

HORIZON MINERALS LIMITED

ACN 007 761 186

NOTICE OF ANNUAL GENERAL MEETING AND EXPLANATORY STATEMENT

**For the Annual General Meeting of Shareholders
to be held on 25 November 2022 at 2:00pm (WST)
at Quest Kings Park, 54 Kings Park Road, West Perth, Western Australia**

Due to the ongoing COVID-19 pandemic and strict limitation on physical attendance, the Company has taken steps to ensure attendance in person is in adherence to COVID-19 protocols. If the situation in relation to COVID-19 changes in a way that affects the Company's ability to facilitate an in-person Meeting as currently proposed, the Company will provide a further update ahead of the Meeting by releasing an announcement on the ASX market announcements platform.

Shareholders are urged to vote by lodging the Proxy Form.

TIME AND PLACE OF ANNUAL GENERAL MEETING AND HOW TO VOTE

Venue

The Annual General Meeting of Horizon Minerals Limited will be held at:

**Quest Kings Park,
54 Kings Park Road, West Perth
Western Australia, 6005**

**Commencing
at 2:00pm (WST)
on 25 November 2022**

How to Vote

You may vote by attending the Meeting in person, by proxy or authorised representative.

Voting in Person

To vote in person, attend the Meeting on the date and at the place set out above. The Meeting will commence at 2:00pm (WST).

Voting by Proxy

To vote by proxy, please complete and sign the Proxy Form as soon as possible and deliver the Proxy Form in accordance with the instructions on the Proxy Form. You may also submit your Proxy Form online in accordance with instructions on the Proxy Form.

Your Proxy Form must be received no later than 48 hours before the commencement of the Meeting.

HORIZON MINERALS LIMITED
ACN 007 761 186

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of the Shareholders of Horizon Minerals Limited will be held at Quest Kings Park, 54 Kings Park Road, West Perth, Western Australia on 25 November 2022 at 2:00pm (WST) for the purpose of transacting the following business.

Due to the ongoing COVID-19 pandemic and strict limitation on physical attendance, the Company has taken steps to ensure attendance in person is in adherence to COVID-19 protocols. If the situation in relation to COVID-19 changes in a way that affects the Company's ability to facilitate an in-person Meeting as currently proposed, the Company will provide a further update ahead of the Meeting by releasing an announcement on the ASX market announcements platform.

The attached Explanatory Statement is provided to supply Shareholders with information to enable Shareholders to make an informed decision regarding the Resolutions set out in this Notice. The Explanatory Statement is to be read in conjunction with this Notice.

AGENDA

GENERAL BUSINESS

ACCOUNTS AND REPORTS

To receive and consider the annual financial report of the Company for the financial year ended 30 June 2022 together with the declaration of the directors, the directors' report, the remuneration report and the auditor's report.

RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

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

"That, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report in the Annual Report of the Company for the financial year ended 30 June 2022."

Voting exclusion:

A vote in respect of the Resolution must not be cast (in any capacity) by or on behalf of any of the following persons (the "voter"):

- (a) a member of the key management personnel, details of whose remuneration are included in the remuneration report; or
- (b) a closely related party of such a member.

However, the voter may cast a vote on the Resolution as a proxy if the vote is not cast on behalf of a person described in paragraphs (a) or (b) and either:

- (c) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on the Resolution; or
- (d) the voter is the chair of the meeting and the appointment of the chair as proxy:
 - (i) does not specify the way the proxy is to vote on the Resolution; and
 - (ii) expressly authorises the chair to exercise the proxy even if the Resolution is connected directly or indirectly with the remuneration of a member of the key management personnel for the company.

RESOLUTION 2 – RE-ELECTION OF DIRECTOR – ASHOK PAREKH

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

"That Ashok Parekh, who retires by rotation in accordance with rule 7.3 of the Constitution of the Company, and being eligible, offers himself for re-election, is hereby re-elected as a director of the Company."

RESOLUTION 3 – RATIFICATION OF ISSUE OF PLACEMENT OPTIONS UNDER LISTING RULE 7.1

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

"That the issue of 44,444,445 Placement Options to institutional investors on 28 July 2022 under Listing Rule 7.1 is approved under and for the purposes of Listing Rule 7.4 and for all other purposes, on the terms set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who participated in the issue or an associate of those persons. However, this does not apply to a vote cast in favour of the Resolution by:

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

RESOLUTION 4 – RATIFICATION OF ISSUE OF PLACEMENT SHARES UNDER LISTING RULE 7.1A

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

"That the issue of 44,444,445 Placement Shares to institutional investors on 30 June 2022 under Listing Rule 7.1A is approved under and for the purposes of Listing Rule 7.4 and for all other purposes, on the terms set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who participated in the issue or an associate of those persons. However, this does not apply to a vote cast in favour of the Resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the chair of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the chair to vote on the Resolution as the chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:

- (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
- (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

RESOLUTION 5 – RATIFICATION OF SPP SECURITIES UNDER LISTING RULE 7.1

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

"That the issue of 5,995,459 SPP Shares and 5,995,459 SPP Options to SPP investors on 28 July 2022 under Listing Rule 7.1 is approved under and for the purposes of Listing Rule 7.4 and for all other purposes, on the terms set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who participated in the issue or an associate of those persons. However, this does not apply to a vote cast in favour of the Resolution by:

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

RESOLUTION 6 – RATIFICATION OF ISSUE OF SHARES TO LABYRINTH RESOURCES LIMITED

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

"That the issue of 3,000,000 Shares to Labyrinth Resources Limited under Listing Rule 7.1 is approved under and for the purposes of Listing Rule 7.4 and for all other purposes, on the terms set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of Labyrinth Resources Limited, a person who participated in the issue or an associate of those persons. However, this does not apply to a vote cast in favour of the Resolution by:

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

- (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

RESOLUTION 7 - APPROVAL OF ADDITIONAL 10% CAPACITY

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."

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of any person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the entity) or an associate of those persons. However, this does not apply to a vote cast in favour of the Resolution by:

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

RESOLUTION 8 – APPROVAL OF CONVERTIBLE LOAN FACILITY UNDER LISTING RULE 7.1 AND THE CONSEQUENTIAL ISSUE OF SHARES

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 7.1 and for all other purposes, approval is given for the Convertible Loan Facility entered into between the Company Group and Nebari Gold Fund 1, LP as Lender to be a convertible equity security entitling the Lender to convert moneys owing under the Convertible Loan Facility into Shares, on the terms set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of Nebari Gold Fund 1, LP, a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the entity) or an associate of those persons. However, this does not apply to a vote cast in favour of the Resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the chair of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the chair to vote on the Resolution as the chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is

- not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
- (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

RESOLUTION 9 – APPROVAL TO ISSUE SECURITIES UNDER EMPLOYEE INCENTIVE SCHEME

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

"That the issue of up to 50,000,000 equity securities under the 'Employee Incentive Plan' for a period of 3 years from the Meeting is approved under and for the purposes of Listing Rule 7.2 Exception 13(b) and for all other purposes, on the terms set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who is eligible to participate in the Employee Incentive Plan or an associate of those persons. However, this does not apply to a vote cast in favour of the Resolution by:

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

Restriction on proxy voting by key management personnel or closely related parties:

A person appointed as proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
- (i) a member of the key management personnel for the Company; or
- (ii) a closely related party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if:

- (c) the proxy is the chair of the Meeting; and
- (d) the appointment expressly authorises the chair of the Meeting to exercise the proxy even if the Resolution is connected directly or indirectly with the remuneration of a member of the key management personnel for the Company.

Where the chair is the related party the subject of the Resolution or is an associate of the related party, the chair cannot cast undirected proxies in respect of the Resolution.

RESOLUTION 10 - APPROVAL TO RENEW PROPORTIONAL TAKEOVER PROVISIONS

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

"That, for the purpose of section 648G of the Corporations Act and for all other purposes, Shareholders renew the proportional takeover approval provision of the Constitution as set out in Annexure 1 of this Notice for a period of 3 years from the date of this Meeting."

VOTING AND PROXIES

1. A Shareholder of the Company entitled to attend and vote is entitled to appoint not more than two proxies. Where more than one proxy is appointed, each proxy must be appointed to represent a specified proportion of the Shareholder's voting rights. If the Shareholder appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half of the votes. A proxy need not be a Shareholder of the Company.
2. Where a voting exclusion applies, the Company need not disregard a vote if it is cast by the person who is entitled to vote in accordance with the directions on the Proxy Form or it is cast by the chair of the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.
3. The chair of the Meeting will vote undirected proxies on, and in favour of, all of the proposed resolutions, including Resolutions 1 and 9. The Proxy Form expressly authorises the chair of the Meeting to exercise the proxy in relation to Resolutions 1 and 9 even though these Resolutions are connected directly or indirectly with the remuneration of a member of key management personnel. Any undirected proxies held by a Director, any member of the key management personnel or any of their closely related parties (who are not the chair) will not be voted on Resolutions 1 and 9.
4. Key management personnel of the Company are the Directors and those other persons having authority and responsibility for planning, directing and controlling of the activities of the Company, directly or indirectly. Closely related parties are defined in the Corporations Act, and include certain family members, dependants and companies controlled by key management personnel.
5. In accordance with Regulation 7.11.37 of the Corporations Act, the Directors have set a date to determine the identity of those entitled to attend and vote at the Meeting. The date is 23 November 2022 at 5.00pm (WST).
6. If using the Proxy Form, please complete, sign and return it to the Company's registered office in accordance with the instructions on that form. Voting online is available.

By order of the Board



**Mr Julian Tambyrajah
Chief Financial Officer and
Company Secretary**

Dated: 20 October 2022

**HORIZON MINERALS LIMITED
ACN 007 761 186**

EXPLANATORY STATEMENT

This Explanatory Statement is intended to provide Shareholders with sufficient information to assess the merits of the Resolutions contained in the Notice.

The Directors recommend that Shareholders read this Explanatory Statement in full before making any decision in relation to the Resolutions.

1. FINANCIAL STATEMENTS AND REPORTS

The business of the Annual General Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 30 June 2022 together with the declaration of the directors, the directors' report, the remuneration report and the auditor's report.

The Company is not required to provide a hard copy of the Company's annual financial report to Shareholders unless a Shareholder has specifically elected to receive a printed copy.

Whilst the Company will not provide a hard copy of the Company's annual financial report unless specifically requested to do so, Shareholders may view the Company annual financial report on its website at www.horizonminerals.com.au.

Shareholders will be offered the following opportunities:

- (a) discuss the annual financial report for the financial period ended 30 June 2022;
- (b) ask questions and make comment on the management of the Company; and
- (c) ask the auditor questions about the conduct of the audit, preparation and content of the auditor's report, the accounting policies adopted by the Company in relation to the preparation of the financial statements and the independence of the auditor in relation to the conduct of the audit.

2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

2.1 General

The Corporations Act requires that at a listed company's annual general meeting, a resolution that the Remuneration Report be adopted must be put to the shareholders. However, such a resolution is advisory only and does not bind the Directors or the Company.

The Remuneration Report sets out the Company's remuneration arrangements for the Directors and senior management of the Company. The Remuneration Report is part of the Directors' Report contained in the annual financial report of the Company for the financial year ending 30 June 2022.

A reasonable opportunity will be provided for questions about or comments on the Remuneration Report at the Annual General Meeting.

2.2 **Voting Consequences**

Under the Corporations Act, if 25% or more of votes that are cast are voted against the adoption of the Remuneration Report at two consecutive annual general meetings, Shareholders will be required to vote at the second of those annual general meetings on a resolution (a "Spill Resolution") that another general meeting be held within 90 days at which all of the Directors (other than the Managing Director) must go up for re-election.

2.3 **Previous voting results**

At the Company's previous annual general meeting, the votes cast against the Remuneration Report considered at that annual general meeting were less than 25%. Accordingly, the Spill Resolution is not relevant for this Meeting.

2.4 **Proxy restrictions**

If you choose to appoint a proxy, you are encouraged to direct your proxy how to vote on this Resolution (Remuneration Report) by marking either "For", "Against" or "Abstain" on the Proxy Form for this Resolution.

If you appoint a member of the key management personnel whose remuneration details are included in the Remuneration Report (who is not the Chairman) or a closely related party of that member as your proxy, and you do not direct that person on how to vote on this Resolution, the proxy cannot exercise your vote and your vote will not be counted in relation to this Resolution.

The Chairman intends to vote all undirected proxies in favour of this Resolution. If the Chairman of the Meeting is appointed as your proxy and you have not specified the way the Chairman is to vote on this Resolution, by signing and returning the Proxy Form you are giving express authorisation for the Chairman to vote the proxy in accordance with the Chairman's intention.

Key management personnel of the Company are the Directors and those other persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. The Remuneration Report identifies the Company's key management personnel for the financial year to 30 June 2022. Their closely related parties are defined in the Corporations Act, and include certain of their family members, dependants and companies they control.

3. **RESOLUTION 2 – RE-ELECTION OF DIRECTOR – ASHOK PAREKH**

Rule 7.3 of the Constitution requires that at each annual general meeting, one-third of directors for the time being (rounded down to the nearest whole number) shall retire from office and that a Director that so retires is eligible for re-election. The retirement rules do not apply to the managing director.

Mr Ashok Parekh was last re-elected as a Director at the 2020 annual general meeting. Ashok Parekh retires by rotation in accordance with the Constitution, and being eligible, offers himself for re-election as a Director.

Mr Ashok Parekh is the Non-Executive Chair of the Company. Details of the qualifications and experience of Mr Parekh is set out in the Company's 2022 Annual Report.

The Board of the Company (with Mr Parekh abstaining) recommends the re-election of Ashok Parekh as a Director.

4. BACKGROUND TO PLACEMENT AND SPP RESOLUTIONS (RESOLUTIONS 3 TO 5)

As announced by the Company on 24 June 2022, the Company undertook a placement ("Placement") of 44,444,445 Shares ("Placement Shares") at 9 cents per Placement Share to raise \$4,000,000 before costs.

These Placement Shares were issued to institutional investors who are unrelated parties using the Company's Listing Rule 7.1A capacity (and for which ratification is sought under Resolution 4).

The places of the Placement Shares were issued with one free attaching Option ("Placement Option") for every one Placement Share subscribed for. The Placement Options have an exercise price of 11 cents and an expiry date of 30 June 2025. The Placement Options were issued using the Company's Listing Rule 7.1 capacity (and for which ratification is sought under Resolution 3).

Euroz Hartleys Limited, Bell Potter Securities Limited and Jett Capital Advisors LLC acted as Joint Lead Managers to the Placement.

In conjunction with the Placement, the Company undertook a share purchase plan ("SPP") by a prospectus offer to eligible shareholders excluding Directors and Director controlled entities (ie. to unrelated party Shareholders). The SPP was conducted on the same terms as the Placement with Shares ("SPP Shares") being subscribed for at 9 cents per SPP Share with one free attaching Option ("SPP Option") for every one SPP Share subscribed for. The SPP Options have an exercise price of 11 cents and an expiry date of 30 June 2025. The SPP Shares and SPP Options were issued using the Company's Listing Rule 7.1 capacity (and for which ratification is sought under Resolution 5).

The Placement raised \$4,000,000 and the SPP raised \$539,591. These funds are and have been used for accelerated new discovery exploration programs across the Company's gold and nickel asset portfolio and for general working capital.

5. RESOLUTION 3 AND 4 – RATIFICATION OF ISSUE OF PLACEMENT SECURITIES UNDER LISTING RULES 7.1 AND 7.1A

5.1 Background

As referred to in Section 4 above, Resolutions 3 and 4 are seeking to ratify the issue of the Placement Shares and Placement Options ("Placement Securities").

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

Under Listing Rule 7.1A, however, an eligible entity can seek approval from its members, by way of a special resolution passed at its annual general meeting, to increase this 15% limit by an extra 10% to 25%.

An "eligible entity" 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 and obtained approval at its 2020 annual general meeting to the additional 10% capacity under Listing Rule 7.1A.

The Company is therefore able to issue equity securities up to a combined 25% limit in Listing Rules 7.1 and 7.1A without any further Shareholder approval within the limits provided.

The Company undertook the issue of the Placement Securities by relying in part on its placement capacity under Listing Rule 7.1 and in part of its placement capacity under Listing Rule 7.1A as the issue did not fall within any of the exceptions to Listing Rule 7.1.

44,444,445 Placement Options were issued pursuant to the Company's Listing Rule 7.1 capacity and are the subject of Resolution 3. 44,444,445 Placement Shares were issued pursuant to the Company's Listing Rule 7.1A capacity, which capacity was approved by Shareholders at the annual general meeting held on 26 November 2021. These Placement Shares are the subject of Resolution 4.

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 or Listing Rule 7.1A (as the case may be) 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 Rules 7.1 or 7.1A.

To this end, Resolutions 3 and 4 seek Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Placement Securities.

If Resolution 3 is passed, the 44,444,445 Placement Options will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of equity securities it can issue without Shareholder approval over the 12 month period following the issue date.

If Resolution 3 is not passed, the 44,444,445 Placement Options will be included in calculating the Company's 15% limit in Listing Rule 7.1, effectively decreasing the number of equity securities it can issue without Shareholder approval over the 12 month period following the issue date.

If Resolution 4 is passed, the 44,444,445 Placement Shares will be excluded in calculating the Company's additional 10% capacity in Listing Rule 7.1A, effectively increasing the number of equity securities it can issue without Shareholder approval under Listing Rule 7.1A until 25 November 2023.

If Resolution 4 is not passed, the 44,444,445 Placement Shares will be included in calculating the Company's additional 10% capacity in Listing Rule 7.1A, effectively decreasing the number of equity securities it can issue without Shareholder approval under Listing Rule 7.1A until 25 November 2023.

5.2 Listing Rule 7.5

For Shareholders to approve the issue of the Placement Securities under and for the purposes of Listing Rule 7.4, the following information is provided to Shareholders in accordance with Listing Rule 7.5:

- (a) The securities were issued to institutional investors (including sophisticated and professional investors) exempt from or outside the disclosure requirements under Chapter 6D of the Corporations Act. Euroz Hartleys Limited, Bell Potter Securities Limited and Jett Capital Advisors LLC acted as joint lead managers to the Placement. None of the subscribers is a related party of the Company.
- (b) The Placement Securities were issued on the following basis:
 - (i) 44,444,445 Placement Options were issued pursuant to Listing Rule 7.1 (ratification of which is sought under Resolution 3); and
 - (ii) 44,444,445 Placement Shares were issued pursuant to Listing Rule 7.1A

(ratification of which is sought under Resolution 4).

- (c) The Placement Options have an exercise price of 11 cents and an expiry date of 30 June 2025. The full terms of the Placement Options are set out in Schedule 1. The Placement Shares are fully paid ordinary shares in the Company and rank equally with the Company's current issued shares.
- (d) The Placement Options were issued on 28 July 2022. The Placement Shares were issued on 30 June 2022.
- (e) The Placement Options were issued for nil cash consideration and as free attaching to the Placement Shares. The Placement Shares were issued at 9 cents each.
- (f) The purpose of the issue was to raise funds to be used as set out in Section 4 above.
- (g) The Placement Securities were issued pursuant to joint lead manager placement agreements with Euroz Hartleys Limited, Bell Potter Securities Limited and Jett Capital Advisors LLC. The material term of these agreements is the broker provides lead manager services in respect of the Placement for a fee of 6% of the moneys raised.

6. RESOLUTION 5 – RATIFICATION OF SPP SECURITIES UNDER LISTING RULE 7.1

6.1 Background

As referred to in Section 4 above, this Resolution is seeking to ratify the issue of the SPP Shares and SPP Options ("SPP Securities").

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

The Issue does not fit within any of these exceptions and, as it has not yet been approved by the Company's Shareholders, it effectively uses up part of the 15% limit in Listing Rule 7.1, reducing the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1 and Listing Rule 7.1A for the 12 month period following the Issue Date.

Information on Listing Rule 7.1A is set out in Section 5.1 above.

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 Rules 7.1 and 7.1A.

To this end, this Resolution seeks Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the SPP Securities.

If this Resolution is passed, the SPP Securities will be excluded in calculating the Company's 15% limit in Listing Rule 7.1 and the additional 10% capacity in Listing Rule 7.1A, effectively increasing the number of equity securities it can issue without Shareholder approval over the 12 month period following the Issue Date.

If this Resolution is not passed, the SPP Securities will be included in calculating the Company's 15% limit in Listing Rule 7.1 and the additional 10% capacity in Listing Rule 7.1A, effectively decreasing the number of equity securities it can issue without Shareholder approval over the 12 month period following the Issue Date.

6.2 Listing Rule 7.5

For Shareholders to approve the Issue for the purposes of Listing Rule 7.4, the following information is provided to Shareholders in accordance with Listing Rule 7.5:

- (a) The SPP Securities were issued to SPP investors, being Shareholders of the Company at the record date and who were not a related party of the Company.
- (b) The number of securities issued was 5,995,459 SPP Shares and 5,995,459 SPP Options.
- (c) The SPP Options have an exercise price of 11 cents and an expiry date of 30 June 2025. The full terms of the SPP Options are set out in Schedule 1. The SPP Shares are fully paid ordinary shares in the Company and rank equally with the Company's current issued shares.
- (d) The SPP Shares and SPP Options were issued on 28 July 2022.
- (e) The SPP Shares were issued at 9 cents each. The SPP Options were issued for nil cash consideration and as free attaching to the SPP Shares.
- (f) The purpose of the issue of the SPP Securities was to raise funds to be used as set out in section 4 above.
- (g) The SPP Securities were not issued under an agreement.

7. RESOLUTION 6 – RATIFICATION OF ISSUE OF SHARES TO LABYRINTH RESOURCES LIMITED

7.1 Background

On 30 August 2022 ("**Issue Date**") the Company issued 3,000,000 Shares to Labyrinth Resources Limited representing part of the consideration for the acquisition of the remaining 50% of the Penny's Find Gold Project ("**Issue**") using part of its Listing Rule 7.1 capacity.

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

The Issue does not fit within any of these exceptions and, as it has not yet been approved by the Company's Shareholders, it effectively uses up part of the 15% limit in Listing Rule 7.1, reducing the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1 and Listing Rule 7.1A for the 12 month period following the Issue Date.

Information on Listing Rule 7.1A is set out in Section 5.1 above.

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 Rules 7.1 and 7.1A.

To this end, this Resolution seeks Shareholder approval to the Issue under and for the purposes of Listing Rule 7.4.

If this Resolution is passed, the Issue will be excluded in calculating the Company's 15% limit in Listing Rule 7.1 and the additional 10% capacity in Listing Rule 7.1A, effectively increasing the number of equity securities it can issue without Shareholder approval over the 12 month period following the Issue Date.

If this Resolution is not passed, the Issue will be included in calculating the Company's 15% limit in Listing Rule 7.1 and the additional 10% capacity in Listing Rule 7.1A, effectively decreasing the number of equity securities it can issue without Shareholder approval over the 12 month period following the Issue Date.

7.2 Listing Rule 7.5

For Shareholders to approve the Issue for the purposes of Listing Rule 7.4, the following information is provided to Shareholders in accordance with Listing Rule 7.5:

- (a) The Shares were issued to Labyrinth Resources Limited, which is not a related party of the Company.
- (b) The number of securities issued was 3,000,000 Shares.
- (c) The Shares are fully paid ordinary shares in the Company and rank equally with the Company's current issued shares.
- (d) The Shares were issued on 30 August 2022.
- (e) The Shares were issued for nil cash consideration and at a deemed issue price of 7.44 cents per Share being a 10 day VWAP prior to the Issue Date.
- (f) The purpose of the issue of the Shares was it represented part of the consideration for the acquisition of the remaining 50% of the Penny's Find Gold Project. No funds were raised from the issue.
- (g) The Shares were issued pursuant to a sale agreement between Labyrinth Resources Limited as the seller and a subsidiary of the Company as the Buyer with the material terms summarised in the Company's ASX announcement of 20 December 2021. The material terms being the Company's subsidiary acquires the remaining 50% of the Penny's Find Gold Project (to take it to 100%) for the consideration of \$500,000, the Shares the subject of this Resolution, various future deferred payment obligations and a net smelter royalty. Completion of the transaction occurred on 30 August 2022.

8. RESOLUTION 7 – APPROVAL OF ADDITIONAL 10% CAPACITY

8.1 Background

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

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

extra 10% to 25%.

An "*eligible entity*" 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.

This Resolution 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 this Resolution 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 this Resolution 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 Specific information required by Listing Rule 7.3A

(i) Period for which approval is valid

An approval under Listing Rule 7.1A commences on the date of the annual general meeting at which the approval is obtained and expires on the first to occur of the following:

- (a) The date that is 12 months after the date of the annual general meeting at which the approval is obtained.
- (b) The time and date of the Company's next annual general meeting.
- (c) The time and date of the approval by Shareholders of a transaction under Listing Rule 11.1.2 or Listing Rule 11.2.

(ii) Minimum price at which equity securities may be issued

Any equity securities issued under Listing Rule 7.1A must be in an existing quoted class of the eligible entity's equity securities and issued for a cash consideration per security which is not less than 75% of the volume weighted average market price for securities in that class, calculated over the 15 Trading Days on which trades in that class were recorded immediately before:

- (a) the date on which the price at which the securities are to be issued is agreed by the entity and the recipient of the securities; or
- (b) if the securities are not issued within 10 Trading Days of the date in paragraph (a), the date on which the securities are issued.

(iii) Purposes for which funds raised may be used

Equity securities can only be issued under Listing Rule 7.1A for a cash consideration. Funds raised by the issue of equity securities under Listing Rule 7.1A may be used for the continued development of the Company's current assets, the acquisition of new assets or other investments (including expenses associated with such acquisition), and for general working capital.

(iv) Risk of economic and voting dilution

If this Resolution is approved by Shareholders and the Company issues equity securities under Listing Rule 7.1A, the existing Shareholders' voting power in the Company will be diluted.

There is a risk that:

- (a) the market price for the equity securities in that class may be significantly lower on the issue date than on the date of the Shareholder approval under Listing Rule 7.1A; and
- (b) the equity securities may be issued at a price that is at a discount to the market price for those equity securities on the issue date.

The table below shows the potential dilution of existing Shareholders on the basis of 3 different assumed issue prices and values for variable "A" in the formula in Listing Rule 7.1A.2. This includes one example that assumes that "A" is double the number of Shares on issue at the time of the approval under Listing Rule 7.1A and that the price of Shares has fallen by 50%.

Number of Shares on Issue (Variable "A" in Listing Rule 7.1A.2)	Number of Shares issued under additional 10% capacity	Dilution		
		Funds raised based on issue price of 3.3 cents	Funds raised based on issue price of 6.6 cents	Funds raised based on issue price of 13.2 cents
		(50% decrease in current issue price)	(Current issue price)	(100% increase in current issue price)
621,415,104 (Current)*	62,141,510	\$2,050,670	\$4,101,340	\$8,202,679
932,122,656 (50% increase)	93,212,266	\$3,076,005	\$6,152,010	\$12,304,019
1,242,830,208 (100% increase)	124,283,021	\$4,101,340	\$8,202,679	\$16,405,359

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

The table has been prepared on the following assumptions:

1. The current Shares on issue are the Shares on issue as at 3 October 2022.
2. The issue price set out above is the closing price of the Shares on the ASX on 3 October 2022.
3. The Company issues the maximum number of equity securities available under the additional 10% capacity.
4. No Options are exercised into Shares before the date of the issue of the equity securities.

(v) Allocation Policy

The Company's allocation policy for the issue of equity securities under the additional 10% capacity will depend on the prevailing market conditions at the time of any proposed issue. The identity of the allottees of equity securities will be determined on a case-by-case basis having regard to the factors including but not limited to the following:

- (a) the methods of raising funds that are available to the Company, including but not limited to, a rights issue or other issue in which existing security holders can participate;
- (b) the effect of the issue of the equity securities on the control of the Company;
- (c) the financial situation and solvency of the Company; and
- (d) advice from corporate, financial and broking advisers (if applicable).

The allottees under the additional 10% capacity have not been determined as at the date of this Notice but may include existing substantial shareholders and/or new Shareholders who are not related parties or associates of a related party of the Company and may include new investors who have not previously been Shareholders.

(vi) Equity securities issued under Listing Rule 7.1A.2 in the previous 12 months

The Company has issued or agreed to issue a total of 44,444,445 equity securities under Listing Rule 7.1A.2 in the 12 months preceding this Meeting and this represents 7.8% of the total number of equity securities on issue at the commencement of that 12 month period.

In accordance with Listing Rule 7.3A.6, details of the issues of equity securities under Listing Rule 7.1A.2 in the 12 month period preceding this Meeting are:

Date of Issue	Names of persons issued equity securities or basis of identification	Number and class of equity securities issued	Price at which equity securities issued and any discount to closing market price on date of issue or agreement	Total cash consideration received and what cash has been spent and what it has been spent on and intended use of remaining cash
30 June 2022	Institutional investors exempt from or outside the disclosure requirements under Chapter 6D of the Corporations Act	44,444,445 Shares	9 cents each representing a discount of 10% to the closing market price on the date of agreement	The \$4,000,000 raised has been used for new discovery exploration programs across the Company's gold and nickel asset portfolio and general working capital. The Company has approximately \$2,000,000 remaining cash to be used for general working capital.

(vii) Voting Exclusion Statement

A voting exclusion statement is included in the Notice. At the date of the Notice, the Company has not approached any particular existing shareholder or security holder or

an identifiable class of existing security holder to participate in the issue of the equity securities. No existing shareholder's votes will therefore be excluded under the voting exclusion in the Notice.

9. RESOLUTION 8 – APPROVAL OF CONVERTIBLE LOAN FACILITY UNDER LISTING RULE 7.1 AND THE CONSEQUENTIAL ISSUE OF SHARES

9.1 Background

As announced on 19 October 2022, the Company as borrower, the Subsidiaries as guarantors and Nebari Gold Fund 1, LP as Lender entered into the Convertible Loan Facility.

By the facility the Lender is to provide a US\$5,000,000 loan to the company in 2 tranches with a first tranche of US\$2,000,000 and a second tranche of US\$3,000,000 within 9 months of first drawdown. Subject to Shareholder approval of the Company under Listing Rule 7.1 by this Resolution, the moneys owing under the facility (which includes a principal amount of US\$5,102,040) are convertible. The facility will be secured by a first ranking general security deed in favour of the Lender.

The conversion under the facility is at the Lender's election and the conversion price of moneys into Shares is a 25% premium to the 15 day VWAP at the lower of 29 September 2022, the date of the announcement of 19 October 2022 and the date of the definitive convertible loan agreement and which is converted at an A\$:US\$ exchange rate on the conversion date.

The material terms of the facility are set out in Schedule 2 including an example of the number of Shares that may be issued upon conversion.

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

The convertible aspects of the facility (ie. the ability to issue Shares under the facility) does not fall within any of the exceptions in Listing Rule 7.1 and exceeds the 15% limit in Listing Rule 7.1. It therefore requires the approval of the Company's Shareholders under Listing Rule 7.1.

This Resolution seeks the required Shareholder approval to the issue of the facility as a convertible equity security under and for the purposes of Listing Rule 7.1.

If this Resolution is passed, the facility will be deemed to be (and be effective as) a convertible "equity security" under the Listing Rules and will be deemed to have been issued at this time of Shareholder approval. In addition, the issue will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1. Any subsequent conversion of moneys into Shares under the facility will fall within Listing Rule 7.2 exception 9 (an issue as a result of the conversion of convertible securities where the entity complied with the Listing Rules when it issued the convertible securities).

If this Resolution is not passed, the Company will not be able to proceed with the issue of the facility as a convertible equity security and a condition precedent to the drawdown of the moneys will not be satisfied.

9.2 Listing Rule 7.3

For Shareholders to approve the issue for the purposes of Listing Rule 7.1, the following information is provided in accordance with Listing Rule 7.3:

- (a) The convertible equity security will be issued to Nebari Gold Fund 1, LP (Lender).

- (b) The Convertible Loan Facility will be deemed to be one convertible equity security upon the passing of this Resolution, where up to US\$5,000,000 will be drawn down by the Company in 2 tranches as set out in Schedule 2.
- (c) A summary of the terms of the convertible equity security is set out in Schedule 2.
- (d) The convertible equity security will be deemed to be issued upon the passing of this Resolution.
- (e) There is no issue price or consideration for the issue of the convertible equity security. However, by the convertible equity security up to US\$5,000,000 may be drawn down by the Company in 2 tranches as set out in Schedule 2.
- (f) The purpose of the issue of the convertible equity security is to provide up to US\$5,000,000 as a loan to the Company in 2 tranches with the first tranche of US\$2,000,000 to be used to repay the Aurenne Cannon secured loan and the second tranche of US\$3,000,000 to be used to support the capital development of the Cannon underground mine.
- (g) The convertible equity security is constituted by the Convertible Loan Facility, the material terms of which are set out in Schedule 2.

10. RESOLUTION 9 – APPROVAL TO ISSUE SECURITIES UNDER EMPLOYEE INCENTIVE SCHEME

10.1 Background

The Board first adopted the Employee Incentive Plan in September 2016. This Plan as amended enables the Company to issue Options, Performance Rights or Shares to eligible participants being employees (full and part-time), directors, relevant contractors, casual employees, prospective parties in these capacities and any person who provides services to the Company.

The Employee Incentive Plan is intended to provide an opportunity to eligible participants to participate in the Company's future growth and assist with reward and retention of eligible participants.

The Employee Incentive Plan is an employee incentive scheme in accordance with the Listing Rules and was last approved under Listing Rule 7.2 Exception 13(b) at the 2019 annual general meeting. The Company is seeking to refresh the Plan in terms of this Listing Rule.

A summary of the Employee Incentive Plan is set out in Schedule 3.

10.2 Listing Rule 7.2 Exception 13(b)

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

Although Shareholder approval is not required under the Corporations Act or the Listing Rules for the operation of the Employee Incentive Plan itself, Listing Rule 7.2 Exception 13(b) provides that an issue of securities under an employee incentive scheme (such as the Employee Incentive Plan) will not be included in calculating the Company's placement limit in Listing Rule 7.1 if it is made within 3 years after shareholders approve the issue of equity securities under the scheme as an exception to the placement limits.

By this Resolution the Company is seeking approval to issue securities under the Employee Incentive Plan for a period of 3 years from the Meeting to eligible participants who are not Directors or Listing Rule 10.14 parties, so that the issue of securities is excluded in calculating the placement limit in Listing Rule 7.1.

This will enable the Company to retain as much flexibility as possible to issue additional equity securities into the future without having to obtain Shareholder approval to such issues under Listing Rule 7.1.

If this Resolution is passed, the Company will be able to proceed with issues of securities under the Employee Incentive Plan for a period of 3 years from the Meeting and these issues will be excluded in calculating the Company's placement limit in Listing Rule 7.1, effectively increasing the number of equity securities it can issue without Shareholder approval.

If this Resolution is not passed, any issues of securities under the Employee Incentive Plan will be included in calculating the Company's placement limits in Listing Rule 7.1, effectively decreasing the number of equity securities it can issue without Shareholder approval.

For Shareholders to approve the issue of securities under the Employee Incentive Plan for a period of 3 years from the Meeting, the following information is provided to Shareholders in accordance with Listing Rule 7.2 Exception 13(b):

- (a) A summary of the Employee Incentive Plan is set out in Schedule 3. Options, Performance Rights or Shares may be issued under the Employee Incentive Plan to eligible participants.
- (b) The number of securities issued under the Employee Incentive Plan since the Company last approved the Employee Incentive Scheme under this Listing Rule on 29 November 2019 is 10,500,000 Performance Rights.
- (c) The maximum number of equity securities proposed to be issued under the Employee Incentive Plan following Shareholder approval sought by this Resolution and for the next 3 years is 50,000,000 equity securities.

Any equity securities proposed to be issued under the Employee Incentive Plan to a Director or Listing Rule 10.14 party will require separate Shareholder approval under Listing Rule 10.14 of the Listing Rules.

10.3 Recommendation

The Board recommends that Shareholders approve the issue of securities under the Employee Incentive Plan as it will allow the Company to issue such securities for the benefit of eligible participants for a period of 3 years from the Meeting whilst preserving the Company's placement limits in Listing Rule 7.1 and will provide flexibility in the manner in which the Employee Incentive Plan is managed.

11. RESOLUTION 9 - APPROVAL TO RENEW PROPORTIONAL TAKEOVER PROVISIONS

11.1 Background

Under the Corporations Act, a company may include provisions in its constitution to enable it to refuse to register shares acquired under a proportional takeover bid unless a resolution approving the bid is passed by the shareholders.

The Company obtained Shareholder approval on 23 November 2017 to adopt proportional takeover approval provisions in the new Constitution that was also adopted at that meeting. By section 648G of the Corporations Act, the proportional approval takeover provision ceases to

apply after 3 years. The Company may renew the proportional takeover provision for a period of up to 3 years.

The proportional takeover approval provision is set out in Annexure 1 to the Notice and the provision forms Schedule 3 of the Constitution.

By this Resolution the approval of Shareholders is sought to renew the proportional takeover approval provision in the Constitution for a further 3 year period from the date of this Meeting. The Corporations Act requires the Company to provide Shareholders with various material including an explanation of the proposed proportional takeover approval provision. This information is set out below so that Shareholders may make an informed decision on whether to support or oppose the Resolution.

11.2 What is a proportional takeover bid?

A proportional takeover bid is a takeover bid where the offer made to each Shareholder is only for a proportion of that Shareholder's securities in the relevant bid class.

Accordingly, if a Shareholder accepts in full the offer under a proportional takeover bid, the Shareholder will dispose of the specified portion of their bid class securities and retain the balance of their bid class securities. This means that control of the Company may pass without members having the chance to sell all their securities to the bidder. It also means the bidder may take control of the Company without paying an adequate amount for gaining control.

11.3 Effect of the provision to be renewed

If a proportional takeover bid is made to Shareholders of the Company, the Board will be required to convene a meeting of Shareholders to vote on a resolution to approve the proportional takeover bid ("**Approving Resolution**"). That meeting must be held at least 14 days before the offer under the proportional takeover bid closes.

The resolution shall be taken to have been passed if a majority of Shares voted at the meeting, excluding the securities of the bidder and its associates, vote in favour of the resolution. If no resolution is voted on before the end of the 14th day before the close of the offer, the resolution will be deemed to have been passed.

Where the Approving Resolution is passed or deemed to have been passed, transfers of Shares resulting from accepting the offer will be registered provided they otherwise comply with relevant regulatory requirements. If the resolution is rejected, then in accordance with the Corporations Act, the offer will be deemed to be withdrawn.

The proportional takeover approval provision does not apply to full takeover bids.

11.4 Reasons for proposing the resolution

The Directors consider that Shareholders should continue to have the proportional takeover approval provision in the Constitution. Without the inclusion of such a provision, a proportional takeover bid for the Company may enable effective control of the Company to be acquired without Shareholders having the opportunity to dispose of all of their securities to the bidder.

Accordingly, Shareholders could be at risk of passing control to the bidder without payment of an adequate control premium for all their Shares whilst leaving themselves as part of a minority interest in the Company.

The provision deals with this possibility by providing that if a proportional takeover bid is made for Shares in the Company, Shareholders must vote on whether or not a proportional takeover bid should be permitted to proceed.

The benefit of the provision is that Shareholders are able to decide collectively whether the proportional offer is acceptable in principle and it may ensure that any partial offer is appropriately priced.

11.5 No knowledge of present acquisitions proposals

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

11.6 Potential advantages and disadvantages for the Directors and Shareholders of the Company

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

The potential advantages for Shareholders include the following:

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

The potential disadvantages for Shareholders including the following:

- (a) proportional takeover bids for Shares in the Company may be discouraged;
- (b) Shareholders may lose an opportunity to sell some of their Shares at a premium; and
- (c) the likelihood of a proportional takeover bid succeeding may be reduced.

11.7 Review of advantages and disadvantages of the proportional takeover approval provision

While the proportional takeover approval provision has been in effect under the Company's Constitution, no takeover bids for the Company have been made, either proportional or otherwise. Accordingly, there are no actual examples against which the advantages or disadvantages of the existing proportional takeover provision (that is, Schedule 3 of the Constitution) could be reviewed for the Directors and Shareholders of the Company. The Directors are not aware of any potential takeover bid that was discouraged by the proportional takeover approval provision.

11.8 Directors' Recommendation

On balance, the Directors consider that the possible advantages outweigh the possible disadvantages such that renewal of the proportional takeover approval provision is in the interests of Shareholders.

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

If this Resolution is approved, then the proportional takeover approval provision will take effect for a further 3 years from the date of the Meeting.

HORIZON MINERALS LIMITED
ACN 007 761 186

GLOSSARY

In the Notice and this Explanatory Statement the following expressions have the following meanings:

"Annual General Meeting" or **"Meeting"** means the meeting convened by this Notice.

"ASIC" means Australian Securities and Investments Commission.

"ASX" means the ASX Limited (ACN 008 624 691).

"ASX Listing Rules" or **"Listing Rules"** means the Listing Rules of the ASX.

"Board" means the Board of Directors of the Company.

"Chair" or **"Chairman"** means the chairperson of the Company.

"Company" or **"HRZ"** means Horizon Minerals Limited (ACN 007 761 186).

"Company Group" means the Company and its Subsidiaries.

"Constitution" means the constitution of the Company.

"Convertible Loan Facility" means the binding term sheet between the Company Group and the Lender dated 19 October 2022 and, where the context requires, a later definitive convertible loan agreement between the Company Group and the Lender.

"Corporations Act" means Corporations Act 2001 (Cth).

"Directors" mean the directors of the Company from time to time.

"Employee Incentive Plan" means the Horizon Minerals Limited Employee Incentive Plan, with the terms summarised in Schedule 3.

"equity securities" has the same meaning as in the Listing Rules.

"Explanatory Statement" means this Explanatory Statement.

"Lender" means Nebari Gold Fund 1, LP.

"Notice" means the notice of meeting that accompanies this Explanatory Statement.

"Option" means an option to subscribe for a Share.

"Performance Right" means a right to acquire a Share subject to the satisfaction of applicable vesting conditions.

"Placement" has the meaning given in Section 4 of the Explanatory Statement.

"Placement Options" has the meaning given in Section 4 of the Explanatory Statement.

"Placement Shares" has the meaning given in Section 4 of the Explanatory Statement.

"Resolution" means a resolution referred to in the Notice.

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

"Shareholder" means a registered holder of Shares in the Company.

"SPP" has the meaning given in Section 4 of the Explanatory Statement.

"SPP Options" has the meaning given in Section 4 of the Explanatory Statement.

"SPP Shares" has the meaning given in Section 4 of the Explanatory Statement.

"Subsidiaries" means Black Mountain Gold Limited (ACN 009 253 221), MacPhersons Resources Limited (ACN 139 357 967), Polymetals (WA) Pty Ltd (ACN 103 823 936) and Kalgoorlie Ore Treatment Company Pty Limited (ACN 136 652 803).

"Trading Day" has the same meaning as in the Listing Rules.

"US\$" means United States Dollars.

"VWAP" means the volume weighted average price of Shares.

"WST" means Western Standard Time, Perth, Western Australia.

"A\$" or "\$" means Australian dollars unless otherwise stated.

SCHEDULE 1

Terms of Options (Resolution 3 – Placement Options and Resolution 5 – SPP Options)

The terms of the Options are:

1. Each Option entitles the holder to one Share (fully paid ordinary share) upon exercise of the Option.
2. The Options may be exercised at any time prior to 5:00pm WST on 30 June 2025.
3. The exercise price of the Options is 11 cents each.
4. The Options are quoted on ASX and are freely tradeable under Australian law.
5. The Company will provide to each Option holder a notice that is to be completed when exercising the Options (Notice of Exercise). Options may be exercised by the Option holder in whole or in part by completing the Notice of Exercise and forwarding the same to the Secretary of the Company to be received prior to the Expiry Date. The Notice of Exercise must, among other things, state the number of Options exercised, the consequent number of Shares to be allotted and the identity of the proposed allottee. The Notice of Exercise by an Option holder must be accompanied by payment in full for the relevant number of Shares being subscribed, being an amount of the exercise price per Share.
6. All Shares issued upon the exercise of the Options will rank equally in all respects with the Company's then issued Shares. The Company will apply to the ASX in accordance with the Listing Rules for all Shares pursuant to the exercise of Options to be admitted to quotation.
7. There are no participating rights or entitlements inherent in the Options and the holders will not be entitled to participate in new issues or pro-rata issues of capital to Shareholders during the term of the Options. Thereby, the Option holder has no rights to a change in the exercise price of the Option or a change to the number of underlying securities over which the Option can be exercised (except for a bonus issue). The Company will ensure, for the purposes of determining entitlements to any issue, that Option holder will be notified of a proposed issue after the issue is announced. This will give Option holders the opportunity to exercise their Options prior to the date for determining entitlements to participate in such issues.
8. If there is a bonus issue (Bonus Issue) to Shareholders, the number of Shares over which an Option is exercisable will be increased by the number of Shares which the holder would have received if the Option had been exercised before the record date for the Bonus Issue (Bonus Shares). The Bonus Shares must be paid up by the Company out of profits or reserves (as the case may be) in the same manner as was applied in the Bonus Issue, and upon issue will rank equally in all respects with the other Shares on issue as at the date of issue of the Bonus Shares.
9. In the event of any reconstruction (including consolidation, subdivision, reduction or return) of the issued capital of the Company, all rights of the Option holder shall be reconstructed (as appropriate) in accordance with the Listing Rules.

SCHEDULE 2

Terms of Convertible Loan Facility (Resolution 8)

The principal terms of the Convertible Loan Facility are set out below:

(a) **The Lender under the Convertible Loan Facility**

The Lender is Nebari Gold Fund 1, LP.

(b) **The Borrower and the Guarantors under the Convertible Loan Facility**

The borrower is the Company (Horizon Minerals Limited). The guarantors are the Subsidiaries of the Company.

(c) **Status of Convertible Loan Facility**

The Convertible Loan Facility although executed is subject to a number of conditions precedent as set out below including Shareholder approval of the Company by this Resolution. The convertible loan aspect of the facility is therefore not currently operative.

(d) **Tranches of loan and Lender's election to convert**

The facility provides for 2 loan amounts. The first tranche loan amount is US\$2,000,000 and second tranche loan amount is US\$3,000,000. The principal amounts to be repaid are respectively US\$2,040,816 and US\$3,061,224. It is the Lender's election to convert some or all of the outstanding convertible principal amount plus any accrued and unpaid interest at any time prior to the maturity date.

(e) **Conditions precedent to first tranche loan amount**

The conditions precedent to closing and drawdown of the first tranche loan amount include the execution of a definitive convertible loan agreement, the Lender completes due diligence to its satisfaction, the Lender obtains final investment approval from its Investment Committee and the Company obtains Shareholder approval by this Resolution.

(f) **Conditions precedent to second tranche loan amount**

The conditions precedent to drawdown of the second tranche loan amount include the first tranche loan amount has been fully drawdown and not prepaid or cancelled, the drawdown is within 9 months of the first tranche drawdown, no default by the borrower has occurred and the Lender obtains final investment approval from its Investment Committee.

(g) **Security**

The Convertible Loan Facility will be secured by a first-ranking charge over the assets and undertakings of the Company Group with the Baden Powell, Windanya, Rose Hill and Kalpini tenements being excluded.

(h) **Maturity date**

The maturity date is 30 months from drawdown of the first tranche loan amount.

(i) **Arrangement Fee**

On or before the drawdown of the first tranche loan amount, the Company shall pay the Lender an arrangement fee of 1.5% of the first tranche loan amount (US\$30,000 fee).

On or before the drawdown of the second tranche loan amount, the Company shall pay the Lender an arrangement fee of 1.5% of the second tranche loan amount (US\$45,000).

(j) **Interest**

Interest is payable on the principal amounts at a 3 month term SOFR reference rate determined on the first day of each calendar month less 3% (provided the rate is not less than 0%) plus 7%. Interest is capitalized and added to the amount outstanding for the first 8 months and thereafter is payable monthly in cash.

(k) **Use of funds by Borrower**

The first tranche of US\$2,000,000 will be used by the Company to repay the Aurenne Cannon secured loan and the second tranche of US\$3,000,000 will be used to support the capital development of the Cannon underground mine.

(l) **Conditions to conversion**

There are no conditions to conversion. The Lender is able to request the conversion of the outstanding amounts under the Facility at any time.

(m) **Class of securities into which the Convertible Loan Facility may be converted**

The outstanding moneys under the Convertible Loan Facility may be converted into Shares (fully paid ordinary)

(n) **Conversion Price**

The conversion price of outstanding moneys is a 25% premium to the 15 day VWAP at the lower of:

- 29 September 2022;
- 19 October 2022 (the date on which the Company announced the loan); and
- the date of the definitive loan agreement,

with the price converted at the \$A:\$US exchange rate on the date of conversion.

The conversion price is subject to adjustment to take account of a rights issue, a bonus issue or a reorganisation.

(o) **Example of number of Shares to be issued on conversion**

Based on:

- the drawdown of both tranches with a principal amount of US\$5,102,040;
- a conversion price of A\$0.08 (8 cents);
- a US\$/A\$ exchange rate of 1:1.4;

- an assumption that all interest has been paid in cash (noting that under the facility, the first 8 months interest is to be capitalized); and
- no default,

the maximum number of Shares that may be issued is 89,285,700 Shares (US\$5,102,040 x 1.4 = A\$7,142,856 to be satisfied by the issue of Shares at A\$0.08 (8 cents)).

The maximum number of Shares that may be issued will increase if the conversion price decreases and may increase or decrease in line with changes in the exchange rate.

(p) Other anti-dilution arrangements

If the Company makes a bonus issue of Shares, then the number of Shares the Lender is entitled to receive on conversion will be increased by the number of Shares that the Lender would have received if the conversion had occurred immediately before the record date for the bonus issue.

If there is a reorganisation of the capital of the Company, then from the reorganisation taking effect, the conversion price will be reconstructed in the manner specified in the Listing Rules (even if the Company is no longer listed on the ASX) or if the reorganisation is not able to be dealt with under the Listing Rules adjustment mechanisms, then the reconstruction of the conversion price will be determined in such a manner that the amount available to be converted is convertible into the same percentage of the Company's Shares as the percentage into which it would have converted before the reorganisation.

If the Company:

- makes a distribution to Shareholders other than a cash dividend; or
- or any of its Subsidiaries are involved in a merger, dissolution, spin-off or other transaction which is likely to effect the value of its securities,

then with effect from such event the conversion right, including the conversion price, must be adjusted as necessary so that the amount available to be converted is convertible into the same percentage of the Company's Shares as the percentage into which it would have converted before the event.

(q) Borrower's right to prepay and obligation to issue Options to the Lender

The borrower has the right to prepay a loan sum subject to the amount being a minimum of US\$500,000 (unless it is the outstanding principal amount) and the Lender still having the ability to exercise its conversion right prior to the prepayment date.

On the date of any prepayment, the borrower must issue Options to the Lender in a number and value equal to 100% of the prepayment amount. The Options will have an exercise price equal to the conversion price and an expiry date of the later of 18 months and the maturity date.

For example, if the Company prepays US\$1,000,000 where the conversion price is 8 cents, the maturity date is more than 18 months away and the \$A:\$US rate is 1:1.4, the Company will issue to the Lender 1,400,000 Options (1,000,000 x 1.4) with an exercise price of 8 cents and an expiry of 18 months from issue.

(r) **No voting rights**

The loan of the moneys by the Lender does not provide it with any voting rights. It is only where moneys are converted into Shares (fully paid ordinary) that there are voting rights.

(s) **Event of Default**

The principal sum outstanding and any unpaid accrued interest is immediately payable upon an event of default and the security can be enforced.

(t) **Representations and warranties and undertakings by the Company Group**

The Company Group makes a number of representations and warranties and undertakings in favour of the Lender as is customary for an agreement of this kind.

(u) **Mutual Break Fee obligation**

If the borrower fails to complete the transaction for a reason other than the definitive agreements being materially inconsistent with the term sheet, the borrower will pay the Lender up to \$100,000.

If the Lender has notified the borrower of due diligence clearance and the definitive agreements are executed and if the Lender fails to complete the transaction other than as a consequence of any action or omission of the borrower, then the Lender will pay the borrower \$100,000.

(v) **Governing Law and Jurisdiction**

The Convertible Loan Facility is governed by the laws of Western Australia and of the Commonwealth of Australia, and their courts are to have jurisdiction.

SCHEDULE 3

Terms of Employee Incentive Plan (Resolution 9)

- 1. Purpose** The purpose of the Employee Incentive Plan is to provide an incentive for eligible participants to participate in the future growth of the Company and to offer any of Options, Performance Rights or Shares to assist with reward, retention, motivation and recruitment of eligible participants.
- 2. Eligible Participants** Eligible participants include a full or part-time employee, or a director of the Company or a subsidiary, relevant contractors, casual employees and prospective parties in these capacities and any person who provides services to the Company ("Eligible Participants").
- 3. Offers** Subject to any necessary Shareholder approval, the Board may offer Options, Performance Rights or Shares to Eligible Participants for nil consideration.
- 4. Expiry Date** The expiry date of any Options or Performance Rights will be determined by the Board.
- 5. Vesting Conditions and Lapse**

An Option or Performance Right may only be exercised after it has vested and before its expiry date. The Board may determine the conditions upon the vesting of the Options or Performance Rights at its discretion. By way of example, the Board may impose Share price and/or continuous service vesting hurdles.

An Option or Performance Right lapses upon various events including a vesting condition not being satisfied, a participant ceasing to be an Eligible Participant (except for certain matters such as death or permanent disablement) and upon misconduct by a participant.
- 6. Shares issued on vesting** Each Option or Performance Right entitles the holder to one fully paid ordinary share on exercise or vesting.
- 7. Transferability and quotation** An Option or Performance Right may not be transferred without the prior written approval of the Board or by force of law. Quotation of the Options or Performance Rights on the ASX will not be sought. However, the Company will apply for official quotation of Shares issued on the exercise of the Options or vesting of the Performance Rights.
- 8. No voting or dividend rights** The Options or Performance Rights are personal and do not confer any entitlement to attend or vote at meetings, any entitlement to dividends or any entitlement to participate in any return of capital unless the Options or Performance Rights are vested and the underlying Shares have been issued.
- 9. No participation rights** The Options or Performance Rights do not entitle the holder to participate in the issue of securities unless the Options or Performance Rights are exercised or vested and Shares have been issued before the record date for determining entitlements.

- 10. Limitation on number of securities** Securities to be issued under the Employee Incentive Plan in any 3 year period must not exceed 5% of the total number of Shares on issue at the time of the relevant offer. Various excluded offers may be disregarded so as to not count for the 5% limit being an offer where there is no monetary consideration, any offer to a person outside Australia, an offer not requiring disclosure to investors because of section 708 of the Corporations Act or an offer made under a disclosure document.
- 11. Administration of the Employee Incentive Plan** The Employee Incentive Plan will be administered under the directions of the Board and the Board may determine procedures for the administration of the Employee Incentive Plan as it considers appropriate.
- 12. Operation** The operation of the Employee Incentive Plan is subject to the Listing Rules and the Corporations Act.
- 13. Application of Subdivision 83A-C of the *Income Tax Assessment Act 1997 (Cth)*** Subdivision 83A-C (deferred inclusion of gain in assessable income) of the *Income Tax Assessment Act 1997 (Cth)* applies to the Employee Incentive Plan and holders of securities issued under the Employee Incentive Plan may agree to a restriction period for the disposal or transfer of the securities including any underlying securities.

ANNEXURE 1 – PROPORTIONAL TAKEOVER APPROVAL PROVISION IN CONSTITUTION

(Resolution 10)

SCHEDULE 3 - PROPORTIONAL TAKEOVER BID

1. PLEBISCITE TO APPROVE PROPORTIONAL TAKEOVER BIDS

1.1 DEFINITIONS

In this paragraph 1:

- (a) approving resolution, in relation to a proportional takeover bid, means a resolution to approve the proportional takeover bid passed in accordance with paragraph 1.3;
- (b) proportional takeover bid means a takeover bid that is made or purports to be made under section 618(1)(b) of the Corporations Act in respect of securities included in a class of securities in the company;
- (c) relevant class, in relation to a proportional takeover bid, means the class of securities in the company in respect of which offers are made under the proportional takeover bid; and
- (d) approving resolution deadline, in relation to a proportional takeover bid, means the day that is 14 days before last day of the bid period.

1.2 Transfers not to be registered

Despite rules 4.3 and 4.6 of the Constitution, a transfer giving effect to a contract resulting from the acceptance of an offer made under a proportional takeover bid must not be registered unless and until an approving resolution to approve the proportional takeover bid has been passed or is taken to have been passed in accordance with paragraph 1.3.

1.3 Resolution

- (a) Where offers have been made under a proportional takeover bid, the directors must:
 - (i) convene a meeting of the persons entitled to vote on the approving resolution for the purpose of considering and, if thought fit, passing a resolution to approve the proportional takeover bid; and
 - (ii) ensure that such a resolution is voted on in accordance with this paragraph 1.3, before the approving resolution deadline.
- (b) The provisions of this constitution relating to general meetings apply, so far as they can and with such changes as are necessary, to a meeting that is convened pursuant to paragraph 1.3(a).
- (c) The bidder under a proportional takeover bid and any associates of the bidder are not entitled to vote on the approving resolution and if they do vote, their votes must not be counted.
- (d) Subject to paragraph 1.3(c), a person who, as at the end of the day on which the first offer under the proportional takeover bid was made, held securities of the relevant class is entitled to vote on the approving resolution relating to the proportional takeover bid and, for the purposes of so voting, is entitled to 1 vote for each such security held at that time.

- (e) An approving resolution is to be taken as passed if the proportion that the number of votes in favour of the resolution bears to the total number of votes on the resolution is greater than one half, and otherwise is to be taken to have been rejected.
- (f) If an approving resolution has not been voted on in accordance with this paragraph 1.3 before the approving resolution deadline, an approving resolution will be taken to have been passed in accordance with this paragraph 1.3 on the approving resolution deadline.

1.4 Sunset


Paragraphs 1.1, 1.2 and 1.3, cease to have effect at the end of 3 years beginning:

- (a) where those paragraphs have not been renewed in accordance with the Corporations Act, on the date that those paragraphs were adopted by the Company; or
- (b) where those paragraphs have been renewed in accordance with the Corporations Act, on the date those paragraphs were last renewed.

HRZRM
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Need assistance?

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+61 3 9415 4000 (outside Australia)

 **Online:**
www.investorcentre.com/contact



YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **2:00pm (AWST) on Wednesday, 23 November 2022.**

Proxy Form

How to Vote on Items of Business

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

APPOINTMENT OF PROXY

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

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

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

A proxy need not be a securityholder of the Company.

SIGNING INSTRUCTIONS FOR POSTAL FORMS

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

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

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

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

PARTICIPATING IN THE MEETING

Corporate Representative

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

Lodge your Proxy Form:

XX

Online:

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

Your secure access information is



Control Number: 999999

PIN: 99999

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

By Mail:

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

By Fax:

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



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

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

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



IND

Proxy Form

Please mark to indicate your directions

Step 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Horizon Minerals Limited hereby appoint

the Chairman of the Meeting **OR**

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

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Horizon Minerals Limited to be held at Quest Kings Park, 54 Kings Park Road, West Perth, WA 6005 on Friday, 25 November 2022 at 2:00pm (AWST) and at any adjournment or postponement of that meeting.

Chairman authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Resolutions 1 and 9 (except where I/we have indicated a different voting intention in step 2) even though Resolutions 1 and 9 are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

Important Note: If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Resolutions 1 and 9 by marking the appropriate box in step 2.

Step 2 Items of Business

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

		For	Against	Abstain		For	Against	Abstain	
1	Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	9	Approval to Issue Securities Under Employee Incentive Scheme	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2	Re-election of Director – Ashok Parekh	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	10	Approval to Renew Proportional Takeover Provisions	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3	Ratification of Issue of Placement Options under Listing Rule 7.1	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>					
4	Ratification of Issue of Placement Shares under Listing Rule 7.1A	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>					
5	Ratification of SPP Securities under Listing Rule 7.1	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>					
6	Ratification of Issue of Shares to Labyrinth Resources Limited	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>					
7	Approval of Additional 10% Capacity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>					
8	Approval of Convertible Loan Facility under Listing Rule 7.1 and the Consequential Issue of Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>					

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

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

Individual or Securityholder 1 Securityholder 2 Securityholder 3

Sole Director & Sole Company Secretary Director Director/Company Secretary

/ /

Date

Update your communication details (Optional)

Mobile Number Email Address

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

