
KAISER REEF LIMITED
ACN 635 910 271
NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Meeting will be held at:

TIME: 12:00pm (WST)
DATE: Thursday, 23 November 2023
PLACE: Mining Corporate Board Room
London House, Level 8
216 St Georges Terrace
PERTH WA 6000

The business of the Meeting affects your shareholding and your vote is important.

This Notice should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 4pm (WST) on 21 November 2023.

BUSINESS OF THE MEETING

AGENDA

1. FINANCIAL STATEMENTS AND REPORTS

To receive and consider the annual financial report of the Company for the financial year ended 30 June 2023 together with the declaration of the Directors, the Director's report, the Remuneration Report and the auditor's report.

2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

To consider and, if thought fit, to pass, with or without amendment, 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 as contained in the Company's annual financial report for the financial year ended 30 June 2023.”

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

A voting prohibition statement applies to this Resolution. Please see below.

3. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – ADRIAN BYASS

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

“That, for the purpose of clause 15.2 of the Constitution, Listing Rule 14.5 and for all other purposes, Adrian Byass, a Director, retires by rotation, and being eligible, is re-elected as a Director.”

4. RESOLUTION 3 – RATIFICATION OF PRIOR ISSUE OF SHARES – LISTING RULE 7.1

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 7.4 and for all other purposes, Shareholders ratify the issue of 6,000,000 Shares on the terms and conditions set out in the Explanatory Statement.”

A voting exclusion statement applies to this Resolution. Please see below.

5. RESOLUTION 4 – RATIFICATION OF PRIOR ISSUE OF OPTIONS – LISTING RULE 7.1

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 7.4 and for all other purposes, Shareholders ratify the issue of 3,000,000 Options on the terms and conditions set out in the Explanatory Statement.”

A voting exclusion statement applies to this Resolution. Please see below.

6. RESOLUTION 5 – RATIFICATION OF PRIOR ISSUE OF SHARES – SHAWN PANTON

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 7.4 and for all other purposes, Shareholders ratify the issue of 62,500 Shares on the terms and conditions set out in the Explanatory Statement.”

A voting exclusion statement applies to this Resolution. Please see below.

7. RESOLUTION 6 – RATIFICATION OF PRIOR ISSUE OF SHARES – DYLAN MORGAN

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 7.4 and for all other purposes, Shareholders ratify the issue of 54,545 Shares on the terms and conditions set out in the Explanatory Statement.”

A voting exclusion statement applies to this Resolution. Please see below.

8. RESOLUTION 7 – RATIFICATION OF PRIOR ISSUE OF SHARES – ANDY TRAN

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 7.4 and for all other purposes, Shareholders ratify the issue of 62,500 Shares on the terms and conditions set out in the Explanatory Statement.”

A voting exclusion statement applies to this Resolution. Please see below.

9. RESOLUTION 8 – APPROVAL OF 7.1A MANDATE

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

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

10. RESOLUTION 9 – ISSUE OF OPTIONS TO RELATED PARTY – ADRIAN BYASS

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

“That, for the purposes of section 195(4) and section 208 of the Corporations Act, Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 3,000,000 Options to Adrian Byass (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

A voting exclusion statement and voting prohibition statement applies to this Resolution. Please see below.

11. RESOLUTION 10 – ISSUE OF OPTIONS TO RELATED PARTY – JONATHAN DOWNES

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

“That, for the purposes of section 195(4) and section 208 of the Corporations Act, Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 4,000,000 Options to Jonathan Downes (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

A voting exclusion statement and voting prohibition statement applies to this Resolution. Please see below.

12. RESOLUTION 11 – ISSUE OF OPTIONS TO RELATED PARTY – STEWART HOWE

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

“That, for the purposes of section 195(4) and section 208 of the Corporations Act, Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 3,000,000 Options to Stewart Howe (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

A voting exclusion statement and voting prohibition statement applies to this Resolution. Please see below.

Dated: 17 October 2023

By order of the Board

**Aida Tabakovic
Joint Company Secretary**

Voting Prohibition Statements

<p>Resolution 1 – Adoption of Remuneration Report</p>	<p>A vote on this Resolution must not be cast (in any capacity) by or on behalf of either of the following persons:</p> <ul style="list-style-type: none"> (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. <p>However, a person (the voter) described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:</p> <ul style="list-style-type: none"> (a) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or (b) the voter is the Chair and the appointment of the Chair as proxy: <ul style="list-style-type: none"> (i) does not specify the way the proxy is to vote on this Resolution; and (ii) expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.
<p>Resolution 9 – Issue of Options to Related Party – Adrian Byass</p>	<p>In accordance with section 224 of the Corporations Act, a vote on this Resolution must not be cast (in any capacity) by or on behalf of a related party of the Company to whom the Resolution would permit a financial benefit to be given, or an associate of such a related party (Resolution 9 Excluded Party). However, the above prohibition does not apply if the vote is cast by a person as proxy appointed by writing that specifies how the proxy is to vote on the Resolution and it is not cast on behalf of a Resolution 9 Excluded Party.</p> <p>In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:</p> <ul style="list-style-type: none"> (a) the proxy is either: <ul style="list-style-type: none"> (i) a member of the Key Management Personnel; 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. <p>Provided the Chair is not a Resolution 9 Excluded Party, the above prohibition does not apply if:</p> <ul style="list-style-type: none"> (a) the proxy is the Chair; and (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.
<p>Resolution 10 – Issue of Options to Related Party – Jonathan Downes</p>	<p>In accordance with section 224 of the Corporations Act, a vote on this Resolution must not be cast (in any capacity) by or on behalf of a related party of the Company to whom the Resolution would permit a financial benefit to be given, or an associate of such a related party (Resolution 10 Excluded Party). However, the above prohibition does not apply if the vote is cast by a person as proxy appointed by writing that specifies how the proxy is to vote on the Resolution and it is not cast on behalf of a Resolution 10 Excluded Party.</p> <p>In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:</p> <ul style="list-style-type: none"> (a) the proxy is either: <ul style="list-style-type: none"> (i) a member of the Key Management Personnel; 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. <p>Provided the Chair is not a Resolution 10 Excluded Party, the above prohibition does not apply if:</p> <ul style="list-style-type: none"> (a) the proxy is the Chair; and (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.
<p>Resolution 11 – Issue of Options to Related Party – Stewart Howe</p>	<p>In accordance with section 224 of the Corporations Act, a vote on this Resolution must not be cast (in any capacity) by or on behalf of a related party of the Company to whom the Resolution would permit a financial benefit to be given, or an associate of such a related party (Resolution 11 Excluded Party). However, the above prohibition does not apply if the vote is cast by a person</p>

	<p>as proxy appointed by writing that specifies how the proxy is to vote on the Resolution and it is not cast on behalf of a Resolution 11 Excluded Party. In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:</p> <p>(a) the proxy is either:</p> <p style="padding-left: 20px;">(i) a member of the Key Management Personnel; or</p> <p style="padding-left: 20px;">(ii) a Closely Related Party of such a member; and</p> <p>(b) the appointment does not specify the way the proxy is to vote on this Resolution.</p> <p>Provided the Chair is not a Resolution 11 Excluded Party, the above prohibition does not apply if:</p> <p>(a) the proxy is the Chair; and</p> <p>(b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.</p>
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Voting Exclusion Statements

In accordance with Listing Rule 14.11, the Company will disregard any votes cast in favour of the Resolution set out below by or on behalf of the following persons:

Resolution 3 – Ratification of prior issue of Shares – Listing Rule 7.1	A person who participated in the issue or is a counterparty to the agreement being approved (namely those persons who participated in the Placement) or an associate of that person or those persons.
Resolution 4 – Ratification of prior issue of Options – Listing Rule 7.1	A person who participated in the issue or is a counterparty to the agreement being approved (namely Taurus) or an associate of that person or those persons.
Resolution 5– Ratification of prior issue of Shares – Shawn Panton	A person who participated in the issue or is a counterparty to the agreement being approved (namely Shawn Panton) or an associate of that person or those persons.
Resolution 6– Ratification of prior issue of Shares – Dylan Morgan	A person who participated in the issue or is a counterparty to the agreement being approved (namely Dylan Morgan) or an associate of that person or those persons.
Resolution 7– Ratification of prior issue of Shares – Andy Tran	A person who participated in the issue or is a counterparty to the agreement being approved (namely Andy Tran) or an associate of that person or those persons.
Resolution 9 – Issue of Options to Related Party – Adrian Byass	<i>Adrian</i> Byass (or his nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons.
Resolution 10 – Issue of Options to Related Party Jonathan Downs	<i>Jonathan</i> Downs (or his nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons.
Resolution 11 – Issue of Options to Related Party – Stewart Howe	<i>Stewart</i> Howe (or his nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons.

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

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

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

Voting by proxy

To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

In accordance with section 249L of the Corporations Act, Shareholders are advised that:

- each Shareholder has a right to appoint a proxy;
- the proxy need not be a Shareholder of the Company; and
- a Shareholder who is entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the Shareholder appoints two proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

Shareholders and their proxies should be aware that:

- if proxy holders vote, they must cast all directed proxies as directed; and
- any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

Voting in person

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

Should you wish to discuss the matters in this Notice please do not hesitate to contact the Company Secretary on +61 8 9481 0389.

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions.

1. FINANCIAL STATEMENTS AND REPORTS

In accordance with the Corporations Act, the business of the Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 30 June 2023 together with the declaration of the Directors, the Directors' report, the Remuneration Report and the auditor's report.

The Company will not provide a hard copy of the Company's annual financial report to Shareholders unless specifically requested to do so. The Company's annual financial report is available on its website at <https://www.kaiserreef.com.au/>.

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 to be adopted must be put to the shareholders. However, such a resolution is advisory only and does not bind the company or the directors of 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 a financial year.

The chair of the meeting must allow a reasonable opportunity for its shareholders to ask questions about or make comments on the remuneration report at the annual general meeting.

2.2 Voting consequences

A company is required to put to its shareholders a resolution proposing the calling of another meeting of shareholders to consider the appointment of directors of the company (**Spill Resolution**) if, at consecutive annual general meetings, at least 25% of the votes cast on a remuneration report resolution are voted against adoption of the remuneration report and at the first of those annual general meetings a Spill Resolution was not put to vote. If required, the Spill Resolution must be put to vote at the second of those annual general meetings.

If more than 50% of votes cast are in favour of the Spill Resolution, the company must convene a shareholder meeting (**Spill Meeting**) within 90 days of the second annual general meeting.

All of the directors of the company who were in office when the directors' report (as included in the company's annual financial report for the most recent financial year) was approved, other than the managing director of the company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting.

Following the Spill Meeting those persons whose election or re-election as directors of the company is approved will be the directors of the company.

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.

3. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – ADRIAN BYASS

3.1 General

Listing Rule 14.5 provides that an entity which has directors must hold an election of directors at each annual general meeting.

The Constitution sets out the requirements for determining which Directors are to retire by rotation at an annual general meeting.

Adrian Byass, who has served as a Director since 2 September 2019 and was last re-elected on 17 November 2021, retires by rotation and seeks re-election.

3.2 Qualifications, Other Material Directorships and Independence

ADRIAN BYASS	
Qualifications	B.Sc (Geo) Hons, B.Eco, FSEG and MAIG
Experience	Mr Byass has more than 20 years' experience in the mining industry with extensive experience as a Board member of ASX, TSXV and AIM listed companies. This experience has principally been gained from both listed and unlisted entities around the world through the operation of as well as the evaluation and development of mining products for a range of base, precious and specialty metals and bulk commodities.
Directorships	<p><u>Other current listed company directorships:</u></p> <p>Galena Mining Limited (Non-Executive Chairman) Infinity Lithium Corporation Limited (Non-Executive Chairman) Sarama Resources Limited (Non-Executive Director)</p> <p><u>Former listed company directorships in last three years:</u></p> <p>Kingwest Resources Limited (resigned 23 May 2022) - Non-Executive Director</p>
Independence	If re-elected the Board considers Adrian Byass will be an independent Director.

3.3 Technical information required by Listing Rule 14.1A

If Resolution 2 is passed, Adrian Byass will be re-elected to the Board as an independent Director.

In the event that Resolution 2 is not passed, Adrian Byass will not continue in their role as an independent Director. As the Company currently has only 3 Directors, it will need to seek nominations or otherwise identify suitably qualified candidates to join the Company. As an additional consequence, this may detract from the Board and Company's ability to execute on its strategic vision.

3.4 Board recommendation

The Board has reviewed Adrian Byass' performance since his appointment to the Board and considers that their skills and experience will continue to enhance the Board's ability to perform its role. Accordingly, the Board supports the re-election of Adrian Byass and recommends that Shareholders vote in favour of Resolution 2.

4. RESOLUTION 3 – RATIFICATION OF PRIOR ISSUE OF SHARES – LISTING RULE 7.1

4.1 General

On 17 April 2023, the Company announced that it will raise \$900,000 (before costs) and issue 6,000,000 Shares to sophisticated and professional investors at \$0.15 per Share (**Placement**). On 3 May 2023, the Company issued the 6,000,000 Shares to the sophisticated and professional investors (**Placement Shares**).

The issue of the Placement Shares did not breach Listing Rule 7.1 at the time of the issue.

The Company engaged the services of Taurus Capital Group Pty Ltd (ACN 622 499 834), (Corporate Authorise Representative No. 270476 of RM Capital Pty Ltd AFSL 221938)(**Taurus**), to manage the issue of the Placement Shares (**Mandate**). The Company has paid \$54,0000 (being, 6% of the amount raised under the Placement).

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 shares it had on issue at the start of that period.

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

The Company's ability to utilise the additional 10% capacity provided for in Listing Rule 7.1A for issues of equity securities following this Meeting remains conditional on Resolution 8 being passed at this Meeting.

The issue of the Placement Shares does not fit within any of the exceptions set out in Listing Rule 7.2 and, as it has not yet been approved by Shareholders, it effectively uses up part of the 15% limit in Listing Rule 7.1, reducing the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1 for the 12 month period following the date of issue of the Placement Shares.

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 in the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1. Accordingly, the Company is seeking Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Placement Shares.

Resolution 3 seeks Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Placement Shares.

4.2 Technical information required by Listing Rule 14.1A

If Resolution 3 is passed, the Placement Shares will be excluded in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, effectively increasing the number of equity securities the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Placement Shares.

If Resolution 3 is not passed, the Placement Shares will be included in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, effectively decreasing the number of equity securities that the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Placement Shares.

It is noted that the Company's ability to utilise the additional 10% capacity provided for in Listing Rule 7.1A for issues of equity securities following this Meeting remains conditional on Resolution 8 being passed at this Meeting.

4.3 Technical information required by Listing Rule 7.5

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to Resolution 3:

- (a) the Placement Shares were issued to professional and sophisticated investors who are clients of Taurus. The recipients were identified through a bookbuild process, which involved Taurus seeking expressions of interest to participate in the capital raising from non-related parties of the Company;
- (b) in accordance with paragraph 7.4 of ASX Guidance Note 21, the Company confirms that none of the recipients were:
 - (i) related parties of the Company, members of the Company's Key Management Personnel, substantial holders of the Company, advisers of the Company or an associate of any of these parties; and
 - (ii) issued more than 1% of the issued capital of the Company;
- (c) 6,000,000 Shares were issued and the Placement Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (d) the Placement Shares were issued on 3 May 2023;
- (e) the issue price was \$0.15 per Shares. The Company has not and will not receive any other consideration for the issue of the Placement Shares;
- (f) the purpose of the issue of the Placement Shares was to raise \$900,000, which will be used to support the development of expanded production at Kaiser's A1 Mine; and
- (g) the Placement Shares were issued under customary offer letters between the Company and the Placement participant.

5. RESOLUTION 4 – RATIFICATION OF PRIOR ISSUE OF OPTIONS – LISTING RULE 7.1

5.1 General

On 15 June 2023, the Company issued 3,000,000 Options as consideration for corporate advisory services provided by Taurus (**Broker Options**) pursuant to the corporate services mandate. A summary of the Mandate is provided in Schedule 1.

The issue of the Broker Options did not breach Listing Rule 7.1 at the time of the issue.

As summarised in Section 4.1 above, 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 12 month period.

Under Listing Rule 7.1A, 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%.

The Company's ability to utilise the additional 10% capacity provided for in Listing Rule 7.1A for issues of equity securities following this Meeting remains conditional on Resolution 8 being passed at this Meeting.

The issue of the Broker Options does not fit within any of the exceptions set out in Listing Rule 7.2 and, as it has not yet been approved by Shareholders, it effectively uses up part of the 15% limit in Listing Rule 7.1, reducing the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1 for the 12 month period following the date of issue of the Broker Options.

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 in the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1. Accordingly, the Company is seeking Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Broker Options.

Resolution 4 seeks Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Broker Options.

5.2 Technical information required by Listing Rule 14.1A

If Resolution 4 is passed, the Broker Options will be excluded in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, effectively increasing the number of equity securities the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Broker Options.

If Resolution 4 is not passed, the Broker Options will be included in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, effectively decreasing the number of equity securities that the Company can issue without

Shareholder approval over the 12 month period following the date of issue of the Broker Options.

It is noted that the Company's ability to utilise the additional 10% capacity provided for in Listing Rule 7.1A for issues of equity securities following this Meeting remains conditional on Resolution 8 being passed at this Meeting.

5.3 Technical information required by Listing Rule 7.5

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to Resolution 4:

- (a) the Broker Options were issued to Taurus (2,500,000 Options) and Sabre Power Systems Pty Ltd (500,000 Options) a nominee of Taurus;
- (b) 3,000,000 Options were issued and the Broker Options were issued on the terms and conditions set out in Schedule 2;
- (c) the Broker Options were issued on 15 June 2023;
- (d) the Broker Options were issued at a nil issue price, in consideration for corporate advisory services provided by Taurus. The Company has not and will not receive any other consideration for the issue of the Broker Options (other than in respect of funds received on exercise of the Broker Options);
- (e) the purpose of the issue of the Broker Options was to satisfy the Company's obligations under the Mandate; and
- (f) a summary of the material terms of the Mandate is set out in Schedule 1.

6. RESOLUTIONS 5 TO 7 – RATIFICATION OF PRIOR ISSUE OF SHARES – SHAWN PANTON, DYLAN MORGAN AND ANDY TRAN

6.1 General

On 1 August 2023, the Company issued 179,545 Shares at a deemed issue price of \$0.20 (being the ASX closing price of the Shares on 31 July 2023), comprising of:

- (a) 62,500 Shares to Shawn Panton in lieu of salary owed (\$12,500);
- (b) 54,545 Shares to Dylan Morgan in lieu of salary owed (\$12,500); and
- (c) 62,500 Shares to Andy Tran in lieu of salary owed (\$10,909);

(together, the **Employee Shares**).

The issue of the Employee Shares did not breach Listing Rule 7.1 at the time of the issue.

As summarised in Section 4.1 above, 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 12 month period.

Under Listing Rule 7.1A, 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%.

The Company's ability to utilise the additional 10% capacity provided for in Listing Rule 7.1A for issues of equity securities following this Meeting remains conditional on Resolution 8 being passed at this Meeting.

The issue of the Employee Shares does not fit within any of the exceptions set out in Listing Rule 7.2 and, as it has not yet been approved by Shareholders, it effectively uses up part of the 15% limit in Listing Rule 7.1, reducing the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1 for the 12 month period following the date of issue of the Employee Shares.

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 in the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1. Accordingly, the Company is seeking Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Employee Shares.

The Company seeks Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Employee Shares, being:

- (a) 62,500 Shares to Shawn Panton (Resolution 5);
- (b) 54,545 Shares to Dylan Morgan (Resolution 6); and
- (c) 62,500 Shares to Andy Tran (Resolution 7).

6.2 Technical information required by Listing Rule 14.1A

If Resolutions 5, 6 and/or 7 are passed, the Employee Shares will be excluded in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, effectively increasing the number of equity securities the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Employee Shares.

If Resolutions 5, 6 and/or 7 are not passed, the Employee Shares will be included in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, effectively decreasing the number of equity securities that the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Employee Shares.

6.3 Technical information required by Listing Rule 7.5

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to Resolutions 5, 6 and 7:

- (a) the Employee Shares were issued to Shawn Panton, Dylan Morgan and Andy Tran in accordance with the allocation set out in Section 6.1;
- (b) 179,545 Shares were issued and the Employee Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;

- (c) the Employee Shares were issued on 1 August 2023;
- (d) the Employee Shares were issued at a deemed issue price of \$0.20 per Share, for amounts owing to Shawn Panton, Dylan Morgan and Andy Tran (refer to Section 6.1 for further details). The Company has not and will not receive any other consideration for the issue of the Employee Shares;
- (e) the purpose of the issue of the Employee Shares was satisfy the Company's remuneration obligations to Shawn Panton, Dylan Morgan and Andy Tran; and
- (f) the Employee Shares were not issued under an agreement.

7. RESOLUTION 8 – APPROVAL OF 7.1A MANDATE

7.1 General

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.

However, under Listing Rule 7.1A, an eligible entity may seek shareholder approval by way of a special resolution passed at its annual general meeting to increase this 15% limit by an extra 10% to 25% (**7.1A Mandate**).

An 'eligible entity' means an entity which is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300,000,000 or less. The Company is an eligible entity for these purposes.

As at the date of this Notice, the Company is an eligible entity as it is not included in the S&P/ASX 300 Index and has a current market capitalisation of \$24,399,742.46 (based on the number of Shares on issue and the closing price of Shares on the ASX on 5 October 2023).

Resolution 8 seeks Shareholder approval by way of special resolution for the Company to have the additional 10% placement capacity provided for in Listing Rule 7.1A to issue Equity Securities without Shareholder approval.

For note, a special resolution is a resolution requiring at least 75% of votes cast by shareholders present and eligible to vote at the meeting in favour of the resolution.

If Resolution 8 is passed, the Company will be able to issue Equity Securities up to the combined 25% limit in Listing Rules 7.1 and 7.1A without any further Shareholder approval.

If Resolution 8 is not passed, the Company will not be able to access the additional 10% capacity to issue Equity Securities without Shareholder approval under 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.

7.2 Technical information required by Listing Rule 7.1A

Pursuant to and in accordance with Listing Rule 7.3A, the information below is provided in relation to Resolution 8:

- (a) **Period for which the 7.1A Mandate is valid**

The 7.1A Mandate will commence on the date of the Meeting and expire on the first to occur of the following:

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

(b) **Minimum price**

Any Equity Securities issued under the 7.1A Mandate must be in an existing quoted class of Equity Securities and be issued for cash consideration at a minimum price of 75% of the volume weighted average price of Equity Securities in that class, calculated over the 15 trading days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed by the entity and the recipient of the Equity Securities; or
- (ii) if the Equity Securities are not issued within 10 trading days of the date in Section 7.2(b)(i), the date on which the Equity Securities are issued.

(c) **Use of funds raised under the 7.1A Mandate**

The Company intends to use funds raised from issues of Equity Securities under the 7.1A Mandate for ongoing development costs at the A1 gold mine, exploration of the Maldon project and working capital.

(d) **Risk of Economic and Voting Dilution**

Any issue of Equity Securities under the 7.1A Mandate will dilute the interests of Shareholders who do not receive any Shares under the issue.

If Resolution 8 is approved by Shareholders and the Company issues the maximum number of Equity Securities available under the 7.1A Mandate, the economic and voting dilution of existing Shares would be as shown in the table below.

The table below shows the dilution of existing Shareholders calculated in accordance with the formula outlined in Listing Rule 7.1A.2, on the basis of the closing market price of Shares and the number of Equity Securities on issue or proposed to be issued as at 5 October 2023.

The table also shows the voting dilution impact where the number of Shares on issue (Variable A in the formula) changes and the economic dilution where there are changes in the issue price of Shares issued under the 7.1A Mandate.

Number of Shares on Issue (Variable A in Listing Rule 7.1A.2)		Shares issued – 10% voting dilution	Dilution		
			Issue Price		
			\$0.083	\$0.165	\$0.25
			50% decrease	Issue Price	50% increase
		Funds Raised			
Current	147,877,227	14,787,722	\$1,227,380	\$2,439,974	\$3,667,355
50% increase	221,815,841	22,181,584	\$1,841,071	\$3,659,961	\$5,501,032
100% increase	295,754,454	29,575,445	\$2,454,761	\$4,879,948	\$7,334,710

*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 above uses the following assumptions:

1. There are currently 147,877,227 Shares on issue as at the date of this Notice:
2. The issue price set out above is the closing market price of the Shares on the ASX on 5 October 2023 (being \$0.165).
3. The Company issues the maximum possible number of Equity Securities under the 7.1A Mandate.
4. The Company has not issued any Equity Securities in the 12 months prior to the Meeting that were not issued under an exception in Listing Rule 7.2 or with approval under Listing Rule 7.1.
5. The issue of Equity Securities under the 7.1A Mandate consists only of Shares. It is assumed that no Options are exercised into Shares before the date of issue of the Equity Securities. If the issue of Equity Securities includes quoted Options, it is assumed that those quoted Options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.
6. The calculations above do not show the dilution that any one particular Shareholder will be subject to. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.
7. This table does not set out any dilution pursuant to approvals under Listing Rule 7.1 unless otherwise disclosed.
8. The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
9. The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 7.1A Mandate, based on that Shareholder's holding at the date of the Meeting.

Shareholders should note that there is a risk that:

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

(e) Allocation policy under the 7.1A Mandate

The recipients of the Equity Securities to be issued under the 7.1A Mandate have not yet been determined. However, the recipients

of Equity Securities could consist of current Shareholders or new investors (or both), none of whom will be related parties of the Company.

The Company will determine the recipients at the time of the issue under the 7.1A Mandate, having regard to the following factors:

- (i) the purpose of the issue;
 - (ii) alternative methods for raising funds available to the Company at that time, including, but not limited to, an entitlement issue, share purchase plan, placement or other offer where existing Shareholders may participate;
 - (iii) the effect of the issue of the Equity Securities on the control of the Company;
 - (iv) the circumstances of the Company, including, but not limited to, the financial position and solvency of the Company;
 - (v) prevailing market conditions; and
 - (vi) advice from corporate, financial and broking advisers (if applicable).
- (f) **Previous approval under Listing Rule 7.1A**

The Company previously obtained approval from its Shareholders pursuant to Listing Rule 7.1A at its annual general meeting held on 14 November 2022 (**Previous Approval**).

During the 12 month period preceding the date of the Meeting, being on and from 23 November 2022, the Company has not issued any Equity Securities pursuant to the Previous Approval.

7.3 Voting Exclusion Statement

As at the date of this Notice, the Company is not proposing to make an issue of Equity Securities under Listing Rule 7.1A. Accordingly, a voting exclusion statement is not included in this Notice.

8. RESOLUTIONS 9 TO 11 – ISSUE OF OPTIONS TO RELATED PARTY – ADRIAN BYASS, JONATHAN DOWNES AND STEWART HOWE

8.1 General

The Company has agreed, subject to obtaining Shareholder approval, to issue an aggregate of 10,000,000 Options (**Options**) to Adrian Byass, Jonathan Downes and Stewart Howe (or their nominees) (**Related Parties**) on the terms and conditions set out below.

Resolutions 9 to 11 seek Shareholder approval for the issue of the Options to the Related Parties.

8.2 Director recommendation

Each Director has a material personal interest in the outcome of Resolutions 9 to 11 on the basis that all of the Directors (or their nominees) are to be issued Options should Resolutions 9 to 11 be passed. For this reason, the Directors do not believe

that it is appropriate to make a recommendation on Resolutions 9 to 11 of this Notice.

8.3 Chapter 2E of the Corporations Act

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

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

The issue of Options to the Related Parties constitutes giving a financial benefit and each of the Related Parties is a related party of the Company by virtue of being a Director.

As the Options are proposed to be issued to all of the Directors, the Directors are unable to form a quorum to consider whether one of the exceptions set out in sections 210 to 216 of the Corporations Act applies to the issue of the Options. Accordingly, Shareholder approval for the issue of Options to the Related Parties is sought in accordance with Chapter 2E of the Corporations Act.

8.4 Listing Rule 10.11

Listing Rule 10.11 provides that unless one of the exceptions in Listing Rule 10.12 applies, a listed company must not issue or agree to issue equity securities to:

- 10.11.1 a related party;
- 10.11.2 a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (30%+) holder in the company;
- 10.11.3 a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (10%+) holder in the company and who has nominated a director to the board of the company pursuant to a relevant agreement which gives them a right or expectation to do so;
- 10.11.4 an associate of a person referred to in Listing Rules 10.11.1 to 10.11.3; or
- 10.11.5 a person whose relationship with the company or a person referred to in Listing Rules 10.11.1 to 10.11.4 is such that, in ASX's opinion, the issue or agreement should be approved by its shareholders,

unless it obtains the approval of its shareholders.

The issue of Options falls within Listing Rule 10.11.1 and does not fall within any of the exceptions in Listing Rule 10.12. It therefore requires the approval of Shareholders under Listing Rule 10.11.

Resolutions 9 to 11 seek the required Shareholder approval for the issue of the Options under and for the purposes of Chapter 2E of the Corporations Act and Listing Rule 10.11.

8.5 Technical information required by Listing Rule 14.1A

If Resolutions 9 to 11 are passed, the Company will be able to proceed with the issue of the Options to the Related Parties within one month after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules). As approval pursuant to Listing Rule 7.1 is not required for the issue of the Options (because approval is being obtained under Listing Rule 10.11), the issue of the Options will not use up any of the Company's 15% annual placement capacity.

If Resolution 9 to 11 are not passed, the Company will not be able to proceed with the issue of the Options and the Company may need to seek alternative means to provide a performance linked incentive component in the remuneration package received by Directors.

Resolutions 9 to 11 are independent of all Resolutions.

8.6 Technical Information required by Listing Rule 10.13 and section 219 of the Corporations Act

Pursuant to and in accordance with Listing Rule 10.13 and section 219 of the Corporations Act, the following information is provided in relation to Resolutions 9 to 11:

- (a) the Options will be issued to the following persons:
 - (i) Adrian Byass (or his nominee) pursuant to Resolution 9;
 - (ii) Jonathan Downes (or his nominee) pursuant to Resolution 10; and
 - (iii) Stewart Howe (or his nominee) pursuant to Resolution 11,each of whom falls within the category set out in Listing Rule 10.11.1 by virtue of being a Director;
- (b) the maximum number of Options to be issued to the Related Parties (being the nature of the financial benefit proposed to be given) is 10,000,000 comprising:
 - (i) 3,000,000 Options to Adrian Byass (or his nominee) pursuant to Resolution 9;
 - (ii) 4,000,000 Options to Jonathan Downes (or his nominee) pursuant to Resolution 10; and
 - (iii) 3,000,000 Options to Stewart Howe (or his nominee) pursuant to Resolution 11;
- (c) the terms and conditions of the Options are set out in Schedule 3;
- (d) the Options will be issued no later than 1 month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that issue of the Options will occur on the same date;

- (e) the issue price of the Options will be nil. The Company will not receive any other consideration in respect of the issue of the Options (other than in respect of funds received on exercise of the Options);
- (f) the purpose of the issue of the Options is to provide a performance linked incentive component in the remuneration package for the Related Parties to align the interests of the Related Parties with those of Shareholders, to motivate and reward the performance of the Related Parties in their roles as Directors and to provide a cost effective way from the Company to remunerate the Related Parties, which will allow the Company to spend a greater proportion of its cash reserves on its operations than it would if alternative cash forms of remuneration were given to the Related Parties;
- (g) the Options will be unquoted Options. The Company has agreed to issue the Options to the Related Parties subject to Shareholder for the following reasons:
 - (i) the Options are unquoted; therefore, the issue of the Options has no immediate dilutionary impact on Shareholders;
 - (ii) the deferred taxation benefit which is available to the Related Parties in respect of an issue of Options is also beneficial to the Company as it means the Related Parties are not required to immediately sell the Options to fund a tax liability (as would be the case in an issue of Shares where the tax liability arises upon issue of the Shares) and will instead, continue to hold an interest in the Company; and
 - (iii) it is not considered that there are any significant opportunity costs to the Company or benefits foregone by the Company in issuing the Options on the terms proposed;
- (h) the number of Options to be issued to each of the Related Parties has been determined based upon a consideration of:
 - (i) current market standards and/or practices of other ASX listed companies of a similar size and stage of development to the Company;
 - (ii) the remuneration of the Related Parties; and
 - (iii) incentives to attract and ensure continuity of service/retain the service of the Related Parties who have appropriate knowledge and expertise, while maintaining the Company's cash reserves.

The Company does not consider that there are any significant opportunity costs to the Company or benefits foregone by the Company in issuing the Options upon the terms proposed;

- (i) the total remuneration package for each of the Related Parties for the previous financial year and the proposed total remuneration package for the current financial year are set out below:

Related Party	Current Financial Year Ended 30 June 2024	Previous Financial Year Ended 30 June 2023
Adrian Byass	\$368,663 ⁴	\$131,741 ¹
Jonathan Downes	\$582,800 ⁵	\$330,657 ²
Stewart Howe	\$352,000 ⁶	\$163,874 ³

Notes:

1. Comprising Directors' fees/salary of \$115,395, non-monetary benefits of \$4,229, and a superannuation payment of \$12,117.
 2. Comprising Directors' fees/salary of \$280,000, non-monetary benefits of \$4,229, a superannuation payment of \$25,292 and leave payments of \$21,136.
 3. Comprising Directors' fees/salary of \$133,333, a superannuation payment of \$14,000, leave payments of \$11,379 and share-based payment rights of \$5,162.
 4. Comprising Directors' fees/salary of \$148,345, a superannuation payment of \$16,318 and share-based payments of \$204,000 (including an increase of \$204,000, being the value of the Options).
 5. Comprising Directors' fees/salary of \$280,000, a superannuation payment of \$30,800 and share-based payments of \$272,000 (including an increase of \$272,000, being the value of the Options).
 6. Comprising Directors' fees/salary of \$133,333, a superannuation payment of \$14,667 and share-based payments of \$204,000 (including an increase of \$204,000, being the value of the Options).
- (j) the value of the Options and the pricing methodology is set out in Schedule 4;
- (k) the Options are not being issued under an agreement;
- (l) the relevant interests of the Related Parties in securities of the Company as at the date of this Notice are set out below:

As at the date of this Notice

Related Party	Shares ¹	Options	Undiluted	Fully Diluted
Adrian Byass	3,205,000 ²	2,000,000 ⁵	2.17%	3.13%
Jonathan Downes	3,835,625 ³	2,000,000 ⁶	2.59%	3.51%
Stewart Howe	312,500 ⁴	400,000 ⁷	0.21%	0.43%

Post issue of the Options to Related Parties

Related Party	Shares ¹	Options
Adrian Byass	3,205,000	5,000,000
Jonathan Downes	3,835,625	6,000,000
Stewart Howe	312,500	3,400,000

Notes:

1. Fully paid ordinary shares in the capital of the Company (ASX: KAU).
 2. Held by Valiant Equity Management Pty Ltd<Byass Family Trust>, a company associated with Adrian Byass.
 3. Comprising:
 - (a) 200,000 Shares directly held by Jonathan Downes;
 - (b) 3,200,000 Shares indirectly held by Jonathan Downes through Kiandra Nominees Pty Ltd<JK Downes Family Trust>, a company associated with Jonathan Downes;
 - (c) 195,625 Shares held by Katrina Downes, spouse of Jonathan Downes; and
 - (d) 240,000 Shares indirectly held by Jonathan Downes through Mr J C & Mrs KP Downes <J & K Downes Superfund A/C> a company associated with Jonathan Downes.
 4. Held directly by Stewart Howe.
 5. Unquoted Options indirectly held by Adrian Byass through Valiant Equity Management Pty Ltd<Byass Family Trust>, a company associated with Adrian Byass, with each Option exercisable at \$0.40 on or before 31 January 2024.
 6. Unquoted Options indirectly held by Jonathan Downes through Kiandra Nominees Pty Ltd <JK Downes Family Trust>, a company associated with Jonathan Downes, with each Option exercisable at \$0.40 on or before 31 January 2024.
 7. Comprising:
 - (a) 200,000 unquoted Options directly held by Stewart Howe, with each Option exercisable at \$0.52 on or before 16 December 2024; and
 - (b) 200,000 unquoted Options directly held by Stewart Howe, with each Option exercisable at \$0.60 on or before 16 December 2024
- (m) if the Options issued to the Related Parties are exercised, a total of 10,000,000 Shares would be issued. This will increase the number of Shares on issue from 147,877,227 (being the total number of Shares on issue as at the date of this Notice) to 157,877,227 (assuming that no Shares are issued and no convertible securities vest or are exercised) with the effect that the shareholding of existing Shareholders would be diluted by an aggregate of 6.33%, comprising 1.90% by Adrian Byass, 2.53% by Jonathan Downes, and 1.90% by Stewart Howe;

The market price for Shares during the term of the Options would normally determine whether the Options are exercised. If, at any time any of the Options are exercised and the Shares are trading on ASX at a price that is higher than the exercise price of the Options, there may be a perceived cost to the Company.

- (n) the trading history of the Shares on ASX in the 12 months before the date of this Notice is set out below:

	Price	Date
Highest	\$0.225	1, 2, 4 May 2023; 17 and 18 May 2023
Lowest	\$0.15	18 October 2022; 14 November 2022; 10 August 2023
Last	\$0.17	11 October 2023

- (o) the Board is not aware of any other information that is reasonably required by Shareholders to allow them to decide whether it is in the best interests of the Company to pass Resolutions 9 to 11; and
- (p) a voting exclusion statement is included for Resolutions 9 to 11 of the Notice.

GLOSSARY

\$ means Australian dollars.

7.1A Mandate has the meaning given in Section 7.1.

ASIC means the Australian Securities & Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by ASX Limited, as the context requires.

Board means the current board of directors of the Company.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

Chair means the chair of the Meeting.

Closely Related Party of a member of the Key Management Personnel means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent of the member or the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the Corporations Regulations 2001 (Cth) for the purposes of the definition of 'closely related party' in the Corporations Act.

Company means Kaiser Reef Limited (ACN 635 910 271).

Constitution means the Company's constitution.

Corporations Act means the *Corporations Act 2001* (Cth).

Directors means the current directors of the Company.

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

Explanatory Statement means the explanatory statement accompanying the Notice.

Key Management Personnel has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, of the consolidated entity, directly or indirectly, including any director (whether executive or otherwise) of the Company, or if the Company is part of a consolidated entity, of an entity within the consolidated group.

Listing Rules means the Listing Rules of ASX.

Meeting means the meeting convened by the Notice.

Notice means this notice of meeting including the Explanatory Statement and the Proxy Form.

Option means an option to acquire a Share.

Optionholder means a holder of an Option.

Proxy Form means the proxy form accompanying the Notice.

Remuneration Report means the remuneration report set out in the Director's report section of the Company's annual financial report for the year ended 30 June 2023.

Resolutions means the resolutions set out in the Notice, or any one of them, as the context requires.

Section means a section of the Explanatory Statement.

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

Taurus has the meaning set out in Section 4.1.

Shareholder means a registered holder of a Share.

Variable A means "A" as set out in the formula in Listing Rule 7.1A.2.

WST means Western Standard Time as observed in Perth, Western Australia.

SCHEDULE 1 – SUMMARY OF MANDATE

Term	The Mandate commenced on 18 April 2023 for a period of 6 months.
Fees	<p>The Company to issue 3,000,000 unlisted options to Taurus Capital Group Pty Ltd (or its nominees), with each option exercisable at \$0.30 on or before 30 November 2027 (Broker Options).</p> <p>The Company is required to issue the Broker Options within 60 days of execution of the Mandate.</p>
Expenses	<p>The Company is required to reimburse Taurus Capital Group Pty Ltd (Taurus) for all reasonably incurred expenses incurred in, or as a result of, acting for the Company. The disbursements payable by the Company include government fees and charges for services (but not taxes), travelling and accommodation to economy class (business class over 8 hours) airfare and five star hotel standard, with a reasonable per diem to be agreed from time to time, and postage and delivery charges.</p> <p>Any disbursement expenses that Taurus reasonably incurs in exercising this authority are to be paid by the Company, subject to a limit of \$4,000 per calendar month.</p> <p>If expenses are not paid within 45 days of invoice, an interest rate of 10% per annum will apply to all outstanding expenses.</p>
Corporate Advisory	Taurus to provide general corporate advisory services, assist in raising capital, assist with marketing, promotional and presentation material as and when required by the Company and assist with the review of press releases, ASX announcements and other investor relations activities as and when required by the Company.
Termination	<p>Either party may terminate this agreement, but only with cause on 14 days' notice, provided that the indemnity and warranty provisions shall survive termination for a period of 12 months.</p> <p>In the event of fees or outlays that have accrued or are payable to Taurus, then those fees shall be paid within 14 days of termination.</p>

Other than as noted above the Mandate contains terms which are standard for an agreement of this type.

SCHEDULE 2 – TERMS AND CONDITIONS OF BROKER OPTIONS

(a) **Entitlement**

Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

(b) **Exercise Price**

Subject to paragraph (j), the amount payable upon exercise of each Option will be \$0.30 (**Exercise Price**).

(c) **Expiry Date**

Each Option will expire at 5:00 pm (WST) on 30 November 2027 (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

(e) **Notice of Exercise**

The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(f) **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

(g) **Timing of issue of Shares on exercise**

Within five Business Days after the Exercise Date, the Company will:

- (i) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under (h)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being

ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(h) **Shares issued on exercise**

Shares issued on exercise of the Options rank equally with the then issued shares of the Company.

(i) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(j) **Participation in new issues**

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

(k) **Change in exercise price**

An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

(l) **Transferability**

The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

SCHEDULE 3 – TERMS AND CONDITIONS OF OPTIONS

(a) **Entitlement**

Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

(b) **Exercise Price**

Subject to paragraph (j), the amount payable upon exercise of each Option will be \$0.25 (**Exercise Price**).

(c) **Expiry Date**

Subject to paragraph (d), each Option will expire at 5:00 pm (WST) 3 years from the date of issue (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Lapse of an Option when no longer employed**

An Option will lapse within three (3) months of the holder ceasing to be an officer (and employee, if applicable) or an employee of the Company (where they are not an officer at the time of issue), as applicable, unless otherwise determined by the Board at its absolute discretion.

(e) **Exercise Period**

The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

(f) **Notice of Exercise**

The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(g) **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

(h) **Timing of issue of Shares on exercise**

Within five Business Days after the Exercise Date, the Company will:

- (i) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and

- (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under (h)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

- (i) **Shares issued on exercise**

Shares issued on exercise of the Options rank equally with the then issued shares of the Company.

- (j) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

- (k) **Participation in new issues**

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

- (l) **Change in exercise price**

An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

- (m) **Transferability**

The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

SCHEDULE 4 – VALUATION OF OPTIONS

The Options to be issued to the Related Parties pursuant to Resolutions 9 to 11 have been valued by internal management.

Using the Black & Scholes option model and based on the assumptions set out below, the Options were ascribed the following value:

Assumptions:	
Valuation date	23 November 2023
Market price of Shares	18 cents
Exercise price	25 cents
Expiry date (length of time from issue)	27 November 2026
Risk free interest rate	4.08%
Volatility (discount)	66.51%
Indicative value per Related Party Option	6.8 cents
Total Value of Options	\$680,000
- 3,000,000 Options to Adrian Byass (Resolution 9)	\$204,000
- 4,000,000 Options to Jonathan Downes (Resolution 10)	\$272,000
- 3,000,000 Options to Stewart Howe (Resolution 11)	\$204,000

Note: The valuation noted above is not necessarily the market price that the Options could be traded at and is not automatically the market price for taxation purposes.



Proxy Voting Form

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

Kaiser Reef Limited | ABN 38 635 910 271

Your proxy voting instruction must be received by **12.00pm (AWST) on Tuesday, 21 November 2023**, being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

SUBMIT YOUR PROXY

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

YOUR NAME AND ADDRESS

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

STEP 1 – APPOINT A PROXY

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

DEFAULT TO THE CHAIR OF THE MEETING

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

STEP 2 - VOTES ON ITEMS OF BUSINESS

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

APPOINTMENT OF SECOND PROXY

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

SIGNING INSTRUCTIONS

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

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

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

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

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

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

CORPORATE REPRESENTATIVES

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

Lodging your Proxy Voting Form:

Online

Use your computer or smartphone to appoint a proxy at <https://investor.automic.com.au/#/loginsah> or scan the QR code below using your smartphone

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



BY MAIL:

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IN PERSON:

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