



**Great Boulder  
Resources Limited**  
ACN 611 695 955

**Notice of Annual General Meeting,  
Explanatory Statement and Proxy Form**

**Annual General Meeting to be held at  
Level 1, 51 Colin Street, West Perth, Western Australia on  
Wednesday, 18 November 2020 at 12:30pm**

**Important note**

The Notice of Annual General Meeting, Explanatory Statement and Proxy Form should be read in their entirety. If you are in doubt as to how you should vote, you should seek advice from your accountant, solicitor or other professional adviser prior to voting.

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## Important dates

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Event	Date
Snapshot date for eligibility to vote	5:00pm on Monday, 16 November 2020
Last day for receipt of Proxy Forms – Proxy Forms received after this time will be disregarded	12:30pm on Monday, 16 November 2020
Annual General Meeting	12:30pm on Wednesday, 18 November 2020

### Important note

The Notice of Annual General Meeting, Explanatory Statement and Proxy Form should be read in their entirety. If you are in doubt as to how you should vote, you should seek advice from your accountant, solicitor or other professional adviser prior to voting.

# Notice of Annual General Meeting

Notice is hereby given that an Annual General Meeting of Great Boulder Resources Limited (ACN 611 695 955) (**Company**) will be held at the offices of the Company located on the Level 1, 51 Colin Street, West Perth, Western Australia at **12:30pm WST on Wednesday, 18 November 2020**.

The Explanatory Statement, which accompanies and forms part of this Notice, describes the various matters to be considered.

Terms used in this Notice will, unless the context otherwise requires, have the same meaning given to them in the Glossary set out in the Explanatory Statement.

## AGENDA

### Annual Report

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To receive and consider the Annual Report of the Company for the financial year ended 30 June 2020.

### Resolution 1: Adoption of Remuneration Report

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

*“That for the purposes of section 250R(2) of the Corporations Act and for all other purposes, the Remuneration Report contained in the Company’s annual financial report for the year ended 30 June 2020 be adopted by the Company.”*

**Notes:** In accordance with the Corporations Act, the vote on this Resolution is advisory only and does not bind the Directors or the Company.

The Directors will consider the outcome of the vote and comments made by Shareholders on the Remuneration Report at the Meeting when reviewing the Company’s remuneration policies.

### Resolution 2: Re-election of Murray Black as a Director

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

*“That for the purposes of Listing Rule 14.4, clause 11.4 of the Company’s Constitution, and for all other purposes, Murray Black, being a Director who retires by rotation under clause 11.3 of the Company’s Constitution and being eligible offers himself for re-election, is re-elected as a Director.”*

### Resolution 3: Ratification of issue of August Placement Shares to August Placement Participants

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

*“That for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify and approve the issue by the Company of 17,597,642 August Placement Shares to the August Placement Participants on 20 August 2020 at an issue price of \$0.043 made under the Company’s Listing Rule 7.1 placement capacity, on the terms and conditions set out in the Explanatory Statement.”*

#### **Resolution 4: Ratification of issue of August Placement Shares to August Placement Participants**

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

*“That for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify and approve the issue by the Company of 13,345,399 August Placement Shares to the August Placement Participants on 20 August 2020 at an issue price of \$0.043, made under the Company’s Listing Rule 7.1A placement capacity, on the terms and conditions set out in the Explanatory Statement.”*

#### **Resolution 5: Ratification of issue of September Placement Shares to September Placement Participants**

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

*“That for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify and approve the issue by the Company of 1,420,457 September Placement Shares to the September Placement Participants on 17 September 2020 at an issue price of \$0.043, made under the Company’s Listing Rule 7.1 placement capacity, on the terms and conditions set out in the Explanatory Statement.”*

#### **Resolution 6: Ratification of issue of Lead Manager Options**

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

*“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify and approve the issue by the Company of 1,000,000 Lead Manager Options having an exercise price of \$0.10 and expiring on 30 September 2023 to the Lead Manager on 17 September 2020, made under the Company’s Listing Rule 7.1 placement capacity, on the terms and conditions set out in the Explanatory Statement.”*

#### **Resolution 7: Approval for grant of Options to a Director – Melanie Leighton**

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

*“That for the purposes of sections 195(4) and 208 of the Corporations Act, Listing Rule 10.14, and for all other purposes, Shareholders approve the grant of up to 2,000,000 Director Options, each exercisable at a price equal to 150% of the 5-day VWAP prior to the date of the Meeting and expiring 3 years from the grant date, to Ms Melanie Leighton, a Director of the Company, or her nominee, under the Employee Incentive Plan, in the manner and on the terms and conditions set out in the Explanatory Statement.”*

#### **Resolution 8: Approval for grant of Options to a Director – Murray Black**

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

*“That for the purposes of sections 195(4) and 208 of the Corporations Act, Listing Rule 10.14, and for all other purposes, Shareholders approve the grant of up to 2,000,000 Director Options, each exercisable at a price equal to 150% of the 5-day VWAP prior to the date of the Meeting and expiring 3 years from the grant date, to Mr Murray Black, a Director of the Company, or his*

*nominee, under the Employee Incentive Plan, in the manner and on the terms and conditions set out in the Explanatory Statement.”*

### **Resolution 9: Approval for grant of Options to a Director – Gregory Hall**

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

*“That for the purposes of sections 195(4) and 208 of the Corporations Act, Listing Rule 10.14, and for all other purposes, Shareholders approve the grant of up to 2,000,000 Director Options, each exercisable at a price equal to 150% of the 5-day VWAP prior to the date of the Meeting and expiring 3 years from the grant date, to Mr Gregory Hall, a Director of the Company, or his nominee, under the Employee Incentive Plan, in the manner and on the terms and conditions set out in the Explanatory Statement.”*

### **Resolution 10: Approval of Additional Placement Facility**

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

*“That the Company have the additional capacity to issue equity securities provided for in Listing Rule 7.1A.”*

**Note:** Resolution 7 is a special resolution. To be passed, it must be approved by at least 75% of the votes cast by Shareholders entitled to vote on the Resolution.

**By order of the Board**



**Andrew Paterson**  
Managing Director  
14 October 2020

## Voting exclusion statements

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### ASX voting exclusions

For the purposes of Listing Rule 14.11, the following voting exclusion statements apply to the Resolutions.

The Company will disregard any votes cast in favour of the following Resolutions by or on behalf of the following persons or an Associate of those persons.

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

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

Resolution	Excluded parties
Resolution 3	A person who participated in the issue of Placement Shares.
Resolution 4	
Resolution 5	
Resolution 6	Cumulus Wealth Pty Ltd (ACN 634 297 279) and Viriathus Capital Pty Ltd (ACN 113 959 596), being the persons who participated in the issue of the Shares.
Resolution 7	A person referred to in Listing Rule 10.14.1, 10.14.2, or 10.14.3 who is eligible to participate in the Employee Incentive Plan.
Resolution 8	
Resolution 9	

**Corporations Act voting prohibitions**

Pursuant to sections 224, 250BD, and 250R(4) of the Corporations Act, the following voting prohibitions apply with respect to the parties specified in the table below and their respective Associates:

Resolution	Voting prohibition
Resolution 1	Votes may not be cast by members of Key Management Personnel the details of whose remuneration is included in the Remuneration Report and their Closely Related Parties in any capacity, except as stated below.
Resolution 7	Votes may not be cast by: <ul style="list-style-type: none"> <li>• Ms Melanie Leighton or any other Related Parties to whom Resolution 7 would permit a financial benefit to be given.</li> <li>• Members of Key Management Personnel and their Closely Related Parties in the capacity as proxy, except as stated below.</li> </ul>
Resolution 8	Votes may not be cast by: <ul style="list-style-type: none"> <li>• Mr <i>Murray Black</i> or any other Related Parties to whom Resolution 8 would permit a financial benefit to be given.</li> <li>• Members of Key Management Personnel and their Closely Related Parties in the capacity as proxy, except as stated below.</li> </ul>
Resolution 9	Votes may not be cast by: <ul style="list-style-type: none"> <li>• Mr Gregory Hall or any other Related Parties to whom Resolution 9 would permit a financial benefit to be given.</li> <li>• Members of Key Management Personnel and their Closely Related Parties in the capacity as proxy, except as stated below.</li> </ul>

However, these voting prohibitions do not prevent the casting of a vote on the above Resolutions if it is cast by a person as a proxy appointed by writing that specifies how the proxy is to vote on the Resolution, and it is not cast on behalf of a Related Party to whom the Resolution would permit a financial benefit to be given, or their Associate.

Members of Key Management Personnel and their closely Related Parties (other than the Chairperson) may not vote as proxy if the appointment does not specify how the proxy is to vote. The Chairperson may vote as proxy in accordance with an express authorisation on the Proxy Form.

# **Proxy appointment, voting and Meeting instructions**

## **Appointment of a proxy**

A Shareholder entitled to attend and vote at the Meeting is entitled to appoint a proxy. The proxy may, but need not be, a Shareholder.

If you wish to appoint the Chairperson as your proxy, mark the appropriate box on the Proxy Form. If the person you wish to appoint as your proxy is someone other than the Chairperson please write the name of that person. If you leave this section blank, or your named proxy does not attend the Meeting, the Chairperson will be your proxy.

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll.

To appoint a second proxy you must on each Proxy Form state (in the appropriate box) the percentage of your voting rights which are the subject of the relevant proxy. If both Proxy Forms do not specify that percentage, each proxy may exercise half your votes. Fractions of votes will be disregarded.

## **Corporate Shareholders**

Corporate Shareholders should comply with the execution requirements set out on the proxy form or otherwise with the provisions of section 127 of the Corporations Act. Section 127 of the Corporations Act provides that a company may execute a document without using its common seal if the document is signed by:

- two directors of the company;
- a director and a company secretary of the company; or
- for a proprietary company that has a sole director who is also the sole company secretary – that director.

## **Votes on Resolutions**

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

## **Chairperson voting undirected proxies**

The Chairperson will vote undirected proxies **in favour** of all of the proposed Resolutions.

## **Voting entitlement (snapshot date)**

For the purposes of determining voting and attendance entitlements at the Meeting, Shares will be taken to be held by the persons who are registered as holding the Shares at **5.00pm WST on Monday, 16 November 2020**. Accordingly, transactions registered after that time will be disregarded in determining entitlements to attend and vote at the Meeting.

## **Corporate representatives**

A corporation may elect to appoint an individual to act as its representative in accordance with section 250D of the Corporations Act, in which case the Company will require a certificate of appointment of the corporate representative executed in accordance with the Corporations Act. The certificate of appointment must be lodged with the Company and/or the Company's share registry before the Meeting or at the registration desk on the day of the Meeting.

## **Questions from Shareholders**

At the Meeting, the Chairperson will allow a reasonable opportunity for Shareholders to ask questions or make comments on the management of the Company.

Mr Alasdair Whyte of RSM Australia Partners, as the auditor responsible for preparing the Auditor's report for the year ended 30 June 2020 (or his representative) will attend the Meeting. The Chairperson will also allow a reasonable opportunity for Shareholders to ask the Auditor questions about:

- the conduct of the audit;
- the preparation and content of the Auditor's report;
- the accounting policies adopted by the Company in relation to the preparation of Financial Statements; and
- the independence of the Auditor in relation to the conduct of the audit.

To assist the Board and the Auditor in responding to questions, please submit any questions you may have in writing by **5.00pm WST on Wednesday, 11 November 2020**:

*By hand:* Level 1, 51 Colin Street, West Perth, Western Australia 6005

*By post:* PO Box 677, West Perth, Western Australia 6872

*By email:* [melanie.ross@greatboulder.com.au](mailto:melanie.ross@greatboulder.com.au)

# **Explanatory Statement**

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This Explanatory Statement has been prepared for the information of Shareholders in relation to the business to be conducted at the Annual General Meeting.

The purpose of this Explanatory Statement is to provide Shareholders with all information known to the Company which is material to a decision on how to vote on the Resolutions in the accompanying Notice of Meeting.

This Explanatory Statement should be read in conjunction with the Notice of Annual General Meeting. Capitalised terms in this Explanatory Statement are defined in the Glossary.

## **1. Annual Financial Report**

The Corporations Act requires the Annual Report, incorporating the Company's financial statements, the Directors' report and the Auditors' report of the Company for the financial year ended 30 June 2020 to be tabled and considered at the Meeting.

Neither the Corporations Act nor the Company's Constitution requires a vote of Shareholders on the Annual Report. However, Shareholders will be given reasonable opportunity to raise questions on the report and to ask questions of the Auditor (see the 'proxy appointment and voting information' information above).

## **2. Resolution 1: Adoption of Remuneration Report**

The Remuneration Report of the Company for the financial year ended 30 June 2020 is set out in the Company's 2020 Annual Financial Report which is available at [www.greatboulder.com.au](http://www.greatboulder.com.au). The Remuneration Report sets out the remuneration arrangements for Directors and Key Management Personnel of the Company. The Chairperson will allow a reasonable opportunity for Shareholders to ask questions about, or make comments on, the Remuneration Report.

The Corporations Act requires the Company to put a resolution to Shareholders that the Remuneration Report be adopted. In accordance with section 250R (3) of the Corporations Act, the vote on this Resolution is advisory only and does not bind the Directors or the Company. The Board will consider the outcome of the vote and comments made by Shareholders at the Meeting when reviewing the Company's remuneration policies.

In accordance with Division 9 of Part 2G.2 of the Corporations Act, if 25% or more of votes that are cast are voted against the adoption of the Remuneration Report at two consecutive annual general meetings, Shareholders will be required to vote at the second of those annual general meetings on a resolution (a "spill resolution") that another meeting be held within 90 days at which all of the Company's directors (other than the Managing Director) must go up for re-election.

At the Company's previous Annual General Meeting the votes against the Remuneration Report was less than 25% of the votes cast on the Resolution. As such, Shareholders do not need to consider a spill resolution at the Meeting.

A voting exclusion applies to Resolution 1 in the terms set out in the Notice of Meeting. Key Management Personnel and their Closely Related Parties may not vote on this Resolution and may not cast a vote as proxy, unless the proxy appointment gives a direction on how to vote or the proxy is given to the Chairperson and expressly authorises the Chairperson to exercise the proxy. The Chairperson will use any such proxies to vote in favour of Resolution 1.

The Company encourages all Shareholders to cast their votes on Resolution 1 (Adoption of Remuneration Report).

## **3. Resolution 2: Re-election of Murray Black as a Director**

### **3.1 Background**

Resolution 2 seeks approval for the re-election of Murray Black as a Director.

Clause 11.3 of the Company's Constitution requires that one third of the Directors in office (other than a Managing Director) retire by rotation at each annual general meeting of the Company. Clause 11.4 provides that the retiring Directors are then eligible for re-election.

Mr Black, who was appointed as Non-Executive Director on the incorporation of the Company (6 April 2016), retires in accordance with clause 11.3, and being eligible, offers himself for re-election as a Director.

### 3.2 **Biography**

Murray has over 39 years' experience in the mineral exploration and mining industry and has served as a director of several publicly listed Australian companies. Mr Black part-owns and manages a substantial Australian drilling company, Blue Spec Drilling, has interests in several commercial developments and has significant experience in capital financing.

### 3.3 **Directors' recommendation**

Mr Black has a material personal interest in the outcome of Resolution 2 and accordingly declines to make a recommendation in respect of this Resolution.

The Directors (other than Mr Black) recommend that Shareholders vote in favour of Resolution 2 to re-elect Mr Black as Non-Executive Director.

## 4. **Resolutions 3 and 4: Ratification of issue of August Placement Shares to August Placement Participants**

### 4.1 **Background**

On 10 August 2020, the Company announced its intention to raise up to a total of \$2,286,969 (before costs) comprising of a non-renounceable entitlement offer of 1 Share for every 6 Shares held by eligible Shareholders, to raise up to \$956,418 (**Entitlement Offer**) and a private placement to raise up to \$1,330,551 (**August Placement**).

On 20 August 2020, the Company issued a total of 30,943,041 Shares (**August Placement Shares**) to various professional and sophisticated investors (**August Placement Participants**) at an issue price of \$0.043 each to raise \$1,330,551 before costs, using its issuing capacities under Listing Rule 7.1 and 7.1A as follows:

- (a) 17,597,642 August Placement Shares using its placement capacity under Listing Rule 7.1; and
- (b) 13,345,399 August Placement Shares using its placement capacity under Listing Rule 7.1A.

None of the August Placement Participants re Related Parties of the Company.

Accordingly, Resolutions 3 and 4 are ordinary resolutions seeking ratification and approval by Shareholders of the prior issue of the August Placement Shares under its Listing Rules 7.1 and 7.1A placement capacities respectively.

### 4.2 **Regulatory requirements**

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

The August Placement did not fit within any of the exceptions to Listing Rule 7.1 and, as it has not yet been approved by the Company's shareholders, it effectively uses up part of the 15% limit in Listing Rule 7.1, reducing the Company's capacity to issue further Equity Securities

without shareholder approval under Listing Rule 7.1 for the 12-month period following the issue date.

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

The Company wishes to retain as much flexibility as possible to issue additional Equity Securities into the future without having to obtain shareholder approval for such issues under Listing Rule 7.1.

To this end, Resolutions 3 and 4 seek shareholder approval to the August Placement under and for the purposes of Listing Rule 7.4.

If Resolutions 3 and/or 4 are passed, the August Placement will be excluded in calculating the 15% and 10% limits in Listing Rules 7.1 and 7.1A respectively, effectively increasing the number of Equity Securities it can issue without shareholder approval over the 12-month period following the issue date.

If Resolutions 3 and/or 4 are not passed, the August Placement will be included in calculating the 15% and 10% limits in Listing Rules 7.1 and 7.1A respectively, effectively decreasing the number of Equity Securities it can issue without shareholder approval over the 12-month period following the issue date.

#### 4.3 **Listing Rules information requirements**

In accordance with the requirements of Listing Rule 7.5, the following information is provided in relation to Resolutions 3 and 4:

(a) **The names of the persons to whom the securities were issued or the basis on which those persons were determined**

The August Placement Shares were issued to professional and sophisticated investors who are clients of Cumulus Wealth Pty Ltd and Viriathus Capital Pty Ltd (Lead Managers). The recipients were identified through a bookbuild process, which involved the Lead Managers seeking expressions of interest to participate in the capital raising process from non-related parties of the Company. None of the recipients are related parties of the Company.

(b) **The number and class of securities**

The Company issued a total of 30,943,041 August Placement Shares using its issuing capacities under Listing Rule 7.1 and 7.1A as follows:

- (i) 17,597,642 August Placement Shares using its placement capacity under Listing Rule 7.1 (the subject of Resolution 3); and
- (ii) 13,345,399 August Placement Shares using its placement capacity under Listing Rule 7.1A (the subject of Resolution 4).

All Shares are fully-paid ordinary shares in the Company which rank equally with all other Shares on issue.

(c) **The date on which the securities were issued**

The August Placement Shares were issued on 20 August 2020.

(d) **The price or consideration the entity has received or will receive for the issue**

The August Placement Shares were issued for \$0.043 per Share.

(e) **The purpose of the issue, including use or intended use of the funds raised**

As announced to ASX on 10 August 2020, the funds raised are being used for an aggressive exploration programme focused on the Company's gold projects at Side Well and Whiteheads, including:

- (i) An initial 2,000m-3,000m RC programme extending known gold hits at the Mulga Bill prospect;
- (ii) An air-core programme to be drilled as soon as possible after the RC, infilling the 400m gaps in drill coverage at Mulga Bill;
- (iii) Additional air-core drilling to extend targets at Whiteheads, including the Blue Poles prospect at Arsenal;
- (iv) A large-scale soil sampling programme over Mulga Bill, as well as sub-cropping areas along the east side and northern end of the Side Well project; and
- (v) Follow-up R and air-core drilling at both Side Well and Whiteheads following results of these initial programmes.

(f) **If the securities were or will be issued under an agreement, a summary of any other material terms of the agreement**

The August Placement Shares were not issued under any agreement.

4.4 **Directors' recommendation**

The Directors recommend that Shareholders vote in favour of Resolutions 3 and 4.

**5. Resolution 5: Ratification of issue of September Placement Shares to September Placement Participants**

5.1 **Background**

On 15 September 2020, the Company announced the Completion of the Entitlement Issue, and its intention to raise \$61,080 (before costs) (**September Placement**) via the issue of 1,420,457 additional Shares (**September Placement Shares**) at an issue price of \$0.043 under the Company's remaining Listing Rule 7.1 capacity.

None of the Placement Participants are Related Parties of the Company.

Accordingly, Resolution 5 seeks ratification by Shareholders for the prior issue of 1,420,457 Placement Shares issued to Placement Participants under the Placement.

Resolution 5 is an ordinary resolution seeking ratification and approval by Shareholders of the prior issue of Placement Shares.

5.2 **Regulatory requirements**

The effect of Listing Rules 7.1 and 7.4 are summarized at section 4.2 above.

The Company wishes to retain as much flexibility as possible to issue additional Equity Securities into the future without having to obtain shareholder approval for such issues under Listing Rule 7.1.

To this end, Resolution 5 seeks shareholder approval to the September Placement under and for the purposes of Listing Rule 7.4.

If Resolution 5 is passed, the September Placement will be excluded in calculating the 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, the September Placement will be included in calculating the 15% limit in Listing Rule 7.1, effectively decreasing the number of Equity Securities it can issue without shareholder approval over the 12-month period following the issue date.

### 5.3 Listing Rules information requirements

In accordance with the requirements of Listing Rule 7.5, the following information is provided in relation to Resolution 5:

(a) **The names of the persons to whom the securities were issued or the basis on which those persons were determined**

The September Placement Shares were issued to professional and sophisticated investors who are clients of the Cumulus Wealth Pty Ltd and Viriathus Capital Pty Ltd (**Lead Managers**). The recipients were identified through a bookbuild process, which involved the Lead Managers seeking expressions of interest to participate in the capital raising process from non-related parties of the Company. None of the recipients are related parties of the Company.

(b) **The number and class of securities**

The Company issued 1,420,457 September Placement Shares within its placement capacity under Listing Rule 7.1.

All Shares are fully-paid ordinary shares in the Company which rank equally with all other Shares on issue.

(c) **The date on which the securities were issued**

The September Placement Shares were issued on 17 September 2020.

(d) **The price or consideration the entity has received or will receive for the issue**

The September Placement Shares were issued for \$0.043 per Share.

(e) **The purpose of the issue, including use or intended use of the funds raised**

The funds will be used for the same purposes as for the August Placement, which, as announced to ASX on 10 August 2020, are being used for an aggressive exploration programme focused on the Company's gold projects at Side Well and Whiteheads, including:

- (i) An initial 2,000m-3,000m RC programme extending known gold hits at the Mulga Bill prospect;
- (ii) An air-core programme to be drilled as soon as possible after the RC, infilling the 400m gaps in drill coverage at Mulga Bill;
- (iii) Additional air-core drilling to extend targets at Whiteheads, including the Blue Poles prospect at Arsenal;
- (iv) A large-scale soil sampling programme over Mulga Bill, as well as sub-cropping areas along the east side and northern end of the Side Well project; and
- (v) Follow-up R and air-core drilling at both Side Well and Whiteheads following results of these initial programmes.

- (f) **If the securities were or will be issued under an agreement, a summary of any other material terms of the agreement**

The September Placement Shares were not issued under any agreement.

#### 5.4 **Directors' recommendation**

The Directors recommend that Shareholders vote in favour of Resolution 5.

## 6. **Resolution 6: Ratification of issue of Lead Manager Options**

### 6.1 **Background**

As described in sections 4.1 and 5.1 above, the Company announced the August Placement and the September Placement (the **Placements**) on 10 August and 15 September 2020 respectively.

Cumulus Wealth Pty Ltd and Viriathus Capital Pty Ltd (**Lead Managers**) acted as lead managers to the September Placement. In accordance with their lead manager mandate (**Lead Manager Mandate**), they were issued 1,000,000 options (**Lead Manager Options**) for lead manager services performed.

None of the recipients of the Lead Manager Options are Related Parties of the Company.

Accordingly, Resolution 6 seeks ratification by Shareholders for the prior issue of 1,000,000 Lead Manager Options issued to the Lead Managers under the capital raising mandate.

Resolution 6 is an ordinary resolution seeking ratification and approval by Shareholders of the prior issue of Lead Manager Options.

### 6.2 **Lead Manager Mandate**

As set out in section 8.1 of the Company's prospectus dated 13 August 2020, the Company and the Lead Managers entered into an agreement for the engagement of the Lead Managers pursuant to which the Lead Managers agreed to provide corporate advisory and capital raising services in respect of the capital raising under the Placements, the Entitlement Offer, and the shortfall to the Entitlement Offer (together, the **Capital Raising**).

Under the Lead Manager Mandate, the Lead Managers have been engaged on an exclusive basis to:

- (a) determine investor demand for the Capital Raising;
- (b) solicit bids from institutional and professional investors to the Placements;
- (c) advise on the pricing for the Capital Raising; and
- (d) manage and co-ordinate the Capital Raising.

For performing these services, the Lead Managers have or will be paid the following amounts:

- (i) a licensing fee of 2% (plus GST) of the gross funds raised under the Capital Raising; and
- (ii) a brokerage fee of 4% (plus GST) of the gross funds of the Placements up to an amount of \$73,765.

The Lead Managers are also entitled to be granted 1,000,000 Lead Manager Options, being the subject of this Resolution 6.

### 6.3 **Regulatory requirements**

The effect of Listing Rules 7.1 and 7.4 are summarized at section 4.2 above.

The Company wishes to retain as much flexibility as possible to issue additional Equity Securities into the future without having to obtain shareholder approval for such issues under Listing Rule 7.1.

To this end, Resolution 6 seeks shareholder approval to the issue of the Lead Manager Options under and for the purposes of Listing Rule 7.4.

If Resolution 6 is passed, the issue of the Lead Manager Options will be excluded in calculating the 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, the issue of the Lead Manager Options will be included in calculating the 15% limit in Listing Rule 7.1, effectively decreasing the number of Equity Securities it can issue without shareholder approval over the 12-month period following the issue date.

#### 6.4 Listing Rules information requirements

In accordance with the requirements of Listing Rule 7.5, the following information is provided in relation to Resolution 6:

(a) **The names of the persons to whom the securities were issued or the basis on which those persons were determined**

The Lead Manager Options were issued to Cumulus Wealth Pty Ltd and Viriathus Capital Pty Ltd or their nominees. None of the recipients are related parties of the Company.

(b) **The number and class of securities**

The Company issued 1,000,000 Lead Manager Options within its placement capacity under Listing Rule 7.1.

The Lead Manager Options have an exercise price of \$0.10 and expire on 30 September 2023, and otherwise have the terms set out in Schedule 3.

(c) **The date on which the securities were issued**

The Lead Manager Options were issued on 17 September 2020.

(d) **The price or consideration the entity has received or will receive for the issue**

The Lead Manager Options were issued for nil cash consideration in consideration for lead manager services performed in conjunction with the September Placement.

(e) **The purpose of the issue, including use or intended use of the funds raised**

The issue of the Lead Manager Options was made in satisfaction of lead manager services and did not raise any funds.

(f) **If the securities were or will be issued under an agreement, a summary of any other material terms of the agreement**

The Lead Manager Options were issued pursuant to the Lead Manager Mandate, the material terms of which are summarised at section 6.2 above.

#### 6.5 Directors' recommendation

The Directors recommend that Shareholders vote in favour of Resolution 6.

## 7. Resolutions 7-9 — Approval for grant of Director Options

### 7.1 Background

Resolutions 7 to 9 seek Shareholder approval under Chapter 2E of the Corporations Act and Listing Rule 10.15 for the grant of 2,000,000 Options to each of Ms Leighton and Messrs Black and Hall (or their respective nominees), each being a Director, under the Company's Employee Incentive Plan (**Director Options**).

The Company's Employee Incentive Plan Rules are available on the Company's website, <https://www.greatboulder.com.au/sites/default/files/asx-announcements/6799588.pdf>. A summary of the rules is set out at Schedule 1 to this Explanatory Statement.

### 7.2 Section 195(1) of the Corporations Act

Section 195(1) of the Corporations Act provides that a director who has a "material personal interest" in a matter being considered at a directors' meeting must not be present while the matter is being considered, or vote on the matter.

Section 195(4) of the Corporations Act provides that where there are insufficient directors to form a quorum at a directors' meeting because of section 195(1), the directors may call a Meeting of shareholders to consider the matter.

The Directors are unable to form a quorum to consider any matters relating to the offer of Director Options under Resolutions 7 to 9, as Ms Leighton and Messrs Black and Hall, being three of the four Directors of the Company, have a material personal interest in the outcome of the Resolutions. Therefore, the Company is seeking approval under section 195(4) of the Corporations Act to deal with the matter.

### 7.3 Chapter 2E of the Corporations Act

Section 208 of the Corporations Act provides that a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- 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 offer of Director Options to the Directors (or their nominees), as contemplated by Resolutions 7 to 9, constitutes the giving a financial benefit for the purposes of the Corporations Act, and to each of Ms Leighton and Messrs Black and Hall as Related Parties of the Company.

Accordingly, Shareholder approval is sought for the purposes of section 208 of the Corporations Act.

### 7.4 Listing Rule 10.14

Listing Rule 10.14 provides that a listed company must not permit any of the following persons to acquire equity securities under an employee incentive scheme:

- 10.14.1—a director of the company;
- 10.14.2—an Associate of a director of the company; or
- 10.14.3—a person whose relationship with the Company 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 its shareholders,

unless it obtains the approval of its shareholders.

The issue of the Director Options falls within Listing Rule 10.14.1 above and therefore requires the approval of the Company's shareholders under Listing Rule 10.14.

Resolutions 7 to 9 seek the required shareholder approval to the issue of the Director Options under and for the purposes of Listing Rule 10.14.

If any of Resolutions 7 to 9 are passed, the Company will be able to proceed with the issue and the relevant Director will be issued the Director Options under that Resolution.

If any of Resolutions 7 to 9 are not passed, the Company will not be able to proceed with the issue and the relevant Director will not be issued the Director Options under that defeated Resolution.

## 7.5 Corporations Act information requirements

Section 219 of the Corporations Act requires that the following information be provided to Shareholders in relation to Resolutions 7 to 9 for the purposes of obtaining approval under Section 208 of the Corporations Act:

### (a) Names of the Related Parties

The names of the Related Parties are:

- (i) in respect of Resolution 7 – Melanie Leighton (or her nominee);
- (ii) in respect of Resolution 8 – Murray Black (or his nominee); and
- (iii) in respect of Resolution 9 – Gregory Hall (or his nominee).

### (b) Nature of the financial benefit

The nature of financial benefit that will be given to the Directors (or their nominees) of the Company if Resolutions 7 to 9 are approved is the issue of a total of 2,000,000 Director Options to each of the Directors (or their nominees), as set out in the table below:

Related Party	Number of Director Options
Melanie Leighton	2,000,000
Murray Black	2,000,000
Gregory Hall	2,000,000

### (c) Value of the financial benefit

A valuation of the Options was conducted by the Company which applied the Black-Scholes option pricing model (**Black-Scholes Model**).

The Black-Scholes Model is based on a number of assumptions and variables, including the following:

- (i) the assumed exercise price for each Director Option is \$0.073, being 150% of the VWAP of Shares traded on ASX over the 5 business days immediately prior to 2 October 2020, being the latest available date at the time of preparation of the Notice of Meeting (rounded up to the nearest 100th of a cent);
- (ii) each Director Option will expire three years from the date of grant, and it is assumed that the Director Options will be exercised immediately prior to the expiry date;
- (iii) the closing price of Shares traded on ASX on 2 October 2020 was \$0.049;

- (iv) a risk-free rate of 0.17% has been adopted;
- (v) it has been assumed that there will not be a dividend paid; and
- (vi) a volatility factor of 117% has been adopted.

The valuation based on the aforementioned detail is \$0.032. Applying the above, the estimated valuation the value of the estimated financial benefit to be received by each of Ms Leighton and Messrs Black and Hall is \$64,392 each.

**(d) Remuneration of Related Parties**

The table below sets out the total remuneration paid or payable to Ms Leighton and Messrs Black and Hall, for the last financial year and the proposed total remuneration for the current financial year, including superannuation entitlements.

Director	Financial year ended 30 June 2019	Financial year ended 30 June 2020	Financial year ended 30 June 2021 (proposed)
Melanie Leighton	\$43,800	\$43,800	\$43,800
Murray Black	\$43,800	\$43,800	\$43,800
Gregory Hall	\$54,750	\$54,750	\$54,750

**Note:**

1. Excludes Equity Remuneration – refer 2020 Annual Report for full details.

**7.6 Security holdings of Related Parties**

The table below sets out the securities and rights in the Company in which Ms Leighton and Messrs Black and Hall have a direct or indirect interest at the date of the Notice. The table does not include Director Options to be issued to the Directors subject to Shareholder approval of Resolutions 7 to 9

Director	Shares		Options	
	Direct	Indirect	Direct	Indirect
Melanie Leighton	Nil	1,450,000 <sup>1</sup>	Nil	2,000,000 <sup>1</sup>
Murray Black	Nil	4,666,667 <sup>2</sup>	Nil	3,500,000 <sup>2</sup>
Gregory Hall	Nil	1,633,333 <sup>3</sup>	Nil	2,000,000 <sup>3</sup>

**Notes:**

1. Held by Leighton Crossing Pty Ltd as trustee for Leighton Family A/C, of which Ms Leighton is a beneficiary/director.
2. 4,000,000 shares and 3,500,000 options held by Black International Pty Ltd, of which Mr Black is a beneficiary/director. 666,667 shares held by Blue Spec Drilling Pty Ltd, of which Mr Black is also a beneficiary/director.
3. Held by Omaroo Pty Ltd as trustee for The Hall Family Trust, of which Mr Hall is a beneficiary/director.

**7.7 Voting interests and voting power of Related Parties**

The table below sets out details of the respective voting interests of Ms Leighton and Messrs Black and Hall, including how these interests may change upon the events specified in the table occurring.

Event	Shares received	Total Shares held after event	Voting power after event (rounded)
<b>Melanie Leighton</b>			
Existing Shares held	1,450,000	1,450,000	0.77%
Exercise of all existing Options	2,000,000	3,450,000	1.82%
Director Options to be issued under Resolution 7 and exercise	2,000,000	5,450,000	2.84%
<b>Murray Black</b>			
Existing Shares held	4,666,667	4,666,667	2.48%
Exercise of all existing Options	3,500,000	8,366,667	4.26%
Director Options to be issued under Resolution 8 and exercise	2,000,000	10,366,667	5.25%
<b>Gregory Hall</b>			
Existing Shares held	1,633,333	1,633,333	0.87%
Exercise of all existing Options	2,000,000	3,633,333	1.91%
Director Options to be issued under Resolution 9 and exercise	2,000,000	5,633,333	2.93%

## 7.8 Dilution

If Resolutions 7 to 9 are approved, a total of 6,000,000 Director Options will be offered to Ms Leighton and Messrs Black and Hall (or their nominees). The offer of these Director Options will not, at the time of grant, have any dilutionary effect to the shareholding interests of existing Shareholders.

If 6,000,000 Director Options are exercised by each Director into Shares, the dilution to the shareholding interests of existing Shareholders will be approximately 3.2%.

## 7.9 Trading history

The most recent available data concerning the price of the Company's Shares traded on ASX since 19 October 2019 (i.e. approximately 12 months from the Notice date) is summarised in the table below.

	High	Low	Last
<b>Price</b>	\$0.068	\$0.023	\$0.049
<b>Date</b>	4 November 2019	24 March 2020	2 October 2020

## 7.10 Funds raised

Director Options are being offered to the Directors (or their nominees) at a nil issue price, accordingly, the Company will not raise any funds from the issue of Director Options.

However, based on the assumed exercise price described in Section 7.5(c) above, upon the exercise of the Director Options, the Company will raise approximately \$438,000.

### 7.11 **Directors' interests in the proposed resolution**

Melanie Leighton has a material personal interest in the outcome of Resolution 7 and will be the only Director to receive a benefit from that Resolution.

Murray Black has a material personal interest in the outcome of Resolution 8 and will be the only Director to receive a benefit from that Resolution.

Gregory Hall has a material personal interest in the outcome of Resolution 9 and will be the only Director to receive a benefit from that Resolution.

### 7.12 **Other information**

Other than as set out in this Explanatory Statement, the Directors do not consider there is any further information which the Shareholders would reasonably require in order to decide whether or not to approve Resolutions 7 to 9.

### 7.13 **Information required by Listing Rule 10.15**

Listing Rule 10.15 requires that the following information be provided to Shareholders in relation to Resolutions 7 to 9 for the purposes of obtaining approval under Listing Rule 10.14:

(a) **Name of the person**

Resolutions 7-9 contemplate the issue of Director Options to Melanie Leighton, Murray Black, and Gregory Hall respectively.

(b) **Which category in Listing Rules 10.14.1—10.14.3 the person falls within and why**

Each of Ms Leighton and Messrs Black and Hall are Directors of the Company and therefore fall within Listing Rule 10.14.1.

(c) **The number and class of securities proposed to be issued to the person**

It is proposed that 2,000,000 Director Options be issued to each of Ms Leighton and Messrs Black and Hall.

(d) **Details of the Directors' current total remuneration package**

Details of the Directors' current total remuneration packages are set out at section 7.5(d) above.

(e) **The number and acquisition price of securities previously issued to the recipients under the employee incentive scheme**

Nil

(f) **Material terms of securities and reason for issue**

The Director Options have an exercise price equal to 150% of the Company's 5-day VWAP prior to the date of the Meeting, and an expiry date of 3 years from the date of grant. The full terms of the Director Options are set out at Schedule 1.

(g) **Date of issue**

The Director Options will be issued as soon as possible after the Meeting and likely on the same date.

(h) **Price of issue**

The Director Options will be issued for nil consideration.

(i) **Material terms of employee incentive scheme**

The material terms of the Company's Employee Incentive Plan are set out at Schedule 2. The full Employee Incentive Plan Rules are available on the Company's website, <https://www.greatboulder.com.au/sites/default/files/asx-announcements/6799588.pdf>

(j) **A summary of the material terms of any loan that will be made to the person in relation to the acquisition**

The Director Options will be issued for nil consideration and so there are no loans to be made in relation to the issue of the Director Options.

(k) **Statement**

As required by Listing Rule 10.15.11, the Company confirms that:

- Details of any securities issued under the Employee Incentive Plan will be published in the Company's annual report 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.
- Any additional persons covered by Listing Rule 10.14 who become entitled to participate in an issue of securities under the Employee Incentive Plan after the resolution is approved and who were not named in the notice of meeting will not participate until approval is obtained under that rule.

7.14 **Directors' recommendations**

Each recipient of Director Options as contemplated by Resolutions 7 to 9 is a Related Party of the Company by virtue of being a Director of the Company.

In the interests of good corporate governance, Ms Leighton and Messrs Black and Hall decline to make any recommendations as to how Shareholders should vote on any of Resolutions 7 to 9 (not just in respect of those Resolutions in which they individually have a material personal interest) as they may each acquire a relevant interest in Director Options if Resolutions 7 to 9 are approved. The remaining Director, Mr Andrew Paterson, recommends that Shareholders vote in favour of Resolutions 7 to 9.

## **8. Resolution 10 – Approval of Additional Placement Facility**

### **8.1 Background**

Resolution 10 seeks Shareholder approval for an additional issuing capacity under ASX Listing Rule 7.1A (**Additional Placement Facility**).

If approved, Resolution 10 would enable the Company to issue additional Equity Securities (calculated below) over a 12-month period without obtaining Shareholder approval.

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without approval of its shareholders over any

12-month period to 15% of the fully-paid ordinary securities it had on issue at the start of that period.

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

An “eligible entity” means an entity which is not included in the S&P/ASX 300 index and which has a market capitalisation of \$300 million or less. The Company is an eligible entity for these purposes.

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

If Resolution 10 is passed, the Company will be able to issue equity securities up to the combined 25% limit in Listing Rules 7.1 and 7.1A without any further Shareholder approval.

If Resolution 10 is not passed, the Company will not be able to access the additional 10% capacity to issue equity securities without Shareholder approval provided for in Listing Rule 7.1A and will remain subject to the 15% limit on issuing equity securities without Shareholder approval set out in Listing Rule 7.1.

## 8.2 Information on Additional Placement Facility

### (a) Quoted securities

Any Equity Securities issued under the Additional Placement Facility must be in the same class as an existing class of Equity Securities of the Company that are quoted on ASX.

As at the date of this Notice, the Company has one class of Equity Securities quoted on ASX, being Ordinary Shares.

### (b) Formula for Additional Placement Facility

If this Resolution 10 is passed, the Company may issue or agree to issue, during the 12 month period after this Meeting, the number of Equity Securities calculated in accordance with the following formula.

$$\text{Additional Placement Capacity} = (A \times D) - E$$

A = the number of fully-paid ordinary securities on issue at the commencement of the relevant period:

- plus the number of fully-paid ordinary securities issued in the relevant period under an exception in ASX Listing Rule 7.2 other than exception 9, 16, or 17;
- plus the number of fully-paid ordinary securities issued in the relevant period on the conversion of convertible securities within rule 7.2 exception 9 where:
  - the convertible securities were issued or agreed to be issued before the commencement of the relevant period; or
  - the issue of, or agreement to issue, the convertible securities was approved, or taken under the Listing Rules to have been approved under Listing Rule 7.1 or 7.4;
- plus the number of fully-paid ordinary securities issued in the relevant period under an agreement to issue securities within rule 7.2 exception 16 where:

- the agreement was entered into before the commencement of the relevant period; or
  - the agreement or issue was approved, or taken under the Listing Rules to have been approved under Listing Rule 7.1 or 7.4;
  - plus the number of fully paid ordinary securities issued in the relevant period with approval under Listing Rule 7.1 or ASX Listing Rule 7.4;
  - plus the number of partly-paid ordinary securities that became fully-paid in the relevant period;
  - less the number of fully-paid ordinary securities cancelled in the relevant period;
- D = 10%; and
- E = the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the relevant period where the issue or agreement has not been subsequently approved by Shareholders under Listing Rule 7.4.

### 8.3 Listing Rule requirements

Pursuant to and in accordance with Listing Rule 7.3A, the following information is provided in relation to the proposed approval of the Additional Placement Facility:

(a) **Period for which the approval will be valid**

The Additional Placement Facility would commence on the date of the Meeting and expire on the first to occur of the following:

- the date that is 12 months after this Meeting (i.e. 18 November 2020);
- the time and date of the Company's next annual general meeting; or
- the time and date of the approval by Shareholders of a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or Listing Rule 11.2 (disposal of main undertaking).

(b) **Minimum price at which equity securities may be issued**

Any Equity Securities issued under the Additional Placement Facility must be in an existing quoted class of the Company's securities and issued for cash consideration per security which is not be less than 75% of the VWAP for securities in that class, calculated over the 15 trading days on which trades in that class were recorded immediately before:

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

(c) **Purpose for which Equity Securities may be issued**

The Company may seek to issue Equity Securities under the Additional Placement Facility for cash consideration to fund business growth, to acquire new assets or make investments, to develop the Company's existing assets and operations and for general working capital.

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

If Resolution 7 is passed and the Company issues securities under the Additional Placement Facility, then there is a risk to existing Shareholders of economic and voting dilution, including the risk that:

- (i) the market price for Equity Securities in the same class may be significantly lower on the issue date of the new Equity Securities than on the date of this Meeting; and
- (ii) the new Equity Securities may be issued at a price that is at a discount to the market price for Equity Securities in the same class on the issue date or the new Equity Securities may be issued in consideration for the acquisition of a new asset.

The table below identifies the potential dilution to existing Shareholders following the issue of Equity Securities under the Additional Placement Facility (based on the formula set out above) using different variables for the number of issued Ordinary Shares and the market price of Ordinary Shares.

The numbers are calculated on the basis of the latest available market price of Ordinary Shares before the date of this Notice and the current number of Ordinary Shares on issue.

Variable A in Listing Rule 7.1A		Nominal issue price		
		\$0.051 (market price)	\$0.0383 (25% decrease in market price)	\$0.0255 (50% decrease in market price)
<b>Current issued capital</b> A = 188,059,770 Ordinary Shares	<b>Ordinary Shares issued under LR 7.1A</b>	18,805,977	18,805,977	18,805,977
	<b>Voting dilution</b>	\$959,105	\$719,329	\$479,552
	<b>Funds raised</b>	0.00%	2.27%	4.55%
	<b>Economic dilution</b>	28,208,966	28,208,966	28,208,966
<b>50% increase in issued capital</b> A = 282,089,655 Ordinary Shares	<b>Ordinary Shares issued under LR 7.1A</b>	\$1,438,657	\$1,078,993	\$719,329
	<b>Voting dilution</b>	0.00%	2.27%	4.55%
	<b>Funds raised</b>	37,611,954	37,611,954	37,611,954
	<b>Economic dilution</b>	\$1,918,210	\$1,438,657	\$959,105
<b>100% increase in issued capital</b> A = 376,119,540 Ordinary Shares	<b>Ordinary Shares issued under LR 7.1A</b>	0.00%	2.27%	4.55%
	<b>Voting dilution</b>	18,805,977	18,805,977	18,805,977

	<b>Funds raised</b>	\$959,105	\$719,329	\$479,552
	<b>Economic dilution</b>	0.00%	2.27%	4.55%

**Notes:**

This table has been prepared on the following assumptions:

1. the latest available market price of Ordinary Shares, being the closing price as at 28 September 2020, was \$0.051;
2. the Company issues the maximum number of equity securities available under the Additional Placement Facility;
3. existing Shareholders' holdings do not change from the date of this Meeting to the date of the issue under the Additional Placement Facility;
4. the Company issues Ordinary Shares only and does not issue other types of equity securities (such as Options) under the Additional Placement Facility;
5. the impact of placements under Listing Rule 7.1 or following the exercise of options is not included in the calculations; and
6. economic dilution (ED) is calculated using the following formula:

$$ED = (MP - (NMC / TS)) / MP$$

where:

MP = the market price of shares traded on ASX, expressed in dollars;

MC = market capitalisation prior to issue of Equity Securities, being the MP multiplied by the number of shares on issue;

NMC = notional market capitalisation, being the market capitalisation plus the NSV;

NSV = new security value, being the number of new Equity Securities multiplied by the issue price of those Equity Securities; and

TS = total shares on issue following new Equity Security issue.

(e) **Allocation policy**

The Company's allocation policy for the issue of Equity Securities under the Additional Placement Facility will depend on the prevailing market conditions at the time of the proposed issue. The allottees will be determined on a case-by-case basis having regard to the factors such as:

- (i) the methods of raising funds that are available to the Company, including but not limited to, rights issues or other issues in which existing security holders can participate;
- (ii) the effect of the issue of the new securities on the control of the Company;
- (iii) the financial situation and solvency of the Company; and
- (iv) advice from corporate and other advisors.

As at the date of this Notice, the Company has not identified any proposed allottees of Equity Securities using the Additional Placement Facility. However, the eventual allottees may include existing substantial Shareholders, other Shareholders and/or new investors.

None of the allottees will be a related party or an associate of a related party of the Company, except as permitted under Listing Rule 7.2. Existing Shareholders may or may not be entitled to subscribe for Equity Securities under the Additional Placement Facility and it is possible that their shareholding will be diluted.

If the Additional Placement Facility is used to acquire new assets or investments, then it is likely that the allottees will be the vendors of these assets/investments.

The Company will comply with the disclosure obligations under Listing Rules 7.1A.4 and 3.10.5A upon issue of any Equity Securities under the Additional Placement Facility.

(f) **Issues under Listing Rule 7.1A in past 12 months**

The Company made one issue of Equity Securities pursuant to Listing Rule 7.1A in the past 12 months, being 13,345,399 fully-paid ordinary shares issued under the August Placement as described in section 4.1. The issue totalled approximately 12.0% of the 111,029,067 fully-paid ordinary shares on issue 12 months prior to the date of the Meeting.

The one issue under Listing Rule 7.1A had the following characteristics:

(i) **Names of the persons to whom securities were issued or the basis on which those persons were identified or selected**

The Shares were issued to professional and sophisticated investors who are clients of the Lead Managers. The recipients were identified through a bookbuild process, which involved the Lead Managers seeking expressions of interest to participate in the capital raising process from non-related parties of the Company. None of the recipients are related parties of the Company.

(ii) **Number and class of securities issued**

13,345,399 fully-paid ordinary shares were issued under Listing Rule 7.1A.

(iii) **Price of issue and discount to closing market price on the date of issue**

The shares were issued for \$0.043 per Share, representing a 18.9% discount to the closing market price of the Company's Shares on the issue date of 20 August 2020.

(iv) **Total consideration received and how spent**

A total of \$573,852.16 was received by the Company for the issue of the shares issued under Listing Rule 7.1A. This full amount has been spent by the Company as at the date of this Notice, for the purposes set out at section (e).

#### 8.4 **Directors' recommendation**

The Directors unanimously recommend that Shareholders vote in favour of Resolution 10 as it will give the Company the flexibility to issue Securities without Shareholder approval to raise necessary working capital in the future.

## 9. Glossary

In this Explanatory Statement, the following terms have the following meaning unless the context otherwise requires:

<b>Additional Placement Facility</b>	Has the meaning given to that term on Section 8.1 of this Explanatory Statement.
<b>Annual General Meeting or Meeting</b>	The annual general meeting of the Company, or any adjourned meeting thereof, convened by the Notice.
<b>Annual Report</b>	The annual report of the Company for the financial year ended 30 June 2020, including the annual financial report, the Directors' report and the Auditor's report.
<b>Associate</b>	Has the meaning given to that term in the Corporations Act.
<b>ASX</b>	ASX Limited (ACN 008 624 691) or the financial market known as the Australian Securities Exchange, as the context requires.
<b>Auditor</b>	The auditor of the Company.
<b>August Placement</b>	Has the meaning given in section 4.1.
<b>August Placement Participants</b>	Has the meaning given in section 4.1.
<b>August Placement Shares</b>	Has the meaning given in section 4.1.
<b>Board</b>	The Company's Board of Directors.
<b>Chairperson</b>	The chairperson of the Meeting.
<b>Closely Related Parties</b>	Has same meaning given to it in section 9 of the Corporations Act, being, in relation to a member of Key Management Personnel: <ul style="list-style-type: none"><li>(a) a spouse or child of the member;</li><li>(b) a child of the member's spouse;</li><li>(c) a dependent of the member or the member's spouse;</li><li>(d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;</li><li>(e) a company the member controls; or</li><li>(f) a person prescribed by the <i>Corporations Regulations 2001</i> (Cth) (currently none are prescribed).</li></ul>
<b>Company</b>	Great Boulder Resources Limited (ACN 611 695 955).
<b>Company Secretary</b>	The Company Secretary of the Company at the time of the Meeting, being Ms Melanie Ross.
<b>Constitution</b>	The Constitution of the Company.

### Important note

The Notice of Annual General Meeting, Explanatory Statement and Proxy Form should be read in their entirety. If you are in doubt as to how you should vote, you should seek advice from your accountant, solicitor or other professional adviser prior to voting.

<b>Contractor</b>	A consultant or contractor that has entered into a contract which requires or might reasonably be expected to require the consultant or contractor to provide the pro-rata equivalent of 40% or more of a comparable full-time position with the Company or a Related Body Corporate of the Company, either directly in their individual capacity, or through a company where the individual who performs the work under or in relation to the contract is a director of the company or the spouse of a director of the company.
<b>Corporations Act</b>	<i>Corporations Act 2001</i> (Cth).
<b>Director</b>	A director of the Company.
<b>Equity Security</b>	Has the meaning given to that term in ASX Listing Rule 19.12, being: <ul style="list-style-type: none"> <li>(a) a share;</li> <li>(b) a unit;</li> <li>(c) a right to a share or unit or option;</li> <li>(d) an option over an issued or unissued security;</li> <li>(e) a convertible security;</li> <li>(f) any security that ASX decides to classify as an equity security;</li> <li>(g) but not a security that ASX decides to classify as a debt security.</li> </ul>
<b>Explanatory Statement</b>	This explanatory statement which accompanies and forms part of the Notice.
<b>Glossary</b>	This glossary of terms.
<b>Incentive Plan</b>	The incentive plan for employees adopted by the Company.
<b>Incentive Plan Rules</b>	The rules of the Incentive Plan.
<b>Key Management Personnel</b>	Has the same meaning as the definition of that term in section 9 of the Corporations Act, being those persons details of whose remuneration are included in the Remuneration Report having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise).
<b>Lead Manager Options</b>	Has the meaning given in section 6.1.
<b>Lead Managers</b>	Cumulus Wealth Pty Ltd (ACN 634 297 279) and Viriathus Capital Pty Ltd (ACN 113 959 596).
<b>Listing Rules</b>	The listing rules of ASX.
<b>Notice or Notice of Meeting</b>	The notice of annual general meeting which accompanies this Explanatory Statement.
<b>Option</b>	An option to acquire a Share.
<b>Performance Right</b>	A right to acquire a Share on the vesting of performance conditions.
<b>Proxy Form</b>	The proxy form accompanying the Notice.
<b>Related Body Corporate</b>	Has the meaning given to that term in the Corporations Act.
<b>Remuneration Report</b>	The remuneration report contained in the Directors' report for the year ended 30 June 2020.
<b>Resolution</b>	A resolution set out in the Notice.
<b>Related Party</b>	Has the meaning given to that term in the Listing Rules.
<b>Section</b>	A section of the Explanatory Statement.
<b>September Placement</b>	Has the meaning given in section 5.1.

<b>September Placement Participants</b>	Has the meaning given in section 5.1.
<b>September Placement Shares</b>	Has the meaning given in section 5.1.
<b>Share</b>	A fully paid ordinary share in the Company.
<b>Shareholder</b>	A holder of a Share.
<b>VWAP</b>	Has the meaning given to that term in the Listing Rules.
<b>WST</b>	Australian Western Standard Time, being the time in Perth, Western Australia.

# Schedule 1

## Terms of Director Options

1. **Grant of Options**

The Non-Executive Director Options are granted in two tranches:

2. **Entitlement to Shares**

Each Non-Executive Director Option entitles the holder (**Option Holder**) to subscribe for 1 (one) Share in the Company on exercise of the Option.

3. **No payment on issue**

The Option Holder is not required to pay any amount on the issue of a Non-Executive Director Option.

4. **Exercise price**

The exercise price payable to exercise the Non-Executive Director Options (**Exercise Price**) is the price equal to 150% of the VWAP of Shares traded on ASX over the 5 Business Days prior to the Company's 2020 Annual General Meeting on which Shares are traded ASX.

5. **Expiry date**

Each Non-Executive Director Option not exercised by 5.00pm (WST) on 30 June 2023 (**Expiry Date**) will automatically expire.

6. **Vesting**

The Non-Executive Director Options vest immediately on the date of issue of the Options and are not subject to any Vesting Conditions or Exercise Conditions.

7. **Certificate or holding statement**

The Company must give the Option Holder a certificate or holding statement in respect of the Non-Executive Director Options granted to them.

8. **Restrictions on dealing and transfer**

(a) An Option Holder must not sell, transfer, mortgage, pledge, charge, grant a security interest over or otherwise dispose of (**Dispose**) any Non-Executive Director Options, or agree to do any of the same, without the prior consent of the Board, except where such Disposal occurs by force of law.

(b) The transfer of any Non-Executive Director Option is subject to any restrictions on transfer under the Corporations Act or the Listing Rules.

9. **Quotation of Plan Options**

The Company will not apply for quotation of any Non-Executive Director Options.

10. **New issues**

The Option Holder is not entitled to participate in any new issue to Shareholders of securities in the Company unless they have exercised their Non-Executive Director Options before the record date for determining entitlements to the new issue of securities and participate as a result of holding Shares. The Company must give the Option Holder 7 business days' notice of the proposed terms of the issue or offer.

11. **Bonus issues**

If the Company makes a bonus issue of Shares or other securities to Shareholders (except an issue in lieu of dividends or by way of dividend reinvestment) and a Share has not been issued in respect of the Non-Executive Director Option before the record date for determining entitlements to the issue, then the number of underlying Shares over which the Non-Executive Director Option is exercisable will be increased by the number of Shares which the Option Holder would have received if the Option Holder had exercised the Non-Executive Director Option before the record date for determining entitlements to the issue.

12. **Pro rata issues**

If the Company makes a pro rata issue of Shares (except a bonus issue) to Shareholders (except an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment) and a Share has not been issued in respect of the Non-Executive Director Option before the record date for determining entitlements to the issue, the Exercise Price of each Non-Executive Director Option will be reduced in accordance with the Listing Rules.

13. **Reorganisation**

- (a) If there is a reorganisation (including consolidation, sub-division, reduction or return) of the share capital of the Company, then the rights of the Option Holder (including the number of Non-Executive Director Options to which the Option Holder is entitled and the Exercise Price) will be changed to the extent necessary to comply with the Listing Rules applying to a reorganisation of capital at the time of the reorganisation.
- (b) Any calculations or adjustments which are required to be made will be made by the Board and will, in the absence of manifest error, be final and conclusive and binding on the Company and the Option Holder.
- (c) The Company must, within a reasonable period, give to the Option Holder notice of any change to the Exercise Price of any Non-Executive Director Options held by the Option Holder or the number of Shares which the Option Holder is entitled to subscribe for on exercise of a Non-Executive Director Option.

14. **Exercise**

14.1 Subject to paragraph 14.2, an Option Holder may:

- (a) not exercise a Non-Executive Director Option during the period (**Restriction Period**) commencing on the date that a Non-Executive Director Option is issued and expiring on the later of:
  - (i) the date that the last Vesting Condition (if any) is satisfied or waived by the Company; and
  - (ii) the date when the last Exercise Condition (if any) is satisfied or waived by the Company; and
- (b) only exercise a Non-Executive Director Option after the expiry of the Restriction Period but prior to the Expiry Date.

14.2 Notwithstanding paragraph 14.1, a Non-Executive Director Option may be exercised:

- (a) in the Board's absolute discretion, at any time after a Change of Control Event has occurred;
- (b) at any time after the announcement of a proposed capital reorganisation referred to in paragraph 13;
- (c) in the Board's absolute discretion, following the occurrence and announcement by the Company of an event that in the opinion of the Board is likely to lead to the Company being removed from the official list of ASX; or

- (d) in the Board's absolute discretion, within 12 months, if any of the following occurs in relation to a Participant, in relation to Non-Executive Director Options held by or on behalf of that Participant:
  - (i) the death of the Participant;
  - (ii) the illness or incapacity of the Participant necessitating the permanent withdrawal of the Participant from the work force, as accepted to the satisfaction of the Board; or
  - (iii) any other circumstances which the Board considers should be treated as permanent disablement of the Participant for the purposes of the Plan.

14.3 To exercise Non-Executive Director Options, the Option Holder must give the Company or its securities registry, at the same time:

- (a) a written exercise notice (in the form approved by the Board) specifying the number of Non-Executive Director Options being exercised;
- (b) payment of the Exercise Price for the Non-Executive Director Options the subject of the exercise notice, by way of bank cheque or by other means of payment, approved by the Company;
- (c) the option certificate, or documentary evidence satisfactory to the Board that the option certificate was lost or destroyed; and
- (d) where required by the Company in accordance with rule 15.1 of the Rules, payment in full of the amount of Withholding Tax Amount that the Company is required to remit as a result of the exercise of the Non-Executive Director Option.

14.4 Where the payment received by the Company under paragraph 14.3(d), those moneys will be held on behalf of the Participant, and remitted to the appropriate taxing authority by the Company on behalf of the Participant.

14.5 The Option Holder may only exercise a minimum of 500 Options at a time, and then in multiples of 100, unless the Option Holder holds less than 500 Options.

14.6 A notice of exercise in relation to any Non-Executive Director Options only becomes effective when the Company has received the full amount of the Exercise Price for the number of Non-Executive Director Options specified in the notice, in cleared funds.

14.7 Non-Executive Director Options will be deemed to have been exercised on the date the exercise notice is lodged with the Board.

## 15. **Re-issue of option certificate or holding statement**

If the Option Holder exercises less than the total number of Plan Options registered in the Option Holder's name:

- (a) the Option Holder must surrender their option certificate (if any); and
- (b) the Company must cancel the option certificate (if any) and issue the Option Holder a new option certificate or holding statement stating the remaining number of Non-Executive Director Options held by the Option Holder.

## 16. **Issue of Shares**

Within 10 business days after receiving an application for exercise of Non-Executive Director Options and payment by the Option Holder of the Exercise Price, the Company must issue the Option Holder the number of Shares specified in the application.

17. **Equal ranking**

Subject to the Company's Constitution, all Shares issued on the exercise of Non-Executive Director Options will rank in all respects (including rights relating to dividends) equally with the existing ordinary Shares of the Company at the date of issue.

18. **Quotation of Shares**

The Company will apply to ASX for official quotation of the Shares issued on the exercise of Non-Executive Director Options.

19. **Lapse of Options**

(a) Unless the Directors in their absolute discretion determine otherwise, Tranche 2 Options will automatically lapse and be forfeited if, prior to the Vesting Date:

- (i) the holder resigns employment or terminates engagement with the Company;
- (ii) the holder is dismissed from employment or engagement with the Company for:
  - A. material breach of contract or negligence; or
  - B. conduct justifying termination without notice;
- (iii) the holder ceases employment or engagement with the Company and breaches any post-termination restraint; or
- (iv) the holder is ineligible to hold his or her office pursuant to the Corporations Act.

(b) Tranche 2 Options will not lapse and be forfeited if the holder ceases employment or engagement with the Company due to:

- (i) death or permanent disablement;
- (ii) retirement; or
- (iii) redundancy; or

where the Board determines that the Options continue.

20. **Governing law**

These terms and the rights and obligations of the Option Holder are governed by the laws of Western Australia. The Option Holder irrevocably and unconditionally submits to the non-exclusive jurisdiction of the courts of Western Australia.

## Schedule 2

### Summary of Employee Incentive Plan

#### 1. Objectives of the Incentive Plan

The objectives of the Incentive Plan are to:

- (a) establish a method by which eligible persons can participate in the future growth and profitability of the Company;
- (b) provide an incentive and reward for eligible participants for their contributions to the Company;
- (c) attract and retain a high standard of managerial and technical personnel for the benefit of the Company; and
- (d) align the interests of eligible participants more closely with the interests of Shareholders, by providing an opportunity for eligible participants to hold an equity interest in the Company.

#### 2. Summary of terms of Incentive Plan

##### 2.1 Eligibility

The following persons can participate in the Incentive Plan if the Board makes them an offer to do so:

- (a) a full-time or part-time employee, including an executive and non-executive Director of the Company or its related bodies corporate;
- (b) a contractor of the Company or its related bodies corporate;
- (c) a casual employee of the Company or its related bodies corporate where the employee or contractor is, or might reasonably be expected to be, engaged to work the pro-rata equivalent of 40% or more of a comparable full-time position; and
- (d) a person to whom an offer of Awards has been made, but whose acceptance of the Offer is conditional upon the person becoming one of the above.

##### 2.2 Board discretions

The Board has broad discretions under the Incentive Plan, including (without limitation) as to:

- (a) the timing of making an offer to participate in the Incentive Plan;
- (b) identifying persons eligible to participate in the Incentive Plan;
- (c) the terms of issue of Awards (including vesting conditions, performance hurdles and exercise conditions if any); and
- (d) the periods during which Awards may be exercised.

##### 2.3 5% Limit

The Plan has been prepared to comply with ASIC Class Order [CO 14/1000] and as such, offers under the Plan are limited to the 5% capital limit set out in that Class Order.

##### 2.4 Exercise price

The Exercise Price of an Award will be the price determined by the Board in its absolute discretion prior to or on grant of the Award.

## 2.5 Awards not to be quoted

The Awards will not be quoted on the ASX. However, application will be made to ASX for official quotation of Shares issued upon the exercise of Awards, if the Shares are listed on ASX at that time.

## 2.6 Shares issued on exercise of Awards

Subject to any applicable vesting conditions, performance hurdles and exercise conditions:

- (a) each Option entitles the holder to subscribe for and be issued with one Share; and
- (b) each Performance Right entitles the holder to subscribe for and be issued with one Share.

Shares issued pursuant to the exercise of Awards will in all respects rank equally and carry the same rights and entitlements as other Shares on issue.

Holders of Awards have no rights to vote at meetings of the Company or receive dividends until Shares are allotted on the exercise of Awards pursuant to the Incentive Plan.

## 2.7 Lapse of Awards

- (a) Unless the Directors in their absolute discretion determine otherwise, Awards will automatically lapse and be forfeited if, prior to the satisfaction of an exercise condition or vesting condition:
  - (i) the holder resigns employment or terminates engagement with the Company;
  - (ii) the holder is dismissed from employment or engagement with the Company for:
    - A. material breach of contract or negligence; or
    - B. conduct justifying termination without notice;
  - (iii) the holder ceases employment or engagement with the Company and breaches any post-termination restraint;
  - (iv) the holder is ineligible to hold his or her office pursuant to the Corporations Act; or
  - (v) any performance milestones applicable to the Awards are not satisfied – if a portion are satisfied, then a proportionate number of Awards may continue at the Board's discretion.
- (b) Awards will not lapse and be forfeited if the holder ceases employment or engagement with the Company due to:
  - (i) death or permanent disablement;
  - (ii) retirement; or
  - (iii) redundancy; or

where the Board determines that the Awards continue.

## 2.8 Restrictions on disposal

An Award holder is not able to sell, transfer, mortgage, pledge, charge, grant security over or otherwise dispose of any Awards, or agree to do any of those things, without the prior consent of the Board or unless such disposal is required by law.

## 2.9 Participation rights of Award holders

Holders of Options and Performance Rights will only be permitted to participate in an issue of new Shares by the Company if they exercise their Options or Performance Rights (as applicable) before the record date for the relevant issue. The Company must ensure that, for the purposes of determining

entitlements to any such issue, the record date will be at least 7 business days after the issue of new Shares is announced. This will give Option holders and Performance Right holders the opportunity to exercise their Options or Performance Rights prior to the date for determining entitlements to participate in any such issue.

#### **2.10 Adjustment of Awards**

- (a) If the Company makes a pro rata bonus issue, and an Option or Performance Right is not exercised before the record date for that bonus issue, then on exercise of the Option or Performance Right (as applicable), the holder is entitled to receive the number of bonus shares which would have been issued if the Option or Performance Right had been exercised before the record date.
- (b) In the event of a reorganisation (including a consolidation, subdivision, reduction or return) of the issued capital of the Company, the number of Awards to which each Award holder is entitled or the exercise price or both will be changed in the manner required by the Listing Rules and, in any case, in a manner which will not result in any benefits being conferred on holders of Awards which are not conferred on Shareholders.

#### **2.11 Takeovers**

In the event of a takeover bid, certain capital reorganisations, or transactions occurring that give rise to certain changes of control of the Company, restrictions on the exercise of an Award may lapse so that Award holders are able to participate in the relevant transaction.

#### **2.12 Tax deferral**

Subdivision 83A-C of the Income Tax Assessment Act 1997 (Cth), which enables tax deferral on Awards offered under the Incentive Plan (subject to the conditions in that Act), may apply to Awards granted under the Incentive Plan.

#### **2.13 Amending the Incentive Plan**

Subject to and in accordance with the Listing Rules, the Board (without the necessity of obtaining prior or subsequent consent of Shareholders) may from time to time amend all or any provisions of the Incentive Plan, provided such amendments do not materially alter the Incentive Plan for which Shareholder approval was given.

## Schedule 3

### Terms of Lead Manager Options

The Lead Manager Options are issued on the following terms:

- (a) **Entitlement:** Each Option entitles the holder (**Option Holder**) to subscribe for one fully paid ordinary Share in the Company.
- (b) **No payment on grant:** The Option Holder is not required to pay any amount on the grant of an Option.
- (c) **Exercise price:** The exercise price of each Option is \$0.10 (**Exercise Price**).
- (d) **Expiry date:** Each Option may be exercised at any time before 5.00pm (WST) on 30 September 2023 (**Expiry Date**). Any Option not exercised by the Expiry Date will automatically expire.
- (e) **Certificate or Holding Statement:** The Company must give the Option Holder a certificate or Holding Statement stating:
  - (i) the number of Options issued to the Option Holder;
  - (ii) the Exercise Price of the Options; and
  - (iii) the date of issue of the Options.
- (f) **Transfer:**
  - (i) The Options are transferable, subject to applicable law.
  - (ii) Subject to the Listing Rules and the Corporations Act, the Option Holder may transfer some or all of the Options at any time before the Expiry Date by:
    - A. a proper ASTC regulated transfer (as defined in the Corporations Act) or any other method permitted by the Corporations Act; or
    - B. a prescribed instrument of transfer.
  - (iii) An instrument of transfer of an Option must be:
    - A. in writing;
    - B. in any usual form or in any other form approved by the Directors that is otherwise permitted by law;
    - C. subject to the Corporations Act, executed by or on behalf of the transferor, and if required by the Company, the transferee; and
    - D. delivered to the Company, at the place where the Company's register of option holders is kept, together with the certificate (if any) of the Option to be transferred and any other evidence as the Directors require to prove the title of the transferor to that Option, the right of the transferor to transfer that Option and the proper execution of the instrument of transfer.
- (g) **Quotation of Options:** The Company will not apply to ASX for Official Quotation of Options.
- (h) **Quotation of Shares:** The Company will apply to ASX for Official Quotation of the Shares issued on exercise of Options.
- (i) **New issues:** The Option Holder is not entitled to participate in any new issue to Shareholders of Securities in the Company unless it has exercised its Options before the record date for

determining entitlements to the new issue of Securities and participate as a result of holding Shares.

- (j) **Bonus issues:** If the Company makes a bonus issue of Shares or other Securities to Shareholders (except an issue in lieu of dividends or by way of dividend reinvestment) and a Share has not been issued in respect of the Option before the record date for determining entitlements to the issue, then the number of underlying Shares over which the Option is exercisable will be increased by the number of Shares which the Option Holder would have received if the Option Holder had exercised the Option before the record date for determining entitlements to the issue.
- (k) **Reorganisation:** If there is a reorganisation (including consolidation, sub-division, reduction or return) of the share capital of the Company, then the rights of the Option Holder (including the number of Options to which the Option Holder is entitled to and the Exercise Price) will be changed to the extent necessary to comply with the Listing Rules applying to a reorganisation of capital at the time of the reorganisation.

Any calculations or adjustments which are required to be made will be made by the Company's Board and will, in the absence of manifest error, be final and conclusive and binding on the Company and the Option Holder.

The Company must, within a reasonable period, give to the Option Holder notice of any change to the Exercise Price of any Options held by the Option Holder or the number of Shares which the Option Holder is entitled to subscribe for on exercise of an Option.

- (l) **Exercise of Options:**
  - (i) To exercise Options, the Option Holder must give the Company or its Share Registry, at the same time:
    - A. a written exercise notice (in the form approved by the board of the Company from time to time) specifying the number of Options being exercised and Shares to be issued;
    - B. payment of the Exercise Price for the Shares, the subject of the exercise notice, by way of bank cheque or by other means of payment, approved by the Company; and
    - C. any certificate for the Options.
  - (ii) The Option Holder may only exercise Options in multiples of 10,000 Options unless the Option Holder exercises all Options held by the Option Holder.
  - (iii) Options will be deemed to have been exercised on the date the exercise notice and Exercise Price are received by the Company.
  - (iv) If the Option Holder exercises less than the total number of Options registered in the Option Holder's name:
    - A. the Option Holder must surrender their Option certificate (if any); and
    - B. the Company must cancel the Option certificate (if any) and issue the Option Holder a new Option certificate or Holding Statement stating the remaining number of Options held by the Option Holder.
- (m) **Issue of Shares on exercise of Options:**
  - (i) Within five Business Days after receiving an application for exercise of Options and payment by the Option Holder of the Exercise Price, the Company must issue the Option Holder the number of Shares specified in the application.
  - (ii) Subject to the Constitution, all Shares issued on the exercise of Options will rank in all respects (including rights relating to dividends) equally with the existing ordinary shares of the Company at the date of issue.

- (n) **Governing law:** These terms and the rights and obligations of the Option Holder are governed by the laws of Western Australia. The Option Holder irrevocably and unconditionally submits to the non-exclusive jurisdiction of the courts of Western Australia.