



Chalice Mining Limited
ACN 116 648 956

Notice of Annual General Meeting

The Annual General Meeting of the Company will be held as follows:

Time and date: 9:00am (AWST) on Wednesday, 23 November 2022

In-person: Cassia Room, Level 1 Function Floor, The Westin Hotel,
480 Hay Street, Perth, Western Australia

Virtually: Via the Computershare Meeting Platform at:
<https://meetnow.global/M6RYWFX>

The Notice of Annual General Meeting should be read in its entirety. If Shareholders are in doubt as to how to vote, they should seek advice from their suitably qualified professional advisor prior to voting.

Should you wish to discuss any matter, please do not hesitate to contact the Company on (08) 9322 3960.

Shareholders are urged to vote by lodging the Proxy Form

Chalice Mining Limited
ACN 116 648 956
(Company)

Notice of Annual General Meeting

Notice is hereby given that the annual general meeting of Shareholders of Chalice Mining Limited (**Company**) will be held at the Cassia Room, Level 1 Function Floor, The Westin Hotel, 480 Hay Street, Perth, Western Australia, on 23 November 2022 at 9:00am (AWST) (**Meeting**).

The Directors have determined pursuant to Regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 4.00pm (AWST) on 21 November 2022.

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

Terms and abbreviations used in the Notice are defined in the Schedule.

Agenda

1 Annual Report

To consider the Annual Report of the Company and its controlled entities for the financial year ended 30 June 2022, which includes the Financial Report, the Directors' Report and the Auditor's Report.

Note: there is no requirement for Shareholders to approve the Annual Report.

2 Resolutions

Resolution 1 – Remuneration Report

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

'That, the Remuneration Report be adopted by Shareholders, on the terms and conditions in the Explanatory Memorandum.'

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

Resolution 2 – Re-election of Director – Morgan Ball

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

'That, Morgan Ball, who retires in accordance with Clause 7.2(a) of the Constitution and Listing Rule 14.4 and for all other purposes, retires and, being eligible and offering himself for re-election, is re-elected as a Director, on the terms and conditions in the Explanatory Memorandum.'

Resolution 3 – Election of Director – Jo Gaines

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

'That, in accordance with Clause 7.6(c) of the Constitution and Listing Rule 14.4 and for all other purposes, Jo Gaines, a Director appointed on 17 August 2022, retires at this Meeting and, being eligible and offering herself for election, is elected as a Director, on the terms and conditions in the Explanatory Memorandum.'

Resolution 4 – Approval of issue of Performance Rights to Alex Dorsch

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

'That, pursuant to and in accordance with Listing Rule 10.14 and for all other purposes, Shareholders approve the issue of up to 228,938 Performance Rights to Alex Dorsch (or his nominees) under the Existing Plan, on the terms and conditions in the Explanatory Memorandum.'

Resolution 5 – Ratification of issue of Placement Shares

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

'That, pursuant to and in accordance with Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 16,666,667 Placement Shares, on the terms and conditions in the Explanatory Memorandum.'

Resolution 6 – Approval of New Plan

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

*'That, pursuant to and in accordance with exception 13(b) of Listing Rule 7.2 and for all other purposes, Shareholders approve the new employee incentive scheme of the Company known as the "Chalice Mining Limited Employee Securities Incentive Plan" (**New Plan**) and the issue of Securities under the New Plan, on the terms and conditions in the Explanatory Memorandum.'*

Resolution 7 – Approval of potential termination benefits under the New Plan

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

'That, conditional on Resolution 6 being approved, for a period commencing from the date this Resolution is passed and ending upon the expiry of all Securities issued or to be issued under the New Plan, approval be given for all purposes including Part 2D.2 of the Corporations Act for the giving of benefits to any current or future person holding a managerial or executive

office of the Company or a related body corporate in connection with that person ceasing to hold such office, on the terms and conditions in the Explanatory Memorandum.'

Resolution 8 – Re-insertion of Proportional Takeover Bid Approval Provisions

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

'That, the modification of the Company's Constitution to re-insert the proportional takeover bid approval provisions contained in Schedule 5 of the Constitution for a period of three years from the date of approval of this Resolution is approved under and for the purposes of sections 648G(4) and 136(2) of the Corporations Act and for all other purposes.'

Voting exclusions

Pursuant to the Listing Rules, the Company will disregard any votes cast in favour of:

Resolution 4: by or on behalf of a person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the Plan, or any of their respective associates, or their nominees.

Resolution 5: by or on behalf of a person who participated in the issue of the Placement Shares, or any of their respective associates, or their nominees.

Resolution 6: by or on behalf of a person who is eligible to participate in the New Plan, or any of their respective associates, or their nominees.

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

Voting prohibitions

Resolution 1: In accordance with sections 250BD and 250R of the Corporations Act, a vote on this Resolution must not be cast (in any capacity) by or on behalf of a member of the Key Management Personnel details of whose remuneration are included in the Remuneration Report, or a Closely Related Party of such a member.

A vote may be cast by such person if the vote is not cast on behalf of a person who is excluded from voting on this Resolution, and:

- (a) the person is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or
- (b) the voter is the Chair and the appointment of the Chair as proxy does not specify the way the proxy is to vote on this Resolution, but expressly authorises the Chair to exercise the proxy even if this Resolution is connected with the remuneration of a member of the Key Management Personnel.

Resolution 4, Resolution 6 and Resolution 7: In accordance with sections 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

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

However, the above prohibition does not apply if:

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

In addition to the above, in accordance with section 200E(2A) of the Corporations Act, a vote on **Resolution 7** must not be cast by any participants or potential participants in the New Plan and their associates, otherwise the benefit of this Resolution will be lost by such a person in relation to that person's future retirement.

However, a vote may be cast by such a person if:

- (a) the person is appointed as proxy by writing that specifies the way the proxy is to vote on the Resolution; and
- (b) it is not cast on behalf of the person or an associate of the person.

BY ORDER OF THE BOARD



Derek La Ferla

Chairman

Chalice Mining Limited

Dated: 17 October 2022

Chalice Mining Limited
ACN 116 648 956
(Company)

Explanatory Memorandum

1. Introduction

The Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be conducted at the Meeting to be held at the Cassia Room, Level 1 Function Floor, The Westin Hotel, 480 Hay Street, Perth, Western Australia, on 23 November 2022 at 9:00am (AWST) (**Meeting**).

The Explanatory Memorandum forms part of the Notice which should be read in its entirety. The Explanatory Memorandum contains the terms and conditions on which the Resolutions will be voted.

The Explanatory Memorandum includes the following information to assist Shareholders in deciding how to vote on the Resolutions:

Section 2	Voting and attendance information
Section 3	Annual Report
Section 4	Resolution 1 – Remuneration Report
Section 5	Resolution 2 – Re-election of Director – Morgan Ball
Section 6	Resolution 3 – Election of Director – Jo Gaines
Section 7	Resolution 4 – Approval of issue of Performance Rights to Alex Dorsch
Section 8	Resolution 5 – Ratification of issue of Placement Shares
Section 9	Resolution 6 – Approval of New Plan
Section 10	Resolution 7 – Approval of potential termination benefits under the New Plan
Section 11	Resolution 8 – Re-insertion of Proportional Takeover Bid Approval Provisions
Schedule 1	Definitions
Schedule 2	Summary of Existing Employee Securities Incentive Plan
Schedule 3	Terms and conditions of Director Performance Rights
Schedule 4	Valuation of Director Performance Rights
Schedule 5	Proportional Takeover Bid Approval Provisions
Schedule 6	Summary of material terms of New Plan

A Proxy Form is located at the end of the Explanatory Memorandum.

2. Voting and attendance information

Shareholders should read the Notice including the Explanatory Memorandum carefully before deciding how to vote on the Resolutions.

Voting on all proposed resolutions at the Meeting will be conducted by poll. On a poll, each shareholder has one vote for every fully paid ordinary share held in the Company.

2.1 Attending the Meeting virtually

The Meeting will be virtually accessible to all Shareholders via the Computershare meeting platform. This will allow Shareholders, as a whole, a reasonable opportunity to participate without being physically present at the Meeting.

Shareholders who choose to participate in the Meeting virtually will be able to:

- (a) view the Meeting live;
- (b) exercise a right to speak (including a right to ask questions) in writing or orally at the Meeting; and
- (c) cast votes in real time on a poll during the Meeting.

You can log in to the Meeting virtually by entering the following URL <https://meetnow.global/M6RYWFX> on your computer, tablet or smartphone.

Online registration will be open at 8:00am AWST. Online voting will be open shortly after the commencement of the Meeting at 9.00am AWST and close at the time as announced by the Chair.

To attend the Meeting virtually you will require your Shareholder Reference Number (SRN) or Holder Identification Number (HIN), and your postcode if you are an Australian shareholder or country of registration for overseas shareholders.

For Australian shareholders, your postcode is your postcode as registered with the Company's Share Registry, Computershare. For overseas shareholders, please select the country of your registered address.

Proxies wishing to attend the meeting virtually will need to obtain login credentials from Computershare Investor Services on +61 3 9415 4024 to request a unique email invitation link prior to the meeting day.

Further information on how to vote and participate in the virtual Meeting is contained in the Online Meeting Guide annexed to this Notice. Please note that if you join the Meeting virtually as a Shareholder and vote online at the time the Chair calls a poll, any proxy vote previously lodged will be withdrawn.

For any enquiries relating to virtual participation during the Meeting or accessing the Computershare online meeting platform, please contact the Company's Share Registry on +61 3 9415 4024.

2.2 Voting in person

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

2.3 Voting by proxy

Shareholders are encouraged to vote by voting online or by completing a Proxy Form.

Lodgement of a Proxy Form will not preclude a Shareholder from attending and voting at the Meeting in person.

Proxy Forms can be lodged:

- Online:** www.investorvote.com.au
- By mail:** Share Registry – Computershare Investor Services Pty Limited, GPO Box 242, Melbourne Victoria 3001, Australia
- By fax:** 1800 783 447 (within Australia)
+61 3 9473 2555 (outside Australia)
- By mobile:** Scan the QR Code on your Proxy Form and follow the prompts
- Custodian voting:** For Intermediary Online subscribers only (custodians) please visit www.intermediaryonline.com to submit your voting intentions.

In order for your proxy to be valid, your Proxy Form (and any power of attorney under which it is signed) must be received by 9:00am (AWST) on 21 November 2022. Proxies received after this time will be invalid.

Please note that:

- (i) a member of the Company entitled to attend and vote at the Meeting is entitled to appoint a proxy;
- (ii) a proxy need not be a member of the Company; and
- (iii) a member of the Company entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise, but where the proportion or number is not specified, each proxy may exercise half of the votes.

The enclosed Proxy Form provides further details on appointing proxies and lodging Proxy Forms.

Section 250BB(1) of the Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, if it does:

- (i) the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (i.e. as directed);
- (ii) if the proxy has 2 or more appointments that specify different ways to vote on the resolution – the proxy must only vote on a poll;
- (iii) if the proxy is the Chair of the meeting at which the resolution is voted on – the proxy must vote on a poll, and must vote that way (i.e. as directed); and
- (iv) if the proxy is not the Chair – the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (i.e. as directed).

Section 250BC of the Corporations Act provides that, if:

- (i) an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's members;
- (ii) the appointed proxy is not the Chair of the meeting;
- (iii) at the meeting, a poll is duly demanded on the resolution; and
- (iv) either the proxy is not recorded as attending the meeting or the proxy does not vote on the resolution,

the Chair of the meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the meeting.

2.4 Voting by a Corporation

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

2.5 Chair's voting intentions

If the Chair is your proxy, either by appointment or by default, and you have not indicated your voting intention, you expressly authorise the Chair to exercise the proxy in respect of **Resolution 1, Resolution 4, Resolution 6** and **Resolution 7**, even though these Resolutions are connected directly or indirectly with the remuneration of the Company's Key Management Personnel.

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

3. Annual Report

In accordance with section 317 of the Corporations Act, Shareholders will be offered the opportunity to discuss the Annual Report, including the Financial Report, the Directors' Report and the Auditor's Report for the financial year ended 30 June 2022.

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

At the Meeting, Shareholders will be offered the opportunity to:

- (a) discuss the Annual Report which is available online at <https://chalicemining.com/financial-reports;>
- (b) ask questions about, or comment on, the management of the Company; and
- (c) ask the auditor questions about the conduct of the audit and the preparation and content of the Auditor's Report.

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

- (a) the preparation and content of the Auditor's Report;

- (b) the conduct of the audit;
- (c) accounting policies adopted by the Company in relation to the preparation of the financial statements; and
- (d) the independence of the auditor in relation to the conduct of the audit,

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

The Company will not provide a hard copy of the Company's Annual Report to Shareholders unless specifically requested to do so.

4. Resolution 1 – Remuneration Report

4.1 General

In accordance with section 250R(2) of the Corporations Act, the Company must put the Remuneration Report to the vote of Shareholders. The Directors' Report for the year ended 30 June 2022 in the 2022 Annual Report contains the Remuneration Report which sets out the remuneration policy for the Company and the remuneration arrangements in place for the executive Directors, specified executives and non-executive Directors.

In accordance with section 250R(3) of the Corporations Act, Resolution 1 is advisory only and does not bind the Directors. If Resolution 1 is not passed, the Directors will not be required to alter any of the arrangements in the Remuneration Report.

If the Company's Remuneration Report receives a 'no' vote of 25% or more (**Strike**) at two consecutive annual general meetings, Shareholders will have the opportunity to remove the whole Board, except the managing director (if any).

Where a resolution on the Remuneration Report receives a Strike at two consecutive annual general meetings, the Company will be required to put to Shareholders at the second annual general meeting a resolution on whether another meeting should be held (within 90 days) at which all Directors (other than the managing director, if any) who were in office at the date of approval of the applicable Directors' Report must stand for re-election.

The Company's Remuneration Report did not receive a Strike at the 2021 annual general meeting. If the Remuneration Report receives a Strike at this Meeting, Shareholders should be aware that if a second Strike is received at the 2023 annual general meeting, this may result in the re-election of the Board.

The Chair will allow a reasonable opportunity for Shareholders as a whole to ask about, or make comments on the Remuneration Report.

4.2 Additional information

Resolution 1 is an ordinary resolution.

4.3 Board recommendation

Given the personal interests of all Directors in the outcome of this Resolution, the Board declines to make a recommendation to Shareholders regarding this Resolution.

5. Resolution 2 – Re-election of Director – Morgan Ball

5.1 General

Article 7.2(a) of the Constitution and Listing Rule 14.4 both provide that a director (excluding the managing director) must not hold office without re-election past the third annual general meeting following that director's appointment or three years, whichever is longer.

Article 7.3 of the Constitution provides that a retiring Director holds office until the conclusion of the meeting at which that Director retires but is eligible for re-election.

Morgan Ball, Non-Executive Director, was last elected at the Company's 2019 annual general meeting. Accordingly, Morgan Ball retires at this Meeting and, being eligible, seeks re-election pursuant to this Resolution 2.

5.2 Morgan Ball

5.3 Mr Ball is a Chartered Accountant with more than 30 years of Australian and international experience in the resources, logistics and finance industries. Mr Ball is currently the Chief Financial Officer for Genesis Minerals Limited (Genesis)(ASX: GMD). Mr Ball was formerly the Chief Financial Officer of ASX 50 gold producer, Northern Star Resources Limited (ASX: NST) and prior to that, the Chief Financial Officer of Saracen Mineral Holdings Limited (ASX: SAR). Mr Ball was Managing Director of ASX-listed BCI Minerals Ltd (ASX: BCI) from 2013 to 2016.

Genesis is currently engaged in an off-market takeover transaction for ASX listed, Dacian Gold Limited (Dacian) (ASX:DCN) and as part of this, Mr Ball has been temporarily nominated as a non-executive director of Dacian as a representative of Genesis. Mr Ball was previously a Non-executive Director of Arrow Minerals Limited (ASX: AMD) (2019 to 2020).

Mr Ball has a Bachelor of Commerce, is a qualified Chartered Accountant and is a Fellow of the Financial Services Institute of Australasia (formerly the Securities Institute of Australia).

Mr Ball is Chairman of the Audit Committee, a member of the Remuneration and Nomination Committee. Mr Ball was the Lead Independent Director of the Company from June 2016 to December 2021.

Mr Ball does not currently hold any other material directorships, other than as disclosed in this Notice.

If elected, Mr Ball is considered by the Board (with Mr Ball abstaining) to be an independent Director. Mr Ball is not considered by the Board to hold any interest, position or relationship that might influence, or reasonably be perceived to influence, in a material respect his capacity to bring an independent judgement to bear on issues before the Board and to act in the best interests of the entity as a whole rather than in the interests of an individual security holder or other party.

Mr Ball has acknowledged to the Company that he will have sufficient time to fulfil his responsibilities as a Director.

5.4 Board recommendation

The Board (other than Mr Ball who has a personal interest in the outcome of this Resolution) supports the re-election of Mr Ball. Mr Ball's considerable mining industry, equity and debt funding exposure, mergers and acquisitions, corporate, financial, and commercial experience

gained across his former and current executive roles, enhances the Board's capability. Mr Ball's significant accounting experience provides a valuable contribution to the Board though his role as Chair of the Audit Committee.

The Board (other than Mr Ball who has a personal interest in the outcome of this Resolution) recommends that Shareholders vote in favour of this Resolution.

5.5 Additional information

Resolution 2 is an ordinary resolution.

6. Resolution 3 – Election of Director – Jo Gaines

6.1 General

Clause 7.6(a) of the Constitution provides that the Directors may at any time appoint any person to be a Director, either to fill a casual vacancy or as an addition to the existing Directors.

Clause 7.6(c) of the Constitution and Listing Rule 14.4 both provide that a Director appointed under Clause 7.6(a) must not hold office without re-election past the next annual general meeting of the Company following the Director's appointment.

Clause 7.6(c) of the Constitution provides that a Director who retires in accordance with Clause 7.6(a) holds office until the conclusion of the Meeting but is eligible for election at the Meeting.

Accordingly, Jo Gaines, a Director appointed on 17 August 2022, retires at this Meeting and, being eligible and offering herself for election, seeks election pursuant to Resolution 3.

6.2 Jo Gaines

Ms Gaines is an experienced, highly regarded leader and strategic policy director, having previously worked as the Deputy Chief of Staff to the Premier of Western Australia. She was a leader in the development of the WA Recovery Plan in response to the COVID-19 pandemic.

Prior to this position, Ms Gaines served as Branch Secretary for the Community and Public Sector Union/Civil Service Association for over ten years.

Ms Gaines is currently Chair of the Government Employees Superannuation Board (GESB) and a Director of DevelopmentWA.

Ms Gaines is a graduate of the Australian Institute of Company Directors and holds a Bachelor of Arts from the University of Western Australia and a Post Graduate Diploma in Occupational Health and Safety from Curtin University.

Ms Gaines is a member of the Risk and Sustainability Committee.

Ms Gaines does not currently hold any other material directorships, other than as disclosed in this Notice.

The Company confirms that it took appropriate checks into Ms Gaines' background and experience and that these checks did not identify any information of concern.

If elected, Ms Gaines is considered by the Board (with Ms Gaines abstaining) to be an independent Director. Ms Gaines is not considered by the Board to hold any interest, position or relationship that might influence, or reasonably be perceived to influence, in a material respect her capacity to bring an independent judgement to bear on issues before the Board and to act in the best interests of the entity as a whole rather than in the interests of an individual security holder or other party.

Ms Gaines has acknowledged to the Company that she will have sufficient time to fulfil her responsibilities as a Director.

6.3 Board recommendation

The Board (other than Ms Gaines who has a personal interest in the outcome of this Resolution) supports the election of Ms Gaines. Ms Gaines's extensive leadership and stakeholder engagement experience and expertise in the development and negotiation of public policy at the highest levels of government in Australia will provide additional capability and valuable insight to the Board. Ms Gaines's skills and experience, particularly in health and safety, will be of significant contribution to the Company through her role as a member of the Risk & Sustainability Committee.

The Board (other than Ms Gaines who has a personal interest in the outcome of this Resolution) recommends that Shareholders vote in favour of this Resolution.

6.4 Additional information

Resolution 3 is an ordinary resolution.

7. Resolution 4 – Approval of issue of Performance Rights to Alex Dorsch

7.1 General

The Company is proposing, subject to obtaining Shareholder approval, to issue up to 228,938 Performance Rights under the Existing Plan to Alex Dorsch (or his nominees) (**Director Performance Rights**). A summary of the Existing Plan is in Schedule 2.

The Company is in an important stage of development with significant opportunities and challenges in both the near and long-term, and the proposed issue of the Director Performance Rights aims to align the efforts and interests of Alex Dorsch with those of Shareholders. The Board has determined that the remuneration mix for Mr Dorsch should be weighted towards longer term strategic objectives and as such his variable incentive-based remuneration is weighted towards long-term incentives in the form of performance rights.

The Director Performance Rights provide an entitlement to receive fully paid ordinary Shares in the Company on achieving vesting conditions as determined by the Board. The vesting conditions have been developed to achieve growth in the Company's Share price and the creation of Shareholder value. In addition, the Board also believes that incentivising with performance rights is a prudent means of conserving the Company's available cash reserves whilst assisting in retaining Mr Dorsch in a competitive market. If the vesting conditions are not achieved by the measurement date, the Director Performance Rights lapse and no Shares will be issued.

The Director Performance Rights will vest and otherwise be issued on the terms and conditions described in Schedule 3.

Resolution 4 seeks Shareholder approval pursuant to Listing Rule 10.14 for the issue of the Director Performance Rights to Alex Dorsch (or his nominees) under the Existing Plan.

7.2 Listing Rule 10.14

Listing Rule 10.14 provides that an entity must not permit any of the following persons to acquire Equity Securities under an employee incentive scheme without the approval of its Shareholders:

- (a) a director of the entity (Listing Rule 10.14.1);
- (b) an associate of a person referred to in Listing Rule 10.14.1 (Listing Rule 10.14.2); and
- (c) a person whose relationship with the entity or a person referred to in Listing Rule 10.14.1 or 10.14.2 is such that, in ASX's opinion, the acquisition should be approved by Shareholders.

Approval pursuant to Listing Rule 7.1 is not required for the issue of the Director Performance Rights as approval is being obtained under Listing Rule 10.14. Accordingly, the issue of the Director Performance Rights to Alex Dorsch (or his nominees) will not be included in the Company's 15% annual placement capacity in Listing Rule 7.1 or the maximum permitted number of Equity Securities issued under Listing Rule 7.2, exception 13(b).

The effect of Shareholders passing Resolution 4 will be to allow the Company to issue the Director Performance Rights to Alex Dorsch (or his nominees) under the Existing Plan.

If Resolution 4 is not passed, the Company will not be able to proceed with the issue of the Director Performance Rights, and the Company will have to consider alternative commercial means to incentivise Alex Dorsch.

7.3 Specific information required by Listing Rule 10.15

Pursuant to and in accordance with Listing Rule 10.15, the following information is provided in relation to the proposed issue of the Director Performance Rights:

- (a) The Director Performance Rights will be issued under the Existing Plan to Alex Dorsch (or his nominees).
- (b) Alex Dorsch falls into the category stipulated by Listing Rule 10.14.1 by virtue of being a Director of the Company.
- (c) A maximum of 228,938 Director Performance Rights will be issued to Alex Dorsch (or his nominees).
- (d) The current total annual remuneration package for Alex Dorsch as at the date of this Notice is:

Fixed Annual Remuneration (cash salary, inclusive of Superannuation) (FAR)	\$552,500
Short-term incentive opportunity (paid in cash)	Maximum 25% of FAR (i.e. \$138,125)
Long term incentive granted as performance rights.	Maximum 175% of FAR on a face value basis (i.e. \$966,875)

- (e) The number of Equity Securities previously issued under the Existing Plan to Alex Dorsch (or his nominees) and the average acquisition price paid for each Equity Security (if any) is set out below:

Securities	Average acquisition price	Exercise price	Expiry date
1,074,402 Performance Rights	Nil	Nil	30 June 2023
280,081 Performance Rights	Nil	Nil	30 June 2024
65,531 Performance Rights	Nil	Nil	30 June 2026

- (f) The Director Performance Rights will be issued on the terms and conditions in Schedule 3.
- (g) The Board considers that Performance Rights, rather than Shares or Options, are an appropriate form of incentive because they aim to align the remuneration of Mr Dorsch with goal of generating shareholder wealth with vesting conditions that are designed to be consistent with the Company's strategic and business objectives. Mr Dorsch will only be rewarded for the achievement of financial and non-financial business objectives and Mr Dorsch will only obtain the value of the Director Performance Rights upon satisfaction of the relevant milestones.
- (h) The Company's valuation of the Director Performance Rights is \$713,828. Additional information on the valuation methodologies and assumptions are contained in Schedule 4.
- (i) The Director Performance Rights will be issued to Alex Dorsch (or his nominees) as soon as practicable following the Meeting and in any event not later than three years after the Meeting.
- (j) The Director Performance Rights will be issued for nil cash consideration and will be provided as an incentive component to Alex Dorsch's remuneration package.
- (k) A summary of the material terms of the Existing Plan is in Schedule 2.
- (l) No loan will be provided to Alex Dorsch in relation to the issue of the Director Performance Rights.
- (m) Details of any securities issued under the Plan will be published in the annual report of the Company relating to the period in which they were issued, along with a statement that approval for the issue was obtained under Listing Rule 10.14.
- (n) Any additional persons covered by Listing Rule 10.14 who become entitled to participate in an issue of securities under the Plan after the resolution is approved and who were not named in the Notice will not participate until approval is obtained under Listing Rule 10.14.
- (o) A voting exclusion statement is included in the Notice.

7.4 Chapter 2E of the Corporations Act

In accordance with Chapter 2E of the Corporations Act, in order to give a financial benefit to a related party, the Company must:

- (a) obtain Shareholder approval in the manner set out in section 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

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

The proposed issue of the Director Performance Rights constitutes giving a financial benefit to related parties of the Company.

The Board (with Alex Dorsch abstaining) considers that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required because the issue of the Director Performance Rights falls within the "reasonable remuneration" exception stipulated by section 211 of the Corporations Act.

7.5 Board recommendation

The Board (other than Alex Dorsch who has a personal interest in the outcome of this Resolution) recommends that Shareholders vote in favour of Resolution 4.

7.6 Additional information

Resolution 4 is an ordinary resolution.

8. Resolution 5 – Ratification of issue of Placement Shares

8.1 General

On 25 May 2022, the Company announced it had received firm commitments to raise approximately \$100,000,000 (before costs) under a placement (**Placement**). The Placement comprised the issue of 16,666,667 Shares (**Placement Shares**) at \$6.00 per Share. The Placement Shares were issued to a range of sophisticated, professional and institutional investors.

On 30 May 2022, the Company issued the Placement Shares using the Company's placement capacity under Listing Rule 7.1.

Resolution 5 seeks the approval of Shareholders pursuant to Listing Rule 7.4 to ratify the issue of the Placement Shares.

8.2 Listing Rules 7.1 and 7.4

Broadly speaking, Listing Rule 7.1 limits the ability of a listed entity from issuing or agreeing to issue Equity Securities over a 12 month period which exceeds 15% of the number of fully paid ordinary Shares it had on issue at the start of the 12 month period.

The issue of the Placement Shares does not fit within any of the exceptions to Listing Rule 7.1 and, as it has not yet been approved by Shareholders, effectively uses up part of the Company's

placement capacity under Listing Rule 7.1. This reduces 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 of the Placement Shares.

Listing Rule 7.4 provides an exception to Listing Rule 7.1. It provides that where a company in a general meeting ratifies the previous issue of securities made pursuant to Listing Rule 7.1 (and provided that the previous issue did not breach Listing Rule 7.1), those securities will be deemed to have been made with shareholder approval for the purpose of Listing Rule 7.1.

The effect of Shareholders passing Resolution 5 will be to allow the Company to retain the flexibility to issue Equity Securities in the future up to the 15% additional placement capacity set out in Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

If Resolution 5 is passed, 16,666,667 Placement Shares will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of Equity Securities it can issue without Shareholder approval over the 12 month period following the issue date.

If Resolution 5 is not passed, 16,666,667 Placement Shares will continue to be included in the Company's 15% limit under Listing Rule 7.1, effectively decreasing the number of Equity Securities the Company can issue or agree to issue without obtaining prior Shareholder approval, to the extent of 16,666,667 Equity Securities for the 12 month period following the issue of the Placement Shares.

8.3 Specific information required by Listing Rule 7.5

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

- (a) The Placement Shares were issued to a range of leading domestic, international and sophisticated institutions, none of whom is a related party of the Company or a Material Investor. The placement participants were identified through a bookbuild process, which involved the Joint Lead Managers seeking expressions of interest to participate in the Placement from existing contacts of the Company and clients of the Joint Lead Managers.
- (b) 16,666,667 Placement Shares were issued within the Company's 15% limit permitted under Listing Rule 7.1, without the need for Shareholder approval.
- (c) The Placement Shares are fully paid ordinary Shares in the capital of the Company and rank equally in all respects with the Company's existing Shares on issue.
- (d) The Placement Shares were issued on 30 May 2022.
- (e) The Placement Shares were issued at \$6.00 each.
- (f) The proceeds from the issue of the Placement Shares have been or are intended to be used to support:
 - (i) ongoing step-out and resource definition drilling at Gonnevillle to extend the deposit and define a potential underground Resource;
 - (ii) completion of the Gonnevillle Scoping Study, and material advancement of a subsequent Prefeasibility Study;

- (iii) completion of initial low-impact drilling along the >30km long Julimar Complex including the Hartog and Dampier targets;
 - (iv) regional reconnaissance exploration and drilling across multiple new prospects within the ~8,000km² of highly prospective but underexplored West Yilgarn Ni-Cu-PGE Province; and
 - (v) general corporate costs and working capital.
- (g) There are no other material terms to the agreement for the subscription of the Placement Shares.
- (h) A voting exclusion statement is included in the Notice.

8.4 Board recommendation

The Board recommends that Shareholders vote in favour of Resolution 5.

8.5 Additional information

Resolution 5 is an ordinary resolution.

9. Resolution 6 – Approval of New Plan

9.1 General

On 1 October 2022, amendments to the Corporations Act commenced, simplifying the process for incentivising participants under employee share schemes (**ESS**). Division 1A was introduced into Part 7.12 of the Corporations Act, providing a new regime for the making of offers in connection with an ESS (**New Regime**). This regime will replace the current relief afforded by ASIC Class Order 14/1000 (**Class Order**), which has been in force since 30 October 2014. Entities may continue to make new offers under the Class Order relief until 1 January 2023.

To ensure that the Company's ESS complies with the New Regime, the Company will adopt, subject to Shareholder approval, a new ESS called the 'Chalice Mining Limited Employee Securities Incentive Plan' (the **New Plan**).

Resolution 6 seeks Shareholder approval for the adoption of the New Plan in accordance with Listing Rule 7.2 exception 13(b).

Under the New Plan, the Board may offer to eligible persons the opportunity to subscribe for such number of Equity Securities in the Company as the Board may decide and on the terms set out in the rules of the New Plan. A summary of the key terms of the New Plan is in Schedule 6. In addition, a copy of the New Plan is available for review by Shareholders at the registered office of the Company until the date of the Meeting. Shareholders are invited to contact the Company if they have any queries.

9.2 Key changes between the Class Order and New Regime

The following table summarises the key changes implemented by the New Regime. These changes are reflected in the New Plan.

	Position under the Class Order	Position under the New Regime
Disclosure obligations	<p>The Class Order mandates certain information that must be provided to ESS participants.</p> <p>There is no difference between the disclosure requirements where ESS interests are offered for monetary consideration or for no monetary consideration.</p>	<p>If the offer of ESS interests is for no monetary consideration: There are no prescribed disclosure obligations, other than a statement that the offer is made under Division 1A.</p> <p>If the offer of ESS interests is for monetary consideration:</p> <ul style="list-style-type: none"> • Certain prescribed disclosure requirements apply. These disclosure requirements are similar (although different) to the current disclosure requirements under the Class Order. • The participant cannot acquire the ESS interests until 14 days after receiving the above disclosure. This mandates a waiting period ensuring a participant has time to consider their decision and seek legal financial advice. • Any associated trust, contribution plan and loan arrangement will need to comply with specified requirements.
Eligible participants	<ul style="list-style-type: none"> • Directors; • Full-time and part-time employees; • Casual employees and contractors, provided they work the number of hours that are the pro-rata equivalent of 40% or more of a comparable full-time position with the entity. 	<ul style="list-style-type: none"> • Directors; • Full-time and part-time employees; • Any service providers to the entity (with no minimum requirement of hours of service provided); • Certain 'related persons' to the above.
5% limit	<p>The maximum number of ESS interests that can be issued under the Class Order relief over a three-year period is 5% of the issued share capital.</p>	<p>If the offer of ESS interests is for no monetary consideration: There is no limit on the number of such ESS interests that may be issued.</p> <p>If the offer of ESS interests is for monetary consideration: The number of ESS interests issued over a three-year period must not exceed</p>

	Position under the Class Order	Position under the New Regime
		5% of the issued share capital. Entities may specify a different issue cap in their constitution.
Suspension	For the Class Order relief to be available, the entity's shares must not have been suspended for more than 5 days over the previous 12 months.	The new regime permits an entity to offer ESS interests regardless of any suspension to the trading of its shares.
ASIC involvement	A 'Notice of Reliance' must be submitted to ASIC to rely on the Class Order relief.	There are no ASIC lodgement requirements. ASIC has the power to require the provision of documents necessary in order to form an opinion about whether the regime has been complied with. ASIC has also been given express enforcement powers including the ability to issue 'stop orders'.
Criminal offences	N/A	New ESS related criminal offences have been introduced regarding certain misleading or deceptive statements or omissions.

9.3 Listing Rules 7.1 and 7.2, exception 13(b)

A summary of Listing Rule 7.1 is in Section 8.2 above.

Listing Rule 7.2, exception 13(b), provides an exception to Listing Rule 7.1 such that issues of Equity Securities under an employee incentive scheme are exempt for a period of three years from the date on which Shareholders approve the issue of Equity Securities under the scheme as an exception to Listing Rule 7.1.

Listing Rule 7.2, exception 13(b), ceases to be available to the Company if there is a material change to the terms of the Plan from those set out in this Notice in Schedule 6.

If Resolution 6 is passed, the Company will be able to issue Equity Securities under the New Plan pursuant to Listing Rule 7.2, exception 13(b), to eligible participants over a period of three years up to a nominated maximum amount without using the Company's 15% annual placement capacity under Listing Rule 7.1.

However, any future issues of Equity Securities under the New Plan to a related party or a person whose relationship with the Company or the related party is, in ASX's opinion, such that

approval should be obtained will require additional Shareholder approval under Listing Rule 10.14 at the relevant time.

If Resolution 6 is not passed, any issue of Equity Securities pursuant to the New Plan must either be undertaken using the Company's 15% annual placement capacity under Listing Rule 7.1, or with prior Shareholder approval.

9.4 Specific information required by Listing Rule 7.2, exception 13(b)

Pursuant to and in accordance with Listing Rule 7.2, exception 13(b), the following information is provided in relation to the New Plan:

- (a) A summary of the material terms of the New Plan is in Schedule 6.
- (b) As at the date of this Notice, no Equity Securities have been issued under the New Plan.
- (c) The Company adopted its Existing Plan as an exception to Listing Rule 7.1 under Listing Rule 7.2, exception 13(b) at its 2019 annual general meeting. Since that date, the Company has issued the following Equity Securities under the Existing Plan:

Date of issue	Type of Security	Number of Securities	Recipient
28 November 2019	Performance Rights	5,292,347	Executive Chair, Managing Director, senior executives, employees and executive key management personnel
2 September 2020	Performance Rights	820,482	Senior executives, employees and executive key management personnel
26 November 2020	Options	700,000	Non-executive Directors
26 November 2020	Performance Rights	287,581	Managing Director and employees
25 February 2021	Performance Rights	62,014	Employees
23 September 2021	Performance Rights	296,160	Senior executives, employees and executive key management personnel

Date of issue	Type of Security	Number of Securities	Recipient
25 November 2021	Performance Rights	65,531	Managing Director
25 November 2021	Options	150,000	Non-executive Director
5 September 2022	Performance Rights	708,478	Senior executives, employees and executive key management personnel
5 September 2022	Retention rights	697,270	Senior executives, employees and executive key management personnel

Note: In addition to the above, and subject to the prior receipt of Shareholder approval, the Company is proposing to issue up to 228,938 Performance Rights under the Existing Plan to Alex Dorsch (or his nominees), the subject of Resolution 4.

- (d) The maximum number of Equity Securities proposed to be issued under the New Plan pursuant to Listing Rule 7.2, exception 13(b), following approval of Resolution 6 is 37,629,719 (subject to adjustment in the event of a reorganisation of capital and further subject to applicable laws and the Listing Rules). This number comprises approximately 10% of the Company's Equity Securities currently on issue.
- (e) A voting exclusion statement is included in the Notice.

9.5 Additional information

Resolution 6 is an ordinary resolution.

The Board recommends that Shareholders vote in favour of Resolution 6.

10. Resolution 7 – Approval of potential termination benefits under the New Plan

10.1 General

The Corporations Act contains certain limitations concerning the payment of 'termination benefits' to persons who hold a 'managerial or executive office'. The Listing Rules also provides certain limitations on the payment of 'termination benefits' to officers of listed entities.

As is common with employee incentive schemes, the New Plan provides the Board with the discretion to, amongst other things, determine that some or all of the Equity Securities granted to a participant under the New Plan (**Plan Securities**) will not lapse in the event of that participant ceasing their engagement with the Company before such Plan Securities have

vested. This 'accelerated vesting' of Plan Securities may constitute a 'termination benefit' prohibited under the Corporations Act, regardless of the value of such benefit, unless Shareholder approval is obtained.

If Resolution 7 is not passed, the Company will not be able to offer 'termination benefits' to persons who hold a 'managerial or executive office' pursuant to the terms of the New Plan unless Shareholder approval is obtained each and every time such termination benefit is proposed, in accordance with section 200E of the Corporations Act.

10.2 Part 2D.2 of the Corporations Act

Under section 200B 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' (as defined in the Corporations Act) if an exemption applies or if the benefit is approved by Shareholders in accordance with section 200E of the Corporations Act.

Subject to Shareholder approval of Resolution 6, Shareholder approval is sought for the purposes of Part 2D.2 of the Corporations Act to approve the giving of benefits under the New Plan to a person by the Company in connection with that person ceasing to be an officer of, or ceasing to hold a managerial or executive office in, the Company (or subsidiary of the Company) on the terms and conditions in this Explanatory Memorandum.

Under the terms of the New Plan and subject to the Listing Rules and the Corporations Act, the Board possesses the discretion to vary the terms or conditions of the New Plan Securities. Notwithstanding the foregoing, without the consent of the participant in the New Plan, no amendment may be made to the terms of any granted Plan Security which reduces the rights of the participant in respect of that Plan Security, other than an amendment introduced primarily to comply with legislation, to correct any manifest error or mistake or to take into consideration possible adverse tax implications.

As a result of the above discretion, the Board has the power to determine that some or all of a participant's Plan Securities will not lapse in the event of the participant ceasing employment or office before the vesting of their Plan Securities.

The exercise of this discretion by the Board may constitute a 'benefit' for the purposes of section 200B of the Corporations Act. The Company is therefore seeking Shareholder approval for the exercise of the Board's discretion in respect of any current or future participant in the New Plan who holds:

- (a) a managerial or executive office in, or is an officer of, the Company (or subsidiary of the Company) at the time of their leaving or at any time in the three years prior to their leaving; and
- (b) Plan Securities at the time of their leaving.

10.3 Valuation of the termination benefits

Provided Shareholder approval is given, the value of the termination benefits may be disregarded when applying section 200F(2)(b) or section 200G(1)(c) of the Corporations Act (i.e. the approved benefit will not count towards the statutory cap under the legislation).

The value of the termination benefits that the Board may give under the New Plan cannot be determined in advance. This is because various matters will or are likely to affect that value. In particular, the value of a particular benefit will depend on factors such as the Company's Share

price at the time of vesting and the number of Plan Securities that will vest or otherwise be affected. The following additional factors may also affect the benefit's value:

- (a) the participant's length of service and the status of the vesting conditions attaching to the relevant Plan Securities at the time the participant's employment or office ceases; and
- (b) the number of unvested Plan Securities that the participant holds at the time they cease employment or office.

In accordance with Listing Rule 10.19, the Company will ensure that no officer of the Company or any of its child entities will, or may be, entitled to termination benefits if the value of those benefits and the terminations benefits that are or may be payable to all officers together exceed 5% of the equity interests of the Company as set out in the latest accounts given to ASX under the Listing Rules.

10.4 Additional information

Resolution 7 is conditional on the passing of Resolution 6.

If Resolution 6 is not approved at the Meeting, Resolution 7 will not be put to the Meeting.

Resolution 7 is an ordinary resolution.

The Board declines to make a recommendation in relation to Resolution 7 due to their potential personal interests in the outcome of the Resolution.

11. Resolution 8 – Re-insertion of Proportional Takeover Bid Approval Provisions

11.1 General

The Company's Constitution contains proportional takeover bid approval provisions (**PTBA Provisions**) which enable the Company to refuse to register securities acquired under a proportional takeover bid unless a resolution is passed by Shareholders in general meeting approving the offer. Under the Corporations Act, proportional takeover provisions expire after three years from adoption or renewal and may then be renewed. The PTBA Provisions in the current Constitution will expire on 27 November 2022 and will cease to apply on that date.

Resolution 8 seeks the approval of Shareholders to modify the Constitution by re-inserting the PTBA Provisions for a further three years under sections 648G(4) and 136(2) of the Corporations Act. The proposed PTBA Provisions set out in Schedule 5 are identical to those previously contained at Schedule 5 of the Constitution.

The Corporations Act requires the Company to provide Shareholders with an explanation of the PTBA Provisions as set out below.

11.2 Specific information required by section 648G of the Corporations Act

The Corporations Act requires the Company to provide Shareholders with an explanation of the PTBA Provisions as set out below.

(a) **What is a proportional takeover bid?**

A proportional off-market takeover bid (**PT Bid**) is a takeover offer sent to all Shareholders but only for a specified portion of each Shareholder's Securities. Accordingly, if a Shareholder accepts in full the offer under a PT Bid, it will dispose of the specified portion of its securities in the Company and retain the balance of the Securities.

(b) **Effect of approval**

If reinserted, under article 4.9 and Schedule 5 of the Constitution if a PT Bid is made to Shareholders of the Company, the Board of the Company is required to convene a meeting of Shareholders to vote on a resolution to approve the proportional takeover. That meeting must be held at least 15 days before the offer under the PT Bid closes.

The resolution is taken to have been passed if a majority of Securities voted at the meeting, excluding the Securities of the bidder and its associates, vote in favour of the resolution. If no resolution is voted on at least 15 days before the close of the PT Bid, the resolution is deemed to have been passed. Where the resolution approving the PT Bid is passed or deemed to have been passed, transfers of Securities resulting from accepting the PT Bid are registered provided they otherwise comply with the Corporations Act, the ASX Listing Rules, the ASX Operating Rules and the Company's Constitution. If the resolution is rejected, then under the Corporations Act the PT Bid is deemed to be withdrawn.

The Directors consider that Shareholders should have the opportunity to reinsert the PTBA Provisions. Without the PTBA Provisions applying, a PT Bid for the Company may enable effective control of the Company to be acquired without Shareholders having the opportunity to dispose of all of their Securities to the bidder. Shareholders could be at risk of passing control to the bidder without payment of an adequate control premium for all their Securities whilst leaving themselves as part of a minority interest in the Company.

Without the PTBA Provisions, if there was a PT Bid and Shareholders considered that control of the Company was likely to pass, Shareholders would be placed under pressure to accept the PT Bid even if they did not want control of the Company to pass to the bidder. Reinserting the PTBA Provisions will make this situation less likely by permitting Shareholders to decide whether a PT Bid should be permitted to proceed.

(c) **No knowledge of present acquisition proposals**

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

(d) **Potential advantages and disadvantages**

The reinsertion of the PTBA Provisions will enable the Directors to formally ascertain the views of Shareholders about a PT Bid. Without these provisions, the Directors are dependent upon their perception of the interests and views of Shareholders. Other than this advantage, the Directors consider that reinsertion of the PTBA Provisions has no potential advantages or potential disadvantages for them, as they remain free to make a recommendation on whether a PT Bid should be accepted.

The Directors consider that reinserting the PTBA Provisions benefits all Shareholders

in that they will have an opportunity to consider a PT Bid and then attend or be represented by proxy at a meeting of Shareholders called specifically to vote on the proposal. Accordingly, Shareholders are able to prevent a PT Bid proceeding if there is sufficient support for the proposition that control of the Company should not be permitted to pass under the PT Bid. Furthermore, knowing the view of Shareholders assists each individual Shareholder to assess the likely outcome of the PT Bid and whether to accept or reject that bid.

As to the possible disadvantages to Shareholders reinserting the PTBA Provisions, potentially, the proposal makes a PT Bid more difficult and PT Bids will therefore be discouraged. This may reduce the opportunities which Shareholders may have to sell all or some of their Securities at a premium to persons seeking control of the Company and may reduce any takeover speculation element in the Company's Share price. The PTBA Provisions may also be considered an additional restriction on the ability of individual Shareholders to deal freely on their Securities.

The Directors consider that there are no other advantages or disadvantages for Directors or Shareholders which may arise during the period during which the PTBA Provisions are in effect, other than those discussed in this Section. On balance, the Directors consider that the possible advantages outweigh the possible disadvantages so that the reinsertion of the PTBA Provisions is in the interest of Shareholders.

11.3 Additional information

Resolution 8 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).

The Board recommends that Shareholders vote in favour of Resolution 8.

Schedule 1 Definitions

In the Notice, words importing the singular include the plural and vice versa.

\$	means Australian Dollars.
ASX	means the ASX Limited (ACN 008 624 691) and, where the context permits, the Australian Securities Exchange operated by ASX Limited.
AWST	means Western Standard Time, being the time in Perth, Western Australia.
Annual Report	means the Directors' Report, the Financial Report, and Auditor's Report, in respect to the year ended 30 June 2022.
Board	means the board of Directors.
Chair	means the person appointed to chair the Meeting of the Company convened by the Notice.
Class Order	means ASIC Class Order 14/1000.
Closely Related Party	means: (a) a spouse or child of the member; or (b) has the meaning given in section 9 of the Corporations Act.
Company or Chalice	means Chalice Mining Limited (ACN 116 648 956).
Constitution	means the Constitution of the Company.
Corporations Act	means the <i>Corporations Act 2001</i> (Cth) as amended.
Director	means a director of the Company.
Director Performance Rights	means the issue of up to 228,938 Performance Rights to Alex Dorsch (or his nominees), the subject of Resolution 4.
Directors' Report	means the annual directors' report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities.
Equity Security	has the same meaning as in the Listing Rules.
ESS	means employee share schemes.
Existing Plan	means the existing Chalice Mining Limited Employee Securities Incentive Plan.
Explanatory Memorandum	means the explanatory memorandum which forms part of the Notice.

Joint Lead Managers	means Bell Potter Securities Limited and Macquarie Capital (Australia) Limited.
Key Management Personnel	has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, of the consolidated entity, directly or indirectly, including any Director (whether executive or otherwise) of the Company, or if the Company is part of a consolidated entity, of an entity within the consolidated group.
Listing Rules	means the listing rules of ASX.
Material Investor	means, in relation to the Company: <ul style="list-style-type: none"> (a) a related party; (b) Key Management Personnel; (c) a substantial Shareholder; (d) an advisor; or (e) an associate of the above, who received Shares which constituted more than 1% of the Company's capital structure at the time of issue.
Meeting	has the meaning given in the introductory paragraph of the Notice.
New Plan	means the proposed new Employee Incentive Plan of the Company, the subject of Resolution 6.
New Regime	has the meaning given to that term in Section 9.1.
Notice	means this notice of annual general meeting.
Option	means an option, giving the holder the right, but not an obligation, to acquire a Share at a predetermined price and at a specified time in the future.
Placement	has the meaning in Section 8.1.
Placement Shares	means the 16,666,667 Shares issued under the Placement, the subject of Resolution 5.
Plan Securities	has the meaning given in Section 10.1.
Proxy Form	means the proxy form attached to the Notice.
PT Bid	has the meaning given in Section 11.2(a).
PTBA Provisions	means proportional takeover bid approval provisions.
Remuneration Report	means the remuneration report of the Company contained in the Directors' Report.

Resolution	means a resolution referred to in the Notice.
Schedule	means a schedule to the Notice.
Section	means a section of the Explanatory Memorandum.
Securities	means any Equity Securities of the Company (including Shares, Options, Share Rights and/or Performance Rights).
Share	means a fully paid ordinary share in the capital of the Company.
Shareholder	means the holder of a Share.
Strike	means a 'no' vote of 25% or more on the resolution approving the Remuneration Report.
TSR	means total shareholder return.

Schedule 2 Summary of Existing Employee Securities Incentive Plan

A summary of the key terms of the Plan is set out below:

1. **(Eligible Participant): Eligible Participant means a person that:**
 - (a) is an "eligible participant" (as that term is defined in ASIC Class Order CO 14/1000) in relation to the Company or an Associated Body Corporate (as that term is defined in ASIC Class Order 14/1000); and
 - (b) has been determined by the Board to be eligible to participate in the Plan from time to time.
2. **(Purpose):** The purpose of the Plan is to:
 - (a) assist in the reward, retention and motivation of Eligible Participants;
 - (b) link the reward of Eligible Participants to Shareholder value creation; and
 - (c) align the interests of Eligible Participants with shareholders of the Group (being the Company and each of its Associated Bodies Corporate), by providing an opportunity to Eligible Participants to receive an equity interest in the Company in the form of Securities.
3. **(Plan administration):** The Plan will be administered by the Board. The Board may exercise any power or discretion conferred on it by the Plan rules in its sole and absolute discretion. The Board may delegate its powers and discretion.
4. **(Eligibility, invitation and application):** The Board may from time to time determine that an Eligible Participant may participate in the Plan and make an invitation to that Eligible Participant to apply for Securities on such terms and conditions as the Board decides. On receipt of an Invitation, an Eligible Participant may apply for the Securities the subject of the invitation by sending a completed application form to the Company. The Board may accept an application from an Eligible Participant in whole or in part. If an Eligible Participant is permitted in the invitation, the Eligible Participant may, by notice in writing to the Board, nominate a party in whose favour the Eligible Participant wishes to renounce the invitation.
5. **(Grant of Securities):** The Company will, to the extent that it has accepted a duly completed application, grant the Participant the relevant number of Securities, subject to the terms and conditions set out in the invitation, the Plan rules and any ancillary documentation required.
6. **(Terms of Convertible Securities):** Each 'Convertible Security' represents a right to acquire one or more Shares (for example, under an option or performance right), subject to the terms and conditions of the Plan. Prior to a Convertible Security being exercised a Participant does not have any interest (legal, equitable or otherwise) in any Share the subject of the Convertible Security by virtue of holding the Convertible Security. A Participant may not sell, assign, transfer, grant a security interest over or otherwise deal with a Convertible Security that has been granted to them. A Participant must not enter into any arrangement for the purpose of hedging their economic exposure to a Convertible Security that has been granted to them.

7. **(Vesting of Convertible Securities):** Any vesting conditions applicable to the grant of Convertible Securities will be described in the invitation. An invitation may specify that at the time of exercise of the Convertible Securities, the Board will have the discretion to determine whether the Company with respect to each vested Convertible Security being exercised:
- (a) allot and issue, or transfer, one Plan Share to the Participant (**Equity Settled**); or
 - (b) pay a cash amount to the Participant equivalent to the value of a Share as at the date of the Vesting Notice less the Exercise Price (if any) (**Cash Settled**).

If the invitation does not specify that the Board will have discretion as described above, the vested Convertible Securities being exercised are to be Equity Settled.

If all the vesting conditions are satisfied and/or otherwise waived by the Board, a vesting notice will be sent to the Participant by the Company informing them that the relevant Convertible Securities have vested. Unless and until the vesting notice is issued by the Company, the Convertible Securities will not be considered to have vested. For the avoidance of doubt, if the vesting conditions relevant to a Convertible Security are not satisfied and/or otherwise waived by the Board, that Convertible Security will lapse.

8. **(Exercise of Convertible Securities and cashless exercise):** To exercise a Convertible Security, the Participant must deliver a signed notice of exercise and, subject to a cashless exercise of Convertible Securities (see below), pay the exercise price (if any) to or as directed by the Company, at any time prior to the earlier of any date specified in the vesting notice and the expiry date as set out in the invitation. An invitation may specify that at the time of exercise of the Convertible Securities, the Participant may elect not to be required to provide payment of the exercise price for the number of Convertible Securities specified in a notice of exercise, but that on exercise of those Convertible Securities the Company will transfer or issue to the Participant that number of Shares equal in value to the positive difference between the Market Value of the Shares at the time of exercise and the exercise price that would otherwise be payable to exercise those Convertible Securities.

'Market Value' means, at any given date, the volume weighted average price per Share traded on the ASX over the 5 Trading Days immediately preceding that given date, unless otherwise specified in an invitation.

A Convertible Security may not be exercised unless and until that Convertible Security has vested in accordance with the Plan rules, or such earlier date as set out in the Plan rules.

9. **(Delivery of Shares on exercise of Convertible Securities):** As soon as practicable after the valid exercise of a Convertible Security by a Participant, the Company will issue or cause to be transferred to that Participant the number of Shares to which the Participant is entitled under the Plan rules and issue a substitute certificate for any remaining unexercised Convertible Securities held by that Participant.
10. **(Forfeiture of Convertible Securities):** Where a Participant who holds Convertible Securities ceases to be an Eligible Participant or becomes insolvent, all unvested Convertible Securities will automatically be forfeited by the Participant, unless the Board otherwise determines in its discretion to permit some or all of the Convertible Securities to vest. Where the Board determines that a Participant has acted fraudulently or dishonestly, or wilfully breached his or her duties to the Group, the Board may in its discretion deem all unvested Convertible Securities held by that Participant to have been forfeited.

Unless the Board otherwise determines, or as otherwise set out in the Plan rules:

- (a) any Convertible Securities which have not yet vested will be forfeited immediately on the date that the Board determines (acting reasonably and in good faith) that any applicable vesting conditions have not been met or cannot be met by the relevant date; and
 - (b) any Convertible Securities which have not yet vested will be automatically forfeited on the expiry date specified in the invitation.
- 11. **(Change of control):** If a change of control event occurs in relation to the Company, or the Board determines that such an event is likely to occur, the Board may in its discretion determine the manner in which any or all of the Participant's Convertible Securities will be dealt with, including, without limitation, in a manner that allows the Participant to participate in and/or benefit from any transaction arising from or in connection with the change of control event.
- 12. **(Rights attaching to Plan Shares):** All Shares issued under the Plan, or issued or transferred to a Participant upon the valid exercise of a Convertible Security, (**Plan Shares**) will rank pari passu in all respects with the Shares of the same class. A Participant will be entitled to any dividends declared and distributed by the Company on the Plan Shares and may participate in any dividend reinvestment plan operated by the Company in respect of Plan Shares. A Participant may exercise any voting rights attaching to Plan Shares.
- 13. **(Disposal restrictions on Plan Shares):** If the invitation provides that any Plan Shares are subject to any restrictions as to the disposal or other dealing by a Participant for a period, the Board may implement any procedure it deems appropriate to ensure the compliance by the Participant with this restriction.

For so long as a Plan Share is subject to any disposal restrictions under the Plan, the Participant will not:

 - (a) transfer, encumber or otherwise dispose of, or have a security interest granted over that Plan Share; or
 - (b) take any action or permit another person to take any action to remove or circumvent the disposal restrictions without the express written consent of the Company.
- 14. **(Adjustment of Convertible Securities):** If there is a reorganisation of the issued share capital of the Company (including any subdivision, consolidation, reduction, return or cancellation of such issued capital of the Company), the rights of each Participant holding Convertible Securities will be changed to the extent necessary to comply with the Listing Rules applicable to a reorganisation of capital at the time of the reorganisation. If Shares are issued by the Company by way of bonus issue (other than an issue in lieu of dividends or by way of dividend reinvestment), the holder of Convertible Securities is entitled, upon exercise of the Convertible Securities, to receive an allotment of as many additional Shares as would have been issued to the holder if the holder held Shares equal in number to the Shares in respect of which the Convertible Securities are exercised. Unless otherwise determined by the Board, a holder of Convertible Securities does not have the right to participate in a pro rata issue of Shares made by the Company or sell renounceable rights.
- 15. **(Participation in new issues):** There are no participation rights or entitlements inherent in the Convertible Securities and holders are not entitled to participate in any new issue of Shares of the Company during the currency of the Convertible Securities without exercising the Convertible Securities.

16. **(Amendment of Plan):** Subject to the following paragraph, the Board may at any time amend any provisions of the Plan rules, including (without limitation) the terms and conditions upon which any Securities have been granted under the Plan and determine that any amendments to the Plan rules be given retrospective effect, immediate effect or future effect. No amendment to any provision of the Plan rules may be made if the amendment materially reduces the rights of any Participant as they existed before.

Schedule 3 Terms and conditions of Director Performance Rights

The terms of the Director Performance Rights are as follows:

1. Entitlement

The Performance Rights entitle the holder (**Holder**) to subscribe for one Share upon the conversion of each Performance Right (once vested).

2. Consideration

The Performance Rights will be granted for nil cash consideration.

3. Conversion price

The conversion price of each Performance Right is nil.

4. Vesting Conditions

The Performance Rights are subject to the achievement of the following milestones (**Milestone Conditions**) as measured on 30 June 2025:

No.	Performance Conditions and Weightings
1.	<p>Generative Exploration, Project Definition, Pre-development and Strategic Objectives (maximum weighting 40%)</p> <p>Generate significant value, on an existing or new asset (either operated or non-operated), through the achievement of several strategic objectives that exceed stretch targets as pre-determined by the Board, including:</p> <ul style="list-style-type: none"> • Define a new, material JORC Mineral Resource (excluding Gonneville); • Increase materially an existing JORC Mineral Resource; • Define JORC Mineral Reserves or a material increase in JORC Mineral Reserves, • Complete a Feasibility Study for the Gonneville starter mine at the Julimar Project, • Submit all technical studies required for major environmental approvals for the Gonneville starter mine, • Secure a pathway to obtaining granted mining licences within the Julimar State Forest, and • Sell or divest a material asset (as part of an asset sale, joint venture or corporate transaction) achieving certain pre-determined financial outcomes.
2.	<p>Absolute Total Shareholder Return (TSR) measure (maximum weighting 20%)</p> <p>A proportional LTI payment shall be made which is directly proportional to the Total Shareholder Return (TSR) from 1 July 2022 to 30 June 2025. The proportion paid is calculated as:</p> <ul style="list-style-type: none"> • If 3-yr TSR <10% p.a. (equivalent to <33.1% increase in share price in 3 years) – 0% • If 3-yr TSR between 10-20% p.a. (equivalent to 33.1-72.8% increase in share price) – weighting pro-rata between 5-20% • If 3-yr TSR >20% p.a. (equivalent to >72.8% increase in share price) – weighting 20%

No.	Performance Conditions and Weightings
3.	<p>Relative TSR compared to peer group. (maximum weighting 40%)</p> <p>A proportional LTI payment shall be made where the TSR exceeds the median TSR of the ASX 300 Metals and Mining Index, between 1 July 2022 and 30 June 2025. The proportion paid is calculated as:</p> <ul style="list-style-type: none"> • If TSR <50th percentile – 0% • If TSR between 50th and 75th percentile - weighting pro-rata between 5-40% • If TSR >75th percentile – weighting 40% <p>As an illustrative example: If the TSR is at the 65th percentile, 26% of the performance measure would be deemed to have been met – calculated as $((65\%-50\%)/(75\%-50\%)) \times (40\%-5\%)+5\%$</p>
	<p>Board Discretion</p> <p>Where required, the Board may, acting reasonably and in good faith, use its discretion to vary the maximum weightings. For example, where a sale of an asset occurs prior to estimating resources or reserves (i.e. a milestone is unable to be met), the Board may allocate the attributable weighting to other milestones.</p>

5. **Expiry Date**

Any Performance Rights that have not vested before 5pm (AWST) on 30 June 2027 will immediately lapse (**Expiry Date**). If this falls during a “Blackout Period” as defined in the Company’s securities trading policy, the Expiry Date will be 5pm (AWST) on the date 10 Business Days after the last day of that Blackout Period.

6. **Equity or Cash Settled**

The Board will not have the discretion to determine whether the Company with respect to each vested Convertible Security being exercised is equity or cash settled.

7. **Timing of issue of Shares and quotation of Shares on conversion**

Within 5 Business Days after the valid conversion of a Performance Right by the Holder, the Company will:

- (a) issue, allocate or cause to be transferred to the Consultant (or its nominee) the number of Shares to which the Holder is entitled;
- (b) issue a substitute Certificate for any remaining unconverted Performance Rights held by the Holder;
- (c) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act; and
- (d) do all such acts, matters and things to obtain the grant of quotation of the Shares by ASX in accordance with the Listing Rules.

All Shares issued upon the conversion of Performance Rights will upon issue rank equally in all respects with the then issued Shares.

8. **Restrictions on transfer of Shares**

If the Company is unable to give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, Shares issued on conversion of a Performance Right may not be traded until 12 months after their issue unless the Company, at its sole discretion, elects to issue a prospectus pursuant to section 708A(11) of the Corporations Act.

9. **Leaver**

Where the Holder (or the person who is entitled to be registered as the holder) of the Performance Rights is no longer employed, or their engagement is discontinued (for whatever reason), with the Company, any unconverted and unvested Performance Rights will automatically lapse and be forfeited by the Holder, unless the Board otherwise determines in its discretion.

10. **Participation in new issues**

There are no participation rights or entitlements inherent in the Performance Rights and a holder will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Performance Rights. However, the Company will give the holder notice of the proposed issue prior to the date for determining entitlements to participate in any such issue.

11. **Adjustment for bonus issues of Shares**

If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction, of dividends or by way of dividend reinvestment) no changes will be made to the Performance Rights.

12. **Adjustments for reorganisation**

If there is any reconstruction of the issued share capital of the Company, the rights of the Performance Rights holder may be varied to comply with the Listing Rules which apply to the reconstruction at the time of the reconstruction.

13. **Quotation of Performance Rights**

The Performance Rights will be unquoted Performance Rights.

14. **Performance Rights non-transferable**

The Performance Rights are non-transferable but may be transferrable in special circumstances as set out in the Plan.

15. **Dividend rights**

A Performance Right does not entitle the Holder to any dividends.

16. **Return of capital rights**

The Performance Rights do not confer any right to a return of capital, whether in a winding up, upon a reduction of capital or otherwise.

17. **No other rights**

A Performance Right does not give a Holder any rights other than those expressly provided by these terms, the Plan and those provided at law where such rights at law cannot be excluded by these terms.

Schedule 4 Valuation of Director Performance Rights

The Performance Rights to be issued to Alex Dorsch pursuant to Resolution 4 have been valued at \$713,828 using the following methodology and assumptions:

Performance Rights Measured Against Non-Market Based Objectives

A Black Scholes option pricing model has been used to value the Performance Rights that vest upon achieving the non-market based strategic objectives set out in Schedule 3. The non-market based vesting conditions consist of Generative Exploration, Project Definition Pre-development and Strategic milestone achievements (together **Strategic Rights**). No discount is made to the fundamental value derived from the option valuation model for unlisted rights over listed shares.

Performance Rights Measured Against Absolute Total Shareholder Return Objectives

The Performance Rights that vest upon meeting the absolute total shareholder return objectives (**ATSR Rights**) set out in Schedule 3 have been valued using a hybrid multiple barrier option pricing model. The model incorporates a Monte Carlo simulation, which simulates the Company's Share price at the measurement date. The forecast Share price at the measurement date is then used to calculate the value of the ATSR Rights. The value is adjusted based on the vesting percentage, then discounted to its present value. This process is repeated for 50,000 iterations. The average ATSR Right value of the Monte Carlo iterations where the Company's Share price exceeds the barriers, represents the final ATSR Right value. The barriers are assessed with reference to the 20-day VWAP of the Company at the test date.

Performance Rights Measured Against Relative Total Shareholder Return Objectives

The Performance Rights that vest upon meeting the relative total shareholder return objectives (**RTSR Rights**) set out in Schedule 3. have been valued using a hybrid employee share option pricing model which uses a correlated simulation that simultaneously calculates the returns from the Company and the individual Peer Group companies total shareholder return (**TSR**) on a risk neutral basis as at the vesting date with regards to the measurement period. The TSR of the Company is ranked against the TSR of each constituent of the Peer Group as at the vesting date and a vesting percentage calculated. The forecast Share price at the measurement date is then used to calculate the price of the RTSR Rights. The price is adjusted based on the vesting percentage, then discounted to its present value. This process is repeated for 50,000 iterations.

Assumptions	Strategic Rights	ATSR Rights	RTSR Rights
Underlying Share price on the valuation date	\$3.69	\$3.69	\$3.69
20-day VWAP at commencement of performance period	\$4.22	\$4.22	\$4.22
Exercise price	Nil	Nil	Nil
Valuation date	27-Sept-22	27-Sept-22	27-Sept-22
Commencement of measurement period	1-Jul-22	1-Jul-22	1-Jul-22
Performance measurement date	30-Jun-25	30-Jun-25	30-Jun-25

Assumptions	Strategic Rights	ATSR Rights	RTSR Rights
Performance period remaining(years)	2.76	2.76	2.76
Expiry date	30-Jun-27	30-Jun-27	30-Jun-27
Expiration period remaining(years)	4.76	4.76	4.76
Expected volatility	100%	100%	100%
Risk free interest rate	3.725%	3.725%	3.725%
Dividend yield	Nil	Nil	Nil
Number of Performance Rights	91,575	45,788	91,575
Value of each Performance Right	\$3.69	\$2.39	\$2.91
Aggregate value of Performance Rights	\$337,912	\$109,433	\$266,483

Notes:

1. At the Valuation Date, the estimated volatility of the Share price of the Company and each constituent of its peer group was calculated using data extracted from Bloomberg.
2. The Australian Government 3-year bond rate as at the Valuation Date was used.
3. A nil dividend yield is assumed on the basis that the Company is unlikely to pay a dividend during the life of the Performance Rights.
4. The Share price used is \$3.69, being the underlying Share price on the valuation date of 21 September 2021.
5. No consideration is to be paid upon exercising the Performance Rights.
6. Under the accounting standard AASB 2 Share Based Payments, the Company will recognise a non-cash expense in the income statement based on the fair value of the Performance Rights over the period from the date of issue to the vesting date. The total of the fair value of the Performance Rights will be allocated over the applicable vesting periods.

Schedule 5 Proportional Takeover Bid Approval Provisions

1 Resolution required for proportional takeover provisions

If offers are made under a proportional takeover bid for securities of the Company in accordance with the Corporations Act:

- (a) this Schedule applies;
- (b) the registration of a transfer giving effect to a takeover contract resulting from acceptance of an offer made under the takeover bid is prohibited unless and until a resolution (an "approving resolution") to approve the bid is passed or taken to be passed in accordance with paragraph 4 or 5; and
- (c) the Directors must ensure that an approving resolution is voted on in accordance with paragraphs 2 to 3 before the 14th day before the last day of the bid period.

2 Procedure for resolution

The Directors may determine whether the approving resolution is voted on:

- (a) at a meeting of persons entitled to vote on the resolution convened and conducted, subject to the provisions of paragraph 3, as if it were a general meeting of the Company convened and conducted in accordance with this Constitution and the Corporations Act with such modifications as the Directors determine the circumstances require; or
- (b) by means of a postal ballot conducted in accordance with the following procedure:
 - (i) a notice of postal ballot and ballot paper must be sent to all persons entitled to vote on the resolution not less than 14 days before the date specified in the notice for closing of the postal ballot, or such lesser period as the Directors determine the circumstances require;
 - (ii) the non-receipt of a notice of postal ballot or ballot paper by, or the accidental omission to give a notice of postal ballot or ballot paper to, a person entitled to receive them does not invalidate the postal ballot or any resolution passed under the postal ballot;
 - (iii) the notice of postal ballot must contain the text of the resolution and the date for closing of the ballot and may contain any other information the Directors consider appropriate;
 - (iv) each ballot paper must specify the name of the person entitled to vote;
 - (v) a postal ballot is only valid if the ballot paper is duly completed and:
 - (A) if the person entitled to vote is an individual, signed by the individual or a duly authorised attorney; or
 - (B) if the person entitled to vote is a corporation, executed under seal or as permitted by the Corporations Act or under the hand of a duly authorised officer or duly authorised attorney;

- (vi) a postal ballot is only valid if the ballot paper and the power of attorney or other authority, if any, under which the ballot paper is signed or a copy of that power or authority certified as a true copy by statutory declaration is or are received by the Company before close of business on the date specified in the notice of postal ballot for closing of the postal ballot at the Registered Office or share registry of the Company or at such other place as is specified for that purpose in the notice of postal ballot; and
- (vii) a person may revoke a postal ballot vote by notice in writing which to be effective must be received by the Company before the close of business on the date for closing of the postal ballot.

3 Persons entitled to vote

The only persons entitled to vote on the approving resolution are those persons who, as at the end of the day on which the first offer under the bid was made, held bid class securities. Each person who is entitled to vote is entitled to one vote for each bid class security held by that person at that time. Neither the bidder nor any associate of the bidder is entitled to vote on the resolution.

4 Resolution passed or rejected

If the resolution is voted on in accordance with paragraphs 1 to 3, then it is taken to have been passed if the proportion that the number of votes in favour of the resolution bears to the total number of votes on the resolution is greater than one-half, and otherwise is to be taken to have been rejected.

5 Resolution taken as passed

If a resolution to approve the bid has not been voted on as at the end of the day before the 14th day before the last day of the offer period, then a resolution to approve the bid is taken to have been passed in accordance with paragraphs 2 to 4.

6 Takeover articles cease to have effect

Paragraphs 1 to 5 cease to have effect on the day 3 years after the later of their adoption or last renewal.

Schedule 6 Summary of material terms of New Plan

The following is a summary of the material terms and conditions of the New Plan:

1. **(Eligible Participant):** A person is eligible to participate in the New Plan (**Eligible Participant**) if they have been determined by the Board to be eligible to participate in the New Plan from time to time and are an “ESS participant” (as that term is defined in Division 1A) in relation to the Company or an associated entity of the Company.

This relevantly includes, amongst others:

- (a) an employee or director of the Company or an individual who provides services to the Company;
- (b) an employee or director of an associated entity of the Company or an individual who provides services to such an associated entity;
- (c) a prospective person to whom paragraphs (a) or (b) apply;
- (d) a person prescribed by the relevant regulations for such purposes; or
- (e) certain related persons on behalf of the participants described in paragraphs (a) to (d) (inclusive).

2. **(Maximum allocation):**

- (a) The Company must not make an offer of Securities under the New Plan in respect of which monetary consideration is payable (either upfront, or on exercise of convertible securities) where:

- (i) the total number of Plan Shares (as defined in paragraph 13 below) that may be issued or acquired upon exercise of the convertible securities offered; plus
- (ii) the total number of Plan Shares issued or that may be issued as a result of offers made under the New Plan at any time during the previous 3 year period,

would exceed 5% of the total number of Shares on issue at the date of the offer or such other limit as may be specified by the relevant regulations or the Company’s Constitution from time to time.

3. **(Purpose):** The purpose of the New Plan is to:

- (a) assist in the reward, retention and motivation of Eligible Participants;
- (b) link the reward of Eligible Participants to Shareholder value creation; and
- (c) align the interests of Eligible Participants with shareholders of the Group (being the Company and each of its Associated Bodies Corporate), by providing an opportunity to Eligible Participants to receive an equity interest in the Company in the form of Securities.

4. **(Plan administration):** The New Plan will be administered by the Board. The Board may exercise any power or discretion conferred on it by the New Plan rules in its sole and absolute discretion, subject to compliance with applicable laws and the Listing Rules. The Board may delegate its powers and discretion.

5. **(Eligibility, invitation and application):** The Board may from time to time determine that an Eligible Participant may participate in the New Plan and make an invitation to that Eligible Participant to apply for Securities on such terms and conditions as the Board decides. An

invitation issued under the New Plan will comply with the disclosure obligations pursuant to Division 1A.

On receipt of an invitation, an Eligible Participant may apply for the Securities the subject of the invitation by sending a completed application form to the Company. The Board may accept an application from an Eligible Participant in whole or in part. If an Eligible Participant is permitted in the invitation, the Eligible Participant may, by notice in writing to the Board, nominate a party in whose favour the Eligible Participant wishes to renounce the invitation. A waiting period of at least 14 days will apply to acquisitions of Securities for monetary consideration as required by the provisions of Division 1A.

6. **(Grant of Securities):** The Company will, to the extent that it has accepted a duly completed application, grant the successful applicant (**Participant**) the relevant number of Securities, subject to the terms and conditions set out in the invitation, the New Plan rules and any ancillary documentation required.
7. **(Terms of Convertible Securities):** Each 'Convertible Security' represents a right to acquire one or more Shares (for example, under an option or performance right), subject to the terms and conditions of the New Plan.

Prior to a Convertible Security being exercised a Participant does not have any interest (legal, equitable or otherwise) in any Share the subject of the Convertible Security by virtue of holding the Convertible Security. A Participant may not sell, assign, transfer, grant a security interest over or otherwise deal with a Convertible Security that has been granted to them. A Participant must not enter into any arrangement for the purpose of hedging their economic exposure to a Convertible Security that has been granted to them.

8. **(Vesting of Convertible Securities):** Any vesting conditions applicable to the grant of Convertible Securities will be described in the invitation. If all the vesting conditions are satisfied and/or otherwise waived by the Board, a vesting notice will be sent to the Participant by the Company informing them that the relevant Convertible Securities have vested. Unless and until the vesting notice is issued by the Company, the Convertible Securities will not be considered to have vested. For the avoidance of doubt, if the vesting conditions relevant to a Convertible Security are not satisfied and/or otherwise waived by the Board, that Convertible Security will lapse.
9. **(Exercise of Convertible Securities and cashless exercise):** To exercise a Convertible Security, the Participant must deliver a signed notice of exercise and, subject to a cashless exercise of Convertible Securities (see below), pay the exercise price (if any) to or as directed by the Company, at any time prior to the earlier of any date specified in the vesting notice and the expiry date as set out in the invitation.

At the time of exercise of the Convertible Securities, and subject to Board approval, the Participant may elect not to be required to provide payment of the exercise price for the number of Convertible Securities specified in a notice of exercise, but that on exercise of those Convertible Securities the Company will transfer or issue to the Participant that number of Shares equal in value to the positive difference between the Market Value of the Shares at the time of exercise and the exercise price that would otherwise be payable to exercise those Convertible Securities.

Market Value means, at any given date, the volume weighted average price per Share traded on the ASX over the 5 trading days immediately preceding that given date, unless otherwise specified in an invitation.

A Convertible Security may not be exercised unless and until that Convertible Security has vested in accordance with the New Plan rules, or such earlier date as set out in the New Plan rules.

10. **(Delivery of Shares on exercise of Convertible Securities):** As soon as practicable after the valid exercise of a Convertible Security by a Participant, the Company will issue or cause to be

transferred to that Participant the number of Shares to which the Participant is entitled under the New Plan rules and issue a substitute certificate for any remaining unexercised Convertible Securities held by that Participant.

11. **(Forfeiture of Convertible Securities):** Where a Participant who holds Convertible Securities ceases to be an Eligible Participant or becomes insolvent, all unvested Convertible Securities will automatically be forfeited by the Participant, unless the Board otherwise determines in its discretion to permit some or all of the Convertible Securities to vest.

Where the Board determines that a Participant has acted fraudulently or dishonestly, or wilfully breached his or her duties to the Group, the Board may in its discretion deem all unvested Convertible Securities held by that Participant to have been forfeited.

Unless the Board otherwise determines, or as otherwise set out in the New Plan rules: any Convertible Securities which have not yet vested will be forfeited immediately on the date that the Board determines (acting reasonably and in good faith) that any applicable vesting conditions have not been met or cannot be met by the relevant date; and any Convertible Securities which have not yet vested will be automatically forfeited on the expiry date specified in the invitation.

12. **(Change of control):** If a change of control event occurs in relation to the Company, or the Board determines that such an event is likely to occur, the Board may in its discretion determine the manner in which any or all of the Participant's Convertible Securities will be dealt with, including, without limitation, in a manner that allows the Participant to participate in and/or benefit from any transaction arising from or in connection with the change of control event.
13. **(Rights attaching to Plan Shares):** All Shares issued under the New Plan, or issued or transferred to a Participant upon the valid exercise of a Convertible Security, **(Plan Shares)** will rank pari passu in all respects with the Shares of the same class. A Participant will be entitled to any dividends declared and distributed by the Company on the New Plan Shares and may participate in any dividend reinvestment plan operated by the Company in respect of Plan Shares. A Participant may exercise any voting rights attaching to Plan Shares.
14. **(Disposal restrictions on Securities):** If the invitation provides that any Plan Shares or Convertible Securities are subject to any restrictions as to the disposal or other dealing by a Participant for a period, the Board may implement any procedure it deems appropriate to ensure the compliance by the Participant with this restriction.
15. **(Adjustment of Convertible Securities):** If there is a reorganisation of the issued share capital of the Company (including any subdivision, consolidation, reduction, return or cancellation of such issued capital of the Company), the rights of each Participant holding Convertible Securities will be changed to the extent necessary to comply with the Listing Rules applicable to a reorganisation of capital at the time of the reorganisation.

If Shares are issued by the Company by way of bonus issue (other than an issue in lieu of dividends or by way of dividend reinvestment), the holder of Convertible Securities is entitled, upon exercise of the Convertible Securities, to receive an allotment of as many additional Shares as would have been issued to the holder if the holder held Shares equal in number to the Shares in respect of which the Convertible Securities are exercised.

Unless otherwise determined by the Board, a holder of Convertible Securities does not have the right to participate in a pro rata issue of Shares made by the Company or sell renounceable rights

16. **(Participation in new issues):** There are no participation rights or entitlements inherent in the Convertible Securities and holders are not entitled to participate in any new issue of Shares of the Company during the currency of the Convertible Securities without exercising the Convertible Securities.
17. **(Amendment of Plan):** Subject to the following paragraph, the Board may at any time amend any provisions of the New Plan rules, including (without limitation) the terms and conditions

upon which any Securities have been granted under the New Plan and determine that any amendments to the New Plan rules be given retrospective effect, immediate effect or future effect.

No amendment to any provision of the New Plan rules may be made if the amendment materially reduces the rights of any Participant as they existed before the date of the amendment, other than an amendment introduced primarily for the purpose of complying with legislation or to correct manifest error or mistake, amongst other things, or is agreed to in writing by all Participants.

18. **(Plan duration)**: The New Plan continues in operation until the Board decides to end it. The Board may from time to time suspend the operation of the New Plan for a fixed period or indefinitely, and may end any suspension. If the New Plan is terminated or suspended for any reason, that termination or suspension must not prejudice the accrued rights of the Participants.
19. **(Employee Share Trust)**: The Board may in its sole and absolute discretion use an employee share trust or other mechanism for the purposes of holding securities for holders under the Plan and delivering Shares on behalf of holders upon exercise of Options or Performance Rights.