSUE OF OPTIONS TO GBA CAPITAL | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | | | | |
| 8 RATIFICATION OF PRIOR ISSUE OF SHARES TO SPARK PLUS PTE LTD | <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 show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Sole Director and Sole Company Secretary

Joint Shareholder 2 (Individual)

Director/Company Secretary (Delete one)

Joint Shareholder 3 (Individual)

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).

PNN PRX2401D

