



# ASX Announcement

20 October 2023

## Notice of Annual General Meeting and Shareholder Letter

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Chalice Mining Limited ("Chalice" or "the Company", ASX: CHN) advises that its 2023 Annual General Meeting ("AGM") will be held at 9:00am (AWST), Thursday, 23 November 2023 at **The Westin Hotel**, Cassia Room, Level 1 Function Floor, 480 Hay Street, Perth, Western Australia.

Please find attached the following documents providing further details on the AGM:

- « Shareholder Notice and Access Letter;
- « Notice of Annual General Meeting, and
- « Sample Proxy Voting Form.

The above documents will be dispatched to the Company's shareholders today, according to their communication preference.

Copies of the above documents are also available on Chalice's website at:

<https://chalicemining.com/investors/2023agm>

This announcement has been authorised for release by the Disclosure Committee.

**For further information, please visit [www.chalicemining.com](http://www.chalicemining.com) to view our latest corporate presentation, or contact:**

### Corporate Enquiries

Alex Dorsch  
Managing Director and CEO  
Chalice Mining Limited  
+61 8 9322 3960  
[info@chalicemining.com](mailto:info@chalicemining.com)

### Media Enquiries

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### Follow our communications

LinkedIn: [chalice-mining](https://www.linkedin.com/company/chalice-mining)  
Twitter: [@chalicemining](https://twitter.com/chalicemining)

**Registered Office**  
ABN 47 116 648 956

Level 3, 46 Colin Street, West Perth  
WA 6005, Australia  
PO Box 428, West Perth WA 6872

T: +61 8 9322 3960  
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20 October 2023

## 2023 Annual General Meeting

Dear Shareholder,

Chalice Mining Limited (**Chalice** or **the Company**) advises that the 2023 Annual General Meeting (**AGM**) will be held as a physical meeting as follows:

**Date and time:** Thursday, 23 November 2023 at 9.00am (AWST)

**Location:** The Westin Hotel  
Cassia Room, Level 1 Function Floor  
480 Hay Street, Perth, Western Australia

### Notice of Meeting

In accordance with Section 110D the *Corporations Act 2001* (Cth), the Company will not be dispatching physical copies of the Notice of Meeting (**Notice**) unless a valid election has been made to receive the Notice in hard copy.

A copy of the Notice and accompanying explanatory statement (**Meeting Materials**) are available to Shareholders electronically and can be viewed or downloaded as follows:

- « On the Company's website at <https://chalicemining.com/investors/2023agm>
- « On the ASX at <https://www2.asx.com.au> under the Company's code "CHN". A copy of the Meeting Materials was released to the ASX on 20 October 2023.
- « If you have provided an email address and have elected to receive electronic communications from the Company, you will receive an email with a link to an electronic copy of the Meeting Materials and the voting instruction form.

Our Annual Report is also available to view and download on the Company's website at:

<https://chalicemining.com/investors/financial-reports>

The Meeting Materials are important and should be read in its entirety. If you are in doubt as to the course of action you should follow, you should consult your financial adviser, lawyer, accountant or other suitably qualified professional adviser.

If you are unable to access the Meeting Materials, please contact the Company Secretary via email at [info@chalicemining.com](mailto:info@chalicemining.com) or phone at +61 (8) 9322 3960.

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[www.chalicemining.com](http://www.chalicemining.com)

 @chalicemining  
 chalice-mining

## How to submit your vote in advance of the AGM

If you have not elected to receive Notices by email, a copy of your personalised proxy form is enclosed for your convenience. If you have nominated an email address and have elected to receive electronic communications from the Company, you will also receive an email with a link to an electronic copy of the Meeting Materials.

Shareholders are encouraged to complete and lodge their proxies online at [www.investorvote.com.au](http://www.investorvote.com.au) (Control number: 183206) or otherwise by lodging the personalised proxy form attached in accordance with the instructions set out in the proxy form and the Meeting Materials.

Further details on "How to Vote" can be found on pages 6 to 8 of the Notice.

Your proxy voting instruction must be received by 9:00am (AWST) on Tuesday, 21 November 2023, being not less than 48 hours before the commencement of the AGM. Any proxy voting instructions received after that time will not be valid for the AGM.

## Electronic communications

Chalice is committed to minimising printing to reduce our impact on the environment. To that end, we are asking all shareholders to provide an email address to receive their communications online. This ensures we are providing you with the information you need in the fastest, most cost-effective manner possible, while also significantly reducing our environmental impact.

Shareholder communications available online include the Annual Report, Voting Forms, Notice of Meeting, Issuer Sponsored Holding Statements, Payment Advices and other company related information. You can also view, download or print your shareholding information as you choose.

To update your details online:

- « Visit <https://www.computershare.com.au/easyupdate/CHN>
- « Follow the prompts to update your information, add your e-mail address and update your 'Communications preferences'.

The Board of Directors look forward to your participation at the AGM and thank you for your continued support.

Yours faithfully,



**Derek La Ferla**  
Chair

## Connect with Chalice

For further Company information, please visit <http://www.chalicemining.com> to view our latest corporate presentation, or contact:

### Corporate enquiries

Alex Dorsch  
Managing Director and CEO  
Chalice Mining Limited  
+61 8 9322 3960  
[info@chalicemining.com](mailto:info@chalicemining.com)

### Follow our communications

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Twitter: [@chalicemining](https://twitter.com/chalicemining)



**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 Thursday, 23 November 2023

**Location:** The Westin Hotel, Cassia Room, Level 1 Function Floor,  
480 Hay Street, Perth, Western Australia

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

**Should you have any questions regarding this Notice of Annual General Meeting, please contact our Company Secretary on (08) 9322 3960.**

**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 Westin Hotel, Cassia Room, Level 1 Function Floor, 480 Hay Street, Perth, Western Australia, on 23 November 2023 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 2023.

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 2023, 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 – Garret Dixon**

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

*'That, Garret Dixon, 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 – 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 154,574 Performance Rights to Alex Dorsch (or his nominees) under the Plan, on the terms and conditions in the Explanatory Memorandum.'*

### **Resolution 4 – 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 9,589,042 Placement Shares, on the terms and conditions in the Explanatory Memorandum.'*

### **Resolution 5 – Ratification of issue of Northam 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 629,755 Northam Shares, on the terms and conditions in the Explanatory Memorandum.'*

### **Resolution 6 – Ratification of issue of Consideration 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 611,371 Consideration Shares, on the terms and conditions in the Explanatory Memorandum.'*

## Voting exclusions

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

**Resolution 3:** 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 4:** 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 5:** by or on behalf of a person who participated in the issue of the Northam Shares, or any of their respective associates, or their nominees.

**Resolution 6:** by or on behalf of a person who participated in the issue of the Consideration Shares, 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 3:** 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.

**BY ORDER OF THE BOARD**

A handwritten signature in black ink, appearing to read 'Derek La Ferla', written over a faint, illegible stamp or background.

**Derek La Ferla**  
Chair  
Chalice Mining Limited

Dated: 20 October 2023



**Chalice Mining Limited**  
**ACN 116 648 956**  
**(Company)**

## **Explanatory Memorandum**

### **1. Introduction**

This 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 Westin Hotel, Cassia Room, Level 1 Function Floor, 480 Hay Street, Perth, Western Australia, on 23 November 2023 at 9:00am (AWST) (**Meeting**).

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

This 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 – Garret Dixon
Section 6	Resolution 3 – Approval of issue of Performance Rights to Alex Dorsch
Section 7	Resolution 4 – Ratification of issue of Placement Shares
Section 8	Resolution 5 – Ratification of issue of Northam Shares
Section 9	Resolution 6 – Ratification of issue of Consideration Shares
Schedule 1	Definitions
Schedule 2	Terms and conditions of the MD Performance Rights
Schedule 3	Valuation of the MD Performance Rights
Schedule 4	Summary of material terms of Plan

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

### **2. Voting and attendance information**

Shareholders should read the Notice, including this 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 Voting in person

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

## 2.2 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:

<b>Online:</b>	<a href="http://www.investorvote.com.au">www.investorvote.com.au</a>
<b>By mail:</b>	Share Registry – Computershare Investor Services Pty Limited, GPO Box 242, Melbourne Victoria 3001, Australia
<b>By fax:</b>	1800 783 447 (within Australia) +61 3 9473 2555 (outside Australia)
<b>By mobile:</b>	Scan the QR Code on your Proxy Form and follow the prompts
<b>Custodian voting:</b>	For Intermediary Online subscribers only (custodians) please visit <a href="http://www.intermediaryonline.com">www.intermediaryonline.com</a> 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 2023**. 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.

### **2.3 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.

### **2.4 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** and **Resolution 3**, 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 2023.

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/investors/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 either:

- (a) in person at: Level 3, 46 Colin St, West Perth, Western Australia
- (b) by post to: PO Box 428, West Perth, Western Australia 6872, Australia

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 2023 in the 2023 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 2022 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 2024 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 – Garret Dixon**

### **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.

Garret Dixon, Non-Executive Director, was last elected at the Company's 2020 annual general meeting. Accordingly, Garret Dixon retires at this Meeting and, being eligible, seeks re-election pursuant to this Resolution 2.

### **5.2 Garret Dixon**

Garret Dixon has extensive experience in the resources and mining contracting sectors in Australia and overseas. His work in both private and ASX listed companies spans more than three decades, having worked in senior executive roles for major mine owners, mine operators and contractors.

Mr Dixon previously held the position of Executive VP Alcoa & President Bauxite where he was responsible for the global bauxite mining business for the NYSE listed Alcoa Corporation.

Previous roles have also included Executive General Manager of civil construction and contract mining group Henry Walker Eltin Ltd and Managing Director of ASX listed Gindalbie Metals Ltd.

Mr Dixon is currently a Non-executive Director of BCI Minerals Ltd, Non-executive Chairman of Dynamic Drill & Blast Holdings Ltd and Non-Executive Director of MLG OZ Limited.

He has a Bachelor of Engineering, Civil (Hons) and a Master of Business Administration (MBA), and is a member of the Australian Institute of Company Directors.

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

Mr Dixon is Chair of the Risk and Sustainability Committee and a member of the Technical Committee.

The Board considers Mr Dixon to be an independent Director.

### **Board recommendation**

The Board (other than Mr Dixon who has a personal interest in the outcome of this Resolution) supports the re-election of Mr Dixon. Mr Dixon's considerable mining industry, corporate, and

commercial experience gained across his former and current roles in both an executive and non-executive capacity, enhances the Board's capability. Mr Dixon's significant experience provides a valuable contribution to the Board through his role as Chair of the Risk and Sustainability Committee and as a member of the Technical Committee.

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

### **5.3 Additional information**

Resolution 2 is an ordinary resolution.

If Resolution 2 is passed, Mr Dixon will be elected as a Non-Executive Director of the Company.

If Resolution 2 is not passed, Mr Dixon will not be elected as a Non-Executive Director of the Company.

## **6. Resolution 3 – Approval of issue of Performance Rights to Alex Dorsch**

### **6.1 General**

The Company is proposing, subject to obtaining Shareholder approval, to issue up to 154,574 Performance Rights under the Plan to Alex Dorsch (or his nominees) (**MD Performance Rights**). A summary of the Plan is in Schedule 4.

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 MD Performance Rights aims to ensure alignment of 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 proposed grant of the MD Performance Rights under Resolution 3 is a key component of the remuneration arrangements of Mr Dorsch. The remuneration mix of Mr Dorsch's remuneration arrangements for FY2024, are 33% fixed annual remuneration, 8% short-term incentives and 59% long-term incentives.

The number of MD Performance Rights proposed to be granted is calculated as 175% of Mr Dorsch's fixed annual remuneration of \$600,000, divided by \$6.7929, being the volume weighted average price of the Company's Shares on the ASX over the 20 days up to and including 30 June 2023.

The MD 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 MD Performance Rights lapse and no Shares will be issued.

The MD Performance Rights will vest and otherwise be issued on the terms and conditions described in Schedule 2.

Resolution 3 seeks Shareholder approval pursuant to Listing Rule 10.14 for the issue of the MD Performance Rights to Alex Dorsch (or his nominees) under the Plan.

**6.2 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 MD Performance Rights as approval is being obtained under Listing Rule 10.14. Accordingly, the issue of the MD 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 3 will be to allow the Company to issue the MD Performance Rights to Alex Dorsch (or his nominees) under the Plan.

If Resolution 3 is not passed, the Company will not be able to proceed with the issue of the MD Performance Rights, and the Company will have to consider alternative commercial means to incentivise Alex Dorsch.

**6.3 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 MD Performance Rights:

- (a) The MD Performance Rights will be issued under the 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 154,574 MD 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) ( <b>FAR</b> )	\$600,000
Short-term incentive opportunity, to be measured 30 June 2024 (paid in cash)	Maximum 25% of FAR (i.e. \$150,000)
Long term incentive granted as performance rights, to be measured 30 June 2026.	Maximum 175% of FAR on a face value basis (i.e. \$1,050,000)

- (e) There have been no issues of Equity Securities to Alex Dorsch (or his nominees) under the Plan.
- (f) The MD Performance Rights will be issued on the terms and conditions in Schedule 2.
- (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 the goal of generating shareholder wealth. The vesting conditions 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 MD Performance Rights upon satisfaction of the relevant milestones.
- (h) The Company's valuation of the MD Performance Rights is \$230,656. Additional information on the valuation methodologies and assumptions are contained in Schedule 3.
- (i) The MD 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 MD 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 Plan is in Schedule 4.
- (l) No loan will be provided to Alex Dorsch in relation to the issue of the MD 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.

#### **6.4 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 MD 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 MD Performance Rights falls within the "reasonable remuneration" exception stipulated by section 211 of the Corporations Act.

## **6.5 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 3.

## **6.6 Additional information**

Resolution 3 is an ordinary resolution.

# **7. Resolution 4 – Ratification of issue of Placement Shares**

## **7.1 General**

On 12 May 2023, the Company announced it had received firm commitments to raise approximately \$70,000,000 (before costs) under a placement (**Placement**). The Placement comprised the issue of 9,589,042 Shares (**Placement Shares**) at \$7.30 per Share. The Placement Shares were issued to a range of sophisticated, professional and institutional investors.

On 19 May 2023, the Company issued the Placement Shares using the Company's placement capacity under Listing Rule 7.1.

Resolution 4 seeks the approval of Shareholders pursuant to Listing Rule 7.4 to ratify the issue of the Placement Shares.

## **7.2 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 4 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 4 is passed, 9,589,042 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 4 is not passed, 9,589,042 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 9,589,042 Equity Securities for the 12 month period following the issue of the Placement Shares.

### **7.3 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 Lead Manager seeking expressions of interest to participate in the Placement from existing contacts of the Company and clients of the Lead Manager.
- (b) 9,589,042 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 19 May 2023.
- (e) The Placement Shares were issued at \$7.30 each.
- (f) The proceeds from the issue of the Placement Shares have been or are intended to be used to support:
  - (i) reconnaissance exploration drilling along the >30km long Julimar Complex, including:
    - (A) ongoing drilling along the Hartog-Hooley-Dampier strike length, where several promising sulphide zones were recently intersected (refer to ASX Announcement on 3 May 2023); and
    - (B) maiden exploration drilling at the untested Baudin-Jansz-Torres targets at the northern end of the Complex (expected to commence in the coming months);
  - (ii) ongoing wide-spaced step-out drilling at the Gonneville Project to determine the overall scale of the deposit and define extensions to the underground Mineral Resource;
  - (iii) initial drill testing of recently defined greenfield targets within the largely unexplored West Yilgarn Ni-Cu-PGE Province, as well as follow-up geochemical sampling, ground EM and reconnaissance mapping of prospective targets; and
  - (iv) completion of the Scoping Study and PFS for the Gonneville Project, including the next phase of comprehensive metallurgical testwork, development studies and the submission of regulatory approvals.
  - (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.

#### **7.4 Board recommendation**

The Board recommends that Shareholders vote in favour of Resolution 4.

#### **7.5 Additional information**

Resolution 4 is an ordinary resolution.

### **8. Resolution 5 – Ratification of issue of Northam Shares**

#### **8.1 General**

On 21 July 2023, the Company announced that it had entered into an earn-in and joint venture agreement with Northam Resources Limited (**Northam**), whereby, the Company may earn up to a 70% joint venture interest in Northam's ~1,600km<sup>2</sup> exploration licence holding the project located east of the Gonneville Project in the new West Yilgarn Province (**Northam Project**) (**Northam Agreement**).

Pursuant to the Northam Agreement:

- (a) the Company paid Northam \$150,000 as a deposit, of which, \$100,000 was refundable if due diligence conditions were not satisfied;
- (b) upon satisfaction of legal, tenure and access due diligence, the Company was obliged to pay Northam \$2.45 million in cash or Shares (at the Company's election). (The Company satisfied this obligation on 1 September 2023 by issuing 629,755 Shares (**Northam Shares**) using the Company's available placement capacity under Listing Rule 7.1);
- (c) the Company has the right to earn a 51% interest in the Northam Project by spending \$7 million on exploration over 4 years, with a minimum commitment of \$2 million on exploration within 2 years;
- (d) the Company has the right to earn a further 19% interest in the Northam Project, at its election, by spending \$10 million on exploration over 4 years and paying Northam \$1 million in cash or Shares (at the Company's election).

The Northam Agreement contains additional provisions considered standard for agreements of this nature and consistent with industry standard earn-in / joint venture terms.

On 1 September 2023, the Company issued 629,755 Northam Shares using the Company's available placement capacity under Listing Rule 7.1.

Accordingly, Resolution 5 seeks Shareholder approval pursuant to and in accordance with Listing Rule 7.4 to ratify the issue of the 629,755 Northam Shares to Northam (or its nominees) pursuant to the Northam Agreement.

## **8.2 Listing Rule 7.1 and 7.4**

A summary of Listing Rules 7.1 and 7.4 is set out in Section 7.1 above.

The issue of the Northam 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 15% 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 Northam Shares.

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 additional 15% placement capacity set out in Listing Rule 7.1, without the requirement to obtain prior Shareholder approval.

If Resolution 5 is passed, 629,755 Northam 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, 629,755 Northam 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 629,755 Equity Securities for the 12 month period following the issue of those Northam 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 issue of the Northam Shares:

- (a) The Northam Shares were issued to Northam (or its nominees), none of whom are a Material Investor.
- (b) A total of 629,755 Northam Shares were issued within the Company's 15% placement capacity permitted under Listing Rule 7.1.
- (c) The Northam 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 Northam Shares were issued on 1 September 2023.
- (e) The Northam Shares were issued for nil cash as consideration under the Northam Agreement and have a deemed issue price of \$3.89.
- (f) A summary of the material terms of the Northam Agreement is set out in Section 8.1 above.
- (g) A voting exclusion statement is included in the Notice.

## **8.4 Additional information**

Resolution 5 is an ordinary resolution.

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

## **9. Resolution 6 – Ratification of issue of Consideration Shares**

### **9.1 General**

On 4 August 2023, the Company announced that it had agreed to issue approximately 611,829 Shares (**Consideration Shares**) as partial consideration to acquire freehold land in the vicinity of the Gonneville Project (**Land**) (**Land Acquisition Agreement**).

Pursuant to the Land Acquisition Agreement the Company agreed to:

- (a) pay \$4 million in cash on the settlement date; and
- (b) pay \$3.6 million in cash or Shares (at the Company's election) twenty business days following the settlement date. (The Company satisfied this obligation on 1 September 2023 by issuing 611,371 Consideration Shares using the Company's available placement capacity under Listing Rule 7.1).

The Land Acquisition Agreement contains additional provisions considered standard for agreements of this nature.

On 1 September 2023, the Company issued 611,371 Consideration Shares using the Company's available placement capacity under Listing Rule 7.1.

Accordingly, Resolution 6 seeks Shareholder approval pursuant to and in accordance with Listing Rule 7.4 to ratify the issue of the 611,371 Consideration Shares to the Vendor (or its nominees) pursuant to the Land Acquisition Agreement.

### **9.2 Listing Rule 7.1 and 7.4**

A summary of Listing Rules 7.1 and 7.4 is set out in Section 7.1 above.

The issue of the Consideration 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 15% 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 Consideration Shares.

The effect of Shareholders passing Resolution 6 will be to allow the Company to retain the flexibility to issue Equity Securities in the future up to the additional 15% placement capacity set out in Listing Rule 7.1, without the requirement to obtain prior Shareholder approval.

If Resolution 6 is passed, 611,371 Consideration 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 6 is not passed, 611,371 Consideration 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 611,371 Equity Securities for the 12 month period following the issue of those Consideration Shares.

### **9.3 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 issue of the Consideration Shares:

- (a) The Consideration Shares were issued to the Vendor (or its nominees), none of whom are a Material Investor.
- (b) A total of 611,371 Consideration Shares were issued within the Company's 15% placement capacity permitted under Listing Rule 7.1.
- (c) The Consideration 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 Consideration Shares were issued on 1 September 2023.
- (e) The Consideration Shares were issued for nil cash as consideration under the Land Acquisition Agreement and have a deemed issue price of \$5.8884.
- (f) A summary of the material terms of the Land Acquisition Agreement is set out in Section 9.1 above.
- (g) A voting exclusion statement is included in the Notice.

### **9.4 Additional information**

Resolution 6 is an ordinary resolution.

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

## Schedule 1 Definitions

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

<b>\$</b>	means Australian Dollars.
<b>Annual Report</b>	means the Directors' Report, the Financial Report, and Auditor's Report, in respect to the year ended 30 June 2023.
<b>ASX</b>	means the ASX Limited (ACN 008 624 691) and, where the context permits, the Australian Securities Exchange operated by ASX Limited.
<b>AWST</b>	means Western Standard Time, being the time in Perth, Western Australia.
<b>Board</b>	means the board of Directors.
<b>Chair</b>	means the person appointed to chair the Meeting of the Company convened by the Notice.
<b>Closely Related Party</b>	means: (a) a spouse or child of the member; or (b) has the meaning given in section 9 of the Corporations Act.
<b>Company or Chalice</b>	means Chalice Mining Limited (ACN 116 648 956).
<b>Consideration Shares</b>	means the 611,371 Shares the subject of Resolution 6.
<b>Constitution</b>	means the Constitution of the Company.
<b>Corporations Act</b>	means the <i>Corporations Act 2001</i> (Cth) as amended.
<b>Director</b>	means a director of the Company.
<b>MD Performance Rights</b>	means the issue of up to 154,574 Performance Rights to Alex Dorsch (or his nominees), the subject of Resolution 3.
<b>Directors' Report</b>	means the annual directors' report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities.
<b>Equity Security</b>	has the same meaning as in the Listing Rules.
<b>Explanatory Memorandum</b>	means the explanatory memorandum which forms part of the Notice.
<b>Gonneville Project</b>	means the 100% owned Gonneville Nickel-Copper-Platinum Group Element Project.

<b>Key Management Personnel</b>	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.
<b>Land</b>	has the meaning given in Section 9.1.
<b>Land Acquisition Agreement</b>	has the meaning given in Section 9.1.
<b>Lead Manager</b>	means Bell Potter Securities Limited.
<b>Listing Rules</b>	means the listing rules of ASX.
<b>Material Investor</b>	means, in relation to the Company: <ul style="list-style-type: none"> <li>(a) a related party;</li> <li>(b) Key Management Personnel;</li> <li>(c) a substantial Shareholder;</li> <li>(d) an advisor; or</li> <li>(e) an associate of the above,</li> </ul> who received Shares which constituted more than 1% of the Company's capital structure at the time of issue.
<b>Mineral Resource</b>	means a mineral resource estimate as defined in the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves 2012 edition.
<b>Meeting</b>	has the meaning given in the introductory paragraph of the Notice.
<b>Northam</b>	means Northam Resources Limited (ACN 619 335 321).
<b>Northam Agreement</b>	has the meaning given in Section 8.1.
<b>Northam Project</b>	has the meaning given in Section 8.1.
<b>Northam Shares</b>	means the 629,755 Shares the subject of Resolution 5.
<b>Notice</b>	means this notice of annual general meeting.
<b>Option</b>	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.
<b>Placement</b>	has the meaning in Section 7.1.
<b>Placement Shares</b>	means the 9,589,042 Shares issued under the Placement, the subject of Resolution 4.



<b>Plan</b>	means the Employee Incentive Plan of the Company.
<b>Proxy Form</b>	means the proxy form attached to the Notice.
<b>Remuneration Report</b>	means the remuneration report of the Company contained in the Directors' Report.
<b>Resolution</b>	means a resolution referred to in the Notice.
<b>Schedule</b>	means a schedule to the Notice.
<b>Section</b>	means a section of the Explanatory Memorandum.
<b>Securities</b>	means any Equity Securities of the Company (including Shares, Options, Share Rights and/or Performance Rights).
<b>Share</b>	means a fully paid ordinary share in the capital of the Company.
<b>Shareholder</b>	means the holder of a Share.
<b>Strike</b>	means a 'no' vote of 25% or more on the resolution approving the Remuneration Report.
<b>TSR</b>	means total shareholder return.
<b>Vendor</b>	means the owner of the Land acquired pursuant to the Land Acquisition Agreement.

## Schedule 2 Terms and conditions of the MD Performance Rights

The terms of the MD Performance Rights are as follows:

1. **Entitlement**

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

2. **Consideration**

The MD Performance Rights will be granted for nil cash consideration.

3. **Conversion price**

The conversion price of each MD Performance Right is nil.

4. **Vesting Conditions**

The MD Performance Rights are subject to the achievement of the following milestones (**Milestone Conditions**) as measured on 30 June 2026:

No.	Performance Conditions and Weightings
1.	<p><b>Generative Exploration, Project Definition, Pre-development and Strategic Objectives (maximum weighting 40%)</b></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"> <li>• Define a new, material JORC Mineral Resource (excluding Gonneville);</li> <li>• Increase materially an existing JORC Mineral Resource;</li> <li>• Complete a Feasibility Study for the initial stage of development for the Gonneville Project; and</li> <li>• Sell or divest a material asset (as part of an asset sale, joint venture or corporate transaction) achieving certain pre-determined financial outcomes.</li> </ul>
2.	<p><b>Absolute Total Shareholder Return (TSR) measure (maximum weighting 20%)</b></p> <p>A proportional LTI payment shall be made which is directly proportional to the Total Shareholder Return (TSR) from 1 July 2023 to 30 June 2026. The proportion paid is calculated as:</p> <ul style="list-style-type: none"> <li>• If 3-yr TSR &lt;10% p.a. (equivalent to &lt;33.1% increase in share price in 3 years) – 0%</li> <li>• 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%</li> <li>• If 3-yr TSR &gt;20% p.a. (equivalent to &gt;72.8% increase in share price) – weighting 20%</li> </ul>
3.	<p><b>Relative TSR compared to peer group. (maximum weighting 40%)</b></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 2023 and 30 June 2026. The proportion paid is calculated as:</p> <ul style="list-style-type: none"> <li>• If TSR &lt;50th percentile – 0%</li> <li>• If TSR between 50th and 75th percentile - weighting pro-rata between 5-40%</li> <li>• If TSR &gt;75th percentile – weighting 40%</li> </ul> <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 <math>((65\%-50\%)/(75\%-50\%))\times(40\%-5\%)+5\%</math></p>
<p><b>Board Discretion</b></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**

The MD Performance Rights will lapse on the earlier to occur of the following:

- (a) any MD Performance Rights that are determined by the Board not to have vested when measured as at 30 June 2026 will lapse upon such determination being made; and
- (b) any MD Performance Rights that have vested but have not been exercised before 5pm (AWST) on 30 June 2028 will immediately lapse. 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,

**(Expiry Date).**

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. All vested MD Performance Rights will be equity settled on exercise in accordance with the Plan.

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 Holder (or their nominee) the number of Shares to which the Holder is entitled;
- (b) issue a substitute Certificate for any remaining unconverted MD 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 the MD 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 required to give the ASX a notice that complies with section 708A(5)(e) of the Corporations Act and 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 MD Performance Rights is no longer employed, or their engagement is discontinued (for whatever reason), with the Company, any unconverted and unvested MD 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 MD Performance Rights and a holder will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the MD 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 MD Performance Rights.

12. **Adjustments for reorganisation**

If there is any reconstruction of the issued share capital of the Company, the rights of the MD 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 MD Performance Rights**

The MD Performance Rights will be unquoted Performance Rights.

14. **MD Performance Rights non-transferable**

The MD 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 MD 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 3 Valuation of the MD Performance Rights

The MD Performance Rights to be issued to Alex Dorsch (or his nominee) pursuant to Resolution 3 have been valued at \$230,656 using the following methodology and assumptions:

### MD Performance Rights Measured Against Non-Market Based Objectives

A Black Scholes option pricing model has been used to value the MD Performance Rights that vest upon achieving the non-market based strategic objectives set out in Schedule 2. The non-market based vesting conditions consist of Generative Exploration, Project Definition Pre-development and Strategic milestone achievements (together **Strategic Rights**). It has been assumed that the Strategic Rights will vest to the holder. No discount is made to the fundamental value derived from the option valuation model for unlisted rights over listed shares.

### MD Performance Rights Measured Against Absolute Total Shareholder Return Objectives

The MD Performance Rights that vest upon meeting the absolute total shareholder return objectives (**ATSR Rights**) set out in Schedule 2 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 measurement date.

### MD Performance Rights Measured Against Relative Total Shareholder Return Objectives

The MD Performance Rights that vest upon meeting the relative total shareholder return objectives (**RTSR Rights**) set out in Schedule 2 have been valued using a hybrid employee share option pricing model which uses a correlated simulation that simultaneously calculates the Company's and the individual constituents of the S&P/ASX 300 Mining and Metals Index (**Peer Group**) total shareholder return (**TSR**), on a risk neutral basis as at the vesting date with regards to the remaining 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 value 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	\$2.27	\$2.27	\$2.27
20-day VWAP at commencement of performance period	\$6.79	\$6.79	\$6.79
Exercise price	Nil	Nil	Nil
Valuation date	3-Oct-23	3-Oct-23	3-Oct-23
Commencement of measurement period	1-Jul-23	1-Jul-23	1-Jul-23
Performance measurement date	30-Jun-26	30-Jun-26	30-Jun-26

<b>Assumptions</b>	<b>Strategic Rights</b>	<b>ATSR Rights</b>	<b>RTSR Rights</b>
Performance period remaining(years)	2.74	2.74	2.74
Expiry date	30-Jun-28	30-Jun-28	30-Jun-28
Expiration period remaining(years)	4.75	4.75	4.75
Expected volatility	65%	65%	65%
Risk free interest rate	4.08%	4.08%	4.08%
Dividend yield	Nil	Nil	Nil
Number of MD Performance Rights	61,830	30,915	61,830
Value of each MD Performance Right	\$2.27	\$0.397	\$1.262
Aggregate value of MD Performance Rights	\$140,354	\$12,273	\$78,029

**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 obtained 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 MD Performance Rights.
4. The Share price used is \$2.27, being the underlying Share price on the valuation date of 3 October 2023.
5. No consideration is to be paid upon exercising the MD 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 MD Performance Rights over the period from the date of issue to the vesting date. The total of the fair value of the MD Performance Rights will be allocated over the applicable vesting periods.

## Schedule 4 Summary of material terms of Plan

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

1. **(Eligible Participant):** A person is eligible to participate in the Plan (**Eligible Participant**) if they have been determined by the Board to be eligible to participate in the 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 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 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 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 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, 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 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 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 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 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 Plan rules, or such earlier date as set out in the 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 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 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 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.
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 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 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 Plan continues in operation until the Board decides to end it. The Board may from time to time suspend the operation of the Plan for a fixed period or indefinitely, and may end any suspension. If the 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.

CHNRM  
MR RETURN SAMPLE  
123 SAMPLE STREET  
SAMPLE SURBURB  
SAMPLETOWN VIC 3030



## Need assistance?



**Phone:**  
1300 653 212 (within Australia)  
+61 3 9415 4000 (outside Australia)



**Online:**  
[www.investorcentre.com/contact](http://www.investorcentre.com/contact)



## YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **9:00am (AWST) on Tuesday, 21 November 2023.**

# Proxy Form

## How to Vote on Items of Business

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

### APPOINTMENT OF PROXY

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

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

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

**A proxy need not be a securityholder of the Company.**

## SIGNING INSTRUCTIONS FOR POSTAL FORMS

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

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

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

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

## PARTICIPATING IN THE MEETING

### Corporate Representative

If a representative of a corporate securityholder or proxy is to participate in the meeting you will need to provide the appropriate "Appointment of Corporate Representative". A form may be obtained from Computershare or online at [www.investorcentre.com/au](http://www.investorcentre.com/au) and select "Printable Forms".

## Lodge your Proxy Form:

**XX**

### Online:

Lodge your vote online at [www.investorvote.com.au](http://www.investorvote.com.au) using your secure access information or use your mobile device to scan the personalised QR code.

Your secure access information is



**Control Number: 999999**

**PIN: 99999**

For Intermediary Online subscribers (custodians) go to [www.intermediaryonline.com](http://www.intermediaryonline.com)

### By Mail:

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

### By Fax:

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



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

You may elect to receive meeting-related documents, or request a particular one, in electronic or physical form and may elect not to receive annual reports. To do so, contact Computershare.

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



I N D

# Proxy Form

Please mark  to indicate your directions

## Step 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Chalice Mining Limited hereby appoint

the Chair of the Meeting **OR**

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

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chair of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Chalice Mining Limited to be held at The Westin Hotel, Cassia Room, Level 1 Function Floor, 480 Hay Street, Perth, WA 6000 on Thursday, 23 November 2023 at 9:00am (AWST) and at any adjournment or postponement of that meeting.

**Chair authorised to exercise undirected proxies on remuneration related resolutions:** Where I/we have appointed the Chair of the Meeting as my/our proxy (or the Chair becomes my/our proxy by default), I/we expressly authorise the Chair to exercise my/our proxy on Resolutions 1 and 3 (except where I/we have indicated a different voting intention in step 2) even though Resolutions 1 and 3 are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chair.

**Important Note:** If the Chair of the Meeting is (or becomes) your proxy you can direct the Chair to vote for or against or abstain from voting on Resolutions 1 and 3 by marking the appropriate box in step 2.

## Step 2 Items of Business

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

	For	Against	Abstain
Resolution 1 Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2 Re-election of Director – Garret Dixon	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3 Approval of issue of Performance Rights to Alex Dorsch	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4 Ratification of issue of Placement Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5 Ratification of issue of Northam Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6 Ratification of issue of Consideration Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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

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

Individual or Securityholder 1  Securityholder 2  Securityholder 3  / /  
Sole Director & Sole Company Secretary Director Director/Company Secretary Date

**Update your communication details** (Optional)

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

