
MAGNUM MINING AND EXPLORATION LIMITED
ACN 003 170 376
NOTICE OF GENERAL MEETING

Notice is given that the Meeting will be held at:

TIME: 11:00am (AEDT)

DATE: Friday, 21 October 2022

PLACE: Westin Hotel, 205 Collins St, Melbourne VIC, 3000

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

This Notice of Meeting 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 11:00am (AEDT) on Wednesday, 19 October 2022.

BUSINESS OF THE MEETING

AGENDA

1. RESOLUTION 1 – RATIFICATION OF PRIOR ISSUE OF CONVERTIBLE NOTES

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

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 472 Convertible Notes on the terms and conditions set out in the Explanatory Statement.”

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

2. RESOLUTION 2 – RATIFICATION OF PRIOR ISSUE OF SHARES – SHARES ISSUED ON CONVERSION OF CONVERTIBLE NOTES

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 51,020 Shares on the terms and conditions set out in the Explanatory Statement.”

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

3. RESOLUTION 3 – RATIFICATION OF PRIOR ISSUE OF SHARES – SHARES ISSUED ON CONVERSION OF CONVERTIBLE NOTES

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 597,826 Shares on the terms and conditions set out in the Explanatory Statement.”

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

4. RESOLUTION 4 – RATIFICATION OF PRIOR ISSUE OF SHARES – SHARES ISSUED ON CONVERSION OF CONVERTIBLE NOTES

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 292,015 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 5 – RATIFICATION OF PRIOR ISSUE OF SHARES – SHARES ISSUED ON CONVERSION OF CONVERTIBLE NOTES

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 606,060 Shares on the terms and conditions set out in the Explanatory Statement.”

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

6. RESOLUTION 6 – RATIFICATION OF PRIOR ISSUE OF SHARES – SHARES ISSUED ON CONVERSION OF CONVERTIBLE NOTES

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 303,029 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 7 – RATIFICATION OF PRIOR ISSUE OF SHARES – SHARES ISSUED ON CONVERSION OF CONVERTIBLE NOTES

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 681,817 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 8 – RATIFICATION OF PRIOR ISSUE OF SHARES – SHARES ISSUED ON CONVERSION OF CONVERTIBLE NOTES

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 808,822 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 9 – RATIFICATION OF PRIOR ISSUE OF SHARES – SHAPE CAPITAL CORPORATE ADVISORY 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 7.4 and for all other purposes, Shareholders ratify the issue of 8,433,735 Shares on the terms and conditions set out in the Explanatory Statement.”

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

10. RESOLUTION 10 – RATIFICATION OF PRIOR ISSUE OF SHARES – COLLATERAL 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 7.4 and for all other purposes, Shareholders ratify the issue of 24,096,386 Shares on the terms and conditions set out in the Explanatory Statement.”

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

11. RESOLUTION 11 – APPROVAL TO ISSUE SHARES AND OPTIONS PURSUANT TO THE PLACEMENT

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 Company to issue 142,857,142 Shares, together with one free attaching Option for every two Shares subscribed for and issued, on the terms and conditions set out in the Explanatory Statement.”

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

12. RESOLUTION 12 – APPROVAL TO ISSUE LEAD MANAGER OPTIONS

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 Company to issue up to 30,000,000 Options on the terms and conditions set out in the Explanatory Statement.”

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

13. RESOLUTION 13 – DIRECTOR PARTICIPATION IN PLACEMENT – ANOOSH MANZOORI

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 10.11 and for all other purposes, approval is given for the Company to issue up to 10,000,000 Shares and up

to 5,000,000 free attaching Options to Anoosh Manzoori (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

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

14. RESOLUTION 14 – DIRECTOR PARTICIPATION IN PLACEMENT – ATHAN LEKKAS

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 10.11 and for all other purposes, approval is given for the Company to issue up to 10,000,000 Shares and up to 5,000,000 free attaching Options to Athan Lekkas (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

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

15. RESOLUTION 15 – DIRECTOR PARTICIPATION IN PLACEMENT – MATTHEW LATIMORE

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 10.11 and for all other purposes, approval is given for the Company to issue up to 10,000,000 Shares and up to 5,000,000 free attaching Options to Matthew Latimore (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

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

16. RESOLUTION 16 – CEO PARTICIPATION IN PLACEMENT – NEIL GOODMAN

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 Company to issue up to 10,000,000 Shares, together with one free attaching Option for every two Shares subscribed for and issued, on the terms and conditions set out in the Explanatory Statement.”

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

17. RESOLUTION 17 – APPROVAL TO ISSUE PERFORMANCE RIGHTS TO CEO – NEIL GOODMAN

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 Company to issue 25,000,000 Performance Rights on the terms and conditions set out in the Explanatory Statement.”

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

18. RESOLUTION 18 – APPROVAL TO ISSUE OPTIONS TO EMPLOYEE OF NEVADA IRON LLC - BERT WALLACE

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 Company to issue 2,500,000 Options on the terms and conditions set out in the Explanatory Statement.”

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

19. RESOLUTION 19 – APPROVAL TO ISSUE OPTIONS TO EMPLOYEE OF NEVADA IRON LLC – CINDI BYRNS

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 Company to issue 2,500,000 Options on the terms and conditions set out in the Explanatory Statement.”

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

20. RESOLUTION 20 – ISSUE OF OPTIONS TO DIRECTOR - ANOOSH MANZOORI

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 12,500,000 Options to Anoosh Manzoori (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.

21. RESOLUTION 21 – ISSUE OF OPTIONS TO DIRECTOR – ATHAN LEKKAS

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 12,500,000 Options to Athan Lekkas (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.

22. RESOLUTION 22 – ISSUE OF OPTIONS TO DIRECTOR – MATTHEW LATIMORE

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 5,000,000 Options to Matthew Latimore (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: 16 September 2022

By order of the Board

A handwritten signature in black ink, appearing to read 'JD', is written over a light grey horizontal line.

**John Dinan
Company Secretary**

Voting Prohibition Statements

Resolution 20 – Issue of Options to Director – Anoosh Manzoori

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 20 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 20 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:

- (a) the proxy is either:
 - (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.

Provided the Chair is not a Resolution 20 Excluded Party, the above prohibition does not apply if:

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

Resolution 21 – Issue of Options to Director – Athan Lekkas

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 21 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 21 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:

- (a) the proxy is either:
 - (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.

Provided the Chair is not a Resolution 21 Excluded Party, the above prohibition does not apply if:

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

Resolution 22 – Issue of Options to

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

Director – Matthew Latimore

benefit to be given, or an associate of such a related party (**Resolution 22 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 22 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:

- (a) the proxy is either:
 - (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.

Provided the Chair is not a Resolution 22 Excluded Party, the above prohibition does not apply if:

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

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 1 – Ratification of prior issue of Convertible Notes	A person who participated in the issue or is a counterparty to the agreement being approved or an associate of that person or those persons.
Resolutions 2-8 – Ratification of prior issue of Shares – Shares Issued on Conversion of Convertible Notes	A person who participated in the issue or is a counterparty to the agreement being approved (namely Fabrice Evangelista) or an associate of that person or those persons.
Resolution 9 – Ratification of prior issue of Shares – Shape Capital Corporate Advisory Shares	A person who participated in the issue or is a counterparty to the agreement being approved (namely Shape Capital Pty Ltd) or an associate of that person or those persons.
Resolution 10 – Ratification of prior issue of Shares – Collateral Shares	A person who participated in the issue or is a counterparty to the agreement being approved (namely Fabrice Evangelista) or an associate of that person or those persons.
Resolution 11 – Approval to issue Shares and Options Pursuant to the Placement	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 Company) or an associate of that person (or those persons).
Resolution 12 – Approval to issue Lead Manager Options	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 Company) (namely KG Capital Partners Pty Ltd) or an associate of that person (or those persons).
Resolution 13 – Director Participation in Placement – Anoosh Manzoori	Anoosh Manzoori (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 14 – Director Participation in Placement – Athan Lekkas	Athan Lekkas (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 15 – Director Participation in Placement – Matthew Latimore	Matthew Latimore (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 16 – CEO Participation in Placement – Neil Goodman	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 Company) (namely Neil Goodman) or an associate of that person (or those persons).
Resolution 17 – Approval to issue Performance Rights to CEO – Neil Goodman	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 Company) (namely Neil Goodman) or an associate of that person (or those persons).
Resolution 18 – Approval to issue Options to Employee of Nevada Iron LLC – Bert Wallace	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 Company) (namely Bert Wallace) or an associate of that person (or those persons).
Resolution 19 – Approval to issue Options to Employee of Nevada Iron LLC – Cindi Byrns	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 Company) (namely Cindi Byrns) or an associate of that person (or those persons).
Resolution 20 – Issue of Options to Director – Anoosh Manzoori	Anoosh Manzoori (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 21 – Issue of Options to Director – Athan Lekkas	Athan Lekkas (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 22 – Issue of Options to Director – Matthew Latimore	Matthew Latimore (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 (2) or more votes may appoint two (2) proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints two (2) 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.

You may still attend the meeting and vote in person even if you have lodged appointed a proxy. If you have previously submitted a Proxy Form, your attendance will not revoke your proxy appointment unless you actually vote at the meeting for which the proxy is proposed to be used, in which case, the proxy's appointment is deemed to be revoked with respect to voting on that resolution.

Please bring your personalised Proxy Form with you as it will help you to register your attendance at the meeting. If you do not bring your Proxy Form with you, you can still attend the meeting but representatives from Computershare Investor Services Pty Ltd will need to verify your identity.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 (02) 8316 3989.

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. RESOLUTION 1 – RATIFICATION OF PRIOR ISSUE OF CONVERTIBLE NOTES

1.1 Background

As announced on 2 May 2022, the Company has entered into a Convertible Note funding agreement with IRIS (Company Number 753 471 853) (**IRIS**) for up to \$20,000,000 to help fast-track the Company's integrated pig iron project in Nevada, USA (**Convertible Note Agreement**).

On 3 May 2022, the Company entered into a deed of assignment and assumption, whereby IRIS assigned its interest in the Convertible Note Agreement to Fabrice Evangelista (**Deed of Assignment**). Mr Evangelista is the Chief Executive Officer and owner of IRIS. All other material terms of the Convertible Note Agreement remained unchanged.

The Convertible Notes are convertible into fully paid ordinary shares in the capital of the Company and in accordance with the terms and conditions set out in Schedule 1, will convert at a price which is 95% of the five (5) daily variable weighted average prices of the Company's Shares over the twenty (20) most recent trading days prior to the date that a conversion notice is issued (**Conversion Formula**).

On 19 May 2022, the Company issued the first tranche of convertible notes which comprised 520 convertible notes with a face value of \$2,500 each raising \$1,300,000, before costs (**Tranche 1 Convertible Notes**).

At the date of this Notice, the Company has converted 48 Tranche 1 Convertible Notes into 3,340,589 Shares.

1.2 General

Resolution 1 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of the remaining 472 Tranche 1 Convertible Notes (**Remaining Notes**).

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.

The issue of the Remaining Notes 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 Remaining Notes.

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 Remaining Notes.

By ratifying the issue of the Remaining Notes, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

1.3 Technical information required by Listing Rule 14.1A

If Resolution 1 is passed, the amount of shares to be issued on conversion of the Remaining Notes will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, 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 Remaining Notes.

If Resolution 1 is not passed, the amount of shares to be issued on conversion of the Remaining Notes will be included in calculating the Company's 15% limit in Listing Rule 7.1, 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 Remaining Notes.

1.4 Technical information required by ASX Listing Rule 7.5

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to Resolution 1:

- (a) the Remaining Notes were issued to Fabrice Evangelista;
- (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) the total number of Remaining Notes to be issued by the Company is 472;
- (d) the Convertible Notes (including the Remaining Notes) were issued on 19 May 2022;
- (e) the maximum number of Shares to be issued on conversion of the Remaining Notes is variable depending on the market price of the Company's Shares at the time of conversion and will be calculated using the Conversion Formula;

- (f) the Shares to be issued on conversion of the Remaining Notes will be fully paid ordinary shares in the capital of the Company which will be issued on the same terms and conditions of the Company's existing Shares;
- (g) the terms of the Convertible Notes are summarised in Schedule 1;
- (h) the funds raised from the Remaining Notes will be used to help fast-track the Company's integrated pig iron project in Nevada, USA; and
- (i) the Remaining Notes were issued to Fabrice Evangelista under the Convertible Note Agreement, as assigned by the Deed of Assignment and Assumption. A summary of the material terms of both agreements are set out in Schedules 2 and 3, respectively.

2. RESOLUTIONS 2-8 – RATIFICATION OF PRIOR ISSUE OF SHARES – SHARES ISSUED ON CONVERSION OF CONVERTIBLE NOTES

2.1 General

As summarised in Section 1.1 above, the Company has entered into a Convertible Note Agreement with IRIS, which was subsequently assigned to Fabrice Evangelista pursuant to the Deed of Assignment.

As at the date of this Meeting, the Company has issued an aggregate of 3,340,589 Shares on conversion of the Tranche 1 Convertible Notes, comprising:

- (a) 51,020 Shares issued on conversion of 1 Tranche 1 Convertible Note on 6 June 2022, the subject of Resolution 2;
- (b) 597,826 Shares issued on conversion of 11 Tranche 1 Convertible Notes on 14 June 2022, the subject of Resolution 3;
- (c) 292,015 Shares issued on conversion of 4 Tranche 1 Convertible Notes on 1 July 2022, the subject of Resolution 4;
- (d) 606,060 Shares issued on conversion of 8 Tranche 1 Convertible Notes on 7 July 2022, the subject of Resolution 5
- (e) 303,029 Shares issued on conversion of 4 Tranche 1 Convertible Notes on 15 July 2022, the subject of Resolution 6;
- (f) 681,817 Shares issued on conversion of 9 Tranche 1 Convertible Notes on 22 July 2022, the subject of Resolution 7; and
- (g) 808,822 Shares issued on conversion of 11 Tranche 1 Convertible Notes on 29 July 2022, the subject of Resolution 8,

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

As summarised in Section 1.2 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.

The issue of the Conversion 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 Conversion 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 Conversion Shares.

Resolutions 2 to 8 seek Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Conversion Shares.

2.2 Technical information required by Listing Rule 14.1A

If Resolutions 2 to 8 are passed, the Conversion Shares will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, 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 Conversion Shares.

If Resolutions 2 to 8 are not passed, the Conversion Shares will be included in calculating the Company's 15% limit in Listing Rule 7.1 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 Conversion Shares.

2.3 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 2 to 8:

- (a) the Conversion Shares were issued to Fabrice Evangelista;
- (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) an aggregate of 3,340,589 Conversion Shares were issued and the Conversion 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 Conversion Shares were issued on conversion of the Tranche 1 Convertible Notes on the dates disclosed in Section 2.1;
- (e) the issue price was calculated using the Conversion Formula for each issue of Conversion Shares. The Company has not and will not receive any other consideration for the issue of the Conversion Shares;
- (f) the purpose of the issue of the Conversion Shares was to satisfy the Company's obligations under the Convertible Note Agreement; and
- (g) the Conversion Shares were issued to Fabrice Evangelista under the Convertible Note Agreement, as assigned by the Deed of Assignment and Assumption. A summary of the material terms of both agreements are set out in Schedules 2 and 3, respectively.

3. RESOLUTION 9 – RATIFICATION OF PRIOR ISSUE OF SHARES – SHAPE CAPITAL CORPORATE ADVISORY SHARES

3.1 General

On 4 May 2022, the Company issued 8,433,735 Shares to Shape Capital Pty Ltd (ACN 167 240 637) (AFSL 330757) (**Shape Capital**) (or its nominees) at a deemed issue price of \$0.083 per Share for corporate advisory and facilitation services provided in connection with the Convertible Note Agreement (**Corporate Advisory Shares**).

As summarised in Section 1.2 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.

The issue of the Corporate Advisory 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 Corporate Advisory 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 Corporate Advisory Shares.

Resolution 9 seeks Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Corporate Advisory Shares.

3.2 Technical information required by Listing Rule 14.1A

If Resolution 9 is passed, the Corporate Advisory Shares will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, 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 Corporate Advisory Shares.

If Resolution 9 is not passed, the Corporate Advisory Shares will be included in calculating the Company's 15% limit in Listing Rule 7.1, 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 Corporate Advisory Shares.

3.3 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 9:

- (a) the Corporate Advisory Shares were issued to Shape Capital (or its nominees);
- (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) 8,433,735 Corporate Advisory Shares were issued, and the Corporate Advisory 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 Corporate Advisory Shares were issued on 4 May 2022;
- (e) the Corporate Advisory Shares were issued for nil consideration;
- (f) the purpose of the issue of the Corporate Advisory Shares was as consideration for the corporate advisory and facilitation services provided by Shape Capital in connection with the Convertible Note Agreement announced on 2 May 2022; and
- (g) the Corporate Advisory Shares were issued to Shape Capital (or its nominees) under the Convertible Note Agreement. A summary of the material terms of the Convertible Note Agreement is set out in Schedule 2.

4. RESOLUTION 10 – RATIFICATION OF PRIOR ISSUE OF SHARES – COLLATERAL SHARES

4.1 General

As summarised in Section 1.1, the Company has entered into the Convertible Note Agreement with IRIS, which was subsequently assigned to Fabrice Evangelista through the Deed of Assignment.

On 4 May 2022, the Company then issued 24,096,386 Shares to Fabrice Evangelista at a deemed issue price of \$0.083 as collateral to secure the Company's obligations under the Convertible Note Agreement (**Collateral Shares**).

As summarised in Section 1.2 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.

The issue of the Collateral 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 Collateral 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 Collateral Shares.

Resolution 10 seeks Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Collateral Shares.

4.2 Technical information required by Listing Rule 14.1A

If Resolution 10 is passed, the Collateral Shares will be excluded in calculating the Company's 15% limit in Listing Rule 7.1 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 Collateral Shares.

If Resolution 10 is not passed, the Collateral Shares will be included in calculating the Company's 15% limit in Listing Rule 7.1, 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 Collateral Shares.

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 10:

- (a) the Collateral Shares were issued to Fabrice Evangelista;
- (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) 24,096,386 Collateral Shares were issued, and the Collateral 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 Collateral Shares were issued on 4 May 2022;
- (e) the Collateral Shares were issued for nil consideration;
- (f) the purpose of the issue of the Collateral Shares was to act as collateral to secure the Company's obligations under the Convertible Note Agreement entered into between IRIS and the Company and subsequently assigned to Fabrice Evangelista pursuant to the Deed of Assignment; and
- (g) the Collateral Shares were issued to Fabrice Evangelista under the Convertible Note Agreement, as assigned by the Deed of Assignment. A summary of the material terms of both agreements are set out in Schedules 2 and 3, respectively.

5. RESOLUTION 11 – APPROVAL TO ISSUE SHARES AND OPTIONS PURSUANT TO THE PLACEMENT

5.1 General

The Company has received binding commitments from institutional and sophisticated investors to take part in a placement, subject to shareholder approval of this Resolution 11, whereby the Company shall issue 142,857,142 Shares at an issue price of \$0.035 per Share (**Placement Shares**), together with one free attaching quoted Option (**Placement Option**) for every two Placement Shares subscribed for and issued, to raise \$5,000,000 (before costs) (together, the **Placement Securities**) (**Placement**).

The Company has engaged the services of KG Capital Partners Pty Ltd (ACN 638 926 959) (AFSL 519872) (**KG Capital**) and Shape Capital, to manage the issue of the Placement Securities. The Company will pay KG Capital a management fee of 1% on the total amount raised under the issue of the Placement Securities and a 4% capital raising fee on the amount of funds directly raised by KG Capital. The Company will pay Shape Capital a placement fee of 4% (exclusive GST) on the

total amount raised under the issue of the Placement Securities and a 2% management fee on the on the amount of funds directly raised by Shape Capital.

As summarised in Section 1.2 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 shares it had on issue at the start of that period.

The proposed issue of the Placement Securities does not fall within any of the exceptions set out in Listing Rule 7.2 and exceeds the 15% limit in Listing Rule 7.1. It therefore requires the approval of Shareholders under Listing Rule 7.1.

5.2 Technical information required by Listing Rule 14.1A

If Resolution 11 is passed, the Company will be able to proceed with the issue of the Placement Securities. In addition, the issue of the Placement Securities 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.

If Resolution 11 is not passed, the Company will not be able to proceed with the issue of the Placement Securities.

Resolution 11 seeks Shareholder approval for the purposes of Listing Rule 7.1 for the issue of the Placement Securities.

5.3 Technical information required by Listing Rule 7.1

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to Resolution 11:

- (a) the Placement Securities will be issued to institutional and sophisticated investors who are clients of KG Capital and Shape Capital. The recipients will be identified through a bookbuild process, which will involve KG Capital and Shape Capital seeking expressions of interest to participate in the capital raising from non-related parties of the Company;
- (b) in accordance with paragraph 7.2 of ASX Guidance Note 21, the Company confirms that none of the recipients will be:
 - (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) the maximum number of Placement Shares to be issued is 142,857,142 and the maximum number of Placement Options to be issued is 71,428,571 as the Placement Options will be issued free attaching with the Placement Shares on a 1:2 basis;
- (d) the Placement Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;

- (e) the Placement Options will be issued on the terms and conditions set out in Schedule 4;
- (f) the Placement Securities will be issued no later than 3 months 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 Placement Securities will occur on the same date;
- (g) the issue price will be \$0.035 per Placement Share and nil per Placement Option as the Placement Options will be issued free attaching with the Placement Shares on a 1:2 basis. The Company will not receive any other consideration for the issue of the Placement Securities (other than in respect of funds received on exercise of the Placement Options);
- (h) the purpose of the issue of the Placement Securities is to raise \$5,000,000 (before costs). The Company intends to apply the funds raised from the issue towards geological modelling and exploration at the Company's Buena Vista Magnetite Project, funding for the Nevada Iron Bankable Feasibility Study and for general administration and ongoing working capital;
- (i) the Placement Securities are not being issued under an agreement; and
- (j) the Placement Securities are not being issued under, or to fund, a reverse takeover.

5.4 Dilution

Assuming no Options are exercised, no convertible securities are converted, or other Shares issued, and the maximum number of Placement Shares as set out above are issued, the number of Shares on issue would increase from 532,990,866 (being the number of Shares on issue as at the date of this Notice) to 675,848,008 and the shareholding of existing Shareholders would be diluted by 21.14%. Further, assuming no Options are exercised, no convertible securities are converted, or other Shares issued, and the maximum number of Placement Shares as set out above are issued, in the event all the Placement Options issued pursuant to this Resolution were exercised the number of Shares on issue would increase to 705,490,866 and the shareholding of existing Shareholders would be diluted by 28.68%.

6. RESOLUTION 12 – APPROVAL TO ISSUE LEAD MANAGER OPTIONS

6.1 General

The Company has entered into an agreement to issue 30,000,000 quoted Options in part consideration for lead manager services provided by KG Capital (or its nominee) pursuant to the Placement **(KG Capital Mandate) (Lead Manager Options)**.

As summarised in Section 1.2 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 shares it had on issue at the start of that period.

The proposed issue of the Lead Manager Options does not fall within any of the exceptions set out in Listing Rule 7.2 and exceeds the 15% limit in Listing Rule 7.1. It therefore requires the approval of Shareholders under Listing Rule 7.1.

6.2 Technical information required by Listing Rule 14.1A

If Resolution 12 is passed, the Company will be able to proceed with the issue of the Lead Manager Options. In addition, the issue of the Lead Manager Options 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.

If Resolution 12 is not passed, the Company will not be able to proceed with the issue of the Lead Manager Options.

Resolution 12 seeks Shareholder approval for the purposes of Listing Rule 7.1 for the issue of the Lead Manager Options.

6.3 Technical information required by Listing Rule 7.1

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to Resolution 12:

- (a) the Lead Manager Options will be issued to KG Capital (or its nominee);
- (b) in accordance with paragraph 7.2 of ASX Guidance Note 21, the Company confirms that none of the recipients will be:
 - (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) the maximum number of Lead Manager Options to be issued is 30,000,000. The terms and conditions of the Lead Manager Options are set out in Schedule 4;
- (d) the Lead Manager Options will be issued no later than 3 months 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 Lead Manager Options will occur on the same date;
- (e) the Lead Manager Options will be issued at a nil issue price, in consideration for lead manager services provided by KG Capital pursuant to the Placement;
- (f) the purpose of the issue of the Lead Manager Options is to satisfy the Company's obligations under the KG Capital Mandate;
- (g) the Lead Manager Options are being issued to KG Capital under the KG Capital Mandate. A summary of the material terms of the KG Capital Mandate is set out in Schedule 5; and
- (h) the Lead Manager Options are not being issued under, or to fund, a reverse takeover.

7. RESOLUTIONS 13-15 – DIRECTORS PARTICIPATION IN PLACEMENT

7.1 General

Each of the Company's Directors wish to participate in the Placement on the same terms as unrelated participants in the Placement (**Director Participation**), as set out in Section 5.1 above, for an aggregate of up to 30,000,000 Shares (**Director Participation Shares**) and up to 15,000,000 quoted Options (**Director Participation Options**). This is in addition to the Placement and the Company will raise up to a further \$1,050,000 from the Director Participation.

Accordingly:

- (a) Resolution 13 seeks Shareholder approval for the issue of up to 10,000,000 Director Participation Shares and up to 5,000,000 Director Participation Options to Anoosh Manzoori (or his nominee);
- (b) Resolution 14 seeks Shareholder approval for the issue of up to 10,000,000 Director Participation Shares and up to 5,000,000 Director Participation Options to Athan Lekkas (or his nominee); and
- (c) Resolution 15 seeks Shareholder approval for the issue of up to 10,000,000 Director Participation Shares and up to 5,000,000 Director Participation Options to Matthew Latimore (or his nominee),

(together, the **Director Participation Securities**) as a result of the Director Participation on the terms set out below.

7.2 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 Director Participation will result in the issue of the Director Participation Securities which constitutes giving a financial benefit and Anoosh Manzoori, Athan Lekkas and Matthew Latimore, are related parties of the Company by virtue of being Directors.

The Directors consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the Director Participation because the Director Participation Securities will be issued on the same terms as the Placement Securities issued to non-related party participants in the Placement and as such the giving of the financial benefit is on arm's length terms.

7.3 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 Director Participation 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 13 to 15 seek the required Shareholder approval for the Director Participation under and for the purposes of Listing Rule 10.11.

7.4 Technical information required by Listing Rule 14.1A

If Resolutions 13 to 15 are passed, the Company will be able to proceed with the issue of the Director Participation Securities under the Director Participation 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 Director Participation Securities (because approval is being obtained under Listing Rule 10.11), the issue of the Director Participation Securities will not use up any of the Company's 15% annual placement capacity.

If Resolutions 13 to 15 are not passed, the Company will not be able to proceed with the issue of the relevant Director Participation Securities under the Director Participation and the additional Placement funds will not be raised.

7.5 Technical Information required by Listing Rule 10.13

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 13 to 15:

- (a) the Director Participation Securities will be issued to the following persons:
 - (i) Anoosh Manzoori (or his nominee) pursuant to Resolution 13;

- (ii) Athan Lekkas (or his nominee) pursuant to Resolution 14; and
 - (iii) Matthew Latimore (or his nominee) pursuant to Resolution 15,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 Director Participation Shares and Director Participation Options to be issued:
 - (i) to Anoosh Manzoori (or his nominee) under Resolution 13 is 10,000,000 Director Participation Shares and 5,000,000 Director Participation Options;
 - (ii) to Athan Lekkas (or his nominee) under Resolution 14 is 10,000,000 Director Participation Shares and 5,000,000 Director Participation Options; and
 - (iii) to Matthew Latimore (or his nominee) under Resolution 15 is 10,000,000 Director Participation Shares and 5,000,000 Director Participation Options;
- (c) the Director Participation Shares issued will be 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 terms and conditions of the Director Participation Options are set out in Schedule 4;
- (e) the Director Participation Securities will be issued no later than one (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 Director Participation Securities will occur on the same date;
- (f) as set out in Resolution 11, the Company is proposing to issue 142,857,142 Placement Shares, together with one free attaching Placement Option for every two Placement Shares subscribed for at an issue price of \$0.035 per Placement Share to raise \$5,000,000 (before costs). The issue price of the Director Participation Shares is the same issue price as all other shares issued to other participants in the Placement. The Company will not receive any other consideration for the issue of the Director Participation Securities (other than in respect of funds received on exercise of the Director Participation Options);
- (g) the purpose of the issue of the Director Participation Securities is to raise up to an additional \$1,050,000 (before costs) under the Placement, which the Company intends to use in the manner set out in Section 5.3(h) above;
- (h) the Director Participation Securities to be issued under the Director Participation are not intended to remunerate or incentivise the Director;
- (i) the Director Participation Securities are not being issued under an agreement; and

- (j) voting exclusion statements are included in Resolutions 13 to 15 of the Notice.

8. RESOLUTION 16 – CEO PARTICIPATION IN PLACEMENT – NEIL GOODMAN

8.1 General

The chief executive officer (**CEO**) of the Company, Neil Goodman, wishes to participate in the Placement on terms as participants in the Placement as set out in Section 5.1 above (**CEO Participation**).

Accordingly, Resolution 16 seeks Shareholder approval for the issue of up to 10,000,000 Shares (**CEO Participation Shares**) and up to 5,000,000 quoted Options (**CEO Participation Options**) to Neil Goodman (or his nominee) (**CEO Participation Securities**).

The funds raised through this issue of securities is in addition to the Placement contemplated at Resolution 11 and the Company will raise up to a further \$350,000 from the CEO Participation.

As summarised in Section 1.2 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 shares it had on issue at the start of that period.

The proposed issue of the CEO Participation Securities does not fall within any of the exceptions set out in Listing Rule 7.2 and exceeds the 15% limit in Listing Rule 7.1. It therefore requires the approval of Shareholders under Listing Rule 7.1.

8.2 Technical information required by Listing Rule 14.1A

If Resolution 16 is passed, the Company will be able to proceed with the issue of the CEO Participation Securities. In addition, the issue of the CEO Participation Securities 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.

If Resolution 16 is not passed, the Company will not be able to proceed with the issue of the CEO Participation Securities.

Resolution 16 seeks Shareholder approval for the purposes of Listing Rule 7.1 for the issue of the CEO Participation Securities.

8.3 Technical information required by Listing Rule 7.3

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to Resolution 16:

- (a) the CEO Participation Securities will be issued to Neil Goodman (or his nominee);
- (b) in accordance with paragraph 7.2 of ASX Guidance Note 21, the Company confirms that none of the recipients will be:
 - (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) the maximum number of CEO Participation Shares to be issued is 10,000,000 and the maximum number of CEO Participation Options to be issued is 5,000,000 as the CEO Participation Options will be issued free attaching with the CEO Participation Shares on a 1:2 basis;
- (d) the CEO Participation Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (e) the CEO Participation Options will be issued on the terms and conditions set out in Schedule 4;
- (f) the CEO Participation Securities will be issued no later than 3 months 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 CEO Participation Securities will occur on the same date;
- (g) the issue price will be \$0.035 per CEO Participation Share and nil per CEO Participation Option as the CEO Participation Options will be issued free attaching with the CEO Participation Shares on a 1:2 basis. The issue price of the CEO Participation Shares is the same issue price as all other shares issued to other participants in the Placement. The Company will not receive any other consideration for the issue of the CEO Participation Securities (other than in respect of funds received on exercise of the CEO Participation Options);
- (h) the purpose of the issue of the CEO Participation Securities is to raise an additional \$350,000. The Company intends to use in the manner set out in Section 5.3(h) above;
- (i) the CEO Participation Securities are not being issued under an agreement; and
- (j) the CEO Participation Securities are not being issued under, or to fund, a reverse takeover.

9. RESOLUTION 17 – APPROVAL TO ISSUE PERFORMANCE RIGHTS TO CEO – NEIL GOODMAN

9.1 General

As announced on 5 August 2022, the Company has appointed Neil Goodman as its CEO. The Company and Neil Goodman have entered into an executive services agreement (**CEO Services Agreement**) pursuant to which the Company will issue 25,000,000 Performance Rights to Neil Goodman (or his nominee), to incentivise and align his interests with that of the Company's shareholders (**CEO Performance Rights**).

As summarised in Section 1.2 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 shares it had on issue at the start of that period.

The proposed issue of the CEO Performance Rights does not fall within any of the exceptions set out in Listing Rule 7.2 and exceeds the 15% limit in Listing Rule 7.1. It therefore requires the approval of Shareholders under Listing Rule 7.1.

9.2 Technical information required by Listing Rule 14.1A

If Resolution 17 is passed, the Company will be able to proceed with the issue of the CEO Performance Rights. In addition, the issue of the CEO Performance Rights 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.

If Resolution 17 is not passed, the Company will not be able to proceed with the issue of the CEO Performance Rights.

Resolution 17 seeks Shareholder approval for the purposes of Listing Rule 7.1 for the issue of the CEO Performance Rights.

9.3 Technical information required by Listing Rule 7.3

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to Resolution 17:

- (a) the CEO Performance Rights will be issued to Neil Goodman (or his nominee);
- (b) in accordance with paragraph 7.2 of ASX Guidance Note 21, the Company confirms that none of the recipients will be:
 - (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) the maximum number of CEO Performance Rights to be issued is 25,000,000. The terms and conditions of the CEO Performance Rights are set out in Schedule 6;
- (d) the CEO Performance Rights will be issued no later than 3 months 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 CEO Performance Rights will occur on the same date;
- (e) the CEO Performance Rights will be issued at a nil issue price, in consideration for CEO services provided by Neil Goodman;
- (f) the purpose of the issue of the CEO Performance Rights is to satisfy the Company's obligations under the CEO Services Agreement;
- (g) the CEO Performance Rights are being issued to Neil Goodman (or his nominee) under the CEO Services Agreement. A summary of the material terms of the CEO Services Agreement is set out in Schedule 7; and

- (h) the CEO Performance Rights are not being issued under, or to fund, a reverse takeover.

10. RESOLUTIONS 18-19 – APPROVAL TO ISSUE OPTIONS TO EMPLOYEES OF NEVADA IRON LLC

10.1 General

The Company is proposing to issue:

- (a) 2,500,000 quoted Options to Bert Wallace (or his nominee) subject to Resolution 18; and
- (b) 2,500,000 quoted Options to Cindi Byrns (or her nominee) subject to Resolution 19,

in consideration for services provided to the Company's wholly owned US subsidiary Nevada Iron LLC (**Nevada Options**).

As summarised in Section 1.2 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 shares it had on issue at the start of that period.

The proposed issue of the Nevada Options does not fall within any of the exceptions set out in Listing Rule 7.2 and exceeds the 15% limit in Listing Rule 7.1. It therefore requires the approval of Shareholders under Listing Rule 7.1.

10.2 Technical information required by Listing Rule 14.1A

If Resolutions 18 and 19 are passed, the Company will be able to proceed with the issue of the Nevada Options. In addition, the issue of the Nevada Options 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.

If Resolutions 18 and 19 are not passed, the Company will not be able to proceed with the issue of the Nevada Options.

Resolutions 18 and 19 seek Shareholder approval for the purposes of Listing Rule 7.1 for the issue of the Nevada Options.

10.3 Technical information required by Listing Rule 7.3

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to Resolutions 18 and 19:

- (a) the Nevada Options will be issued to Bert Wallace and Cindi Byrns (or their nominees);
- (b) in accordance with paragraph 7.2 of ASX Guidance Note 21, the Company confirms that none of the recipients will be:
- (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) the maximum number of Nevada Options to be issued:
 - (i) to Bert Wallace (or his nominee) pursuant to Resolution 18 is 2,500,000 Nevada Options; and
 - (ii) to Cindi Byrns (or her nominee) pursuant Resolution 19 is 2,500,000 Nevada Options;
- (d) the terms and conditions of the Nevada Options are set out in Schedule 4;
- (e) the Nevada Options will be issued no later than 3 months 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 Nevada Options will occur on the same date;
- (f) the Nevada Options will be issued at a nil issue price, in consideration for services provided to Nevada Iron LLC by Bert Wallace and Cindi Byrns;
- (g) the purpose of the issue of the Nevada Options is to provide remuneration to Bert Wallace and Cindi Byrns for services provided to the Company's wholly owned US subsidiary Nevada Iron LLC;
- (h) the Nevada Options are not being issued under an agreement; and
- (i) the Nevada Options are not being issued under, or to fund, a reverse takeover.

11. RESOLUTIONS 20-22 – ISSUE OF OPTIONS TO DIRECTORS

11.1 General

The Company is proposing, subject to obtaining Shareholder approval, to issue an aggregate of 30,000,000 quoted Options to the Directors of the Company (or their nominees) on the terms and conditions set out below (**Director Options**).

Accordingly:

- (a) Resolution 20 seeks Shareholder approval for the issue of 12,500,000 Director Options to Anoosh Manzoori (or his nominee);
- (b) Resolution 21 seeks Shareholder approval for the issue of 12,500,000 Director Options to Athan Lekkas (or his nominee); and
- (c) Resolution 22 seeks Shareholder approval for the issue of 5,000,000 Director Options to Matthew Latimore (or his nominee).

11.2 Chapter 2E of the Corporations Act

A summary of Chapter 2E of the Corporations Act is set out in Section 7.2 above.

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

As the Director 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 Director Options. Accordingly, Shareholder approval for the issue of Director Options to the Directors is sought in accordance with Chapter 2E of the Corporations Act.

11.3 Listing Rule 10.11

A summary of Listing Rule 10.11 is set out in Section 7.3 above.

The issue of Director 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 20 to 22 seek the required Shareholder approval for the issue of the Director Options under and for the purposes of Chapter 2E of the Corporations Act and Listing Rule 10.11.

11.4 Technical information required by Listing Rule 14.1A

If Resolutions 20 to 22 are passed, the Company will be able to proceed with the issue of the Director Options to the Directors 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 Director 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 Resolutions 20 to 22 are not passed, the Company will not be able to proceed with the issue of the Director Options.

11.5 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 20 to 22:

- (a) the Director Options will be issued to the following persons:
 - (i) Anoosh Manzoori (or his nominee) pursuant to Resolution 20;
 - (ii) Athan Lekkas (or his nominee) pursuant to Resolution 21; and
 - (iii) Matthew Latimore (or his nominee) pursuant to Resolution 22,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 Director Options to be issued to the Directors (being the nature of the financial benefit proposed to be given) is 30,000,000 comprising:
 - (i) 12,500,000 Director Options to Anoosh Manzoori (or his nominee) pursuant to Resolution 20;

- (ii) 12,500,000 Director Options to Athan Lekkas (or his nominee) pursuant to Resolution 21; and
 - (iii) 5,000,000 Director Options to Matthew Latimore (or his nominee) pursuant to Resolution 22;
- (c) the terms and conditions of the Director Options are set out in Schedule 4;
- (d) the Director 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 Director Options will occur on the same date;
- (e) the issue price of the Director Options will be nil. The Company will not receive any other consideration in respect of the issue of the Director Options (other than in respect of funds received on exercise of the Director Options);
- (f) the purpose of the issue of the Director Options is to provide a performance linked incentive component in the remuneration package for the Directors to align the interests of the Directors with those of Shareholders, to motivate and reward the performance of the Directors in their roles as Directors and to provide a cost effective way from the Company to remunerate the Directors, 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 Directors;
- (g) the number of Director Options to be issued to each of the Directors 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 Directors; and
 - (iii) incentives to attract and ensure continuity of service of the Directors 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 Director Options upon the terms proposed;

- (h) the Director Options to be issued are intended to remunerate or incentivise the Directors. The total remuneration package for each of the Directors for the previous financial year and the proposed total remuneration package for the current financial year are set out below:

Director	Current Financial Year	Previous Financial Year
Anoosh Manzoori	\$240,000	Nil
Athan Lekkas	\$240,000	Nil
Matthew Latimore	\$60,000	\$160,140 ¹

Notes:

1. Comprising Directors' salary of \$39,355, and share-based payments of \$120,785.
- (i) the value of the Director Options and the pricing methodology is set out in Schedule 8;
 - (j) the Director Options are not being issued under an agreement;
 - (k) the relevant interests of the Directors in securities of the Company as at the date of this Notice are set out below:

Director	Shares ¹	Options	Performance Rights
Anoosh Manzoori	2,811,245 ²	6,250,000 ³	Nil
Athan Lekkas	Nil	Nil	Nil
Matthew Latimore	1,166,666	6,000,000 ⁴	Nil

Notes:

1. Fully paid ordinary shares in the capital of the Company (ASX: MGU).
 2. Indirectly held by Shape Capital Pty Ltd, an entity controlled by Mr Manzoori.
 3. All Options are indirectly held by Shape Capital Pty Ltd, comprising:
 - (a) 6,000,000 unquoted Options exercisable at \$0.20 each on or before 19 April 2024; and
 - (b) 250,000 unquoted Options exercisable at \$0.20 each on or before 21 July 2024.
 4. Unquoted Options exercisable at \$0.25 each on or before 20 July 2024.
- (l) if the Director Options issued to the Directors are exercised, a total of 30,000,000 Shares would be issued. This will increase the number of Shares on issue from 532,990,866 (being the total number of Shares on issue as at the date of this Notice) to 562,990,866 (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 5.3%, comprising 2.2% by Anoosh Manzoori, 2.2% by Athan Lekkas, and 0.9% by Matthew Latimore;

The market price for Shares during the term of the Director Options would normally determine whether the Director Options are exercised. If, at any time any of the Director 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.

- (m) 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	\$0.11	18 January 2022
Lowest	\$0.035	24 June 2022
Last	\$0.0350	14 September 2022

- (n) each Director has a material personal interest in the outcome of Resolutions 20 to 22 on the basis that all of the Directors (or their nominees) are to be issued Options should Resolutions 20 to 22 be passed. For this reason, the Directors do not believe that it is appropriate to make a recommendation on Resolutions 20 to 22 of this Notice; and
- (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 20 to 22.

GLOSSARY

\$ means Australian dollars.

AEDT means Australian Eastern Daylight Time, as observed in Melbourne, Victoria.

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 Magnum Mining and Exploration Limited (ACN 003 170 376).

Constitution means the Company's constitution.

Convertible Note means a convertible note issued in the capital of the Company on the terms and conditions in Schedule 1.

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

Directors means the current directors of the Company.

Explanatory Statement means the explanatory statement accompanying the Notice.

General Meeting or **Meeting** means the meeting convened by 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.

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

Option means an option to acquire a Share with the terms and conditions set out in Schedule 4.

Optionholder means a holder of an Option.

Performance Rights means a right to be awarded a specified number of Shares upon satisfaction of vesting conditions in accordance with the terms and conditions set out in Schedule 5.

Proxy Form means the proxy form accompanying the Notice.

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.

Shareholder means a registered holder of a Share.

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

SCHEDULE 1 – TERMS AND CONDITIONS OF THE CONVERTIBLE NOTES

The following is a summary of the terms attaching to the Convertible Notes:

(a) **Face Value**

A\$2,500.00 per Convertible Note (**Face Value**).

(b) **Maturity Date**

The maturity date of the Convertible Notes is the date that is 24 months from the date of issue of the Convertible Note (**Maturity Date**).

(c) **Term**

The term of the agreement means the period beginning at the date of the agreement and ending on the date that is 24 months from the date of the agreement, unless terminated earlier in accordance with the agreement (**Term**).

(d) **Conversion of Notes**

The investor may at any time between the issue date of the Convertible Notes and the Maturity Date, convert some or all of the Convertible Notes into Shares. If the issue of any Shares would result in the investor being in contravention of section 606 of the Corporations Act, then the issue of the applicable Shares that would cause the contravention will be deferred until such time or times that the exercise would not result in a contravention of section 606 of the Corporations Act.

(e) **Conversion Price**

The conversion price of the Convertible Notes will be at a deemed issue price that equates to 95% of the 5 lowest daily volume weighted average prices (**VWAP**) of Shares of the 20 most recent trading days prior to the date of the conversion notice and rounded where necessary to the lowest three decimal places (**Conversion Price**), provided that the conversion shall be subject to rounding and adjusted as reasonably required by the investor in the event of any split, consolidation, reduction of capital or any other reorganisation of capital of the Company.

(f) **Redemption of Notes**

The investor may elect by notice in writing to the Company, following the Maturity Date, to redeem some or all of the Convertible Notes (**Redemption**). On Redemption, the Company must pay the Company the following redemption amount:

- (i) the total Face Value of the Convertible Notes in respect of each Convertible Note being redeemed; and
- (ii) interest payable on the total Face Value of the Convertible Notes being redeemed at an interest rate of 5% per annum, which interest accrued daily and compounded monthly, from the date of issue of the Convertible Notes up to the date of payment,

(**Redemption Amount**).

The investor may require the Company to redeem all of the Convertible Notes and pay the Redemption Amount at any time following the occurrence of any of the following:

- (i) a material adverse effect being an event, occurrence or change which individually or when aggregated with all such events, occurrences or changes has had or is reasonably likely to have a material adverse effect on the financial condition, assets, liabilities, results of operations, profitability or prospects of the Company or its business (**Material Adverse Effect**);
- (ii) a material adverse effect on the duties, obligations or liabilities of the Company or the investor in connection with the agreement or the Convertible Notes;
- (iii) a Default Event; or
- (iv) a change of control event.

The Company may at any time between the issue date of the Convertible Notes and the Maturity Date, redeem some or all of the Convertible Notes. On Redemption the Company must pay the investor the Redemption Amount.

(g) **Additional Collateral Shares**

If at any time the price of the Company's Shares quoted on ASX falls such that the value of all Shares currently held by the investor and issued as Collateral Shares falls below A\$500,000, the investor may by notice in writing to the Company and subject to shareholder approval require the Company to issue additional Shares up to A\$1,000,000 based on then current pricing, free of encumbrances, to the investor (**Additional Collateral Shares**). The total number of Additional Collateral Shares must not exceed 50,000,000 Shares.

(h) **Default Event**

Each of the following constitutes a Default Event under the agreement:

- (i) a breach by the Company of any obligations contained in, or related to, the agreement that is not remedied within 5 Business Days' written notice to the Company or such other reasonable longer period of time (as determined by the investor in its sole discretion and notified to the Company);
- (ii) a breach by the Company of any obligations contained in, or related to, conversion of the Convertible Notes or in relation to a request for Additional Collateral Shares;
- (iii) the Company is subject to an 'insolvency event' (as variously defined);
- (iv) any member of the Company is served with a statutory demand or a foreign equivalent that is not set aside within 1 month;
- (v) the de-listing of the Shares from the ASX or a suspension of trading of the Shares on the ASX (other than temporary suspensions of no more than 5 Trading Days);
- (vi) any representation or warranty of the Company proves to have been materially incorrect or misleading when made;

- (vii) the group ceases to hold all material authorisations required for the proper conduct of business as it is being conducted, in a way which is reasonably likely to result in a Material Adverse Effect;
- (viii) any member of the Group fails to comply in any material respect with any laws, regulations (including the Relevant Regulation) or authorisations in a way which is reasonably likely to result in a Material Adverse Effect;
- (ix) the Company suspends or ceases to carry on (or threatens or takes any action to suspend or cease to carry on) all or a substantial part of its business; or
- (x) any act of fraud, dishonesty or improper conduct by any member of the Group, or its Directors, officers, employees or agents (other than the Investor, its representatives or its appointees (including any appointee Director nominated as the investor's representative by the investor, if any)),

(collectively, the **Default Events**).

Potential default events include events which, with notice of passage of time or both, would (i) constitute a Default Event, or (ii) have a material adverse effect on the duties, obligations or liabilities of the Company or the investor in connection with this agreement or the Convertible Notes.

On the occurrence of a Default Event, interest will be payable on the total Face Value of the Convertible Notes at an interest rate of 10% per annum, which interest accrued daily and compounded monthly, from the date of occurrence of the Default Event until the Company discharges the total amount owing to the investor in full or remedies the default to the reasonable satisfaction of the investor.

(i) **Conduct of Business**

From the date of the agreement and until the last Convertible Note held by the investor is converted or redeemed, except with the prior written consent of the investor, the Company must (inter alia):

- (i) conduct its business in the ordinary and usual course consistent with its usual business practices and must not make any significant change to the nature or scale of any activity comprised in its business;
- (ii) conduct their business in accordance with all applicable laws and regulations;
- (iii) remain admitted to the official list of ASX and maintain the quotation of its Shares on ASX;
- (iv) maintain and comply with the terms of all authorisations necessary to own and operate its assets and conduct its business;
- (v) keep and maintain proper records of all its dealings and transactions relating to its business;
- (vi) protect and maintain each of its assets and maintain appropriate and adequate insurance in respect of each asset which is insurable; and
- (vii) pay all amounts owing by it to trade or other creditors of its business in accordance with applicable payment terms.

(j) **Unquoted**

The Company will not apply for the quotation of the Convertible Notes on ASX.

(k) **Quotation of Shares issued on Conversion**

Application will be made by the Company to ASX for quotation of the Shares issued upon issue of Shares as a result of that exercise occurring.

(l) **Transferability**

The Convertible Notes are transferrable between the investor and its related entities.

SCHEDULE 2 – TERMS OF THE CONVERTIBLE NOTE AGREEMENT

The material terms and conditions of the Convertible Note Agreement are summarised below:

<p>Conditions Precedent</p>	<p>Prior to 30 July 2022, the Company must:</p> <ul style="list-style-type: none"> (a) provide IRIS with evidence satisfactory to IRIS, that the Board has resolved that the Company's execution of the Convertible Note Agreement and its carrying out of transactions contemplated by the Convertible Note Agreement would not cause the Company to contravene the Corporations Act and the Listing Rules; (b) provide IRIS with evidence satisfactory to IRIS that the ASX has advised the Company that the ASX considers the terms of the Convertible Notes to be appropriate and equitable for the purposes of Listing Rule 6.1; (c) issue the Collateral Shares to IRIS (or its nominees); (d) issue the Corporate Advisory Shares to Shape Capital (or its nominees); (e) pay A\$300,000 by way of structuring fee to Flex Capital Investment Pty Ltd; and (f) provide IRIS with evidence satisfactory to IRIS that any approvals of shareholders or pursuant to the Corporations Act or Listing Rules, which the Company or IRIS deems necessary or desirable to implement the transactions contemplated by the Convertible Note Agreement have been obtained either unconditionally or on conditions satisfactory to IRIS and have not been withdrawn or revoked, <p>(together, the Conditions).</p>
<p>Issue of First Tranche of Notes</p>	<ul style="list-style-type: none"> (a) Following the waiver or satisfaction of the Conditions and during the term of the Convertible Note Agreement, the Company may make a written request to IRIS to subscribe for 520 Convertible Notes (First Tranche of Notes). (b) Following this notice: <ul style="list-style-type: none"> (i) the Company must issue the First Tranche of Notes free of encumbrances within 2 business days; and (ii) following this issue, IRIS must immediately pay to the Company the payment for the First Tranche of Notes and upon conversion of the First Tranche of Notes, IRIS agrees to become a member of the Company and be bound by the Company's constitution.
<p>Issues of subsequent tranches of Notes</p>	<ul style="list-style-type: none"> (a) At any time: <ul style="list-style-type: none"> (i) after 22 trading days following the issue of a previous tranche to IRIS; or (ii) within 22 trading days following the issue of a previous tranche if there are no Convertible Notes on issue and IRIS has been issued all relevant

	<p>shares in respect of the conversion of the previous tranche within 22 trading days from the issue of the Convertible Notes in respect of that previous tranche,</p> <p>during the term, when the Company has satisfied IRIS that:</p> <ul style="list-style-type: none"> (iii) the Company's issue capacity is at least the minimum capacity, as outlined in the Convertible Note Agreement; and (iv) the price of the shares quoted on ASX has not fallen such that the value of all shares currently held by IRIS and issued as Collateral Shares and Additional Collateral Shares has fallen below A\$1,000,000, <p>provided that the Company has not given any notice in accordance the Convertible Note Agreement, the Company may make a written request to IRIS to subscribe for a subsequent tranche of Convertible Notes, up to a maximum aggregate of 8,120 Convertible Notes (including all tranches).</p> <ul style="list-style-type: none"> (b) Within 5 business days of the Company giving a tranche request to IRIS, IRIS must notify the Company in writing whether any adjustments will apply to the tranche and the A\$1,000,000 tranche payment (Tranche Payment) the subject of the request. (c) Unless IRIS determines otherwise, within 10 business days of IRIS giving the Company a tranche notice in accordance with the Agreement, the Company must do all acts and things necessary to: <ul style="list-style-type: none"> (i) lodge a notice of general meeting with ASX and seek shareholder approval under Listing Rule 7.1 for the issue of, or if IRIS agrees in writing, to allow for sufficient issue capacity for the issue of, the tranche to IRIS; and (ii) hold the requisite general meeting, if required; (d) If the Company holds a general meeting in accordance with the Convertible Note Agreement, or if IRIS directs the Company not to hold the general meeting, the Company must issue the Convertible Notes, free of encumbrances, for the tranche by the Company to IRIS.
<p>Adjustment of Tranches</p>	<ul style="list-style-type: none"> (a) If the average daily traded value of shares traded on the ASX over a period of 20 consecutive trading days, preceding the date that a tranche request is given by the Company to IRIS, has fallen below A\$250,000, IRIS may notify the Company in writing (at any time) that any proposed tranche will be A\$500,000. (b) If the average daily traded value of shares traded on the ASX over a period of 20 consecutive trading days, preceding the date that a tranche request is given by the Company to IRIS, has fallen below A\$100,000, IRIS may notify the Company in writing that any proposed tranche will be reduced to the number of Convertible Notes that is 10% (or at the sole discretion of IRIS, up to 20%) of the

	<p>average daily traded value of shares traded on the ASX over a period of 20 consecutive trading days and the proposed Tranche Payment will be the aggregate of the A\$2,500 note price (Note Price) for each Convertible Note in the tranche.</p> <p>(c) Where the Company has requested the issue of more than 400 Convertible Notes in a tranche via a tranche request given to IRIS in accordance with the Convertible Note Agreement, if IRIS then holds Collateral Shares and Additional Collateral Shares, representing at least 200% of the proposed tranche amount (based on the Company's then current share price on ASX), IRIS may notify the Company in writing that any proposed Tranche Payment will be an amount equivalent to 20% of the monthly average traded value of shares traded on the ASX over any period of 20 consecutive trading days before the date of the tranche request given to IRIS in accordance with the agreement and the proposed tranche will be an equivalent number of Convertible Notes at Note Price.</p>
<p>Additional Collateral Shares</p>	<p>(a) If at any time the price of the shares quoted on ASX falls such that the value of all shares currently held by IRIS and issued as Collateral Shares and Additional Collateral Shares, falls below A\$500,000, IRIS may by notice in writing to the Company, require the Company to:</p> <ul style="list-style-type: none"> (i) within 10 business days of the notice given by IRIS pursuant to the Convertible Note Agreement, do all acts and things as are necessary to lodge a notice of general meeting with ASX and seek shareholder approval to the issue of, or to allow for sufficient issue capacity for the issue of, shares to IRIS pursuant to the Convertible Note Agreement; and (ii) issue bonus shares to IRIS free of encumbrances as soon as possible and using its best endeavours following the general meeting, <p>being such number of shares for no consideration determined in accordance with the following formula:</p> $ACS = (A\$1,000,000 / AP) - CS$ <p>Where:</p> <p>"ACS" is the number of bonus shares to be issued;</p> <p>"AP" is the price that equates to the VWAP of the shares for the 1 trading day immediately prior to the date of the notice given by IRIS pursuant to the Convertible Note Agreement; and</p> <p>"CS" is the total number of Collateral Shares and previously issued Additional Collateral Shares held by IRIS immediately prior to the date of the notice given by IRIS pursuant to the Convertible Note Agreement.</p> <p>(b) For the avoidance of doubt, IRIS may give more than one notice in accordance with the Convertible Note Agreement, provided that the total number of Additional</p>

	Collateral Shares issued pursuant to all such notices must not exceed 50,000,000 shares.
Call Option	<p>(a) IRIS grants a call option to the Company over the Collateral Shares and Additional Collateral Shares which remain in possession of IRIS at the beginning of the call option period (being the period of 5 business days beginning on the date that the last remaining Convertible Note is converted or redeemed in accordance with this Convertible Note Agreement or where no Convertible Notes have been issued, business days beginning the date the agreement terminates) (Call Option Period), to buy back all of the Collateral Shares and Additional Collateral Shares (Buy Back Shares) free of encumbrances from IRIS for \$1 in the aggregate (Call Option Exercise Price).</p> <p>(b) The Company may exercise the call option at any time during the Call Option Period, by giving IRIS notice.</p> <p>(c) If the call option is exercised in accordance with the Convertible Note Agreement, then IRIS agrees to transfer the Buy Back Shares to the Company for the Call Option Exercise Price and the Company agrees to buy back from IRIS and cancel the Buy Back Shares in accordance with the Convertible Note Agreement.</p>
Rights to convert or redeem notes	<p>(a) IRIS may elect by notice in writing to the Company, to convert some or all of the Convertible Notes into Shares and for the Company to issue those Shares to IRIS.</p> <p>(b) IRIS may elect by notice in writing to the Company, following the date which is 24 months from the date of issue of the Convertible Notes (Maturity Date), to redeem some or all of the Convertible Notes and for the Company to pay the redemption amount to IRIS in accordance with the Convertible Note Agreement.</p> <p>(c) IRIS may by notice to the Company require the Company to redeem all Convertible Notes and to pay the redemption amount to IRIS in accordance with the Convertible Note Agreement at any time following the occurrence of any of the following as determined by IRIS in its sole discretion:</p> <ul style="list-style-type: none"> (i) a material adverse effect, as defined in the Convertible Note Agreement; (ii) a material adverse effect on the duties, obligations or liabilities of the Company or IRIS in connection with the Convertible Note Agreement or the Convertible Notes; (iii) a default event, as defined in the Convertible Note Agreement; or (iv) a change of control event, as defined in the Convertible Note Agreement. <p>(d) the Company may by notice in writing to IRIS, between the date that the Convertible Notes are first issued and the Maturity Date, elect to redeem any or all Convertible</p>

	Notes and pay the redemption amount to IRIS in accordance with the Convertible Note Agreement.
Termination and expiry	<p>Termination – Default Event</p> <p>(a) IRIS may terminate the Convertible Note Agreement at any time following the occurrence of an event of default or a potential event of default as determined by IRIS in its sole discretion.</p> <p>(b) If this Convertible Note Agreement expires or is terminated pursuant to the agreement:</p> <ul style="list-style-type: none"> (i) each party retains the rights it has against the others in respect of any breach of this Convertible Note Agreement occurring before termination; and (ii) the provisions of the Convertible Note Agreement shall cease to have effect except for specific provisions of clauses of the Convertible Note Agreement which will survive termination. <p>(c) If a default event occurs, interest shall be payable on the amount outstanding at a rate of 10% per annum, which interest shall accrue daily and shall be compounded monthly, from the date of the default event until the Company discharges the amount outstanding in full or remedies the default to the reasonable satisfaction of IRIS.</p> <p>Termination – Redemption of Notes</p> <p>Where the Company has redeemed all Convertible Notes on issue in accordance with the Convertible Note Agreement and provided there is no amount outstanding the Company may terminate the agreement by notice in writing to IRIS.</p>

SCHEDULE 3 – TERMS OF THE DEED OF ASSIGNMENT

The material terms and conditions of the Deed of Assignment are as follows:

Agreement	As of 3 May 2022 (Effective Date), IRIS agrees to assign all legal and beneficial interests in the Convertible Note Agreement to Fabrice Evangelista and Fabrice Evangelista agrees to assume the liabilities under the Convertible Note Agreement with the consent of the Company.
Contract liabilities	Contract liabilities mean: <ul style="list-style-type: none">(a) IRIS's obligations under the Convertible Note Agreement; and(b) any claim, demand or cause of action whether arising in contract, tort, under statute or otherwise, including for breach of warranty or representation, arising out of, or in connection with the Convertible Note Agreement, (together, the Contract Liabilities).
Liability of IRIS	<p>From the Effective Date, IRIS is released in respect of all Contract Liabilities accruing on or after the Effective Date to the same extent as if the Convertible Note Agreement had been wholly terminated by mutual agreement of IRIS and the Company on the Effective Date.</p> <p>IRIS remains responsible for all Contract Liabilities accrued for the period up to (but excluding) the Effective Date and indemnifies and agrees to hold Fabrice Evangelista harmless from all such Contract Liabilities.</p>

SCHEDULE 4 – TERMS AND CONDITIONS OF PLACEMENT OPTIONS, LEAD MANAGER OPTIONS, DIRECTOR PARTICIPATION OPTIONS, CEO PARTICIPATION OPTIONS, NEVADA OPTIONS AND DIRECTOR OPTIONS

The terms and conditions of the Placement Options, the Lead Manager Options, the Director Participation Options, the CEO Participation Options, the Nevada Options and the Director Options are set out below:

(a) **Entitlement**

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

(b) **Exercise Price**

Subject to paragraph (i), the amount payable upon exercise of each Option will be \$0.05 (**Exercise Price**).

(c) **Expiry Date**

Each Option will expire at 5:00 pm (WST) on the date which is three (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) **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 (g)(i) 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 5 – SUMMARY OF KG CAPITAL MANDATE

Offer	<p>The Company is seeking to raise up to a maximum of \$5million at an issue price approved by the Company's board and in consultation with Shape Capital and KG Capital. The Company reserves the right to take oversubscriptions should it be agreed by the Company and KG Capital.</p>
Fees	<p>Under the KG Capital Mandate, the Company has agreed to pay KG Capital:</p> <ul style="list-style-type: none">(a) a capital raising fee of 5% of the proceeds provided the Company completes the Placement within 6 months following expiry or termination of this Mandate and as follows:<ul style="list-style-type: none">(i) a management fee of 1% of total funds; and(ii) a capital raising fee of 4% for funds raised by KG Capital;(b) a placement fee of 5% of any further investment from new investors introduced to the Company by KG Capital for a period of 6 months, upon completion of the Placement;(c) a retainer for corporate services of \$10,000 a month plus GST for a period of 6 months from successful completion of the Placement and receipt of funds; and(d) a successful completion fee of 30,000,000 Lead Manager Options on the same terms as the Placement Options to be allocated to investors pursuant to the Placement, upon completion of the Placement.
Expenses	<p>The Company has agreed to reimburse KG Capital for reasonable out of pocket expenses (inclusive of GST) in connection with the Placement within 5 business days of completion of the Placement and receipt of a valid tax invoice for such expenses, whichever is later.</p>
Termination of Mandate	<p>Either party may terminate the KG Capital Mandate with or without cause, by giving one month written notice to the other party.</p> <p>Termination will not release either party from any obligations accrued prior to termination. Clauses within the KG Capital Mandate relating to confidentiality, conflicts of interests, intellectual property, limitation of liability or the spirit of the KG Capital Mandate, each of these provisions will survive termination.</p>

SCHEDULE 6 – TERMS OF CEO PERFORMANCE RIGHTS

1. Rights attaching to CEO Performance Rights

- (a) **(Performance Rights)**: Each Performance Right is a right to acquire a Share.
- (b) **(General Meetings)**: A Performance Right confers on the holder (**Holder**) the right to receive all reports and accounts required to be laid before Shareholders of the Company in general meeting and all notices of general meeting, but unless otherwise entitled does not confer on the Holder the right to attend at general meetings.
- (c) **(No Voting Rights)**: A Performance Right does not entitle the Holder to vote on any resolutions proposed at a general meeting of Shareholders of the Company.
- (d) **(No Dividend Rights)**: A Performance Right does not entitle the Holder to any dividends.
- (e) **(Rights on Winding Up)**: The Performance Rights that have not vested do not entitle the Holder to participate in the surplus profits or assets of the Company upon winding up of the Company.
- (f) **(Not Transferable)**: A Performance Right is not transferable.
- (g) **(Reorganisation of Capital)**: If at any time the issued capital of the Company is reconstructed, all rights of a Holder will be reconstructed in the manner permitted by the Listing Rules or as otherwise permitted by the Board.
- (h) **(Application to ASX)**: A Performance Right will not be quoted on ASX. However, upon conversion of the Performance Rights, the Company must within 10 Business Days after the conversion, apply for official quotation on the ASX of the Company Shares issued upon such conversion.
- (i) **(Participation in Entitlements and Bonus Issues)**: A Performance Right does not confer any right to participate in new issues of securities such as bonus issues or entitlement issues.
- (j) **(Automatically Lapse)**: The Performance Rights will automatically lapse if the Holder is no longer an employee or Director of the Company.
- (k) **(Return of Capital)**: A Performance Right does not confer any right to a return of capital, whether in winding up, upon a reduction of capital or otherwise.
- (l) **(No Other Rights)**: A Performance Right gives the Holder no rights other than those expressly provided by these terms and those provided at law where such rights at law cannot be excluded by these terms.

2. Vesting Conditions of CEO Performance Rights

- (a) **(Conversion on achievement of milestone)**: Subject to paragraphs (b) to (e) below, Performance Rights vest upon achievement of the following milestones (each a **Milestone**):

Tranche	No. of Performance Rights	Milestone	Expiry Date
Tranche 1	2,500,000	Each Tranche 1 Performance Right will vest on the execution of a third party off-take agreement for supply of pig iron produced by the Company.	9 months from the date of issue.
Tranche 2	2,500,000	Each Tranche 2 Performance Right will vest on the completion by the Company of a Bankable Feasibility Study.	18 months from the date of issue.
Tranche 3	2,500,000	Each Tranche 3 Performance Right will vest on the achievement of a total pig iron production quota of 1,000,000tpa by the Company pursuant to a binding third party off take agreement.	24 months from the date of issue.
Tranche 4	2,500,000	Each Tranche 4 Performance Right will vest on the achievement of a total pig iron production quota of 1,000,000tpa by the Company pursuant to a binding third party pre-pay agreement.	24 months from the date of issue.
Tranche 5	2,500,000	Each Tranche 5 Performance Right will vest on the achievement of a total supply quota of mill scale or other feed materials, relevant to 50% of the required ore for pig iron production (50% ore/50% millscale) by the Company pursuant to a third-party supply agreement linked to any bankable feasibility study requirements for at least the term of the bankable debt facilities.	24 months from the date of issue.
Tranche 6	3,750,000	Each Tranche 6 Performance Right will vest on the achievement of a total supply quota of 1,000,000tpa of biochar to service production of the Company's pig iron plant pursuant to a third-party supply agreement, linked to any bankable feasibility study requirements for at least the term of the bankable debt facilities.	24 months from the date of issue.
Tranche 7	3,750,000	Each Tranche 7 Performance Right will vest on the achievement of the first production of biochar by the Company.	24 months from the date of issue.

Tranche	No. of Performance Rights	Milestone	Expiry Date
Tranche 8	5,000,000	Each Tranche 8 Performance Right will vest on the achievement of the first production of pig iron.	24 months from the date of issue.

- (b) **(Conversion)**: following vesting of Performance Rights, the Company must within 10 Business Days issue the number of Shares which relate to the Performance Rights that have vested. If Shares are officially quoted on the ASX at the time of the issue of Shares arising from the conversion of any Performance Rights under the Incentive Scheme, the Company must within the timeframe required by Item 5 of Appendix 6A of the Listing Rules, apply for official quotation of the Shares.
- (c) **(Expiry Dates)**: Each Milestone must be achieved on or before the dates set out in paragraph 2(a) above (each an **Expiry Date**).
- (d) **(Compliance with law)**: The conversion of the Performance Rights is subject to compliance at all times with the Corporations Act and the Listing Rules.
- (e) **(No Conversion if Milestone Not Achieved)**: Subject to paragraphs (b), (c) and (d), if the relevant Milestone is not achieved by the relevant Expiry Date, all Performance Rights held by each Holder the subject of that Milestone shall automatically lapse.
- (f) **(Conversion Procedure)**: The Company will issue the Holder with a new holding statement for the Shares 10 Business Days following conversion of the Performance Rights.
- (g) **(Ranking of Shares)**: The Shares into which Performance Rights will convert are pari passu in all respects with existing Shares.

SCHEDULE 7 – SUMMARY OF CEO EXECUTIVE SERVICES AGREEMENT

1.	Position	Chief Executive Officer of the Company and Director of Nevada Iron LLC
2.	Salary	A\$15,000 per month
3.	Spouse Benefit	Mr Goodman will be entitled to one (1) Business Class return flight for his Spouse each quarter.
4.	Term	Term of the CEO Agreement will be ongoing until terminated pursuant to the termination clause in the agreement.
5.	Options	As part of his remuneration, Mr Goodman will receive 25,000,000 unlisted Options exercisable at \$0.10 on or before the date that is three (3) years from their date of issue, vesting upon 12 months of service.
6.	Bonuses	<p>Mr Goodman will receive the following bonuses to incentivise his performance with the Company:</p> <p>(a) up to US\$500,000, taking into account the following key performance indicators:</p> <ul style="list-style-type: none"> (i) revenue of the Company (or one of its Related Bodies Corporate) from the sale of pig iron derived from the Company's Buena Vista Magnetite Project; (ii) revenue generated by the Company (or one of its Related Bodies Corporate) from other projects using the Hismelt process; (iii) low injury and incident rates at the Company's mining operations; (iv) ESG compliance; and (v) other relevant factors to be determined by the Board on an annual basis (acting reasonably); and <p>(b) 1% of total EBITDA for a period of three (3) years after the first pig iron sale by the Company (or one of its Related Bodies Corporate), and within 48 months of the date of this Agreement.</p>
7.	Performance Rights to be issued on achievement of milestones	Mr Goodman will be issued 25,000,000 Performance Rights to incentivise his performance. The terms and conditions of the Performance Rights to be issued to Mr Goodman are set out at Schedule 6 of this Notice.
8.	Termination	<p>Termination by the Company with reason</p> <p>The Company may at its sole discretion terminate Mr Goodman's employment in the following manner:</p> <p>(a) by giving not less than one (1) month's written notice if at any time Mr Goodman:</p> <ul style="list-style-type: none"> (i) is or becomes incapacitated by illness or injury of any kind which prevents Mr Goodman from performing duties under the

CEO Agreement for a period of two (2) consecutive months; or

- (ii) is or becomes of unsound mind or under the control of any committee or officer under any law relating to mental health;
- (iii) by giving one (1) month's written notice if at any time Mr Goodman:
 - (A) commits any serious or persistent breach of any of the provisions contained in the CEO Agreement and the breach is not remedied within 14 days of the receipt of written notice from the Company to Mr Goodman to do so;
 - (B) in the reasonable opinion of the Board, is absent in, or demonstrates incompetence or negligence with regard to the performance of duties under the CEO Agreement: and
- (iv) has been counselled on at least three separate occasions of the specific matters complained of by the Board; and
- (v) after each such occasion has been provided with a reasonable opportunity of at least a month to remedy the specific matters complained of by the Board;
 - (C) Mr Goodman commits or becomes guilty of any gross misconduct; or
 - (D) refuses or neglects to comply with any lawful reasonable direction or order given to Mr Goodman by the Company which Mr Goodman, after receipt of prior notice, has failed to rectify to the reasonable satisfaction of the Company within 21 business days of receipt of that notice; or
- (vi) summarily without notice:
 - (A) if at any time Mr Goodman is convicted of any major criminal offence which brings the Company or any of its Related Bodies Corporate into lasting disrepute, by giving notice effective immediately and without payment of any salary other than salary accrued to the date of termination.

Termination by the Company without reason

- (a) The Company may at its sole discretion terminate the CEO Agreement by giving three (3) months' written notice to Mr Goodman and, at the end of that notice period, making a payment to Mr

Goodman equal to the salary payable over a three (3) month period.

- (b) The Company may elect to pay Mr Goodman the equivalent of the six (6) months' salary and dispense with the notice period.

Termination by Mr Goodman

Mr Goodman may at his sole discretion terminate the CEO Agreement in the following manner:

- (a) if at any time the Company commits any serious or persistent breach of any of the provisions contained in the CEO Agreement and the breach is not remedied within 28 days of receipt of written notice from Mr Goodman to the Company to do so, by giving notice effective immediately; or
- (b) by giving three (3) months' written notice to the Company.

SCHEDULE 8 – VALUATION OF DIRECTOR OPTIONS

The Director Options to be issued to the Directors pursuant to Resolutions 20 to 22 have been independently valued by Pitcher Partners Corporate Finance Limited.

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

Assumptions:	
Valuation date	7 September 2022
Market price of Shares	\$0.036
Exercise price	\$0.050
Expiry date (length of time from issue)	3 years after issue
Risk free interest rate	3.29%
Volatility (discount)	75%
Indicative value per Director Option	\$0.015
Total Value of Options	\$450,000
- 12,500,000 (Resolution 20)	\$187,500
- 12,500,000 (Resolution 21)	\$187,500
- 5,000,000 (Resolution 22)	\$75,000

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

