

Cyclone Metals Limited
(formerly Cape Lambert Resources Limited)
ACN: 095 047 920
Notice of Annual General Meeting

The Annual General Meeting of Cyclone Metals Limited will be held at:

- 32 Harrogate Street, West Leederville, Western Australia 6007; and
- 11:00am (WST) on 30 November 2020.

In accordance with subsection 5(f) of the *Corporations (Coronavirus Economic Response) Determination (No. 3) 2020*, the Company will not be dispatching physical copies of the Notice. For shareholders that the Company has email addresses on records, the Company will send a copy of this Notice and material relating to the Meeting or provide a link to where the Notice and other material can be viewed or downloaded by email. To the other Shareholders, the Company will send a letter or postcard setting out a URL for viewing or downloading the Notice and other material. Shareholders can access a copy of the Notice at the following link: www.cyclonemetals.com.

This notice of Annual General Meeting should be read in its entirety. If Shareholders are in any doubt as to how they should vote, they should seek advice from their professional advisor prior to voting. Please contact the Company Secretary on + 61 9380 9555 or mel@bellatrixcorp.com.au if you wish to discuss any matter concerning the Meeting.

Cyclone Metals Limited
ACN 095 047 920

Notice of Annual General Meeting

Notice is hereby given that the Annual General Meeting of the Shareholders of Cyclone Metals Limited will be held at 32 Harrogate Street, West Leederville, Western Australia 6007 at 11:00am (WST) on 30 November 2020 (**Meeting**).

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

Shareholders can vote by attending the Meeting by returning a completed Proxy Form or attending the Meeting in person. Instructions on how to complete a Proxy Form are set out in the Explanatory Statement.

Proxy Forms must be received by no later than 11:00am (WST) on 28 November 2020.

Terms and abbreviations used in this Notice and Explanatory Statement are defined in Schedule 1 of the Explanatory Statement.

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 advisors 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 5:00pm (WST) on 28 November 2020.

AGENDA

ANNUAL REPORT

To receive and consider the financial statements of the Company and the reports of the Directors (**Directors' Report**) and Auditors for the financial year ended on 30 June 2020 (**Annual Report**).

RESOLUTION 1 - REMUNERATION REPORT (NON-BINDING)

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

“That for the purposes of section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as set out in the Directors' Report for the financial year ended on 30 June 2020.”

A voting exclusion statement is set out below.

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

RESOLUTION 2 - RE-ELECTION OF DIRECTOR - MR TERRY DONNELLY

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

“That for the purpose of rule 13.4 of the Constitution, ASX Listing Rule 14.4 and for all other purposes, Terry Donnelly, a Director who was appointed as an additional Director by the Board on 4 August 2020, retires at the conclusion of the Meeting, and being eligible and offering himself for re-election, is re-elected as a Director.”

RESOLUTION 3 - RE-ELECTION OF DIRECTOR - MR TIM TURNER

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

“That, for the purpose of rule 13.2 of the Constitution, ASX Listing Rule 14.4 and for all other purposes, Tim Turner, a Director, retires by rotation, and being eligible and offering himself for re-election, is re-elected as a Director.”

RESOLUTION 4 - APPROVAL OF 10% PLACEMENT FACILITY

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

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

A voting exclusion statement is set out below.

RESOLUTION 5 - RATIFICATION OF PRIOR ISSUE OF SHARES TO WINANCE IN SATISFACTION OF DEBTS

To consider, and if thought fit, to pass 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 450,000,000 Shares to Winance or its nominee in satisfaction debts under the Winance Loan at an issue price of \$0.004 per Share, and otherwise on the terms set out in the Explanatory Statement.”

A voting exclusion statement is set out below.

RESOLUTION 6 - APPROVAL TO ISSUE SHARES TO WINANCE IN SATISFACTION OF DEBTS

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

“That for the purposes of Listing Rule 7.1, and for all other purposes, Shareholders approve the issue of up to 318,094,100 Shares to Winance or its nominee in satisfaction the Outstanding Winance Debts under the Winance Loan at an issue

price of \$0.004 per Share, and otherwise on the terms set out in the Explanatory Statement.”

A voting exclusion statement is set out below.

RESOLUTION 7 - APPROVAL TO ISSUE SECURITIES TO KAPITAL GLOBAL

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

“That for the purposes of Listing Rule 7.1 and for all other purposes, Shareholders approve the issue of 5,000,000 Options to Kapital Global, and otherwise on the terms set out in the Explanatory Statement.”

A voting exclusion statement is set out below.

RESOLUTION 8 - RATIFICATION OF PRIOR ISSUE OF SHARES UNDER LISTING RULE 7.1A

To consider, and if thought fit, to pass 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 69,722,223 Shares at an issue price of \$0.0018 per Share, and otherwise on the terms set out in the Explanatory Statement.”

A voting exclusion statement is set out below.

RESOLUTION 9 - AMENDMENT TO CONSTITUTION

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

“That, in accordance with section 136(2) of the Corporations Act, approval be given for the constitution of the Company to be amended, with effect from the close of the Meeting, as detailed in the Explanatory Statement.”

A voting exclusion statement is set out below.

VOTING PROHIBITION AND EXCLUSION STATEMENTS

Corporations Act

The Corporations Act prohibits votes being cast (in any capacity) on the following resolutions by any of the following persons:

Resolution	Persons Excluded from Voting
Resolution 1 - Remuneration Report (Non-Binding)	A vote on this Resolution must not be cast (in any capacity) by or on behalf of the following persons: (a) a member of the Key Management Personnel, details of whose remuneration

are included in the Remuneration Report;
or

- (b) a Closely Related Party of such a member.

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

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

ASX Listing Rules

Under Listing Rule 14.11, the Company will disregard any votes cast in favour of a resolution by or on behalf of:

- (a) the below named person or class of persons excluded from voting; or
- (b) an associate of that person or those persons:

Resolution	Persons excluded from voting
Resolution 5 - - Ratification of prior issue of Shares to Winance in satisfaction of debts	Winance and its associates.
Resolution 6 - Approval to issue Shares to Winance in satisfaction of debts	Winance and its associates.
Resolution 7 - Approval to issue securities to Kapital Global	Kapital Global and its associates.

Resolution 8 - Ratification of prior John Theodore Coufos, Suburban Holdings Pty Ltd
issue of Shares under Listing Rule and Orbit Drilling Pty Ltd and their associates.
7.1A

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

- (a) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with the directions given to the proxy or attorney to vote on the resolution in that way; or
- (b) the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or
- (c) a holder acting solely as 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.

By order of the Board of Directors

Ms Melissa Chapman
Company Secretary
29 October 2020□

Explanatory Statement

1 □ INTRODUCTION

This Explanatory Statement has been prepared for the information of Shareholders in connection with the business to be conducted at the Meeting to be held at 32 Harrogate Street, West Leederville, Western Australia 6007 at 11:00am (WST) on 30 November 2020. The purpose of this Explanatory Statement is to provide information to Shareholders in deciding how to vote on the Resolutions set out in the Notice.

This Explanatory Statement should be read in conjunction with and forms part of the accompanying Notice, and includes the following:

1	INTRODUCTION	7
2	ACTION TO BE TAKEN BY SHAREHOLDERS	7
3	ANNUAL REPORT	9
4	RESOLUTION 1 - REMUNERATION REPORT	9
5	RESOLUTIONS 2 AND 3 - RE-ELECTION OF DIRECTORS	10
6	RESOLUTION 4 - APPROVAL OF 10% PLACEMENT FACILITY	11
7	RESOLUTIONS 5 AND 6 - ISSUE OF SHARES TO WINANCE IN SATISFACTION OF DEBTS.....	17
8	RESOLUTION 7 -APPROVAL TO ISSUE SECURITIES TO KAPITAL GLOBAL.....	20
9	RESOLUTION 8 - RATIFICATION OF PRIOR ISSUE OF SHARES UNDER LISTING RULE 7.1A.....	22
10	RESOLUTION 9 - AMENDMENT OF CONSTITUTION.....	23

A Proxy Form is located at the end of this Explanatory Statement.

ASX takes no responsibility for the contents of the Notice or Explanatory Statement.

Please contact the Company Secretary on + 61 9380 9555 or by email at mel@bellatrixcorp.com.au if you wish to discuss any matter concerning the Meeting.

2 □ ACTION TO BE TAKEN BY SHAREHOLDERS

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

2.1 □ Voting by Proxy

To vote by proxy, please complete and sign and return the Proxy Form (attached to the Notice) to the Company in accordance with the instructions on the Proxy Form.

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

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

The Company encourages Shareholders completing a Proxy Form to direct the proxy how to vote on the Resolutions.

The Proxy Form must be received no later than 48 hours before the commencement of the Meeting, i.e. by no later than 11:00am (WST) on 28 November 2020. Any Proxy Form received after that time will not be valid for the Meeting.

Shareholders can appoint the Chair of the Meeting as their proxy. Shareholders can complete the proxy form to provide specific instructions on how a Shareholder's vote is to be cast on each item of business, and the Chair of the Meeting must follow your instructions.

2.2□ Voting in person

In light of the status of the evolving COVID-19 situation and the Commonwealth and State government restrictions on public gatherings in place at the date of this Notice of Meeting, the Directors strongly encourage all Shareholders to lodge a directed proxy form prior to the Meeting. The Chairman will adjourn the Meeting where the number of attendees may lead to the breach of local public health laws and regulations.

2.3□ Corporate representatives

Shareholders who are body corporates may appoint a person to act as their corporate representative at the Meeting by providing that person with a certificate or letter executed in accordance with the Corporations Act authorising him or her to act as the body corporate's representative. The authority may be sent to the Company and/or registry in advance of the Meeting.

2.4□ Eligibility to vote

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 5:00pm (WST) on 28 November 2020.

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.

2.5 Voting by Shareholders at the Meeting

All Resolutions will be determined by a poll at the Meeting.

The Company encourages Shareholders who submit proxies to direct their proxy on how to vote on the Resolutions. As at the date of this Notice the Chairman of the Meeting intends to vote all undirected proxies in favour of each of the Resolutions.

3 ANNUAL REPORT

There is no requirement for Shareholders to approve the Annual Report.

Shareholders will be offered the opportunity to:

- (a) discuss the Annual Report for the financial year ended on 30 June 2020 which is available on the ASX platform at www.asx.com.au; and
- (b) ask questions about or make comment on the management of the Company.

The chair of the Meeting will allow reasonable opportunity for the Shareholders as a whole at the Meeting to ask the auditor or the auditor's representative questions relevant to:

- (c) the conduct of the audit;
- (d) the preparation and content of the auditor's report;
- (e) accounting policies adopted by the Company in relation to the preparation of the financial statements; and
- (f) the independence of the auditor in relation to the conduct of the audit.

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

- (g) the content of the auditor's report to be considered at the Meeting; and
- (h) the conduct of the audit of the annual financial report to be considered at the Meeting,

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

4 RESOLUTION 1 - REMUNERATION REPORT

4.1 Introduction

The Remuneration Report is in the Directors' Report section of the Company's Annual Report.

By way of summary, the Remuneration Report:

- (a) explains the Company's remuneration policy and the process for determining the remuneration of its Directors and executive officers;

- (b) addresses the relationship between the Company's remuneration policy and the Company's performance; and
- (c) sets out remuneration details for each Director and each of the Company's executives and group executives named in the Remuneration Report for the financial year ended on 30 June 2020.

Section 250R(2) of the Corporations Act requires companies to put a resolution to their members that the Remuneration Report be adopted. The vote on this resolution is advisory only, however, and does not bind the Board or the Company. The Board will consider the outcome of the vote and comments made by Shareholders on the Remuneration Report at the Meeting when reviewing the Company's remuneration policies.

The Chair will give Shareholders a reasonable opportunity to ask questions about or to make comments on the Remuneration Report.

4.2□ Voting consequences

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

If more than 50% of votes cast are in favour of the Spill Resolution, the Company must convene a shareholder meeting (**Spill Meeting**) within 90 days of the second annual general meeting.

All of the directors of the company who were directors of the company when the resolution to make the directors' report considered at the second annual general meeting was passed, other than the managing director of the company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting.

Shareholders approved the Company's Remuneration Report for financial year ended on 30 June 2019, and as a result there is no requirement to vote on a Spill Resolution if 25% or more of the votes cast vote against Resolution 1.

5□ RESOLUTIONS 2 AND 3 - RE-ELECTION OF DIRECTORS

5.1□ Introduction

Listing Rule 14.4 provides that a director of an entity must not hold office (without re-election) past the third annual general meeting following the director's appointment or 3 years, whichever is the longer, and that a director appointed to

fill a casual vacancy must also not hold office (without re-election) past the company's next annual general meeting.

Rule 13.2 of the Company's Constitution requires that one-third of the Directors retire by rotation at each annual general meeting and rule 13.4 of the Company's Constitution requires that Directors appointed by the Board hold office only until the next annual general meeting.

5.2□ Mr Terry Donnelly

Mr Terry Donnelly was appointed by the Board on 4 August 2020 and holds office until this Meeting. Mr Terry Donnelly offers himself for re-election.

Details of Mr Terry Donnelly's qualifications and experience are set out in the Company's 2020 Annual Report

5.3□ Mr Tim Turner

Mr Tim Turner was last elected at the Company's annual general meeting in 2018. In accordance with rule 13.2 of the Company's Constitution, Mr Tim Turner retires by rotation from office at this Meeting and offers himself for re-election.

Details of Mr Tim Turner's qualifications and experience are set out in the Company's 2020 Annual Report.

5.4□ Directors' recommendations

The Board (in each case excluding the relevant candidate) recommends that Shareholders vote in favour of Resolutions 2 and 3.

6□ RESOLUTION 4 - APPROVAL OF 10% PLACEMENT FACILITY

6.1□ General

The Company seeks Shareholder approval to issue Equity Securities up to 10% of its issued share capital through placements over a Relevant Period following shareholder approval (**10% Placement Facility**).

The exact number of Equity Securities to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to section 6.2(a) below).

Any funds raised will be used towards exploration and development of the Company's projects, potential acquisitions and general working capital. The allocation of funds raised will depend on the timing of fund raising, the development stages of the projects and the Company's circumstances at the time.

Resolution 4 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

6.2□ Listing Rule 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 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%.

An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalization of \$300 million or less. The Company is an eligible entity.

Resolution 4 seeks shareholder approval by way of special resolution for the Company to have the additional 10% capacity provided for in Listing Rule 7.1A to issue equity securities without shareholder approval.

If Resolution 4 is passed, the Company will be able to issue Equity Securities up to the combined 25% limit in Listing Rules 7.1 and 7.1A without any further Shareholder approval. If Resolution 4 is not passed, the Company will not be able to access the additional 10% capacity to issue Equity Securities without Shareholder approval provided for in Listing Rule 7.1A and will remain subject to the 15% limit on issuing Equity Securities without Shareholder approval set out in Listing Rule 7.1.

(a) Maximum number of Equity Securities which may be issued

The number of Equity Securities which may be issued, or agreed to be issued, under the 10% Placement Facility is prescribed in Listing Rule 7.1A.2 and is calculated as follows:

$\text{Number of Equity Securities} = (A \times D) - E$

“A” the number of fully paid ordinary shares on issue at the commencement of the Relevant Period:

- (A) plus the number of fully paid shares issued in the Relevant Period under an exception in Listing Rule 7.2 other than exception 9,16 or 17;
- (B) plus the number of fully paid ordinary shares issued in the Relevant Period on the conversion of convertible securities within Listing Rule 7.2 exception 9 where:
 - the convertible securities were issued or agreed to be issued before the commencement of the Relevant Period; or
 - the issue of, or agreement to issue, the convertible securities was approved, or taken under the Listing Rules

to have been approved, under Listing Rule 7.1 or Listing Rule 7.4;

- (C) plus the number of fully paid ordinary shares issued in the Relevant Period under an agreement to issue securities within Listing Rule 7.2 exception 16 where:
 - the agreement was entered into before the commencement of the Relevant Period; or
 - the agreement or issue was approved, or taken under the Listing Rules to have been approved, under Listing Rule 7.1 or Listing Rule 7.4;
- (D) plus the number of any other fully paid ordinary shares issued in the Relevant Period with approval under Listing Rule 7.1 or Listing Rule 7.4;
- (E) plus the number of partly paid shares that became fully paid in the Relevant Period;
- (F) less the number of fully paid ordinary shares cancelled in the Relevant Period.

“D” is 10%.

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

The actual number of Equity Securities that may be issued under Listing Rule 7.1A is calculated at the date of issue of the Equity Securities in accordance with the above formula.

The ability of an entity to issue Equity Securities under Listing Rule 7.1A is in addition to the entity’s 15% placement capacity under Listing Rule 7.1.

As the date of this Notice, the Company has:

- (i) the following securities on issue:
 - (A) 4,000,142,882 fully paid ordinary shares;
 - (B) 31,200,000 unlisted Options; and
 - (C) 10 convertible notes of face value of \$1,000 each.
- (ii) the capacity to issue:
 - (A) 72,063,099 Equity Securities under Listing Rule 7.1; and
 - (B) 350,382,942 Equity Securities under Listing Rule 7.1A.

(b) Minimum Issue Price

The issue price of Equity Securities issued under Listing Rule 7.1A must be for a cash consideration per security which is not less than 75% of the VWAP of Equity Securities in the same class calculated over the 15 Trading Days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed by the Company and the recipient of the Equity Securities; or
- (ii) if the Equity Securities are not issued within 10 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.

6.3□ Specific information required by Listing Rule 7.3A

For the purposes of Listing Rule 7.3A, the following information is provided about the proposed issue:

- (a) The approval will be valid for the period commencing on the date of the Meeting and expires on the first to occur of the following:
 - (i) the date that is 12 months after the date of the Meeting;
 - (ii) the time and date of the Company's next annual general meeting; and
 - (iii) the time and date of the approval by Shareholders of a transaction under Listing Rule 11.1.2 or Listing Rule 11.2.
- (b) The Equity Securities will be issued for a cash consideration per security which is not less than 75% of the VWAP for the Company's Equity Securities over the 15 Trading Days on which trades in that class were recorded immediately before:
 - (i) the date on which the price at which the Equity Securities are to be issued is agreed by the Company and the recipient of the Equity Securities; or
 - (ii) if the Equity Securities are not issued within 10 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.
- (c) The issue under Listing Rule 7.1A can only be made for cash consideration. The Company intends to use any funds raised towards an acquisition of new assets or investments (including expense associated with such acquisition), the development of the Company's projects and/or general working capital. Refer to section 6.1 for details on the Company's fund allocation policy.
- (d) There is a risk of economic and voting dilution to existing Shareholders in approving the 10% Placement Facility, including the risks that:
 - (i) the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than when Shareholders approve the 10% Placement Facility; and

- (ii) the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date, or issued for non-cash consideration for the acquisition of a new asset.

Following is a table that sets out the potential dilution of existing Shareholders if Equity Securities are issued under the 10% Placement Facility:

Variable "A" in Listing Rule 7.1A.2		10% Voting Dilution		
		\$0.005 50% decrease in Issue Price	\$0.009 Issue Price	\$0.014 50% increase in Issue Price
Current Variable A (3,480,420,659 Shares)	Shares issued	348,042,066	348,042,066	348,042,066
	Funds Raised	\$1,566,189	\$3,132,379	\$4,698,568
50% increase in current Variable A (5,220,630,989 Shares)	Shares issued	522,063,099	522,063,099	522,063,099
	Funds Raised	\$2,349,284	\$4,698,568	\$7,047,852
100% increase in current Variable A (6,960,841,318 Shares)	Shares issued	696,084,132	696,084,132	696,084,132
	Funds Raised	\$3,132,379	\$6,264,757	\$9,397,136

The table has been prepared on the following assumptions:

- (i) The Company issues, or agrees to issue, the maximum number of Equity Securities available under the 10% Placement Facility.
- (ii) No Options have been exercised before the date of the issue of the Equity Securities.
- (iii) The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
- (iv) The issue of Equity Securities under the 10% Placement Facility consists only of Shares. If the issue of Equity Securities includes quoted options, it is assumed that those quoted options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.
- (v) The issue price is \$0.009 being the closing price of the Shares on ASX on 16 October 2020 (being the last trading day before the Company's suspension on 16 October 2020).

The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on that Shareholder's holding at the date of the Meeting.

The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.

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

- (e) The Company is yet to identify the persons to whom Equity Securities will be issued to under the 10% Placement Facility. The Company's policy for allocating Equity Securities issued under the 10% Placement Facility will be determined on a case-by-case basis depending upon the purpose, and prevailing market conditions at the time, of any issue and having regard to factors including but not limited to the following:
 - (i) The fundraising methods available to the Company, including but not limited to, rights issue or other issue which may minimise dilution to Shareholders.
 - (ii) The effect of the issue of the Equity Securities on the control of the Company.
 - (iii) The financial situation and solvency of the Company.
 - (iv) Advice from corporate, financial and broking advisers (if applicable).

The subscribers may include existing substantial Shareholders and/or new Shareholders who are not related parties or associates of a related party of the Company.

- (f) A total of 89,722,223 Equity Securities were issued under Listing Rule 7.1A.2 in the 12 month period preceding the date of the Meeting and they represent 7.46% of the total number of Equity Securities on issue at the commencement of that 12 month period preceding the date of the Meeting. Details of the issue of Equity Securities under Listing Rule 7.1A.2 in the 12 months preceding the date of the Meeting is set out in SCHEDULE 3. There is no circumstance that the Company has agreed before the 12 month period to issue Equity securities under Listing Rule 7.1A.2 but as at the date of the Meeting not yet issued those Equity Securities.
- (g) At the date of the Notice, the Company is not proposing to make an issue of Equity Securities under Listing Rule 7.1A.2, no voting exclusion statement is required for the Notice.

6.4□ Directors' recommendation

The Board unanimously recommends that Shareholders vote in favour of Resolution 4. This will allow the Company to issue securities and raise funds whilst preserving the Company's 15% annual limit permitted by Listing Rule 7.1.

7 □ RESOLUTIONS 5 AND 6 - ISSUE OF SHARES TO WINANCE IN SATISFACTION OF DEBTS

7.1 □ Introduction

On 24 January 2020, the Company announced a \$2.2 million secured loan facility with Winance (**Winance Loan**). The material terms of the Winance Loan include the following:

- (a) it has an initial term of 6 months and was extended to 30 November 2020;
- (b) it accrues interest of 20% during that period;
- (c) the Company paid Winance an extension fee equal to 4% of the loan amount for the extension period as mentioned in paragraph (a) above;
- (d) the Company paid introducer and facilitation fees of 9% of the loan amount;
- (e) it is secured by 30 million shares held by the Company in European Lithium Limited; and
- (f) it includes events of default that is customary to the transaction of this nature.

On 17 September 2020, the Company announced that the parties had agreed that, subject to Shareholder approval, the principal amount of \$2.2 million plus accrued interest under the Winance Loan will be satisfied by the issue of Shares (**Winance Debt Shares**) by the Company at a price of \$0.004 per Share. All other terms and conditions of the Winance Loan remain unchanged.

Prior to the issue of any Winance Debt Shares, the parties varied the agreement so that Shareholder approval was no longer required for the issue of 450,000,000 Winance Debt Shares and any further issue of Winance Debt Shares will still be subject to Shareholder approval. On 22 October 2020, the Company issued 450,000,000 Winance Debt Shares to Winance in part reduction of the Winance Loan, using the Company's capacity under Listing Rule 7.1. Resolution 5 seeks Shareholder approval under Listing Rule 7.4 to ratify the issue of 450,000,000 Winance Debt Shares.

As a result, the outstanding debt under the Winance Loan as of 30 November 2020 (being the repayment date) will be \$1,272,376.40 (**Outstanding Winance Debts**).

The maximum number of Shares to be issued to satisfy the \$1,272,376.40 Outstanding Winance Debts is 318,094,100 Shares at an issue price of \$0.004 per Share. The Winance Debt Shares will be issued no later than three months from the date of the Meeting and only in circumstances where Winance will not hold more than 19.9% of the Company's issued share capital following any issue of the Winance Debt Shares. To allow the Company to convert the maximum amount of the Outstanding Winance Debts to Shares and ensure that Winance will not go over 19.9% of the Company's issued Shares as a result of any issue, the Winance Debt Shares may be issued progressively over a period of three months from the date of the Meeting. No

Winance Debt Shares will be issued without Winance first certifying to the Company that the issue will not result in Winance going over 19.9%.

As of the date of this Notice, the Company has 4,000,142,882 Shares on issue, assuming that no other Shares will be issued, Shareholders will be diluted by 7.37% if all of the 318,094,100 Winance Debt Shares are issued.

Resolution 6 seeks Shareholder approval under Listing Rule 7.1 for the issue of the 318,094,100 Winance Debt Shares.

7.2□ Listing Rules

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

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

The issue, the subject of the ratification under Resolution 5, does not fit within any of the exceptions, and as it has not yet been approved by the Company's shareholders, it effectively uses up part of the 15% limit in Listing Rule 7.1, reducing the Company's capacity to issue further Equity Securities without shareholder approval under Listing Rule 7.1 for the 12 month period following the issue.

The Company wishes to retain as much flexibility as possible to issue additional Equity Securities into the future without having to obtain shareholder approval for such issues under Listing Rule. To this end, Resolution 5 seeks shareholder approval to ratify the issue under and for the purposes of Listing Rule 7.4.

If Resolution 5 is passed, the issue will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of Equity Securities it can issue without shareholder approval over the 12 month period following the issue. If Resolution 5 is not passed, the issue will be included in calculating the Company's 15% limit in Listing Rule 7.1, effectively decreasing the number of Equity Securities it can issue without shareholder approval over the 12 month period following the issue.

The proposed issue under Resolution 6 does not fall within any of the exceptions and exceeds the 15% limit in Listing Rule 7.1. It therefore requires the approval of the Company's Shareholders under Listing Rule 7.1. Resolution 6 seeks Shareholder approval under Listing Rule 7.1 to satisfy the Company's obligation to pay the Outstanding Winance Debts by issuing Winance Debt Shares at an issue price of \$0.004 per Share.

If Resolution 6 is passed, the Company can issue the Winance Debt Shares in satisfaction of its obligation to pay the Outstanding Winance Debts. The issue will be excluded in calculating the Company's 15% limit under Listing Rule 7.1, effectively increasing the number of Equity Securities it can issue without Shareholder approval over the 12 months following the issue. If Resolution 6 is not passed, the Company will not be able to proceed with the issue and the Company will have to negotiate alternative arrangement to satisfy the Outstanding Winance Debts and may have to pay the Outstanding Winance Debts in cash. As the Company currently has limited cash reserves, if Resolution 6 is not passed, the Company will need to raise further capital to satisfy such obligations. Shareholders should note that any further capital raising will be dilutive to Shareholders and should the Company not be able to raise further funds, it may not continue on a going concern basis.

7.3□ Resolution 5 - Information required by Listing Rule 7.5

For the purposes of Listing Rule 7.5, the following information is provided for the ratification of the issue of the Shares:

- (a) The securities were issued to Winance, and who is not a related party to the Company or otherwise a person to whom Listing Rule 10.11 applies.
- (b) The number of securities issued by the Company was 450,000,000 Winance Debt Shares.
- (c) The Winance Debt Shares are fully paid ordinary shares in the capital of the Company that rank equally with existing Shares on issue.
- (d) The issue was made on 22 October 2020.
- (e) The Shares were issued to part satisfy the Winance Loan at a deemed issue price of \$0.004 per Share.
- (f) No funds were raised from the issue as the issue was made to part satisfy the Winance Loan.
- (g) Other than those set out in section 7, there are no other material terms in relation to the issue.
- (h) A voting exclusion statement is included in the Notice.

7.4□ Resolution 6 - Information required by Listing Rule 7.3

For the purposes of Listing Rule 7.3, the following information is provided about the proposed issue of Shares:

- (a) The Shares will be issued to Winance, who is not a related party of the Company or otherwise a person to whom Listing Rule 10.11 applies.
- (b) The maximum number of Shares that may be issued is 318,094,100 Shares provided that Winance will not hold more than 19.9% of the Company's issued share capital following any issue of the Winance Debt Shares.

- (c) The terms of the securities to be issued are fully paid ordinary shares which rank equally to the existing Shares on issue.
- (d) The securities 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) and the issue may occur progressively so that Winance will not hold more than 19.9% of the issued Shares of the Company.
- (e) The securities will be issued at a price of \$0.004 per Share.
- (f) The securities are issued to satisfy the Company's obligations with respect to the Outstanding Winance Debts, and no funds will be raised through the issue.
- (g) Other than those set out in this section 7, there are no other material terms in relation to the issue.
- (h) A voting exclusion statement is included in the Notice.

7.5 Directors recommendation

The Directors recommend that Shareholders approve Resolutions 5 and 6. This will allow the Company to satisfy the Winance Loan whilst conserving cash and preserving the Company's 15% capacity under Listing Rule 7.1.

8 RESOLUTION 7 -APPROVAL TO ISSUE SECURITIES TO KAPITAL GLOBAL

8.1 Introduction

Kapital Global, the broker that facilitated the Winance Loan, facilitated and negotiated on behalf of the Company with Winance on the conversion of the Winance Loan into Winance Debt Shares (the subject of Resolutions 5 and 6). Pursuant to an agreement between the Company and Kapital Global, to compensate Kapital Global for such services, the Company, subject to Shareholder approval, will issue 5 million Options (**Service Options**) to Kapital Global or its nominee. The Service Options have an exercise price of \$0.005 each and an expiration date of 2 years from the date of issue and are otherwise on terms set out in SCHEDULE 2.

Assuming all 5 million Service Options are exercised and 5 million Shares are issued and no other Share are issued, the number of Shares on issued will be increased from 4,000,142,882 to 4,005,142,882 and Shareholders will be diluted by 0.12%.

A summary of the Listing Rule 7.1 is set out in section 7.2.

The proposed issue does not fit within any of the exceptions under 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 into the future without having to obtain shareholder approval under Listing Rule 7.1. To do this, the Company is asking shareholders to approve the issue under Listing Rule 7.1 so that it

does not use up any of the 15% limit on issuing Equity Securities without shareholder approval set out in Listing Rule 7.1. Resolution 7 seeks shareholder approval under Listing Rule 7.1 to issue 5 million Service Options.

If Resolution 7 is passed, the issue can proceed without using up any of the Company's 15% limit on issuing Equity Securities without shareholder approval set out in Listing Rule 7.1. If Resolution 7 is not passed, the issue 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.

8.2□ Resolution 7 - Information required by Listing Rule 7.3

For the purposes of Listing Rule 7.3, the following information is provided about the proposed issue:

- (a) The securities will be issued to Kapital Global, who is not a related party of the Company or otherwise a person to whom Listing Rule 10.11 applies.
- (b) The total maximum number of securities may be issued is 5,000,000 Services Options.
- (c) The terms of the securities to be issued are Options with an exercise price of \$0.005 each and an expiration date of 2 years from the date of issue and are otherwise on terms set out in SCHEDULE 2.
- (d) The securities 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) and it is intended that issue will occur on the same date.
- (e) The securities will be issued to Kapital Global for its services to facilitate the conversion of the Winance Loan into Winance Debt Shares.
- (f) The securities will be issued to Kapital Global for services provided, no funds will be raised from the issue. Fund raised from the exercise of the Options will be used towards the working capital of the Company.
- (g) Other than those set out in this section 8, there are no other material terms in relation to the proposed issue.
- (h) A voting exclusion statement is included in the Notice.

8.3□ Directors' recommendation

The Directors unanimously recommends that Shareholders vote in favour of Resolution 7. These will allow the Company to satisfy its obligation to compensate Kapital Global while preserving the Company's 15% capacity under Listing Rule 7.1.

9 ☐ RESOLUTION 8 - RATIFICATION OF PRIOR ISSUE OF SHARES UNDER LISTING RULE 7.1A

9.1 ☐ Introduction

As announced on 25 August 2020, the Company undertook a placement of 69,722,223 Shares (**LR 7.1A Placement Shares**) to John Theodore Coufos, Suburban Holdings Pty Ltd and Orbit Drilling Pty Ltd at an issue price of \$0.0018 per Share (**LR 7.1A Placement**). A total of \$125,500 was raised under the LR 7.1A Placement. Funds raised were used towards application fees (around \$45,000) relating to the Yalardy tenements, legal fees (around \$15,000) and secretarial and accounting fees (around \$50,000), costs (6%) of the raising (\$7,500) and working capital (around \$8,000) of the Company.

The LR 7.1A Placement Shares were issued on 25 August 2020 using the Company's 10% capacity under Listing Rule 7.1A.

ASX Listing Rule 7.1A provides that in addition to issues permitted without prior shareholder approval under ASX Listing Rule 7.1, an entity that is eligible and obtains shareholder approval under ASX Listing Rule 7.1A may issue or agree to issue during the period for which the approval is valid a number of Equity Securities which represents 10% of the fully paid ordinary securities on issue at the commencement of that 12 month period as calculated in accordance with the formula in ASX Listing Rule 7.1A.

Where an eligible entity obtains shareholder approval of its placement capacity under ASX Listing Rule 7.1A, then any ordinary securities issued under that additional placement capacity:

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

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

Resolution 8 seeks Shareholder approval under Listing Rule 7.4 to ratify the issue of the 69,722,223 LR 7.1A Placement Shares.

If Resolution 8 is passed, the issues will be excluded in calculating the Company's 10% limit under Listing Rule 7.1A, effectively increasing the number of Equity Securities it can issue without Shareholder approval over the 12 months following the issue. If Resolution 8 is not passed, the issues will be included in calculating the Company's 10% limit under Listing Rule 7.1A, effectively decreasing the number of Equity Securities it can issue without Shareholder approval under Listing Rule 7.1A over the 12 months following the issue.

9.2□ Resolution 8 -Information required by Listing Rule 7.5

For the purposes of Listing Rule 7.5, the following information is provided for the ratification of the issue of the LR 7.1A Placement Shares:

- (a) The securities were issued to John Theodore Coufos, Suburban Holdings Pty Ltd and Orbit Drilling Pty Ltd, who are not related parties to the Company or otherwise persons to whom Listing Rule 10.11 applies.
- (b) The number of securities issued by the Company is 69,722,223 LR 7.1A Placement Shares.
- (c) The LR 7.1A Placement Shares are fully paid ordinary shares in the capital of the Company, ranking equally with existing Shares on issue.
- (d) The issue was made on 25 August 2020.
- (e) The Shares were issued at a deemed issue price of \$0.0018 per Share.
- (f) The issue was made to raise funds, a total of \$125,500 were raised from the issue. The use of funds is set out in section 9.1.
- (g) Other than those set out in this section 9, there are no other material terms in relation to the issue.
- (h) A voting exclusion statement is included in the Notice.

9.3□ Directors' recommendation

The Directors unanimously recommends that Shareholders vote in favour of Resolution 8. These will restore the Company's 10% annual limit permitted by Listing Rule 7.1A and allow the Company to issue further securities as permitted by Listing Rule 7.1A without Shareholder approval.

10□ RESOLUTION 9 - AMENDMENT OF CONSTITUTION

10.1□ Introduction

Following a review of the Company's constitution, the Board has determined that several amendments are required to ensure the effective operation of the Constitution.

Section 136(2) of the Corporations Act provides that a company can modify its constitution by a special resolution.

Resolution 9 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

A copy of the amended constitution will be available for inspection by the Shareholders at the Meeting.

10.2□ Proposed amendments

The proposed material amendments to the Constitution are summarised below.

Restricted Securities (Clause 2.11)

On 1 December 2019, ASX introduced a two-tier escrow regime where ASX can require certain more significant holders of restricted securities and their controllers to execute a formal escrow agreement in the form of Appendix 9A; however, for less significant holdings, ASX will instead permit entities to rely on a provision in their constitution imposing appropriate escrow restrictions on the holder of restricted securities and to simply give a notice to the holder of restricted securities in the form of a new Appendix 9C advising them of those restrictions.

These escrow agreements and notices will then be reinforced by a requirement that if the securities are in a class that is quoted (as they generally will be), they must be held on the entity's issuer-sponsored sub-register and made the subject of a holding lock for the duration of the escrow period. If they are in a class that is not quoted, they must be held on the entity's certificated subregister and the certificates held in escrow by a bank or recognised trustee for the duration of the escrow period.

To comply with this new two-tier escrow regime, the Company proposes to adopt a new clause 2.11 to replace the current clause 2.11 on Restricted Securities. The new clause 2.11 is set out in SCHEDULE 4.

Unmarketable Parcels (Clause 3)

The current Clause 3 of the Constitution provides a mechanism for the Company to manage shareholdings of less than a minimum shareholding/unmarketable parcel of Shares. Under Clause 3, broadly the Company can sell a Shareholder's shareholdings of less than a minimum shareholding/unmarketable parcel of Shares if written notice is given to the Shareholder and they do not within 6 weeks give notice to the Company that they wish to retain their Shares. The sale under the current Clause 3 is subject to, among other things, a minimum sale price (**Minimum Sale Price**) which is the price per share of the Company's Shares equal to *"the simple average of the last sale prices of the [Shares] quoted on ASX for each of the ten trading days immediately preceding the date of any offer received by the Company"*.

To minimize administrative costs and allow the Director more flexibility to carry out the sale of Shares of less than a minimum shareholding/unmarketable parcel, the Company proposes to remove the Minimum Sale Price restriction and allow the Directors to decide the manner, time and terms of the sale (subject to Clause 3).

The new Clause 3 is set out in SCHEDULE 4.

Fee for registration of off market transfers (Clause 8.4(c))

In 2011, ASX amended ASX Listing Rule 8.14 with the effect that the Company may now charge a "reasonable fee" for registering paper-based transfers, sometimes referred to as "off-market transfers".

Clause 8.4(c) of the current Constitution does not allow the Company to charge any fee for the registration of a transfer of Shares or other securities, the amended Clause 8.4(c) enables the Company to charge a reasonable fee when it is required to register off-market transfers from Shareholders. The fee is intended to represent the cost incurred by the Company in upgrading its fraud detection practices specific to off-market transfers.

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

Director appointments and retirement (Clause 13.2)

The Constitution currently requires that one-third of the Company's Directors retire each year. The proposed amendments will simply require that Directors hold office for no more than 3 years (as required by the Listing Rules) and otherwise simplifies the process for Directors' appointments and retirement.

Partial (proportional) takeover provisions (Clause 36)

Clause 36 of the Constitution purported to include a proportional takeover provision in the Company's Constitution, however the Directors believe that the word "proportional" was mistakenly omitted from Clause 36 and propose to amend and adopt the amended Clause 36 on proportional takeover. The amended new Clause 36 is set out in SCHEDULE 4.

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

Pursuant to section 648G of the Corporations Act, the Company has included in the Constitution an amended Clause 36 whereby a proportional takeover bid for Shares may only proceed after the bid has been approved by a meeting of Shareholders held in accordance with the terms set out in the Corporations Act.

This Clause 36 will cease to have effect on the third anniversary of the date of the adoption or last renewal of the clause.

Information required by section 648G of the Corporations Act

Effect of proposed proportional takeover provisions

Where offers have been made under a proportional off-market bid in respect of a class of securities in a company, the registration of a transfer giving effect to a contract resulting from the acceptance of an offer made under such a proportional off-market bid is prohibited unless and until a resolution to approve the proportional off-market bid is passed.

Reasons for proportional takeover provisions

A proportional takeover bid may result in control of the Company changing without Shareholders having the opportunity to dispose of all their Shares. By making a partial bid, a bidder can obtain practical control of the Company by acquiring less than a

majority interest. Shareholders are exposed to the risk of being left as a minority in the Company and the risk of the bidder being able to acquire control of the Company without payment of an adequate control premium. These amended provisions allow Shareholders to decide whether a proportional takeover bid is acceptable in principle, and assist in ensuring that any partial bid is appropriately priced.

Knowledge of any acquisition proposals

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

Potential advantages and disadvantages of proportional takeover provisions

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

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

- (a) the right to decide by majority vote whether an offer under a proportional takeover bid should proceed;
- (b) assisting in preventing Shareholders from being locked in as a minority;
- (c) increasing the bargaining power of Shareholders which may assist in ensuring that any proportional takeover bid is adequately priced; and
- (d) each individual Shareholder may better assess the likely outcome of the proportional takeover bid by knowing the view of the majority of Shareholders which may assist in deciding whether to accept or reject an offer under the takeover bid.

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

- (e) proportional takeover bids may be discouraged;
- (f) lost opportunity to sell a portion of their Shares at a premium; and
- (g) the likelihood of a proportional takeover bid succeeding may be reduced.

10.3 ☐ Directors' recommendation

The Board unanimously recommends that Shareholders vote in favour of Resolution 9. This will allow the Company make changes to the Constitution to ensure consistency with the Listing Rules.

SCHEDULE 1 □ GLOSSARY

\$ or A\$ means Australian dollars.

ASX Listing Rules means the Listing Rules of ASX.

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.

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.

Chair means the chair of the Meeting.

Closely Related Party of a member of the Key Management Personnel means a spouse or child of the member; or a child of the member's spouse; or a dependent of the member or the member's spouse; or anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealings with the entity; or a company the member controls; or a person prescribed by the *Corporations Regulations 2001 (Cth)*.

Company means Cyclone Metals Limited (ACN 095 047 920).

Constitution means the Company's constitution.

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

Directors means the current directors of the Company.

Explanatory Statement means the explanatory statement accompanying the Notice.

Kapital Global means Kapital Global Advisors Limited.

Key Management Personnel has the same meaning given in the Listing Rules.

LR 7.1A Placement has the meaning given in section 9.1.

LR 7.1A Placement Shares has the meaning given in section 9.1.

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

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

Option means an option to be issued a Share.

Outstanding Winance Debts has the meaning given in section 7.1.

Proxy Form means the proxy form accompanying the Notice.

Relevant Period has the meaning given in the Listing Rule.

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 Option means an Option with an exercise price of \$0.005 each and an expiry date of 2 years from the issue, and otherwise on the terms in SCHEDULE 2.

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

Shareholder means a registered holder of a Share.

Winance means Winance Investment LLC.

Winance Debt Shares has the meaning given in section 7.1.

Winance Loan has the meaning given in section 7.1.

WST means Western Australian Standard Time.

VWAP has the meaning given in the Listing Rule.

SCHEDULE 2 □ OPTION TERMS AND CONDITIONS

1. Entitlement

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

2. Exercise Price

The amount payable upon exercise of each Option will be \$0.005.

3. Expiry Date

Each Option will expire on a date that is 2 years from the date of the issue (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

4. Exercise Period

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

5. 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.

6. 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**).

7. Timing of issue of Shares on exercise

Within 15 Business Days after the Exercise Date, the Company will:

- (a) 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; and
- (b) 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.

8. Shares issued on exercise

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

9. Reconstruction of capital

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

10. 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.

11. 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.

12. Transferability

The Options are not transferable without consent of the Board.

SCHEDULE 3 □ INFORMATION REQUIRED BY LISTING RULE 7.3A.6(B)

	Issue 1	Issue 2
Date of issue:	19 February 2020	25 August 2020
Class/Type of equity security:	20,000,000 fully paid ordinary shares	69,722,223 fully paid ordinary shares
Names of persons who received securities or basis on which those persons was determined:	Rotherwood Enterprises Pty Ltd	John Theodore Coufos, Suburban Holdings Pty Ltd and Orbit Drilling Pty Ltd
Price:	\$0.005 per Share	\$0.0018 per Share
Discount to market price (if any):	25% discount to the 15 days VWAP of the Company Shares of 0.007 per Share immediately before the issue	25% discount to the 15 days VWAP of the Company Shares of \$0.0024 per Share immediately before the issue
Cash received	\$100,000	\$125,500
Use of proceed	Funds raised have been used towards redeeming 43,119 convertible notes (around \$90,000) issued to MEF I, L.P. (Magna), costs (6%) of the raising (\$6,000) and working capital (around \$3,800) of the Company.	Funds raised have been used towards application fees (around \$45,000) relating to the Yalardy tenements, legal fees (around \$15,000) and secretarial and accounting fees (around \$50,000), costs (6%) of the raising (\$7,500), and working capital (around \$8,000) of the Company.

SCHEDULE 4 ☐ AMENDMENTS TO CONSTITUTION

4.1 ☐ Clause 2.11 Restricted Securities

2.11 *Restricted Securities*

If ASX classifies any of the Company's share capital as 'restricted securities', then, despite anything in this Constitution:

- (a) a holder of restricted securities must not dispose of, or agree or offer to dispose of, the securities during the escrow period applicable to those securities except as permitted by the Listing Rules or ASX;*
- (b) if the securities are in the same class as quoted securities, the holder will be taken to have agreed in writing that the restricted securities are to be kept on the Company's issuer sponsored subregister and are to have a holding lock applied for the duration of the escrow period applicable to those securities;*
- (c) the Company will refuse to acknowledge any disposal (including, without limitation, to register any transfer) of restricted securities during the escrow period applicable to those securities except as permitted by the Listing Rules or ASX;*
- (d) a holder of restricted securities will not be entitled to participate in any return of capital on those securities during the escrow period applicable to those securities except as permitted by the Listing Rules or ASX; and*
- (e) if a holder of restricted securities breaches a restriction deed or a provision of the Company's constitution restricting a disposal of those securities, the holder will not be entitled to any dividend or distribution, or to exercise any voting rights, in respect of those securities for so long as the breach continues.*

4.2 ☐ Clause 3 Unmarketable Parcels

3. *Unmarketable Parcels*

Unless the contrary intention appears, terms used in this clause have the meaning given in the Listing Rules.

3.1 *Power of sale*

- (a) The Company may sell a share that is part of an unmarketable parcel if it does so under this Clause. The Company's power to sell lapses if a takeover (as defined in the Listing Rules) is announced after the directors give notice under Clause 3.2 and before the Directors enter into an agreement to sell the share.*

- (b) *The Directors may, before a sale is effected under this Clause, revoke a notice given or suspend or terminate the operation of this Clause either generally or in specific cases.*
- (c) *If a member is registered for more than one parcel of shares, the Directors may treat the member as a separate member for each of those parcels so that this Clause operates as if each parcel is held by different persons.*

3.2 *Notice of proposed sale*

- (a) *Once in any 12 month period, the Directors may decide to give written notice to a member who holds an unmarketable parcel. If they do so, the notice must:*
 - (i) *state that the Company intends to sell the unmarketable parcel; and*
 - (ii) *specify a date at least six weeks (or any lesser period permitted under the Corporations Act or the Listing Rules) after the notice is given by which the member may give the Company written notice that the member wishes to retain the holding.*
- (b) *If the Directors' power to sell lapses under Clause 3.1(a), any notice given by the Directors under this Clause is taken never to have been given and the Directors may give a new notice after the close of the offers made under the takeover.*

3.3 *No sale where member gives notice*

The Company must not sell an unmarketable parcel if, in response to a notice given by the Company under this Clause, the Company receives written notice that the member wants to keep the unmarketable parcel.

3.4 *Terms of sale*

A sale of shares under this Clause includes all dividends payable on and other rights attaching to them. The Company must pay the costs of the sale. Otherwise, the Directors may decide the manner, time and terms of sale.

3.5 *Share transfers*

For the purpose of giving effect to this Clause, each Director and each secretary has the power to initiate, sign or otherwise effect a transfer of a share as agent for a member who holds an unmarketable parcel.

3.6 *Application of proceeds*

The Company must:

- (a) *deduct any called amount for the shares sold under this Clause from the proceeds of sale and pay the balance into a separate bank account it opens and maintains for that purpose only;*

- (b) *hold that balance in trust for the previous holder of the shares;*
- (c) *as soon as practical give written notice to the previous holder of the shares stating:*
 - (i) *what the balance is; and*
 - (ii) *that it is holding the balance for the previous holder of the shares while awaiting the previous members' instructions and return of the certificate (if any) for the shares sold or evidence of its loss or destruction;*
- (d) *if the shares sold were certificated, not pay the proceeds of sale out of the trust account until it has received the certificate for them or evidence of its loss or destruction; and*
- (e) *subject to paragraph 3.6(d), deal with the amount in the account as the previous holder of the shares instructs.*

3.7 Protections for transferee

The title of the new holder of a share sold under this clause is not affected by any irregularity in the sale. The sole remedy of any person previously interested in the share is damages which may be recovered only from the Company.

4.3□ Clause 36 PARTIAL TAKEOVER PLEBISCITES

36.1 Resolution to Approve Proportional Off-Market Bid

- (a) *Where offers have been made under a proportional off-market bid in respect of a class of securities of the Company ("bid class securities"), the registration of a transfer giving effect to a contract resulting from the acceptance of an offer made under the proportional off-market bid is prohibited unless and until a resolution (in this clause 36 referred to as a "prescribed resolution") to approve the proportional off-market bid is passed in accordance with the provisions of this Constitution.*
- (b) *A person (other than the bidder or a person associated with the bidder) who, as at the end of the day on which the first offer under the proportional off-market bid was made, held bid class securities is entitled to vote on a prescribed resolution and, for the purposes of so voting, is entitled to one vote for each of the bid class securities.*
- (c) *A prescribed resolution is to be voted on at a meeting, convened and conducted by the Company, of the persons entitled to vote on the prescribed resolution.*
- (d) *A prescribed resolution that has been voted on is taken to have been passed if the proportion that the number of votes in favour of the prescribed resolution bears to the total number of votes on the*

prescribed resolution is greater than one half, and otherwise is taken to have been rejected.

36.2 Meetings

- (a) The provisions of this Constitution that apply in relation to a general meeting of the Company apply, with modifications as the circumstances require, in relation to a meeting that is convened pursuant to this clause 36.2 as if the last mentioned meeting was a general meeting of the Company.*
- (b) Where takeover offers have been made under a proportional off-market bid, the Directors are to ensure that a prescribed resolution to approve the proportional off-market bid is voted on in accordance with this clause 36 before the 14th day before the last day of the bid period for the proportional off-market bid (the “resolution deadline”).*

36.3 Notice of Prescribed Resolution

Where a prescribed resolution to approve a proportional off-market bid is voted on in accordance with this clause 36 before the resolution deadline, the Company is, on or before the resolution deadline:

- (a) to give the bidder; and*
- (b) if the Company is listed - each relevant financial market (as defined in the Corporations Act) in relation to the Company;*

a notice in writing stating that a prescribed resolution to approve the proportional off-market bid has been voted on and that the prescribed resolution has been passed, or has been rejected, as the case requires.

36.4 Takeover Resolution Deemed Passed

Where, at the end of the day before the resolution deadline, no prescribed resolution to approve the proportional off-market bid has been voted on in accordance with this clause 36, a resolution to approve the proportional off-market bid is to be, for the purposes of this clause 36, deemed to have been passed in accordance with this clause 36.

36.5 Takeover Resolution Rejected

Where a prescribed resolution to approve a proportional off-market bid under which offers have been made is voted on in accordance with this clause 36 before the resolution deadline, and is rejected, then:

- (a) despite Section 652A of the Corporations Act:*
 - (i) all offers under the proportional off-market bid that have not been accepted as at the end of the resolution deadline; and*

(ii) *all offers under the proportional off-market bid that have been accepted and from whose acceptance binding contracts have not resulted as at the end of the resolution deadline, are deemed to be withdrawn at the end of the resolution deadline;*

(b) *as soon as practicable after the resolution deadline, the bidder must return to each person who has accepted any of the offers referred to in clause 36.5(a)(ii) any documents that were sent by the person to the bidder with the acceptance of the offer;*

(c) *the bidder:*

(i) *is entitled to rescind; and*

(ii) *must rescind as soon as practicable after the resolution deadline,*

each binding takeover contract resulting from the acceptance of an offer made under the proportional off-market bid; and

(d) *a person who has accepted an offer made under the proportional off-market bid is entitled to rescind the takeover contract (if any) resulting from the acceptance.*

3.6 Renewal

This clause 36 ceases to have effect on the third anniversary of the date of the adoption of the last renewal of this clause 36.

Need assistance?



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



Online:
www.investorcentre.com/contact



YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **11:00am (WST) on Saturday, 28 November 2020.**

Proxy Form

How to Vote on Items of Business

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

APPOINTMENT OF PROXY

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

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

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

A proxy need not be a securityholder of the Company.

SIGNING INSTRUCTIONS FOR POSTAL FORMS

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

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

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

PARTICIPATING IN THE MEETING

Corporate Representative

If a representative of a corporate securityholder or proxy is to participate in the meeting you will need to provide the appropriate "Appointment of Corporate Representative". A form may be obtained from Computershare or online at www.investorcentre.com under the help tab, "Printable Forms".

Lodge your Proxy Form:

XX

Online:

Lodge your vote online at www.investorvote.com.au using your secure access information or use your mobile device to scan the personalised QR code.

Your secure access information is



Control Number: 184798

SRN/HIN:

For Intermediary Online subscribers (custodians) go to www.intermediaryonline.com

By Mail:

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

By Fax:

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



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

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

Proxy Form

Please mark ☒ to indicate your directions

Step 1 Appoint a Proxy to Vote on Your Behalf

I/we being a member/s of Cyclone Metals Limited hereby appoint

☐ the Chairman of the Meeting **OR**

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

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Cyclone Metals Limited to be held at 32 Harrogate Street, West Leederville, WA 6007 on Monday, 30 November 2020 at 11:00am (WST) and at any adjournment or postponement of that meeting.

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

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

Step 2 Items of Business

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

	For	Against	Abstain		For	Against	Abstain
1 Remuneration Report (Non-Binding)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	9 Amendment to Constitution	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Re-election of Director – Mr Terry Donnelly	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
3 Re-election of Director – Mr Tim Turner	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
4 Approval of 10% Placement Facility	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
5 Ratification of Prior Issue of Shares to Winance in Satisfaction of Debts	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
6 Approval to Issue Shares to Winance in Satisfaction of Debts	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
7 Approval to Issue Securities to Kapital Global	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
8 Ratification of Prior Issue of Shares under Listing Rule 7.1A	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				

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

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

Individual or Securityholder 1

Securityholder 2

Securityholder 3

Sole Director & Sole Company Secretary

Director

Director/Company Secretary

Date

Update your communication details (Optional)

Mobile Number

Email Address

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

