



7 October 2022

Dear Shareholder

**NOTICE OF ANNUAL GENERAL MEETING AND PROXY FORM**

The Board of Catalyst Metals Limited (**Company**) is pleased to invite you to attend the Annual General Meeting of shareholders of the Company to be held at the Celtic Club, 48 Ord Street, West Perth, Western Australia 6005 on Thursday, 17 November 2022 at 10.00 am (AWST).

In accordance with Section 110D the Corporations Act, the Company will not be sending printed copies of the Notice of Annual General Meeting and accompanying Explanatory Memorandum (**Notice of Meeting**) to shareholders, unless a shareholder has previously requested a printed copy.

Instead, shareholders can access a copy of the Notice of Meeting, which sets out the agenda and resolutions being put to the meeting, as well as important voting information and an explanatory memorandum, at <https://catalystmetals.com.au/investor-relations/annual-general-meeting> or from the ASX Market Announcements Platform web-site. You can also access a copy of the Company's 2022 annual report at the above Catalyst web-site address or on the ASX Market Announcements Platform.

Enclosed for your convenience is a copy of your personalised Proxy Form for the meeting.

If shareholders do not intend to attend the meeting in person, they will be able to participate by voting prior to the meeting by lodging the Proxy Form by no later than 10.00 am (AWST) on 15 November 2022, as per the instructions on the Proxy Form.

Whilst the Company intends to proceed with a physical meeting as proposed, depending on the status of the COVID-19 situation and any Government restrictions on public gatherings in place at the time of the meeting, the directors may instead be required to make a decision prior to the meeting that shareholders will not be able to attend the meeting in person. If it becomes necessary or appropriate to make alternative arrangements (subject to the Company's Constitution) to those set out in the Notice of Meeting, the Company will notify shareholders accordingly via the Company's web-site and the ASX Market Announcements Platform.

Accordingly, the directors strongly encourage all shareholders to lodge their directed proxy votes prior to the meeting and appoint the Chair as their proxy. All voting at the meeting will be conducted by poll.

Your sincerely  
On behalf of the Board of Catalyst Metals Limited

  
**Frank Campagna**  
Company Secretary  
Catalyst Metals Limited



# **CATALYST METALS LIMITED**

ABN 54 118 912 495

## **NOTICE OF ANNUAL GENERAL MEETING**

### **EXPLANATORY MEMORANDUM**

### **PROXY FORM**

#### **Date and time of meeting**

17 November 2022 at 10.00 a.m.

#### **Place of meeting**

Celtic Club  
48 Ord Street  
West Perth, Western Australia

## CATALYST METALS LIMITED

### NOTICE OF ANNUAL GENERAL MEETING

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Notice is hereby given that the annual general meeting of shareholders of Catalyst Metals Limited (Company) will be held at the Celtic Club, 48 Ord Street, West Perth, Western Australia on Thursday, 17 November 2022 at 10.00 a.m.

#### AGENDA

##### ORDINARY BUSINESS

###### Financial statements and reports

To receive and consider the annual financial report of the Company and the reports of the directors and auditors for the financial year ended 30 June 2022.

To consider and if thought fit to pass, with or without amendment, the following resolutions as ordinary resolutions.

###### 1. Re-election of Bruce Kay as a director

"That Mr Bruce Kay, being a director of the Company, retires by rotation in accordance with Clause 14.2 of the Constitution and ASX Listing Rules 14.4 and 14.5 and being eligible for re-election, is hereby re-elected as a director of the Company."

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

###### 2. Remuneration report

"That for the purposes of Section 250R(2) of the Corporations Act, the Company adopts the Remuneration Report as contained in the annual financial report of the Company for the year ended 30 June 2022."

*A vote on Resolution 2 must not be cast (in any capacity) by or on behalf of any member of Key Management Personnel (details of whose remuneration are included in the Remuneration Report) or a Closely Related Party of such a member. However, a person described above may cast a vote on Resolution 2 as a proxy if the vote is not cast on behalf of a person described above and either:*

- (a) the person does so as proxy appointed in writing that specifies how the proxy is to vote on the proposed resolution; or*
- (b) the Chairman of the meeting is appointed as proxy and the proxy form does not specify the way the proxy is to vote on the resolution, and expressly authorises the Chairman to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of Key Management Personnel of the Company.*

##### SPECIAL BUSINESS

The special business of the meeting is to consider and if thought fit to pass, with or without amendment, the following resolution as ordinary resolutions.

###### 3. Authority for issue of securities pursuant to Employee Incentive Plan

"That for the purposes of ASX Listing Rule 7.2 Exception 13(b) and for all other purposes, shareholders re-approve the Company being able to issue up to 6 million equity securities under the employee incentive scheme titled "Catalyst Metals Employee Incentive Plan" over a period of 3 years commencing on the date of the annual general meeting, in the manner and on the terms set out in the explanatory memorandum."

For the purposes of ASX Listing Rule 14.11, the Company will disregard any votes cast in favour of Resolution 3 by or on behalf of any person that is eligible to participate in the Employee Incentive Plan or an associate of those persons.

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

- (a) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- (b) the person chairing 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 person chairing the meeting to vote on the resolution as the person chairing the meeting decides.
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided that 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.

As Resolution 3 may deal with the remuneration of Key Management Personnel, under section 250BD of the Corporations Act, a vote on Resolutions 3 must not be cast by a person that is appointed proxy, on the basis of that appointment, if the person is a member of Key Management Personnel of the Company or a closely related party of a member of Key Management Personnel, and the appointment of the proxy does not specify the way the proxy is to vote on the resolution. This does not apply to the Chairman, however, if the appointment expressly authorises the Chairman to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the key management personnel for the Company (on a consolidated basis).

#### 4. Approval to issue Performance Rights to James Champion de Crespigny

“That for the purposes of ASX Listing Rule 10.14, ASX Listing Rule 10.19, Sections 200B and 200E of the Corporations Act and for all other purposes, approval is given for the issue of 2,500,000 Performance Rights to James Champion de Crespigny (or his nominee), in accordance with the Catalyst Metals Employee Incentive Plan as amended by the Board from time to time and upon the terms and conditions outlined in the explanatory memorandum accompanying the notice of meeting.”

**Voting exclusion statement:** The Company will disregard any votes cast in favour of Resolution 4 by or on behalf of a person referred to in Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the employee incentive scheme in question, and any officer of the Company or any of its child entities that are entitled to participate in a termination benefit and any associates of those persons. However, this does not apply to a vote cast in favour of Resolution 4 by:

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

As Resolution 4 deals with the remuneration of Key Management Personnel, under section 250BD of the Corporations Act, a vote on Resolution 4 must not be cast by a person that is appointed proxy, on the basis of that appointment, if the person is a member of Key Management Personnel of the Company or a closely related party of a member of Key Management Personnel, and the appointment of the proxy does not specify the way the proxy is to vote on the resolution. This does not apply to the Chairman, however, if the appointment expressly authorises the Chairman to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the key management personnel for the Company (on a consolidated basis).

The special business of the meeting is to consider and if thought fit to pass, with or without amendment, the following resolution as a special resolution.

## **5. Approval for 10% placement capacity**

“That for the purposes of ASX Listing Rule 7.1A and for all other purposes, approval is given for the Company to issue up to that number of Equity Securities equal to 10% of the issued capital of the Company at the time of issue, calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 and on the terms and conditions set out in the explanatory memorandum accompanying the notice of meeting.”

*As at the date of this notice of meeting the Company has no specific plans to issue Equity Securities pursuant to ASX Listing Rule 7.1A and therefore no voting exclusion applies to Resolution 5.*

By order of the Board

**Frank Campagna**  
Company Secretary

Perth, Western Australia  
7 October 2022

### ***Proxy appointments***

A member of the Company who is entitled to attend and vote at the meeting may appoint a proxy to attend and vote for the member at the meeting. A proxy need not be a member of the Company. 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 one-half of the votes.

A proxy form is enclosed. If required it should be completed, signed and returned to the Company's registered office in accordance with the proxy instructions on that form.

### ***Voting entitlements***

In accordance with Regulation 7.11.37 of the Corporations Regulations, the directors have determined that the identity of those entitled to attend and vote at the meeting is to be taken as those persons who held Shares in the Company as at 4.00 p.m. (WST) on 15 November 2022.

### ***COVID-19 health restrictions***

In the event that restrictions on public gatherings in Western Australia due to the COVID-19 global pandemic are reintroduced and prevent a physical meeting from being held, the annual general meeting will be held as a virtual meeting. Details of any virtual meeting will be notified to shareholders, including information and guidance on how to participate and vote at the meeting.

**CATALYST METALS LIMITED**  
**EXPLANATORY MEMORANDUM**

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This explanatory memorandum has been prepared for the information of shareholders of Catalyst Metals Limited in connection with the business to be considered at the forthcoming annual general meeting of shareholders of the Company and should be read in conjunction with the accompanying notice of meeting.

**ANNUAL FINANCIAL REPORT**

The financial report of the Company for the year ended 30 June 2022 (including the financial statements, directors' report and auditors' report) was included in the 2022 annual report of the Company, a copy of which is available on the Company's web-site at [www.catalystmetals.com.au](http://www.catalystmetals.com.au).

There is no requirement for shareholders to approve these reports. However, time will be allowed during the annual general meeting for consideration by shareholders of the financial statements and the associated directors' and auditors' reports.

**RESOLUTION 1 – RE-ELECTION OF BRUCE KAY AS A DIRECTOR**

ASX Listing Rule 14.4 and Clause 14.2 of the Constitution require that a director (other than a managing director) must not hold office without re-election for more than 3 years and that one third of the directors in office (other than a managing director) must retire by rotation at each annual general meeting of the Company.

Mr Bruce Kay, who was last re-elected in November 2020, retires at the forthcoming annual general meeting in accordance with ASX Listing Rule 14.4 and Clause 14.2 of the Constitution and being eligible, has offered himself for re-election at the meeting.

Mr Kay is a qualified geologist and former head of worldwide exploration for Newmont Mining Corporation. He is a highly experienced geologist with a resource industry career spanning more than 30 years in international exploration, mine, geological, project evaluation and corporate operations. Mr Kay was previously group executive and managing director of exploration at Normandy Mining Limited where he was responsible for managing its global exploration program.

Mr Kay is not considered an independent director by virtue of financial remuneration received during the year under a consultancy agreement to provide additional technical services to the Company.

The Board (excluding Mr Kay) recommends that shareholders vote in favour of the re-election of Mr Kay as a director of the Company. The Chairman intends to vote all available undirected proxies in favour of Resolution 1.

**RESOLUTION 2 – REMUNERATION REPORT**

The Remuneration Report is contained in the Directors' Report section of the Company's 2022 annual report. The Remuneration Report describes the underlying principles and structure of the remuneration policies of the Company and sets out the remuneration arrangements in place for directors and senior executives.

The Corporations Act requires that a resolution to adopt the Remuneration Report be put to the vote of shareholders of the Company. Shareholders should note that the vote on Resolution 2 is not binding on the Company or its directors. However, the directors take the discussion at the meeting and the outcome of the vote into account when considering the Company's remuneration policies and practices.

The Chairman of the meeting intends to vote all available proxies in favour of Resolution 2.

### **RESOLUTION 3 – AUTHORITY FOR ISSUE OF SECURITIES PURSUANT TO EMPLOYEE INCENTIVE SCHEME**

Resolution 3 seeks the approval of shareholders for the re-approval of the employee incentive scheme titled the Catalyst Metals Limited Employee Incentive Plan (**Plan**) in accordance with ASX Listing Rule 7.2 (Exception 13(b)).

On 1 October 2022, amendments to the Corporations Act impacting the regulatory regime affecting employee share schemes, such as the Plan, came into effect, effectively replacing the existing regime governed by ASIC's class order relief. Minor amendments have been made to the Plan to ensure it complies with the new regulations and remains up-to-date.

A copy of the full terms and conditions of the Plan is available to Shareholders upon request, and a summary is set out in Annexure A to this notice of meeting.

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

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

If Resolution 3 is passed, the Company will be able to issue fully paid or partly paid ordinary shares and other securities convertible to Shares under the Plan to eligible participants over a period of 3 years without impacting on the Company's ability to issue up to 15% of its total ordinary securities without shareholder approval in any 12 month period.

If Resolution 3 is not passed, any securities issued under the Plan must come within and will be counted towards the Company's 15% capacity under ASX Listing Rule 7.1.

The objective of the Plan is to attract, motivate and retain selected employees, directors, contractors and consultants of the Company or any of its subsidiaries (**Eligible Participants**) by providing equity incentives and rewards. It will also enable Eligible Participants, upon becoming shareholders, to participate in the future growth and development of the Company. The directors consider this to be a cost effective and efficient means of providing targeted incentives and rewarding Eligible Participants and expects it to result in ongoing benefits to both the Company and Eligible Participants.

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

No securities have been issued under the Employee Incentive Plan since it was last approved by shareholders in 2021.

It is proposed that the number of equity securities that may be issued under the Employee Incentive Plan for the purposes of ASX Listing Rule 7.1, if Resolution 3 is passed, is not more than 6 million equity securities in the next 3 year period.

A voting exclusion statement is set out in the notice of meeting.

## **RESOLUTION 4 – APPROVAL TO ISSUE OF PERFORMANCE RIGHTS TO JAMES CHAMPION DE CRESPIGNY**

### **Background**

In accordance with the terms of the employment agreement for James Champion de Crespigny as Managing Director of the Company, Mr Champion de Crespigny is entitled to participate in the Catalyst Metals Employee Incentive Plan (**Plan**). The Board proposes to issue 2,500,000 Performance Rights to Mr Champion de Crespigny (or his nominee) in accordance with the Plan and subject to the approval of shareholders.

If Resolution 4 is passed, the Company will be able to proceed with the issue of Performance Rights to Mr Champion de Crespigny as part of the Long Term Incentive (**LTIP**) component of his remuneration package, which is designed to promote sustainable value creation and to build further alignment with shareholders' interests. If Resolution 4 is not passed, the Company will not be able to proceed with the issue of Performance Rights to Mr Champion de Crespigny as a long term incentive and the Company may need to consider other forms of performance-based remuneration, including by the payment of cash.

### **Key terms of Performance Rights**

Each Performance Right will entitle the holder to one Share upon satisfaction of certain vesting conditions.

The measurement period applicable to each tranche in each offer of Performance Rights is from the date of issue of the Performance Rights to 30 September 2026 (**Measurement Period**).

The Performance Rights will vest on the following basis:

**Tranche 1** – 700,000 Performance Rights will vest on:

- (a) the successful raising of at least \$10 million in capital by the Company in any capital raising; or
- (b) the achievement by the Company (or its subsidiaries) of actual annual gold production of 40,000 ounces in any rolling 12 month period in the Measurement Period (either by enhancement of current operations or new business development transactions).

**Tranche 2** – 800,000 Performance Rights will vest on the achievement by the Company (or its subsidiaries) of actual annual gold production of 80,000 ounces in any rolling 12 month period in the Measurement Period (either by enhancement of current operations or new business development transactions).

**Tranche 3** – 1,000,000 Performance Rights will vest on the achievement by the Company (or its subsidiaries) of actual annual gold production of 100,000 ounces in any rolling 12 month period in the Measurement Period (either by enhancement of current operations or new business development transactions).

It is noted that the vesting conditions related to gold production are cumulative, such that if 100,000 ounces of gold production is achieved in any 12 month period during the Measurement Period all Performance Rights that have not yet lapsed would vest and become exercisable. If 40,000 ounces of gold production is achieved in any 12 month period during the Measurement Period, all Performance Rights relating to that milestone only would vest.

Following the satisfaction of the vesting conditions during the Measurement Period, a Performance Right may be exercised for one Share for nil payment at any time before the expiry date of 5.00 pm WST on the date that is 12 months after the satisfaction of the vesting conditions applicable to that Performance Right. Each Performance Right that is not exercised before the date that is 12 months after the satisfaction of the vesting conditions applicable to that Performance Right will automatically lapse.

If the vesting conditions for the Performance Rights in a tranche are not satisfied during the Measurement Period, those Performance Rights will automatically lapse.



Each Performance Right:

- (a) is not transferable (and will not be quoted on ASX);
- (b) does not confer any right to vote (except as otherwise required by law);
- (c) does not confer any right to a dividend, whether fixed or at the discretion of directors;
- (d) does not confer any right to a return of capital, whether on a winding up, upon a reduction of capital or otherwise;
- (e) does not confer any right to participate in a surplus profit or assets of the Company on a winding up;
- (f) does not confer any rights to participate in an issue of securities such as bonus issues or entitlement issues,

unless and until the applicable vesting conditions are achieved and the Performance Right has converted into a Share.

On a Change of Control Event, all unvested Performance Rights will vest and become exercisable, with such vesting deemed to have taken place immediately prior to the effective date of the Change of Control Event, regardless of whether or not the employment, engagement or office of Mr Champion de Crespigny is terminated or ceases in connection with the Change of Control Event.

If Mr Champion de Crespigny's employment is terminated during the Measurement Period for any reason other than for cause or due to his resignation, all unvested Performance Rights will vest and become exercisable, with such vesting deemed to have taken place immediately prior to the effective date of the termination.

An unvested Performance Right will automatically lapse upon the earlier of:

- (a) the elapsing of any opportunities for the Performance Rights to vest;
- (b) a determination by the Board, acting reasonably, that Mr Champion de Crespigny has committed an act of fraud, defalcation or gross misconduct in relation to the Company;
- (c) Mr Champion de Crespigny ceasing to be an employee or director for any reason other than retirement, permanent disability or death; or
- (d) the occurrence of any other event as set out in the Plan.

If there are variations to the share capital of the Company including a sub-division, consolidation, reduction, return or cancellation of share capital, a demerger (in whatever form) or other distribution in specie, the Board shall adjust the number of Performance Rights in accordance with the ASX Listing Rules and in a manner consistent with the Corporations Act, so as to preserve the proportionate value of the Performance Rights vis-à-vis the Shares.

The Performance Rights are otherwise to be granted on the terms of the Plan the approval of which is the subject of Resolution 3. A summary of the material terms of the Plan is attached to this notice of meeting at Annexure A.

The Company will issue Shares to Mr Champion de Crespigny (or his nominee) as soon as practicable after the vesting and exercise of any Performance Rights. The Shares allotted will be of the same class and will rank equally with all other issued Shares in the Company at the date of issue but may remain subject to disposal restrictions in accordance with the Company's trading policy and the terms of the offer. The Company will apply for quotation of the new Shares on ASX within the period required by the ASX Listing Rules. Alternatively, the Board may elect to acquire shares on-market to deliver to Mr Champion de Crespigny (or his nominee) upon the vesting and exercise of any Performance Rights.

#### **ASX Listing Rule 10.14**

ASX Listing Rule 10.14 states that a listed company must not permit a director to acquire securities under an employee incentive scheme without the approval of shareholders by ordinary resolution. Mr Champion de Crespigny is a director of the Company. Accordingly, shareholder approval is being sought under ASX Listing Rule 10.14 for the issue of Performance Rights to Mr Champion de Crespigny.

The following information is provided to shareholders for the purposes of Listing Rule 10.15:

- (a) the Performance Rights will be issued to James Champion de Crespigny, being a director of the Company (or his nominee). Mr Champion de Crespigny falls within Listing Rule 10.14.1 by virtue of being a director of the Company;
- (b) the maximum number of Performance Rights to be issued is 2,500,000 and the maximum number of Shares to be issued upon vesting and exercise of the Performance Rights is 2,500,000;
- (c) the Performance Rights will be granted for nil consideration and the Shares to be issued upon vesting of the Performance Rights will be issued for nil consideration. Accordingly, no loan has been or will be given to Mr Champion de Crespigny in relation to the grant of Performance Rights and no funds will be raised from the issue or vesting of the Performance Rights;
- (d) Mr Champion de Crespigny's remuneration as Managing Director comprises:
  - (i) base salary of \$400,000 per annum inclusive of 10.5% superannuation.
  - (ii) short term incentives of a cash or securities performance bonus in line with the Company's policies from time to time, subject to satisfaction of performance hurdles and any Shareholder approval that is required (none currently in place).
  - (iii) long term incentives of a cash or securities performance bonus in line with the Company's policies from time to time, subject to satisfaction of performance hurdles and any Shareholder approval that is required, with the initial long term incentives comprising (subject to Shareholder approval) issue of the Performance Rights the subject of Resolution 4:
- (e) no securities have been issued to Mr Champion de Crespigny under the Plan;
- (f) as at the date of this notice of meeting, no securities have been issued under the Plan since it was last approved by shareholders at the annual general meeting on 12 November 2021;
- (g) the material terms of the Performance Rights are set out above. The Company has elected to grant the Performance Rights to Mr Champion de Crespigny inclusive of the following reasons:
  - the Performance Rights are unlisted and are subject to vesting conditions which align with the Company's key long term objectives and the grant of Performance Rights has no immediate dilutionary impact on shareholders;
  - the issue of the Performance Rights to Mr Champion de Crespigny will further align the interests of Mr Champion de Crespigny with those of shareholders and are intended to incentivise and motivate Mr Champion de Crespigny to exceed expectations and to focus on the Company's longer term objectives;
  - the issue of the Performance Rights is a reasonable and appropriate method to provide cost effective remuneration as the non-cash form of this benefit will allow the Company to spend a greater proportion of its cash reserves on its operations rather than if alternative cash forms of remuneration were provided to Mr Champion de Crespigny; and
  - it is not considered that there are any significant opportunity costs to the Company or benefits foregone by the Company in granting the Performance Rights on the terms proposed.
- (h) details of any Performance Rights issued under the Plan will be published in each annual report of the Company relating to a period in which Performance Rights have been issued and that approval for the issue of Performance Rights was obtained, if required, under ASX Listing Rule 10.14;
- (i) any additional person covered by Listing Rule 10.14 who becomes entitled to participate in an issue of securities under the Plan will not participate until approval is obtained under that Listing Rule;
- (j) the value the Company attributes to the 2,500,000 Performance Rights to be granted to Mr Champion de Crespigny (or his nominee) under Resolution 4 has been assessed as follows:

The Performance Rights have non-market based vesting conditions. The face value of the Performance Rights was therefore calculated by independent consultants using a Black Scholes option pricing model, which assumes that the Performance Rights will vest in full to the holder. This approach does not take into account any probability weighting of the performance hurdles being achieved. The face value of the Performance Rights using the Black Scholes option pricing model was the market price of \$1.20 per share (as at 26 September 2022).

For the purposes of accounting standard AASB 2 Share-Based Payments and considering that the Company's gold production for the 2022 financial year was 25,199 ounces, the directors (other than Mr Champion de Crespigny) have made a commercial assessment that the non-market based vesting conditions being satisfied within the measurement period for (i) Tranche 1 of the Performance Rights is a moderate probability; (ii) Tranche 2 of the Performance Rights is a low probability; and (iii) Tranche 3 of the Performance Rights is a low probability.

Assumptions used for the Black Scholes model were as follows:

Assumption	Tranche 1	Tranche 2	Tranche 3
Underlying security spot price	\$1.20	\$1.20	\$1.20
Exercise price	Nil	Nil	Nil
Valuation date	26 Sept. 2022	26 Sept. 2022	26 Sept. 2022
Commencement date	26 Sept. 2022	26 Sept. 2022	26 Sept. 2022
Performance measurement date	26 Sept. 2026	26 Sept. 2026	26 Sept. 2026
Measurement period (years)	4.01	4.01	4.01
Volatility	50%	50%	50%
Risk Free Rate	3.840%	3.840%	3.840%
Dividend yield	Nil	Nil	Nil
Number of Rights	700,000	800,000	1,000,000

- (k) a summary of the material terms of the Plan are set out in Schedule 1 to this notice of meeting;
- (l) the Performance Rights are anticipated to be issued within one month of the meeting but will be issued no later than 3 years after the meeting (or such later date as permitted by any ASX waiver or modification of the ASX Listing Rules); and
- (m) a voting exclusion statement is included in the notice of meeting.

#### **ASX Listing Rule 7.1**

If shareholders approve Resolution 4 pursuant to ASX Listing Rule 10.14, then approval is not required for the purposes of ASX Listing Rule 7.1. Accordingly, if Resolution 4 is approved and the 2,500,000 Performance Rights are issued, these will not be included in the calculation of the Company's 15% annual placement capacity pursuant to ASX Listing Rule 7.1.

#### **Corporations Act – Chapter 2E**

Chapter 2E of the Corporations Act prohibits the Company from giving a financial benefit to a Related Party of the Company (which includes a director) unless either:

- (a) the giving of the financial benefit falls within one of the exceptions to the provisions; or
- (b) shareholder approval is obtained to the giving of the financial benefit.

The issue by the Company of the Performance Rights and the issue of Shares on exercise of any vested Performance Rights to Mr Champion de Crespigny constitutes the giving of a financial benefit to a Related Party of the Company.

However, the directors (other than Mr Champion de Crespigny) have determined that the proposed issue of Performance Rights constitutes reasonable remuneration given the circumstances of the Company and the position held by Mr Champion de Crespigny. Accordingly, the proposed issue of Performance Rights to Mr Champion de Crespigny falls within the "reasonable remuneration" exception set out in Section 211 of the Corporations Act so that shareholder approval is not required for the purposes of Chapter 2E of the Corporations Act.

#### **Corporations Act – Sections 200B and 200E**

The Corporations Act restricts the benefits that can be given to persons who hold a "managerial or executive office" (as defined in the Corporations Act) on leaving their employment with the Company or any of its related bodies corporate.

Under Sections 200B and 200E of the Corporations Act, a company may only give a person a benefit in connection with them ceasing to hold a managerial or executive office if the benefit is approved by shareholders or an exemption applies. The term “benefit” has a wide meaning and may include benefits resulting from the accelerated vesting of the Performance Rights on termination of employment or the Board exercising certain discretions under the terms of Mr Champion de Crespigny’s long term incentive entitlements.

Under the terms of the Performance Rights, if Mr Champion de Crespigny’s employment is terminated during the Measurement Period for any reason other than for cause or due to his resignation, all unvested Performance Rights will vest and become exercisable. This accelerated vesting is a termination benefit. Under the terms of the Plan, the Board may also exercise its discretion to accelerate vesting if deemed appropriate, including in connection with a termination. However, it should be noted that any vesting triggered by a change in control event is not a termination benefit.

#### **ASX Listing Rule 10.19**

Listing Rule 10.19 requires that, without shareholder approval, a company must ensure that no officer of the company or any of its child entities will be, or may be, entitled to termination benefits if the value of those benefits and the termination benefits that are, or may become, payable to all other officers together exceed 5% of the equity interests of the company as set out in the latest accounts of the company lodged with ASX under the Listing Rules.

Resolution 4 seeks shareholder approval for the purposes of Listing Rule 10.19 for the issue of the Performance Rights to James Champion de Crespigny, which include terms that allow vesting if Mr Champion de Crespigny’s employment is terminated during the Measurement Period for any reason other than for cause or due to his resignation. This is a termination benefit.

If approval is obtained for Resolution 4, the Performance Rights may be issued to Mr Champion de Crespigny and if he is terminated (other than for cause or due to his resignation) during the Measurement Period, these Performance Rights will vest, without the value of these Performance Rights being included in the 5% cap in ASX Listing Rule 10.19.

If approval is not obtained for Resolution 4, the Performance Rights will not be issued.

A voting exclusion statement is included in the notice of meeting.

#### **Directors recommendations**

Each of the directors (excluding James Champion de Crespigny) believes that the approval in relation to the issue of the Performance Rights to James Champion de Crespigny is in the best interests of shareholders as a whole. The directors (excluding Champion de Crespigny) recommend that shareholders vote in favour of Resolution 4.

The Chairman of the meeting intends to vote all available proxies in favour of Resolution 4

#### **RESOLUTION 5 – APPROVAL FOR 10% PLACEMENT CAPACITY**

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

ASX Listing Rule 7.1A provides that an “eligible entity” may seek shareholder approval by special resolution at its annual general meeting to allow it to issue Equity Securities up to maximum of 10% of its issued capital (**10% Placement Capacity**). The 10% Placement Capacity is in addition to the Company's 15% placement capacity under ASX Listing Rule 7.1 and increases the total placement capacity to 25%.

Resolution 5 seeks shareholder approval by way of a special resolution for the Company to have authority for the additional 10% Placement Capacity provided for in ASX Listing Rule 7.1A to issue securities without shareholder approval.

If shareholders approve Resolution 5, the number of equity securities that the Company can issue under the 10% Placement Capacity will be determined in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 (as set out below) and the Company will be able to issue equity securities up to the combined 25% limit in ASX Listing Rules 7.1 and 7.1A without any further shareholder approval.

The effect of Resolution 5 will be to allow the Company to issue equity securities of a maximum of 10% of the Company's ordinary fully paid securities on issue under the 10% Placement Capacity, during the period of up to 12 months from the date of the annual general meeting, without the requirement to obtain subsequent shareholder approval and without using the Company's 15% annual placement capacity available pursuant to ASX Listing Rule 7.1.

Resolution 5 is to be considered as a special resolution. Accordingly, at least 75% of votes cast by shareholders present and eligible to vote at the meeting must be in favour of Resolution 5 for it to be passed.

If Resolution 5 is not approved, the Company will not be able to access the additional 10% Placement Capacity to issue equity securities without shareholder approval provided for in ASX Listing Rule 7.1A and will remain subject to the 15% limit on issuing equity securities without shareholder approval.

#### **ASX Listing Rule 7.1A**

For the purposes of ASX Listing Rule 7.1A, an eligible entity is one that, as at the date of the relevant annual general meeting:

- (a) is not included in the S&P/ASX 300 Index; and
- (b) has a maximum market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300 million.

As at the date of this notice, the Company is an eligible entity as it is not included in the S&P/ASX 300 Index and has a current market capitalisation of approximately \$131 million.

Any Equity Securities issued under the 10% Placement Capacity must be in the same class as an existing class of quoted Equity Securities. The Company currently has one class of quoted Equity Securities on issue, being ordinary Shares (ASX trading code: CYL).

The exact number of Equity Securities that the Company may issue under ASX Listing Rule 7.1A will be calculated according to the following formula:

$$(A \times D) - E$$

Where:

- A** is the number of Shares on issue 12 months before the date of issue or agreement:
- (i) plus the number of Shares issued in the previous 12 months under an exception in ASX Listing Rule 7.2 (other than exceptions 9, 16 or 17);
  - (ii) plus the number of Shares issued in the previous 12 months on the conversion of convertible securities within rule 7.2 exception 9 where:
    - a. the convertible securities were issued or agreed to be issued before the commencement of the 12 month period; or
    - b. the issue of, or agreement to issue, the convertible securities was approved, or taken under these rules to have been approved, under rule 7.1 or 7.4;
  - (iii) plus the number of Shares issued in the previous 12 months under an agreement to issue securities within rule 7.2 exception 16, where:

- a. the agreement was entered into before the commencement of the previous 12 month period; or
  - b. the agreement or issue was approved, or taken under the ASX Listing Rule to have been approved, under rule 7.1 or rule 7.4;
- (iv) plus the number of partly paid Shares that became fully paid in the previous 12 months;
  - (v) plus the number of Shares issued in the previous 12 months with the approval of holders of Shares under ASX Listing Rules 7.1 and 7.4. This does not include an issue of ordinary fully paid Shares under the company's 15% placement capacity without shareholder approval; and
  - (vi) less the number of Shares cancelled in the previous 12 months.
- D** is 10%.
- E** is the number of Equity Securities issued or agreed to be issued under ASX Listing Rule 7.1A.2 in the 12 months before the date of issue or agreement to issue that are not issued with the approval of holders of ordinary securities under ASX Listing Rule 7.1 or 7.4.

**Technical information required by ASX Listing Rule 7.1A**

In accordance with ASX Listing Rule 7.3A, the information below is provided in relation to Resolution 5:

**(a) Minimum price**

The minimum price at which the Equity Securities may be issued is 75% of the volume weighted average price of Equity Securities in that class, calculated over the 15 ASX trading days on which trades in that class were recorded immediately before:

- the date on which the price at which the Equity Securities are to be issued is agreed; or
- if the Equity Securities are not issued within 10 ASX trading days of the above date, the date on which the Equity Securities are issued.

**(b) Date of issue**

The Equity Securities may be issued under the 10% Placement Capacity commencing on the date of the meeting and expiring on the first to occur of the following:

- 12 months after the date of the meeting;
- the time and date of the Company's next annual general meeting; and
- the time and date of approval by shareholders of any transaction under ASX Listing Rules 11.1.2 (significant change to nature or scale of the Company's activities) or 11.2 (disposal of main undertaking) (after which date, an approval under ASX Listing Rule 7.1A ceases to be valid),

(the "10% Placement Capacity Period").

**(c) Risk of economic and voting dilution**

Any issue of Equity Securities under the 10% Placement Capacity will dilute the interests of shareholders who do not receive any Shares under the issue.

If Resolution 5 is approved by shareholders and the Company issues the maximum number of Equity Securities available under the 10% Placement Capacity, the economic and voting dilution of existing Shares would be as shown in the table below.

The table shows the dilution of existing shareholders calculated in accordance with the formula outlined in ASX Listing Rule 7.1A(2), on the basis of the current market price of Shares and the current number of equity securities on issue as at the date of this notice of meeting.

The table shows the voting dilution impact for securities issued under the 10% Placement Capacity where the number of Shares on issue (Variable A in the formula) increases by 50% and 100% and the economic dilution where there are changes in the issue price of Shares (based on a 50% decrease to current market price of Shares and 100% increase).

Number of Shares on issue (Variable A in ASX Listing Rule 7.1A2)	Issue price per share	Dilution		
		\$0.665 50% decrease in issue price	\$1.330 Issue price	\$2.66 100% increase in issue price
98,456,148 (Current Variable A)	Shares issued (10% voting dilution)	9,845,614	9,845,614	9,845,614
	Funds raised	\$6,547,333	\$13,094,666	\$26,189,333
147,684,222 (50% increase in Variable A)	Shares issued (10% voting dilution)	14,768,422	14,768,422	14,768,422
	Funds raised	\$9,821,000	\$19,642,001	\$39,284,002
196,912,296 (100% increase in Variable A)	Shares issued (10% voting dilution)	19,691,229	19,691,229	19,691,229
	Funds raised	\$13,094,667	\$26,189,334	\$52,378,669

The number of Shares on issue (Variable A in the formula) could increase as a result of the issue of Shares that do not require shareholder approval (such as under a pro-rata rights issue or Shares issued under a takeover offer) or that are issued with shareholder approval under ASX Listing Rule 7.1.

**The table above is based on the following assumptions:**

1. Variable A being the current 98,456,148 shares on issue.
2. The issue price set out above is the closing price of Shares on the ASX on 3 October 2022 (\$1.33 per Share).
3. The Company issues the maximum possible number of equity securities under the 10% Placement Capacity.
5. The issue of equity securities under the 10% Placement Capacity consists only of Shares. It is assumed that no Options are exercised into Shares before the date of issue of the equity securities.
6. This table does not set out any dilution pursuant to approvals under ASX Listing Rule 7.1, 7.4 or pursuant to an issue of shares pursuant to an exception in ASX Listing Rule 7.2.
7. 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%.
8. 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 Capacity, based on that shareholder's holding at the date of the annual general meeting. All shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.

Shareholders should note that there is a risk that:

- the market price for the Company's Shares may be significantly lower on the issue date than on the date of the meeting; and
- the Shares may be issued at a price that is at a discount to the market price for those Shares on the date of issue.

**(d) Purpose of issue under 10% Placement Capacity**

The Company intends to use any funds that may be raised under the 10% Placement Capacity for acquisition of new resources, assets and investments (including expenses associated with such an acquisition), continued exploration expenditure on the Company's current projects and any additional projects acquired (funds used for drilling, feasibility studies and ongoing project administration) and general working capital.

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

**(e) Allocation under the 10% Placement Capacity**

The allottees of the Equity Securities to be issued under the 10% Placement Capacity have not yet been determined. However, the allottees of Equity Securities could consist of current shareholders or new investors (or both), none of whom will be related parties of the Company.

The Company will determine the allottees at the time of the issue under the 10% Placement Capacity, having regard to the following factors:

- the purpose of the issue;
- alternative methods for raising funds available to the Company at that time including, but not limited to, an entitlement issue or other offer where existing shareholders may participate;
- the effect of the issue of the Equity Securities on the control of the Company;
- the circumstances of the Company including, but not limited to, the financial position and solvency of the Company;
- prevailing market conditions; and
- advice from corporate, financial and broking advisers (if applicable).

**(f) Previous approval under ASX Listing Rule 7.1A**

The Company obtained approval under ASX Listing Rule 7.1A at the 2021 annual general meeting held on 12 November 2021. The Company has not issued or agreed to issue any Shares pursuant to this previous approval under Listing Rule 7.1A.2 in the 12 months preceding the date of the meeting.

In the 12 months preceding the date of the meeting, the Company has issued a total of 160,425 Shares, representing 0.2% of the total diluted number of Equity Securities on issue in the Company as at 12 November 2021, which was 98,295,723.

**(g) Compliance with ASX Listing Rules 7.1A.4**

When the Company issues Equity Securities pursuant to the 10% Placement Capacity, it will state in its announcement under ASX Listing Rule 3.10.3 or in its application for quotation of securities under ASX Listing Rule 2.7 that the securities are being issued under ASX Listing Rule 7.1A and it will give to ASX a list of the allottees of the Equity Securities and the number of Equity Securities allotted to each (not for release to the market), in accordance with ASX Listing Rule 7.1A.4.

***Voting exclusion***

As at the date of this notice, the Company has not identified or invited any person to participate in an issue of Equity Securities under ASX Listing Rule 7.1A. Therefore, no existing shareholders will be excluded from voting on Resolution 5.

The Board recommends that shareholders vote in favour of Resolution 5 as it allows the Company to retain the flexibility to issue further securities representing up to 10% of the Company's share capital during the next 12 month period. The Chairman intends to vote all available undirected proxies in favour of Resolution 5.



## GLOSSARY OF TERMS

**“ASX”** means ASX Limited;

**“ASX Listing Rules”** means the official listing rules of ASX;

**“Board”** means the board of directors of the Company;

**“Change of Control Event”** occurs where:

- (a) an offer is made for Shares pursuant to a takeover bid under Chapter 6 of the Corporations Act and is, or is declared, unconditional with acceptances from shareholders holding at least 50% of the Shares on issue; or
- (b) the Court sanctions under Part 5.1 of the Corporations Act a compromise or arrangement relating to the Company or a compromise or arrangement proposed for the purposes of or in connection with a scheme for the reconstruction of the Company or its amalgamation with any other company or companies; or
- (c) any other merger, consolidation or amalgamation involving the Company occurs which results in the holders of Shares immediately prior to the merger, consolidation or amalgamation being entitled to 50 per cent or less of the voting shares in the body corporate resulting from the merger, consolidation or amalgamation; or
- (d) any Group Company (being the Company or a related body corporate) or Group Companies enter into agreements to sell the main business undertaking or the principal assets (whether or not in the form of shares in a Group Company) of the Group to a person, or a number of persons, none of which are Group Companies and those agreements become unconditional; or
- (e) the Board determines in its reasonable opinion, control of the Company has or is likely to change or pass to one or more persons, none of which are Group Companies.

**“Closely Related Party”** is defined in the Corporations Act and includes a spouse, dependant and certain other close family members, as well as any companies controlled by a member of KMP.

**“Company”** or **“Catalyst”** means Catalyst Metals Limited (ABN 54 118 912 495);

**“Constitution”** means the constitution of the Company;

**“Corporations Act”** means the Corporations Act 2001 (Commonwealth);

**“Corporations Regulations”** means the Corporations Regulations 2001 (Commonwealth);

**“Employee Incentive Plan”** or **“Plan”** means the employee incentive scheme titled "Catalyst Metals Employee Incentive Plan" last approved by shareholders at the 2021 annual general meeting.

**“Equity Securities”** includes a Share, a right to a Share or Option, an Option, a convertible security and any security that ASX decides to classify as an Equity Security

**“Expiry Date”** for the Performance Rights is the date that is 12 months from the satisfaction of the vesting conditions during which the holder may elect to exercise the vested Performance Rights into ordinary shares.

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

**“Option”** means an option to subscribe for a Share.

**“Share”** means an ordinary fully paid share in the capital of the Company.

**“VWAP”** means volume weighted average price.

## ANNEXURE A - EMPLOYEE INCENTIVE PLAN

Outlined below is a summary of the key terms of the Catalyst Metals Limited Employee Incentive Plan.

- (a) **Eligibility:** Eligible Employees include directors (both executive and non-executive), full time and part time employees and casual employees, consultants and contractors of the Company. Subject to the Board's consent, an Eligible Employee may nominate another person to participate in the Plan in their place.
- (b) **Administration of Plan:** The Board is responsible for the operation of the Plan and has a broad discretion to determine which Eligible Employees will be offered awards under the Plan.
- (c) **Invitation:** The Board may issue an invitation to an Eligible Employee to participate in the Plan (**Invitation**). The Invitation will specify:
  - (i) the number and type of awards (being options, performance rights and/or incentive shares) specified in the Invitation;
  - (ii) any vesting conditions, performance hurdles, performance period, exercise conditions and/or restriction conditions attaching to the awards;
  - (iii) the issue price or exercise price of the awards (as applicable);
  - (iv) an acceptance period;
  - (v) any other terms and conditions attaching to the awards; and
  - (vi) any other information required by the Listing Rules or any law to be included in the Invitation.
- (d) **Issue and exercise price:**
  - (i) Options shall be issued for nil cash consideration, and the Board may determine the exercise price in its absolute discretion (including whether to offer the Eligible Employee a cashless exercise facility which will entitle the Eligible Employee to set-off the exercise price against the number of Shares which the Eligible Employee is entitled to receive upon exercise of the Eligible Employee's Options);
  - (ii) Performance rights shall be issued for nil cash consideration, and Shares issued upon the conversion of performance rights shall be issued for nil cash consideration;
  - (iii) The Board shall determine the issue price of any fully paid or partly paid ordinary shares issued under the Plan, which may be nil.
- (e) **Quotation on ASX:** The Company will apply for fully paid or partly paid ordinary shares issued under the Plan and upon the exercise of options and performance rights to be admitted to trading on ASX upon issue of the Share. Quotation will be subject to the ASX Listing Rules and any holding lock applying to the shares. Options and performance rights issued under the Plan shall not be quoted.
- (f) **Rights attaching to Shares:** Each share issued under the Plan or on the exercise of an award shall be issued on the same terms and conditions as the Company's issued shares (other than in respect of transfer restrictions imposed by the Plan) and will rank equally with all other issued shares from the issue date except for entitlements which have a record date before the issue date. The holder of a share issued under the Plan shall be entitled to receive notice of, and attend and vote at, shareholder meetings, and to receive any dividends declared by the Company. If any partly paid ordinary shares are issued on the Plan, until all amounts on the partly paid shares are fully paid, the rights to vote and to any dividend payment attaching to the partly paid shares will proportionate to the amount paid up relative to the total amount paid up and payable on the partly paid shares.
- (g) **Rights attaching to options and performance rights:** Subject to the terms of the Plan, the Board may determine the rights attaching the options and performance rights issued under the Plan. The holder of an option or performance right issued under the Plan shall not be entitled to receive notice of, and attend and vote at, shareholder meetings, nor to receive any dividends declared by the Company.
- (h) **Restriction conditions:** Shares may be subject to restriction conditions (such as a period of employment or a performance hurdle) which must be satisfied before the Shares can be sold, transferred, or encumbered (**Restriction Condition**). The Board may waive Restriction Conditions in

its absolute discretion, including where a holder dies or is a “good leaver”. The Company is authorised to impose a holding lock on the Shares to implement these restrictions.

- (i) **No transfer:** shares issued under the Plan or any beneficial or legal interest in awards may not be transferred, encumbered or otherwise disposed of, or have a Security Interest granted over them, by a Participant unless:
  - (i) all Restriction Conditions (if any) have been satisfied or waived by the Board;
  - (ii) the prior consent of the Board is obtained which consent may impose such reasonable terms and conditions on such transfer, encumbrance or disposal as the Board sees fit; or
  - (iii) by force of law upon death to the Participant’s legal personal representative or upon bankruptcy to the Participant’s trustee in bankruptcy.
- (j) **Forfeiture of shares:** Where a Restriction Condition in relation to shares is not satisfied by the due date, or becomes incapable of satisfaction (as determined by the Board in its reasonable opinion), and is not waived by the Board, the holder of those shares forfeits its right, entitlement and interest in and to the shares and the Company must, unless the Restriction Condition is waived by the Board, either:
  - (i) arrange to buy back and cancel the relevant shares within 6 months of the date the Restriction Condition was not satisfied (or became incapable of satisfaction) under the Corporations Act at a price equal to the cash consideration paid by the holder for the shares; or
  - (ii) arrange to sell the shares on behalf of the holder (using a power of attorney) as soon as reasonably practicable after the Restriction Condition was not satisfied (or became incapable of satisfaction) on the ASX or to an investor who falls within an exemption under Section 708 of the Corporations Act (provided that the sale must be at a price that is no less than 80% of the volume weighted average price of shares on ASX over the 10 trading days before the sale date), and apply the sale proceeds in the following priority:
    - firstly, to use towards repaying any cash consideration paid by the holder for the shares; and
    - secondly, any remainder to the Company to cover its costs of managing the Plan.
- (k) **Power of Attorney:** The holder irrevocably appoints each of the Company and each director of the Company severally as his or her attorney to do all things necessary to give effect to the buy back or sale of the holder’s shares in accordance with the Plan.
- (l) **Ceasing to be an Eligible Employee:** If an Eligible Employee ceases to be an employee or director of the Company and:
  - (i) at that time there are unfulfilled Restriction Conditions in relation to shares under the Plan held by the Eligible Employee or his or her nominee, the shares are forfeited and the Company must either buy back or sell the shares in accordance with the Plan;
  - (ii) the termination of employment or engagement is due to wilful misconduct, gross negligence or material breach of employment contract (**Misconduct**), then unvested awards shall lapse and the Board may determine that vested awards that have not been exercised shall also lapse; and
  - (iii) the termination of employment or engagement is not due to Misconduct, then vested awards may be exercised within 6 months from the date of termination of employment, and the Board may in its discretion determine whether to waive any vesting conditions, exercise conditions or restriction conditions to permit the Eligible Employee to exercise awards or sell or retain Plan shares or other securities.
- (m) **Change of control events:** Unvested awards shall immediately vest and become exercisable if:
  - (i) (**Takeover**) a takeover bid for the Company’s issued shares is declared unconditional;
  - (ii) (**Compromise or Arrangement**): a court approves under Section 411(4)(b) of the Corporations Act a proposed compromise or arrangement for the purposes of or in connection with a scheme

for the reconstruction of the Company or its amalgamation with any other company or companies; or

(iii) **(Sale of main business):** the Company enters into an agreement to sell its main business undertaking or principal assets and that agreement becomes unconditional.

(n) **Plan limit:** The Company must take reasonable steps to ensure that the number of shares to be received on the exercise of awards for consideration, when aggregated with:

(i) The number of shares that would be issued if each outstanding offer made or awards for consideration granted under the Plan or any other employee incentive scheme of the Company were to be exercised or accepted; and

(ii) the number of shares issued during the previous 3 years under the Plan (or any other employee share scheme extended only to eligible employees),

does not exceed 5% of the total number of shares on issue at the time of an offer (but disregarding any offer of shares or awards that can be disregarded in accordance with relevant laws, including offers or awards for no consideration).

# Proxy Voting Form

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

Holder Number:

Your proxy voting instruction must be received by **10.00am (WST) on Tuesday, 15 November 2022**, being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

## SUBMIT YOUR PROXY

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

### YOUR NAME AND ADDRESS

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

### STEP 1 – APPOINT A PROXY

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

### DEFAULT TO THE CHAIR OF THE MEETING

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

### STEP 2 - VOTES ON ITEMS OF BUSINESS

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

### APPOINTMENT OF SECOND PROXY

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

### SIGNING INSTRUCTIONS

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

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

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

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

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

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

### CORPORATE REPRESENTATIVES

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

### Lodging your Proxy Voting Form:

#### Online:

Use your computer or smartphone to appoint a proxy at  
<https://investor.automic.com.au/#/login>

or scan the QR code below using your smartphone

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



#### BY MAIL:

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