

Magnum Mining and Exploration Limited

ACN 003 170 376

Notice of Annual General Meeting

TIME: 12:00 pm (AEST)

DATE: 31 May 2022

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

Should you wish to discuss the matters in this notice please do not hesitate to contact the Company Secretary on +612 8316 3989.

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TIME AND PLACE OF MEETING AND HOW TO VOTE

VENUE

The Meeting of the Shareholders of Magnum Mining and Exploration Limited ACN 003 170 376 (ASX:MGU) (**Company**) to which this Notice relates, will be held virtually on **12:00PM (AEST) on 31 May 2022** at <https://meetnow.global/MF7JK2G>.

Due to general health and safety as a result of the COVID-19 pandemic, Shareholders will not be permitted to attend the Meeting in person and instead are invited to participate in the Meeting by weblink virtually. The Directors have determined that it would be unreasonable for the Company to hold a meeting of its members wholly or partially at one or more physical venues, due to the impact of the COVID-19 pandemic.

The Notice is also being made available to Shareholders electronically and can be viewed and downloaded online at the following link:

<https://www.mmel.com.au/site/investor-information/ASX-Announcements>

ONLINE VOTING

Due to the COVID-19 social distancing restrictions, travel restrictions, other requirements imposed by the Federal and State governments and related COVID-19 concerns, physical attendance at the Meeting by Shareholders and hence voting in person will not be permitted. Attendance will only be available by weblink (and you must register your attendance with the Company or Share Registry as noted above).

To vote when attending in the virtual Meeting please note voting during the Meeting will be conducted online via the Computershare Meeting Platform available at the following link <https://meetnow.global/MF7JK2G>, on your computer, tablet or smartphone. Online registration will open 1 hour before the meeting.

To make the registration process quicker, please have your SRN/HIN and registered postcode or country code ready. Proxyholders will need to contact the call centre before the meeting to obtain their login details.

To vote in the meeting online follow the instructions below.

1. Click on 'Join Meeting Now'.
2. Enter your SRN/HIN. Proxyholders will need to contact Computershare on +61 3 9415 4024 one hour prior to the meetings to obtain their login details.
3. Enter your postcode registered to your holding if you are an Australian securityholder. If you are an overseas securityholder select the country of your registered holding from the drop down list.
4. Accept the Terms and Conditions and 'Click Continue'.

You can cast votes at the appropriate times while the meeting is in progress.

Shareholders with multiple holdings can log into the Computershare Meeting Platform and once logged in can link in additional holdings or cast their vote on other holdings ahead of the Meeting via proxy vote. Proxy instructions must be received no later than 48 hours before the commencement of the Meeting. Instructions on how to lodge proxy votes (which include the ability to lodge proxies electronically) are set out in this Notice below.

VOTING BY PROXY

A member entitled to attend and vote at the meeting may appoint a proxy.

The person appointed as a proxy may be an individual or a body corporate. If entitled to cast two or more votes, the member may appoint one or two proxies.

Where two proxies are appointed, each proxy may be appointed to represent a specific proportion of the member's voting rights. If the proportion is not specified, each proxy may exercise half of the member's voting rights. Fractional votes will be disregarded. Please carefully read the instructions on the Proxy Form and consider how you wish to direct the proxy to vote on your behalf. You may direct the proxy to vote "for", "against" or "abstain" from voting on each resolution or you may leave the decision to the appointed proxy after discussion at the meeting.

A proxy need not be a member of the Company.

To vote by proxy, please use one of the following methods:

Online	By recording the proxy appointment and voting instructions via the internet at <www.investorvote.com.au>. Only registered Shareholders may access this facility and will need their Holder Identification Number (HIN) or Securityholder Reference Number (SRN). For Intermediary Online subscribers (custodians) go to www.intermediaryonline.com
By Post	Computershare Investor Services Pty Ltd GPO Box 242 Melbourne VIC 3001 Australia
By Hand	Due to COVID-19 restrictions hand delivery of proxies will not be available.
By Fax	1800 783 447 within Australia or +61 03 9473 2555 outside Australia.

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

Proxy forms received later than this time will be invalid.

Voting Intention of the Chair for all Resolutions

Shareholders should be aware that any undirected proxies given to the Chair will be cast by the Chair and counted in favour of the Resolutions the subject of this Meeting, subject to compliance with the Corporations Act. In exceptional circumstances, the Chair may change his voting intention on any resolution, in which case an ASX announcement will be made.

Technical Difficulties

Technical difficulties may arise during the course of the Meeting. The Chair has discretion as to whether and how the Meeting should proceed in the event that a technical difficulty arises. In exercising his discretion, the Chair will have regard to the number of Shareholders impacted and the extent to which participation in the business of the Meeting is affected. Where he considers it appropriate, the Chair may continue to hold the Meeting and transact business, including conducting a poll and voting in accordance with valid proxy instructions. For this reason, Shareholders are encouraged to lodge a proxy not later than 48 hours before the commencement of the Meeting.

Questions

Shareholders are also encouraged to submit questions in advance of the Annual General Meeting to the Company. Questions must be submitted in writing to the Company Secretary, at john@mmel.com.au at least 48 hours before the Meeting. However, shareholders will be given an opportunity to ask questions on the day of the meeting using the Q&A function.

NOTICE OF MEETING

Notice is given that the Meeting of Shareholders will be held at **12:00PM (AEST) on 31 May 2022**. Due to general health and safety as a result of the COVID-19 pandemic, Shareholders will not be permitted to attend the Meeting in person and instead are invited to participate in the Meeting by weblink virtually at <https://meetnow.global/MF7JK2G>.

The Explanatory Statement to this Notice provides additional information on matters to be considered at the Meeting. It is recommended that this Notice and the Explanatory Statement are carefully read in full. The Explanatory Statement and the Proxy Form are part of this Notice.

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 of the Company at 7:00PM (AEST) on 29 May 2022.

In light of the COVID-19 pandemic, the Company encourages all Shareholders to vote by proxy in advance of the Meeting.

Terms and abbreviations used in this Notice and Explanatory Statement are defined in the Glossary.

Agenda

1. RECEIPT OF FINANCIAL REPORTS AND REPORTS OF DIRECTOR AND AUDITOR

To receive and consider the Financial Reports of the Company for the financial year ended 31 December 2021, together with the declaration of Directors, the Remuneration Report and the Report of the Directors and the Auditor which relate to the Financial Reports.

A copy of the 2021 Annual Report may be obtained from the Company's website at <https://www.mmel.com.au/site/investor-information/asx-reports/annual-reports>

2. RESOLUTION 1 - ADOPTION OF DIRECTORS' REMUNERATION REPORT

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

"That, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Company's Remuneration Report, as set out in the Directors' Report within the Annual Report for the year ended 31 December 2021, prepared in accordance with section 300A of the Corporations Act."

Please note that in accordance with section 250R(3) of the Corporations Act, the votes cast on this Resolution are advisory only and do not bind the Company or the Directors.

Voting Exclusion Statement: The Company will disregard any votes cast favour on this Resolution by or on behalf of any person who is a member of the Key Management Personnel, details of whose remuneration is considered in the Remuneration Report and any person who is an Associate of those persons.

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

- (a) a person as a proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with the directions 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 this Resolution, in accordance with a direction given to the Chair to vote on this 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 this Resolution; and
- (ii) the holder votes on this Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

3. RESOLUTION 2 – RE-ELECTION OF JOHN DINAN AS A DIRECTOR

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

“That for the purposes of the Constitution, Listing Rule 14.5 and for all other purposes, Mr John Dinan being a Non-Executive Director who was appointed by the Board in April 2021 as an additional Director, and being eligible offers himself for re-election, is re-elected as a Director”.

4. RESOLUTION 3 – RE-ELECTION OF MATT LATIMORE AS A DIRECTOR

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

“That for the purposes of the Constitution, Listing Rule 14.5 and for all other purposes, Mr Matt Latimore being a Non-Executive Director who was appointed by the Board in May 2021 as an additional Director, and being eligible offers himself for re-election, is re-elected as a Director”.

5. RESOLUTION 4 - APPROVAL OF ISSUE OF PERFORMANCE RIGHTS TO DANO CHAN

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

“That for the purposes of section 195(4) of the Corporations Act, and Listing Rule 10.14 and for all other purposes (including preservation of the Company’s cash resources), Shareholders approve the issue of a total of 24,000,000 Performance Rights under the Incentive Scheme to Mr Dano Chan (or his nominee), a Director of the Company, on the terms and conditions contemplated in the Explanatory Statement.”

Voting Exclusion Statement: The Company will disregard any votes cast in favour of this Resolution by any person referred to in rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the Incentive Scheme in question (including Dano Chan), and any of their Associates.

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

- (a) a person as a proxy for a person who is entitled to vote on this Resolution, in accordance with the directions to the proxy or attorney to vote on this Resolution in that way; or
- (b) the Chair as proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with express authorisation given to the Chair to vote on this 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 this Resolution; and
 - (ii) the holder votes on this Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

6. RESOLUTION 5 - APPROVAL OF ISSUE OF PERFORMANCE RIGHTS TO DON CARROLL

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

“That for the purposes of section 195(4) of the Corporations Act, and Listing Rule 10.14 and for all other purposes (including preservation of the Company’s cash resources), Shareholders approve the issue of a total of 14,000,000 Performance Rights under the Incentive Scheme to Mr Don Carroll (or his nominee), a Director of the Company, on the terms and conditions contemplated in the Explanatory Statement.”

Voting Exclusion Statement: The Company will disregard any votes cast in favour of this Resolution by any person referred to in rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the Incentive Scheme in question (including Don Carroll), and any of their Associates.

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

- (a) a person as a proxy for a person who is entitled to vote on this Resolution, in accordance with the directions to the proxy or attorney to vote on this Resolution in that way; or
- (b) the Chair as proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with express authorisation given to the Chair to vote on this 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 this Resolution; and
 - (ii) the holder votes on this Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

7. RESOLUTION 6 - APPROVAL OF ISSUE OF PERFORMANCE RIGHTS TO MATT 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 section 195(4) of the Corporations Act, and Listing Rule 10.14 and for all other purposes (including preservation of the Company’s cash resources), Shareholders approve the issue of a total of 7,000,000 Performance Rights under the Incentive Scheme to Mr Matt Latimore (or his nominee), a Director of the Company, on the terms and conditions contemplated in the Explanatory Statement.”

Voting Exclusion Statement: The Company will disregard any votes cast in favour of this Resolution by any person referred to in rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the Incentive Scheme in question (including Matt Latimore), and any of their Associates.

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

- (a) a person as a proxy for a person who is entitled to vote on this Resolution, in accordance with the directions to the proxy or attorney to vote on this Resolution in that way; or
- (b) the Chair as proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with express authorisation given to the Chair to vote on this 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 this Resolution; and
- (ii) the holder votes on this Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

8. RESOLUTION 7 - APPROVAL OF ISSUE OF PERFORMANCE RIGHTS TO JOHN DINAN

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

“That for the purposes of section 195(4) of the Corporations Act, and Listing Rule 10.14 and for all other purposes (including preservation of the Company’s cash resources), Shareholders approve the issue of a total of 7,000,000 Performance Rights under the Incentive Scheme to Mr John Dinan (or his nominee), a Director of the Company, on the terms and conditions contemplated in the Explanatory Statement.”

Voting Exclusion Statement: The Company will disregard any votes cast in favour of this Resolution by any person referred to in rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the Incentive Scheme in question (including John Dinan), and any of their Associates.

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

- (a) a person as a proxy for a person who is entitled to vote on this Resolution, in accordance with the directions to the proxy or attorney to vote on this Resolution in that way; or
- (b) the Chair as proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with express authorisation given to the Chair to vote on this 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 this Resolution; and
 - (ii) the holder votes on this Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

9. OTHER BUSINESS

To consider any other business that may be validly brought before the Meeting.

DATED: 29 April 2022

BY ORDER OF THE BOARD

**JOHN DINAN
COMPANY SECRETARY
MAGNUM MINING AND EXPLORATION LIMITED**

ENTITLEMENT TO VOTE

Who may vote?

Pursuant to regulation 7.11.37 of the *Corporations Regulations 2001* (Cth), the Company has determined that for the purpose of the Meeting, all shares in the Company shall be taken to be held by the persons who held them as registered Shareholders at 7:00PM (AEST) 29 May 2022 (**Entitlement Time**).

All holders of ordinary shares in the Company as at the Entitlement Time are entitled to attend and vote at the Meeting.

Transactions registered after that time will be disregarded in determining a Shareholder's entitlement to attend and vote at the Meeting.

PROXIES

Please note that:

- a) a Shareholder of the Company who is entitled to attend and cast a vote at the Meeting has a right to appoint a proxy;
- b) the appointment may specify the proportion or number of votes that the proxy may exercise;
- c) a Shareholder who is entitled to cast two or more votes at the Meeting may appoint two proxies and must specify the proportional number of votes each proxy is appointed to exercise;
- d) if the Shareholder appoints two proxies and the appointment does not specify the proportion or number of the Shareholder's votes, each proxy may exercise half the votes;
- e) a proxy need not be a Shareholder of the Company;
- f) if a Shareholder wishes to appoint two proxies, they should contact the Company for another proxy form; and
- g) unless the Shareholder specifically directs the proxy how to vote, the proxy may vote as he or she thinks fit or abstain from voting.

If a Shareholder wishes to appoint a proxy, they should complete the attached 'Appointment of Proxy' form and comply with details set out in that form for lodgement of the form with the Company.

The proxy form must be signed by the Shareholder or his or her attorney duly authorised in writing or, if the Shareholder is a corporation, either under the seal of the corporation (in accordance with its Constitution) or under the hand of an attorney duly authorised in writing or otherwise signed in accordance with the Corporations Act.

If any attorney or authorised officer signs the proxy form on behalf of a Shareholder, the relevant power of attorney or other authority under which it is signed or a certified copy of that power or authority must be deposited with the proxy form.

The proxy form must be received **not less than 48 hours** before the time for holding the Meeting (i.e. by no later than 12:00 pm (AEST) 29 May 2022) in the following manner:

Online	By recording the proxy appointment and voting instructions via the internet at < www.investorvote.com.au >. Only registered Shareholders may access this facility and will need their Holder Identification Number (HIN) or Securityholder Reference Number (SRN). For Intermediary Online subscribers (custodians) go to www.intermediaryonline.com
By Post	Computershare Investor Services Pty Ltd GPO Box 242 Melbourne VIC 3001 Australia
By Hand	Due to COVID-19 restrictions hand delivery of proxies will not be available
By Fax	1800 783 447 within Australia or +61 03 9473 2555 outside Australia.

If a representative of a corporate shareholder or a corporate proxy will be attending the Meeting, the representative should provide to the Share Registry prior to the Meeting adequate evidence of their appointment, unless this has previously been provided to the Share Registry.

EXPLANATORY STATEMENT

This Explanatory Statement is included in and forms part of the Notice of Meeting. It contains background information pertaining to the Resolutions to be considered and voted upon at the Meeting as well as information required to be given to Shareholders under the Listing Rules in relation to the Resolutions.

It is given to Shareholders to help them determine how to vote on the Resolutions set out in the Notice of Meeting.

Shareholders should read this Explanatory Statement in full and in conjunction with the other sections of this Document, in order to gain a more complete understanding of the Resolutions proposed in the Notice of Meeting.

If a Shareholder is in doubt about what to do in relation to a Resolution, it should consult its financial or other professional adviser.

1. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

1.1 Background

The Annual Report for the year ended 31 December 2021 contains the Company's Remuneration Report on pages 36 to 45. The Remuneration Report sets out the Company's remuneration policies and reports the remuneration arrangements in place for the Directors of the Company.

A copy of the 2021 Annual Report is available on the Company's website at <https://www.mmel.com.au/site/investor-information/asx-reports/annual-reports> or upon request and free of charge.

The Corporations Act requires the agenda for the Annual General Meeting of a listed company to include a resolution for the adoptions of the Remuneration Report. The Corporations Act expressly provides that the vote on the resolution is advisory only and does not bind the Directors of the Company.

Shareholders attending the Annual General Meeting will be given a reasonable opportunity to ask questions and comment on the Remuneration Report.

The Board is committed to ensuring that the remuneration structure for senior executives is closely aligned to the strategy and business objectives of the Company, with a focus on driving a performance culture and delivering results that are acceptable to Shareholders. Shareholders will be given a reasonable opportunity at the Meeting to raise questions and make comments on the Remuneration Report.

The vote on the adoption of the Remuneration Report is advisory only and does not bind the Directors of Strickland. However, the Directors will take the outcome of the vote into consideration when reviewing the remuneration practices and policies of the Company.

1.2 Voting Exclusion Statement

A description of the persons not permitted to vote on this Resolution, and whose votes will be disregarded if cast on this Resolution, is set out in the Notice.

2. RESOLUTION 2 – RE-ELECTION OF JOHN DINAN

2.1 Background

Mr John Dinan was appointed to the Board of the Company as a non-executive director on 12 April 2021.

Mr Dinan has held position as CFO and Company Secretary of listed and unlisted Financial services entities as well as Infrastructure investment groups. He has also been the chair of Australia's largest superannuation trustee company and also been the Chief Risk Officer of a major listed trustee company. In this capacity, he ran the risk and compliance committees and implemented the frameworks that ensured compliance with the many ASIC and APRA Licenses.

Mr Dinan has also been a member of a number of consortiums that have bided for public offered infrastructure assets, typically heading up the finance and tax streams of the consortiums.

A Fellow of the Australian CPAs, Mr Dinan resides in Melbourne and is currently the CFO of a private family office as well as the company secretary of a number of entities listed on the Canadian Stock Exchange.

2.2 Requirement for Shareholder Approval

Listing Rule 14.5 also provides that an ASX listed company which has directors must hold an election of directors at each annual general meeting.

Article 5.1 of the Constitution requires that at the annual general meeting, one-third of the Directors shall retire from office, provided that no director except a managing director shall hold office for a period in excess of 3 years, or until the third annual general meeting following his or her appointment, whichever is the longer, without submitting himself for re-election.

Accordingly, Shareholders are asked to consider and vote upon the election of Mr Dinan as a Director of the Company.

If this Resolution is not approved, Mr Dinan will not be able to serve as a member of the Board and the Company will need to consider other appropriately qualified members to serve on its board.

2.3 Recommendation of Directors

Each Director, other than Mr Dinan, who has a personal interest in the outcome of this Resolution, recommends that Shareholders vote IN FAVOUR of this Resolution. Each Director, other than Mr Dinan, confirms that they have no personal interest in the outcome of this Resolution other than in their capacity as a Shareholder or an Associate of a Shareholder.

3. RESOLUTION 3 – RE-ELECTION OF MATT LATIMORE

3.1 Background

Mr Matt Latimore was appointed to the Board of the Company as a non-executive director on 12 April 2021.

Mr Latimore is the Founder and President of M Resources Pty Ltd, a company he established in 2011 for marketing, investment and trading of steelmaking raw materials, with a focus on metallurgical coal. M Resources has shipped over 400 cargoes of metallurgical coal as principle to global steel mills and currently has the exclusive marketing rights for Stanmore Resources (SMR) and Bowen Coking Coal (BCC) in Australia and Allegiance (AHQ) New Elk mine in the US. Through MetRes, a company 50% owned by M Resources, Mr Latimore also recently purchased the Millennium and Mavis Downs coal mines from Peabody.

Matt is a Non-Executive Director of Bowen Coking Coal.

Prior to founding M Resources, Matt was GM Sales and Marketing for Wesfarmers Curragh Coal for 10 years, responsible for global sales to steel makers and power utilities, rail and port and finance functions. Matt was a Director of Curragh Coal Sales. Prior to that, Mr Latimore held various positions with Mitsui & Co Coal Department.

Mr Latimore holds a Master of Business Administration from the Australian Graduate School of Management, a degree in International Business from Griffith University, Diploma of Export Management from the Australian Institute of Export, an Advanced Diploma of Leadership and Management from the University of Western Australia, is a Graduate of the Australian Directors Course (GAICD) and the Columbia University Senior Executive Program in New York.

3.2 Requirement for Shareholder Approval

Listing Rule 14.5 also provides that an ASX listed company which has directors must hold an election of directors at each annual general meeting.

Article 5.1 of the Constitution requires that at the annual general meeting, one-third of the Directors shall retire from office, provided that no director except a managing director shall hold office for a period in excess of 3 years, or until the third annual general meeting following his or her appointment, whichever is the longer, without submitting himself for re-election.

Accordingly, Shareholders are asked to consider and vote upon the election of Mr Latimore as a Director of the Company.

If this Resolution is not approved, Mr Latimore will not be able to serve as a member of the Board and the Company will need to consider other appropriately qualified members to serve on its board.

3.3 Recommendation of Directors

Each Director, other than Mr Latimore, who has a personal interest in the outcome of this Resolution, recommends that Shareholders vote IN FAVOUR of this Resolution. Each Director, other than Mr Latimore, confirms that they have no personal interest in the outcome of this Resolution other than in their capacity as a Shareholder or an Associate of a Shareholder.

4. RESOLUTION 4 - APPROVAL OF ISSUE OF PERFORMANCE RIGHTS TO DANO CHAN

4.1 Background

On 11 April 2022, the Company announced that it intended to cancel the existing Performance Rights granted to the Directors of the Company issued on 3 August 2021 under the Company's employee incentive plan (**Employee Incentive Plan**) (which were approved by shareholders on 20 July 2021).

The Company decided to cancel the existing Performance Rights following a re-evaluation of the Performance Rights and the performance hurdles associated with those Performance Rights. The cancellation is to be effected without consideration.

The Existing Performance Rights were cancelled via an Appendix 3H as follows:

Performance Rights issued to Dano Chan

Item	Performance Rights	Performance Rights
Amount of Performance Rights	500,000	1,000,000
Vesting conditions	Shares vest at finalisation of rail and port approvals	Shares vest at payment of first iron ore shipment with a minimum requirement of 30,000 tonnes
Expiry date	20 -Apr-22	20 -Jul-22

Performance Rights issued to Don Carroll and Matt Latimore

Item	Performance Rights	Performance Rights	Performance Rights
Amount of Performance Rights	1,000,000	1,000,000	1,000,000
Vesting conditions	Shares vest when market cap remains above \$150,000,000 for 14 consecutive trading sessions post shareholder approval	Shares vest when market cap remains above \$200,000,000 for 14 consecutive trading sessions post shareholder approval	Shares vest after payment received for first 100,000 tonnes of iron ore
Expiry date	20-Jul-22	20 -Jul-23	20 -Oct-22

The Company advised that subject to obtaining shareholder approval it proposes to issue new Performance Rights to directors under the Employee Incentive Plan.

As noted above, the Company conducted a comprehensive re-evaluation of the Performance Rights and the performance hurdles associated with those Performance Rights. The review was conducted with a view to more closely link the board's long term incentives to the critical strategic objectives of the business, including because of the Company's new strategic direction in progressing its Buena Vista Project for green pig iron production. This is a change of direction from when the Company initially issued the Performance Rights and for that reason has cancelled the existing Performance Rights and replacing them with new Performance Rights (subject to shareholder approval).

The Performance Rights will vest in tranches, with the performance hurdle for each tranches set to appropriately incentivise the directors as the Company moves to develop its Buena Vista Project towards green pig iron production. The Board believes it is in the interests of shareholders to strengthen the interdependence between the Company, as an employer, and the Company Directors for the long-term mutual benefit of both and all shareholders.

Should the issue of the new Performance Rights be approved, the Company is proposing to issue a total of 52,000,000 unquoted Performance Rights will be issued under the Employee Incentive Plan to Directors as follows:

Item	Performance Rights (Class 1)	Performance Rights (Class 2)	Performance Rights (Class 3)	Performance Rights (Class 4)	Performance Rights (Class 5)	Performance Rights (Class 6)
Amount of Performance Rights	6,000,000	9,000,000	6,000,000	10,000,000	10,000,000	11,000,000
Vesting conditions	vest at completion of test work and production of pig iron samples meeting expected quality targets within 3 months of shareholder approval	vest at confirmation of mine and plant flow sheet and positive financial model within 6 months of shareholder approval.	vest upon Company entering into Memorandum of Understanding for long term supply of Biomass within 9 months of shareholder approval	vest upon Company entering into Memorandum of Understandings with steel mill customers for part of the Company's estimated production within 12 months of shareholder approval	vest upon Company signing letter of intent with strategic partner to progress a bankable feasibility study within 12 months of shareholder approval.	vest upon Company completing a Bankable Feasibility Study within 24 months of shareholder approval.
Expiry date	1/09/2022	1/12/2022	1/03/2023	1/06/2023	1/06/2023	1/06/2024

Director	Performance Rights Class	Number
Dano Chan	1	3,000,000
	2	5,000,000
	3	4,000,000
	4	4,000,000
	5	3,000,000
	6	5,000,000
Don Carroll	1	2,000,000
	2	2,000,000
	3	1,000,000
	4	3,000,000
	5	3,000,000
	6	3,000,000
Matt Latimore	1	500,000
	2	1,000,000
	3	500,000
	4	2,000,000
	5	2,000,000
	6	1,000,000
John Dinan	1	500,000
	2	1,000,000
	3	500,000
	4	1,000,000
	5	2,000,000
	6	2,000,000
Total		52,000,000

Summary of Performance Hurdles

The Performance Rights are subject to a number of performance hurdles (vesting conditions) which need to be satisfied within set expiry dates before the performance rights can vest into shares.

An explanation of these hurdles is provided as follows:

- (a) **(Class 1) Completion of test work and production of pig iron samples meeting expected quality targets within 3 months of shareholder approval:** the test work completed and pig iron samples produced will be a key factor in securing customers and a strategic partner.
- (b) **(Class 2) Confirmation of mine and plant flow sheet and positive financial model within 6 months of shareholder approval:** Such validation of the project is a key to securing a strategic partner for the progression of the bankable feasibility study.
- (c) **(Class 3) Company entering into Memorandum of Understanding for long term supply of Biomass within 9 months of shareholder approval:** The Memorandum of Understanding will be in a form that can be progressed to a binding agreement as part of the bankable feasibility study.
- (d) **(Class 4) Company entering into Memorandum of Understandings with steel mill customers for part of the Company's estimated production within 12 months of shareholder approval:** The Memorandum of Understanding will be in a form that can be progressed to a binding agreement as part of the bankable feasibility study.
- (e) **(Class 5) Company signing letter of intent with strategic partner to progress a bankable feasibility study within 12 months of shareholder approval:** The Letter of Intent would require the strategic partner to value add including funding to the bankable feasibility study.
- (f) **(Class 6) Company completing a Bankable Feasibility Study within 24 months of shareholder approval:** The Bankable Feasibility Study will include obtaining the necessary permits for the project to proceed. It should be noted to process such permits/approvals with the regulatory authorities is outside of the control of management.

Performance Rights confer an entitlement to be issued one Share subject to the satisfaction of any performance criteria on the terms set out in the Incentive Scheme.

Subject to the approval of Shareholders, the Company proposes to grant a maximum amount of 24,000,000 Performance Rights to Dano Chan, Managing Director.

The price payable for each Share that may be issued upon vesting of a Performance Right is nil.

The objective of the proposed grant of Performance Rights to Directors and officers of the Company is primarily to link the reward of Performance Rights to Shareholder value creation, and align their interests with those Shareholders and to encourage long the long-term sustainable growth of the Company.

The Performance Rights shall be issued under, and subject to, the terms of the Incentive Scheme.

4.2 Requirement for Shareholder Approval

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

- a director of the company;
 - an associate of a director of the company; or
 - a person whose relationship with the company or a person referred to in Listing Rule 10.14.1 or 10.14.2 is such that, in ASX's opinion, the acquisition should be approved by its shareholders,
- unless it obtains the approval of its shareholders.

Shareholder approval is required under Listing Rule 10.14 in order to issue the Performance Rights under the Incentive Scheme to Dano Chan as a Director of the Company.

If this Resolution is passed, the Company will be able to proceed with the proposed issue of Performance Rights to Dano Chan under the Incentive Scheme.

If this Resolution is not passed, the Company will not be able to proceed with the proposed issue of Performance Rights under the Incentive Scheme and may need to consider other methods (such as cash payments) to remunerate and incentivise Dano Chan.

Pursuant to Listing Rule 7.2 exception 14, as Shareholder approval is being sought under Listing Rule 10.14 approval under Listing Rule 7.1 is not required.

4.3 Section 208 of the Corporations Act

In accordance with Section 208 of the Corporations Act, to give a financial benefit to a related party, the Company must obtain Shareholder approval unless the giving of the financial benefit falls within an exception in Sections 210 to 216 of the Corporations Act.

The Company considers that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue of the Performance Rights to Dano Chan as the exception in section 211 of the Corporations Act applies. The Performance Rights are considered to be reasonable remuneration for the purposes of section 211 of the Corporations Act.

4.4 Section 195(4) Directors Restrictions on Voting

As all the Company's Directors have a material personal interest in the issue of Performance Rights, the Company seeks approval under section 195 of the Corporation Act so that the Shareholders may pass a resolution to deal with this matter.

4.5 Information required by Listing Rule 10.15

For the purpose of Listing Rule 10.15, the following information in relation to the Director's participation in the Incentive Scheme the subject of this Resolution is provided:

(a) Relationship of the related parties

The Performance Rights will be issued to Mr Dano Chan (or their nominee), who falls within the category set out in Listing Rule 10.14.1, by virtue of Mr Dano Chan being a Director.

(b) Type of securities

The securities issued will be Performance Rights.

(c) Number of securities that may be acquired by Dano Chan

Item	Performance Rights (Class 1)	Performance Rights (Class 2)	Performance Rights (Class 3)	Performance Rights (Class 4)	Performance Rights (Class 5)	Performance Rights (Class 6)
Amount of Performance Rights	3,000,000	5,000,000	4,000,000	4,000,000	3,000,000	5,000,000
Vesting conditions	vest at completion of test work and production of pig iron samples meeting expected quality targets within 3 months of shareholder approval	vest at confirmation of mine and plant flow sheet and positive financial model within 6 months of shareholder approval.	vest upon Company entering into Memorandum of Understanding for long term supply of Biomass within 9 months of shareholder approval	vest upon Company entering into Memorandum of Understandings with steel mill customers for part of the Company's estimated production within 12 months of shareholder approval	vest upon Company signing letter of intent with strategic partner to progress a bankable feasibility study within 12 months of shareholder approval.	vest upon Company completing a Bankable Feasibility Study within 24 months of shareholder approval.
Expiry date	1/09/2022	1/12/2022	1/03/2023	1/06/2023	1/06/2023	1/06/2024

(d) *Maximum number of securities that may be acquired by Dano Chan*

The maximum number of securities that may be issued to Dano Chan under the Incentive Scheme in any 12-month period is 54,000,000.

(e) *Price*

The Performance Rights will be issued for nil consideration as part of the Incentive Scheme.

(f) *Summary of Material Terms of the securities*

The Material Terms of the Performance Rights being issued under this Resolution pursuant to the Incentive Scheme, are summarised in Annexure B of this Document.

The Company has chosen to the issue the Performance Rights to the Directors for the following reasons:

- (i) The Performance Rights are unquoted and will not have an immediate dilutionary impact on Shareholders;
- (ii) the issue of the Performance Rights is a reasonable and appropriate method to provide cost effective remuneration as the non-cash form of remuneration allows the Company greater flexibility to use its cash reserves to further advance its projects instead of being allocated for executive remuneration; and
- (iii) the issue of Performance Rights is in line with its strategy that the objectives of its employees are more closely aligned with the interests of the Company and the Shareholders, in addition to attracting, motivating and retaining valuable employees.

The value attributed to the Performance Rights being issued under this Resolution is set out in Annexure D of this Document.

(g) *Number of securities previously issued to directors under Incentive Scheme*

Mr Chan was previously issued the following Equity Securities under the Incentive Scheme:

- 10,000,000 Options expiring 20 July 2024 with exercise price \$0.20 per Option;
- 10,000,000 Options, expiring 20 July 2024 with exercise price \$0.30 per Option;
- 10,000,000 Options, expiring 20 July 2024 with exercise price \$0.40 per Option;
- 500,000 Performance Rights vesting at commencement of Iron ore production expiring 20 January 2022 (now expired);
- 500,000 Performance Rights vesting at finalisation of rail and port approvals expiring 20 April 2022 (now cancelled); and
- 1,000,000 Performance Rights vesting at payment of first iron ore shipment with a minimum requirement of 30,000 tonnes expiring 20 July 2022 (now cancelled).

The above Equity Securities were issued on 3 August 2021 (and approved by shareholders on 20 July 2021). No consideration was paid for the issue of the above Equity Securities. However, as announced to the market on 11 April 2022, 1,500,000 Performance Rights were cancelled by the Company.

(h) Details of the director's total remuneration package

Mr Chan's total remuneration package comprises, \$240,000 per annum.

Mr Chan currently holds 30,000,000 Options issued under the Incentive Scheme as summarised above in 4.5(g).

(i) Names of related parties entitled to participate

Subject to approval of this Resolution, at the date of this meeting, the Director entitled to participate under this Resolution is Dano Chan (or his nominee).

(j) Date by which the Company will issue the securities

If vested, the Company will issue the Performance Rights within three years of the date of the meeting.

(k) The terms of the Incentive Scheme

A summary of the terms and conditions of the Incentive Scheme is set out in Annexure C of this Document.

(l) The material terms of any loan that will be made to the person in relation to the acquisition

No loan will be provided to any Director in relation to the issue of the Performance Rights.

(m) Statement under Listing Rule 10.15.11

The Company will:

- publish details of any securities issued under the Incentive Scheme in each annual report relating to a period in which securities have been issued and that approval for such issue was obtained under listing rule 10.14; and
- ensure that any additional persons who become entitled to participate in the Incentive Scheme following approval of this Resolution will not participate unless approval relating to that person is obtained under Listing Rule 10.14.

4.6 Voting Exclusion Statement

A description of the persons not permitted to vote on this Resolution and whose votes will be disregarded if cast on this Resolution, is set out in the Notice.

5. RESOLUTION 5 - APPROVAL OF ISSUE OF PERFORMANCE RIGHTS TO DON CARROLL

5.1 Background

See background in paragraph 4.1 of this Explanatory Statement.

Performance Rights confer an entitlement to be issued one Share subject to the satisfaction of any performance criteria on the terms set out in the Incentive Scheme.

Subject to the approval of Shareholders, the Company proposes to grant a maximum amount of 14,000,000 Performance Rights to Don Carroll, Chairman.

The price payable for each Share that may be issued upon vesting of a Performance Right is nil.

The objective of the proposed grant of Performance Rights to Directors and officers of the Company is primarily to link the reward of Performance Rights to Shareholder value creation, and align their interests with those Shareholders and to encourage long the long-term sustainable growth of the Company.

The Performance Rights shall be issued under, and subject to, the terms of the Incentive Scheme.

5.2 Requirement for Shareholder Approval

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

- a director of the company;
- an associate of a director of the company; or
- a person whose relationship with the company or a person referred to in Listing Rule 10.14.1 or 10.14.2 is such that, in ASX's opinion, the acquisition should be approved by its shareholders,

unless it obtains the approval of its shareholders.

Shareholder approval is required under Listing Rule 10.14 in order to issue the Performance Rights under the Incentive Scheme to Don Carroll as a Director of the Company.

If this Resolution is passed, the Company will be able to proceed with the proposed issue of Performance Rights to Don Carroll under the Incentive Scheme.

If this Resolution is not passed, the Company will not be able to proceed with the proposed issue of Performance Rights under the Incentive Scheme and may need to consider other methods (such as cash payments) to remunerate and incentivise Don Carroll.

Pursuant to Listing Rule 7.2 exception 14, as Shareholder approval is being sought under Listing Rule 10.14 approval under Listing Rule 7.1 is not required.

5.3 Section 208 of the Corporations Act

In accordance with Section 208 of the Corporations Act, to give a financial benefit to a related party, the Company must obtain Shareholder approval unless the giving of the financial benefit falls within an exception in Sections 210 to 216 of the Corporations Act.

The Company considers that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue of the Performance Rights to Don Carroll as the exception in section 211 of the Corporations Act applies. The Performance Rights are considered to be reasonable remuneration for the purposes of section 211 of the Corporations Act.

5.4 Section 195(4) Directors Restrictions on Voting

As all the Company's Directors have a material personal interest in the issue of Performance Rights, the Company seeks approval under section 195 of the Corporation Act so that the Shareholders may pass a resolution to deal with this matter.

5.5 Information required by Listing Rule 10.15

For the purpose of Listing Rule 10.15, the following information in relation to the Director's participation in the Incentive Scheme the subject of this Resolution is provided:

(a) *Relationship of the related parties*

The Performance Rights will be issued to Mr Don Carroll (or their nominee), who falls within the category set out in Listing Rule 10.14.1, by virtue of Mr Don Carroll being a Director.

(b) *Type of securities*

The securities issued will be Performance Rights.

(c) *Number of securities that may be acquired by Don Carroll*

Item	Performance Rights (Class 1)	Performance Rights (Class 2)	Performance Rights (Class 3)	Performance Rights (Class 4)	Performance Rights (Class 5)	Performance Rights (Class 6)
Amount of Performance Rights	2,000,000	2,000,000	1,000,000	3,000,000	3,000,000	3,000,000
Vesting conditions	vest at completion of test work and production of pig iron samples meeting expected quality targets within 3 months of shareholder approval	vest at confirmation of mine and plant flow sheet and positive financial model within 6 months of shareholder approval.	vest upon Company entering into Memorandum of Understanding for long term supply of Biomass within 9 months of shareholder approval	vest upon Company entering into Memorandum of Understandings with steel mill customers for part of the Company's estimated production within 12 months of shareholder approval	vest upon Company signing letter of intent with strategic partner to progress a bankable feasibility study within 12 months of shareholder approval.	vest upon Company completing a Bankable Feasibility Study within 24 months of shareholder approval.
Expiry date	1/09/2022	1/12/2022	1/03/2023	1/06/2023	1/06/2023	1/06/2024

(d) *Maximum number of securities that may be acquired by Don Carroll*

The maximum number of securities that may be issued to Don Carroll under the Incentive Scheme in any 12-month period is 20,000,000.

(e) *Price*

The Performance Rights will be issued for nil consideration as part of the Incentive Scheme.

(f) *Summary of Material Terms of the securities*

The Material Terms of the Performance Rights being issued under this Resolution pursuant to the Incentive Scheme, are summarised in Annexure B of this Document.

The Company has chosen to the issue the Performance Rights to the Directors for the following reasons:

- (i) The Performance Rights are unquoted and will not have an immediate dilutionary impact on Shareholders;

- (ii) the issue of the Performance Rights is a reasonable and appropriate method to provide cost effective remuneration as the non-cash form of remuneration allows the Company greater flexibility to use its cash reserves to further advance its projects instead of being allocated for executive remuneration; and
- (iii) the issue of Performance Rights is in line with its strategy that the objectives of its employees are more closely aligned with the interests of the Company and the Shareholders, in addition to attracting, motivating and retaining valuable employees.

The value attributed to the Performance Rights being issued under this Resolution is set out in Annexure D of this Document.

(g) Number of securities previously issued to directors under Incentive Scheme

Mr Carroll was previously issued the following Equity Securities under the Incentive Scheme:

- 6,000,000 Options expiring 20 July 2024 with exercise price \$0.25 per Option;
- 500,000 Performance Rights vest when market cap remains above \$150,000,00 for 14 consecutive trading sessions expiring 20 July 2022 (now cancelled);
- 500,000 Performance Rights vest when market cap remains above \$200,000,00 for 14 consecutive trading sessions expiring 20 July 2023 (now cancelled);
- 500,000 Performance Rights vest at signing of binding off take agreement and strategic equity investment expiring 20 January 2022 (now expired); and
- 500,000 Performance Rights vest after payment received for first 100,000 tonnes of iron ore expiring 20 October 2022 (now cancelled).

The above Equity Securities were issued on 3 August 2021 (and approved by shareholders on 20 July 2021). No consideration was paid for the issue of the above Equity Securities. However, as announced to the market on 11 April 2022, 1,500,000 Performance Rights were cancelled by the Company.

(h) Details of the director's total remuneration package

Mr Carroll's total remuneration package comprises, \$120,000 per annum.

Mr Carroll currently holds 6,000,000 Options issued under the Incentive Scheme as summarised above in 5.5(g).

(i) Names of related parties entitled to participate

Subject to approval of this Resolution, at the date of this meeting, the Director entitled to participate under this Resolution is Don Carroll.

(j) Date by which the Company will issue the securities

If vested, the Company will issue the Performance Rights no later than three years of the date of the meeting.

(k) The terms of the Incentive Scheme

A summary of the terms and conditions of the Incentive Scheme is set out in Annexure C of this Document.

(l) The material terms of any loan that will be made to the person in relation to the acquisition

No loan will be provided to any Director in relation to the issue of the Performance Rights.

(m) Statement under Listing Rule 10.15.11

The Company will:

- (i) publish details of any securities issued under the Incentive Scheme in each annual report relating to a period in which securities have been issued and that approval for such issue was obtained under listing rule 10.14; and
- (ii) ensure that any additional persons who become entitled to participate in the Incentive Scheme following approval of this Resolution will not participate unless approval relating to that person is obtained under Listing Rule 10.14.

5.6 Voting Exclusion Statement

A description of the persons not permitted to vote on this Resolution and whose votes will be disregarded if cast on this Resolution, is set out in the Notice.

6. RESOLUTION 6 - APPROVAL OF ISSUE OF PERFORMANCE RIGHTS TO MATT LATIMORE

6.1 Background

See background in paragraph 4.1 of this Explanatory Statement.

Performance Rights confer an entitlement to be issued one Share subject to the satisfaction of any performance criteria on the terms set out in the Incentive Scheme.

Subject to the approval of Shareholders, the Company proposes to grant a maximum amount of 7,000,000 Performance Rights to Matt Latimore, Non-Executive Director.

The price payable for each Share that may be issued upon vesting of a Performance Right is nil.

The objective of the proposed grant of Performance Rights to Directors and officers of the Company is primarily to link the reward of Performance Rights to Shareholder value creation, and align their interests with those Shareholders and to encourage long the long-term sustainable growth of the Company.

The Performance Rights shall be issued under, and subject to, the terms of the Incentive Scheme.

6.2 Requirement for Shareholder Approval

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

- a director of the company;
- an associate of a director of the company; or
- a person whose relationship with the company or a person referred to in Listing Rule 10.14.1 or 10.14.2 is such that, in ASX's opinion, the acquisition should be approved by its shareholders,

unless it obtains the approval of its shareholders.

Shareholder approval is required under Listing Rule 10.14 in order to issue the Performance Rights under the Incentive Scheme to Matt Latimore as a Director of the Company.

If this Resolution is passed, the Company will be able to proceed with the proposed issue of Performance Rights to Matt Latimore under the Incentive Scheme.

If this Resolution is not passed, the Company will not be able to proceed with the proposed issue of Performance Rights under the Incentive Scheme and may need to consider other methods (such as cash payments) to remunerate and incentivise Matt Latimore.

Pursuant to Listing Rule 7.2 exception 14, as Shareholder approval is being sought under Listing Rule 10.14 approval under Listing Rule 7.1 is not required.

6.3 Section 208 of the Corporations Act

In accordance with Section 208 of the Corporations Act, to give a financial benefit to a related party, the Company must obtain Shareholder approval unless the giving of the financial benefit falls within an exception in Sections 210 to 216 of the Corporations Act.

The Company considers that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue of the Performance Rights to Matt Latimore as the exception in section 211 of the Corporations Act applies. The Performance Rights are considered to be reasonable remuneration for the purposes of section 211 of the Corporations Act.

6.4 Section 195(4) Directors Restrictions on Voting

As all the Company's Directors have a material personal interest in the issue of Performance Rights, the Company seeks approval under section 195 of the Corporation Act so that the Shareholders may pass a resolution to deal with this matter.

6.5 Information required by Listing Rule 10.15

For the purpose of Listing Rule 10.15, the following information in relation to the Director's participation in the Incentive Scheme the subject of this Resolution is provided:

(a) *Relationship of the related parties*

The Performance Rights will be issued to Mr Matt Latimore (or their nominee), who falls within the category set out in Listing Rule 10.14.1, by virtue of Mr Matt Latimore being a Director.

(b) *Type of securities*

The securities issued will be Performance Rights.

(c) *Number of securities that may be acquired by Matt Latimore*

Item	Performance Rights (Class 1)	Performance Rights (Class 2)	Performance Rights (Class 3)	Performance Rights (Class 4)	Performance Rights (Class 5)	Performance Rights (Class 6)
Amount of Performance Rights	500,000	1,000,000	500,000	2,000,000	2,000,000	1,000,000
Vesting conditions	vest at completion of test work and production of pig iron samples meeting expected quality targets within 3 months of shareholder approval	vest at confirmation of mine and plant flow sheet and positive financial model within 6 months of shareholder approval.	vest upon Company entering into Memorandum of Understanding for long term supply of Biomass within 9 months of shareholder approval	vest upon Company entering into Memorandum of Understandings with steel mill customers for part of the Company's estimated production within 12 months of shareholder approval	vest upon Company signing letter of intent with strategic partner to progress a bankable feasibility study within 12 months of shareholder approval.	vest upon Company completing a Bankable Feasibility Study within 24 months of shareholder approval.
Expiry date	1/09/2022	1/12/2022	1/03/2023	1/06/2023	1/06/2023	1/06/2024

(d) *Maximum number of securities that may be acquired by Matt Latimore*

The maximum number of securities that may be issued to Matt Latimore under the Incentive Scheme in any 12-month period is 13,000,000.

(e) *Price*

The Performance Rights will be issued for nil consideration as part of the Incentive Scheme.

(f) *Summary of Material Terms of the securities*

The Material Terms of the Performance Rights being issued under this Resolution pursuant to the Incentive Scheme, which is summarised in Annexure B of this Document.

The Company has chosen to issue the Performance Rights to the Directors for the following reasons:

- (i) The Performance Rights are unquoted and will not have an immediate dilutionary impact on Shareholders;
- (ii) the issue of the Performance Rights is a reasonable and appropriate method to provide cost effective remuneration as the non-cash form of remuneration allows the Company greater flexibility to use its cash reserves to further advance its projects instead of being allocated for executive remuneration; and
- (iii) the issue of Performance Rights is in line with its strategy that the objectives of its employees are more closely aligned with the interests of the Company and the Shareholders, in addition to attracting, motivating and retaining valuable employees.

The value attributed to the Performance Rights being issued under this Resolution is set out in Annexure D of this Document.

(g) *Number of securities previously issued to directors under Incentive Scheme*

Mr Latimore was previously issued the following Equity Securities under the Incentive Scheme:

- 6,000,000 Options expiring 20 July 2024 with exercise price \$0.25 per Option;
- 500,000 Performance Rights vest when market cap remains above \$150,000,00 for 14 consecutive trading sessions expiring 20 July 2022 (now cancelled);
- 500,000 Performance Rights vest when market cap remains above \$200,000,00 for 14 consecutive trading sessions expiring 20 July 2023 (now cancelled);
- 500,000 Performance Rights vest at signing of binding off take agreement and strategic equity investment expiring 20 January 2022 (now expired); and
- 500,000 Performance Rights vest after payment received for first 100,000 tonnes of iron ore expiring 20 October 2022 (now cancelled).

The above Equity Securities were issued on 3 August 2021 (and approved by shareholders on 20 July 2021). No consideration was paid for the issue of the above Equity Securities.

However, as announced to the market on 11 April 2022, 1,500,000 Performance Rights were cancelled by the Company.

(h) *Details of the director's total remuneration package*

Mr Latimore's total remuneration package comprises, \$60,000 per annum.

Mr Latimore currently holds 6,000,000 Options issued under the Incentive Scheme as summarised above in 6.5(g).

(i) *Names of related parties entitled to participate*

Subject to approval of this Resolution, at the date of this meeting, the Director entitled to participate under this Resolution is Matt Latimore.

(j) Date by which the Company will issue the securities

If vested, the Company will issue the Performance Rights no later than three years of the date of the meeting.

(k) The terms of the Incentive Scheme

A summary of the terms and conditions of the Incentive Scheme is set out in Annexure C of this Document.

(l) The material terms of any loan that will be made to the person in relation to the acquisition

No loan will be provided to any Director in relation to the issue of the Performance Rights.

(m) Statement under Listing Rule 10.15.11

The Company will:

- (i) publish details of any securities issued under the Incentive Scheme in each annual report relating to a period in which securities have been issued and that approval for such issue was obtained under listing rule 10.14; and
- (ii) ensure that any additional persons who become entitled to participate in the Incentive Scheme following approval of this Resolution will not participate unless approval relating to that person is obtained under Listing Rule 10.14.

6.6 Voting Exclusion Statement

A description of the persons not permitted to vote on this Resolution and whose votes will be disregarded if cast on this Resolution, is set out in the Notice.

7. RESOLUTION 7 - APPROVAL OF ISSUE OF PERFORMANCE RIGHTS TO JOHN DINAN

7.1 Background

See background in paragraph 4.1 of this Explanatory Statement.

Performance Rights confer an entitlement to be issued one Share subject to the satisfaction of any performance criteria on the terms set out in the Incentive Scheme.

Subject to the approval of Shareholders, the Company proposes to grant a maximum amount of 7,000,000 Performance Rights to John Dinan, Non-Executive Director and Company Secretary.

The price payable for each Share that may be issued upon vesting of a Performance Right is nil.

The objective of the proposed grant of Performance Rights to Directors and officers of the Company is primarily to link the reward of Performance Rights to Shareholder value creation, and align their interests with those Shareholders and to encourage long the long-term sustainable growth of the Company.

The Performance Rights shall be issued under, and subject to, the terms of the Incentive Scheme.

7.2 Requirement for Shareholder Approval

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

- a director of the company;
- an associate of a director of the company; or

- a person whose relationship with the company or a person referred to in Listing Rule 10.14.1 or 10.14.2 is such that, in ASX's opinion, the acquisition should be approved by its shareholders, unless it obtains the approval of its shareholders.

Shareholder approval is required under Listing Rule 10.14 in order to issue the Performance Rights under the Incentive Scheme to John Dinan as a Director of the Company.

If this Resolution is passed, the Company will be able to proceed with the proposed issue of Performance Rights to John Dinan under the Incentive Scheme.

If this Resolution is not passed, the Company will not be able to proceed with the proposed issue of Performance Rights under the Incentive Scheme and may need to consider other methods (such as cash payments) to remunerate and incentivise John Dinan.

Pursuant to Listing Rule 7.2 exception 14, as Shareholder approval is being sought under Listing Rule 10.14 approval under Listing Rule 7.1 is not required.

7.3 Section 208 of the Corporations Act

In accordance with Section 208 of the Corporations Act, to give a financial benefit to a related party, the Company must obtain Shareholder approval unless the giving of the financial benefit falls within an exception in Sections 210 to 216 of the Corporations Act.

The Company considers that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue of the Performance Rights to Matt Latimore as the exception in section 211 of the Corporations Act applies. The Performance Rights are considered to be reasonable remuneration for the purposes of section 211 of the Corporations Act.

7.4 Section 195(4) Directors Restrictions on Voting

As all the Company's Directors have a material personal interest in the issue of Performance Rights, the Company seeks approval under section 195 of the Corporation Act so that the Shareholders may pass a resolution to deal with this matter.

7.5 Information required by Listing Rule 10.15

For the purpose of Listing Rule 10.15, the following information in relation to the Director's participation in the Incentive Scheme the subject of this Resolution is provided:

(a) Relationship of the related parties

The Performance Rights will be issued to Mr John Dinan (or their nominee), who falls within the category set out in Listing Rule 10.14.1, by virtue of Mr John Dinan being a Director.

(b) Type of securities

The securities issued will be Performance Rights.

(c) Number of securities that may be acquired by John Dinan

Item	Performance Rights (Class 1)	Performance Rights (Class 2)	Performance Rights (Class 3)	Performance Rights (Class 4)	Performance Rights (Class 5)	Performance Rights (Class 6)
Amount of Performance Rights	500,000	1,000,000	500,000	1,000,000	2,000,000	2,000,000
Vesting conditions	vest at completion of test work and production of pig iron samples meeting expected quality targets within 3 months of shareholder approval	vest at confirmation of mine and plant flow sheet and positive financial model within 6 months of shareholder approval.	vest upon Company entering into Memorandum of Understanding for long term supply of Biomass within 9 months of shareholder approval	vest upon Company entering into Memorandum of Understandings with steel mill customers for part of the Company's estimated production within 12 months of shareholder approval	vest upon Company signing letter of intent with strategic partner to progress a bankable feasibility study within 12 months of shareholder approval.	vest upon Company completing a Bankable Feasibility Study within 24 months of shareholder approval.
Expiry date	1/09/2022	1/12/2022	1/03/2023	1/06/2023	1/06/2023	1/06/2024

(d) *Maximum number of securities that may be acquired by John Dinan*

The maximum number of securities that may be issued to John Dinan under the Incentive Scheme in any 12-month period is 10,000,000.

(e) *Price*

The Performance Rights will be issued for nil consideration as part of the Incentive Scheme.

(f) *Summary of Material Terms of the securities*

The Material Terms of the Performance Rights being issued under this Resolution pursuant to the Incentive Scheme, which is summarised in Annexure B of this Document.

The Company has chosen to the issue the Performance Rights to the Directors for the following reasons:

- (i) The Performance Rights are unquoted and will not have an immediate dilutionary impact on Shareholders;
- (ii) the issue of the Performance Rights is a reasonable and appropriate method to provide cost effective remuneration as the non-cash form of remuneration allows the Company greater flexibility to use its cash reserves to further advance its projects instead of being allocated for executive remuneration; and
- (iii) the issue of Performance Rights is in line with its strategy that the objectives of its employees are more closely aligned with the interests of the Company and the Shareholders, in addition to attracting, motivating and retaining valuable employees.

The value attributed to the Performance Rights being issued under this Resolution is set out in Annexure D of this Document.

(g) *Number of securities previously issued to directors under Incentive Scheme*

Mr Dinan was previously issued the following Equity Securities under the Incentive Scheme:

- 3,000,000 Options expiring 20 July 2024 with exercise price \$0.25 per Option.

The above Equity Securities were issued on 3 August 2021 (and approved by shareholders on 20 July 2021). No consideration was paid for the issue of the above Equity Securities.

(h) Details of the director's total remuneration package

Mr Dinan's total remuneration package comprises, \$60,000 per annum.

Mr Dinan currently holds 3,000,000 Options issued under the Incentive Scheme as summarised above in 7.5(g).

(i) Names of related parties entitled to participate

Subject to approval of this Resolution, at the date of this meeting, the Director entitled to participate under this Resolution is John Dinan.

(j) Date by which the Company will issue the securities

If vested, the Company will issue the Performance Rights no later than three years of the date of the meeting.

(k) The terms of the Incentive Scheme

A summary of the terms and conditions of the Incentive Scheme is set out in Annexure C of this Document.

(l) The material terms of any loan that will be made to the person in relation to the acquisition

No loan will be provided to any Director in relation to the issue of the Performance Rights.

(m) Statement under Listing Rule 10.15.11

The Company will:

- publish details of any securities issued under the Incentive Scheme in each annual report relating to a period in which securities have been issued and that approval for such issue was obtained under listing rule 10.14; and
- ensure that any additional persons who become entitled to participate in the Incentive Scheme following approval of this Resolution will not participate unless approval relating to that person is obtained under Listing Rule 10.14.

7.6 Voting Exclusion Statement

A description of the persons not permitted to vote on this Resolution and whose votes will be disregarded if cast on this Resolution, is set out in the Notice.

ENQUIRIES

Shareholders are advised to contact John Dinan, the Company Secretary, on +612 8316 3989, if they have any queries in respect of the matters set out in this Document.

GLOSSARY

For the purposes of this Document, the following terms have the meanings prescribed below:

\$	Australian dollars.
AEST	Australian Eastern Standard Time.
Annual General Meeting	means the annual general meeting of Shareholders convened by the Company pursuant to the Corporations Act.
Associate	has the meaning given in Listing Rule 19.12
Associated Company	Any body corporate that is either: (a) a subsidiary of the Company within the meaning of section 46 of the Corporations Act; or (b) a related body corporate of the Company within the meaning of section 50 of the Corporations Act.
ASX	ASX Limited ACN 008 624 691 or the securities exchange market operated by it, as the context requires.
Authorised Nominee	means a person or entity who or that has been nominated by an Eligible Person to be issued with and hold any Security offered or issued under, or otherwise contemplated by, the Plan including the Rules.
Board	the board of directors of the Company as constituted from time to time.
Business Day	a day which is not a Saturday, Sunday, a bank holiday or a public holiday in Sydney, and any other day that ASX declares is not a business day.
Chair	the person chairing the Meeting.
Company or Magnum	Magnum Mining and Exploration Limited ACN 003 170 376.
Constitution	means the constitution of the Company (as amended from time to time).
Corporations Act	the <i>Corporations Act 2001</i> (Cth).
Director	a director of the Company as at the date of this Document.
Document	this document entitled “Notice of Annual Meeting”, including any annexures or schedules to or of this document.
Eligible Person or Eligible Persons	means an employee, Director, officer or other person or entity selected by the Plan Committee to be made an offer to participate in the Plan.
Equity Security or Securities	has the meaning given to that term in chapter 19 of the Listing Rules.
Explanatory Statement	the section entitled “Explanatory Statement” of this Document, forming part of the Notice.
Incentive Scheme or Plan	means the Employee Incentive Scheme which is summarised in Annexure C.

Key Management Personnel	has the meaning given to that term in section 9 of the Corporations Act.
Letter of Offer	means a letter of offer from the Company, or the Plan Committee acting on behalf of the Company, to an Eligible Person or their Authorised Nominee.
Listing Rules	the listing rules of the ASX as amended from time to time.
Meeting	the Annual General Meeting of the Company convened pursuant to in the Notice.
Notice or Notice of Meeting	the notice convening this Meeting as set out in this Document.
Ordinary Resolution	a resolution of Shareholders that is approved by a simple majority of the votes cast by Shareholders present at the Meeting (whether in person or by proxy) and entitled to vote on that resolution.
Options	means the right to acquire a Share in accordance with the terms and conditions of issue of that option.
Participant	means, as is applicable in the context of these Rules the Eligible Person or their Authorised Nominee who or that holds a Security offered or issued under, or otherwise contemplated by, the Letter of Offer and the Plan, including the Rules.
Performance Right	A right to subscribe for or otherwise acquire a Share.
Plan Committee	means the Plan Committee or any other committee of the Board to which power to administer the Plan has been delegated by the Board or if and to the extent that there has been no or insufficient delegation, the Board.
Proxy Form	the 'Appointment of Proxy' form mailed out to all Shareholders. A blank proxy form is attached to this Document.
Related Party	has the meaning given to that term in Listing Rule 19.12.
Resolution	a resolution set out in the Notice.
Restricted Securities	has the meaning given to that term in chapter 19 of the Listing Rules.
Rules	means the provisions of the Incentive Scheme, including any schedule or annexure to it, as varied from time to time.
Security	means for the purposes of the Plan any of: <ul style="list-style-type: none"> (a) an Option; (b) a Share; or (c) a Performance Right, and each of the foregoing will be regards for the purposes of the administration of the Plan as a separate class of Security.
Share	a fully paid ordinary share in the issued share capital of the Company.
Share Registry	Computershare Investor Services Pty Limited ACN 078 279 277

Shareholder	a person recorded on the register of members maintained by the Company pursuant to sections 168 and 169 of the Corporations Act as a holder of one or more Shares.
Sophisticated Investor	a person to whom an offer of the Company's Equity Securities may be made without disclosure in reliance on section 708(8) or section 708(11) of the Corporations Act and that is not already a Related Party of the Company.
Vesting Date	means the date on which an Option or Performance Right is exercisable or converts in accordance with the Plan or is no longer subject to forfeiture following satisfaction of any and all applicable Vesting Conditions.
Vesting Conditions	means the vesting of any Security held by a Participant is subject to the Participant being at all times between the date of issue and the Vesting Date an Eligible Person. The Plan Committee may impose other conditions in the Letter of Offer in its absolute discretion.

INTERPRETATION

In this Notice, headings are for convenience only and do not affect interpretation and except where the context otherwise requires:

- (a) the singular includes the plural and vice versa and a gender includes other genders;
- (b) other grammatical forms of a defined word or expression have a corresponding meaning;
- (c) a reference to a section, paragraph, schedule or annexure is to a section or paragraph of or schedule or annexure to this Notice and a reference to this Notice includes any schedule and annexure;
- (d) a reference to a document or agreement includes the document or agreement as novated, altered, supplemented or replaced from time to time;
- (e) a reference to A\$, \$A, dollar or \$ is to Australian currency;
- (f) a reference to a year (other than a financial year) or a month means a calendar year or calendar month respectively;
- (g) a reference to a party to a document includes the party's executors, administrators, successors and permitted assigns and substitutes;
- (h) a reference to a person includes a natural person, partnership, firm, body corporate, trust, joint venture, association, governmental or local authority or agency or other entity;
- (i) a reference to a statute, ordinance, code or other law includes regulations and other instruments under it and consolidations, amendments, re-enactments or replacements of any of them;
- (j) any authorities, associations, bodies and entities, whether statutory or otherwise, will, in the event of such authority, association, body or entity ceasing to exist or being reconstituted, replaced or the powers or functions thereof being transferred to or taken over by any other authority, association, body or entity, be deemed to refer respectively to the authority, association, body or entity established, constituted or substituted in lieu thereof which exercises substantially the same powers or functions; and
- (k) the meaning of general words is not limited by specific examples introduced by including, for example or similar expressions.



MAGNUM
MINING & EXPLORATION LIMITED

ABN 70 003 170 376

MGU

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030



Need assistance?



Phone:

1300 850 505 (within Australia)
+61 3 9415 4000 (outside Australia)



Online:

www.investorcentre.com/contact



YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **12:00pm (AEST) on Sunday, 29 May 2022.**

Proxy Form

How to Vote on Items of Business

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

APPOINTMENT OF PROXY

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

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

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

A proxy need not be a securityholder of the Company.

SIGNING INSTRUCTIONS FOR POSTAL FORMS

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

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

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

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

PARTICIPATING IN THE MEETING

Corporate Representative

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

Lodge your Proxy Form:

XX

Online:

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

Your secure access information is



Control Number: 999999

SRN/HIN: I9999999999

PIN: 99999

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

By Mail:

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

By Fax:

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



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

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

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

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



I 9999999999

I ND

Proxy Form

Please mark to indicate your directions

Step 1 Appoint a Proxy to Vote on Your Behalf

XX

I/we being a member/s of Magnum Mining and Exploration Limited hereby appoint

the Chair of the Meeting OR

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

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chair of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Magnum Mining and Exploration Limited to be held as a virtual meeting on Tuesday, 31 May 2022 at 12:00pm (AEST) and at any adjournment or postponement of that meeting.

Chair authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chair of the Meeting as my/our proxy (or the Chair becomes my/our proxy by default), I/we expressly authorise the Chair to exercise my/our proxy on Resolutions 1, 4, 5, 6 and 7 (except where I/we have indicated a different voting intention in step 2) even though Resolutions 1, 4, 5, 6 and 7 are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chair.

Important Note: If the Chair of the Meeting is (or becomes) your proxy you can direct the Chair to vote for or against or abstain from voting on Resolutions 1, 4, 5, 6 and 7 by marking the appropriate box in step 2.

Step 2 Items of Business

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

	For	Against	Abstain
1 Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Election of Mr John Dinan as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Election of Mr Matt Latimore as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Approval of issue of Performance Rights to Mr Dano Chan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5 Approval of issue of Performance Rights to Mr Don Carroll	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6 Approval of issue of Performance Rights to Mr Matt Latimore	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7 Approval of issue of Performance Rights to Mr John Dinan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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

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

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

Update your communication details (Optional)

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



ANNEXURE B – TERMS AND CONDITIONS OF PERFORMANCE RIGHTS

1. Rights attaching to 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 Performance Rights

- (a) **(Conversion on achievement of milestone):** Subject to paragraphs (b) to (e) below, Performance Rights vest upon achievement of the following milestones:
 - (i) **(Class 1)** completion of test work and production of pig iron samples meeting expected quality targets within 3 months of shareholder approval;
 - (ii) **(Class 2)** confirmation of mine and plant flow sheet and positive financial model within 6 months of shareholder approval;
 - (iii) **(Class 3)** Company entering into Memorandum of Understanding for long term supply of Biomass within 9 months of shareholder approval;
 - (iv) **(Class 4)** Company entering into Memorandum of Understandings with steel mill customers for part of the Company's estimated production within 12 months of shareholder approval;
 - (v) **(Class 5)** Company signing letter of intent with strategic partner to progress a bankable feasibility study within 12 months of shareholder approval; and
 - (vi) **(Class 6)** Company completing a Bankable Feasibility Study within 24 months of shareholder approval,

(each, a **Milestone**).

- (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 following dates:
 - (i) **(Class 1)** 1 September 2022;
 - (ii) **(Class 2)** 1 December 2022;
 - (iii) **(Class 3)** 1 March 2023;
 - (iv) **(Class 4)** 1 June 2023;
 - (v) **(Class 5)** 1 June 2023; and
 - (vi) **(Class 6)** 1 June 2024,(collectively, **Expiry Dates**).
- (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.

ANNEXURE C – SUMMARY OF EMPLOYEE INCENTIVE SCHEME

A summary of the key terms of the Magnum Mining and Exploration Limited Incentive Plan (**Plan**) is set out below:

1. Principle conditions

No Security may be offered or issued to a person under the Plan unless that person is at the time of the offer and the issue:

- (a) An Eligible Person; or
- (b) An Authorised Nominee; or

the Plan Committee determines otherwise.

2. Eligibility

An Eligible Person means an employee, Director, officer or other person or entity selected by the Plan Committee to be made an offer to participate in the Plan.

An Authorised Nominee means a person or entity who or that:

- (a) has been nominated by an Eligible Person to be issued with and hold any Security offered or issued under, or otherwise contemplated by, the Plan; and
- (b) is controlled by that Eligible Person at all times whilst that person or entity holds any such Security.

3. Purpose

The purpose of the Plan is to:

- (a) provide Eligible Persons with an opportunity to share in the growth in value of the Securities;
- (b) encourage Eligible Persons to improve the performance of the Group and its return to Shareholders and holders of other Securities; and
- (c) enable the Group to retain and attract skilled and experienced Directors, officers, employees and contractors and provide them with the motivation to enhance the success of the Group.

4. Administration

The Plan is administered by the Plan Committee. The Plan Committee has full powers of amendment, interpretation, termination, delegation with respect to the Plan, in accordance with the Rules.

No amendment of the provisions of the Rules may reduce the accrued or vested rights of any participant, unless the amendment is to comply with legal requirements, to correct error, to enable contributions paid by the Company under the Plan to be tax deductible or reduce fringe benefits tax, or for the purpose of enabling favourable tax treatment of participants.

5. Issue of securities

The Plan Committee may from time to time determine that the Company will offer Securities to an Eligible Person or to an Authorised Nominee. The Board or the Plan Committee must give to each Eligible Person or Authorised Nominee, a Letter of Offer and an application form to complete, sign and return to the Company, that includes the following information:

- (a) either:
 - (i) the number of Securities to which the invitation relates; or
 - (ii) the basis on which the number of Securities to which the invitation relates is to be determined;
- (b) in respect of each offered Security that is an Option:
 - (i) the proposed date of issue of that Option;
 - (ii) the exercise price of that Option; and
 - (iii) either:
 - A. the Vesting Date and the expiry date in respect of that Option; or
 - B. the basis on which the Vesting Date and the expiry date of that Option are to be determined
- (c) in respect of each offered Security that is a Performance Right:

- (i) the proposed date of issue of that Performance Right; and
- (ii) either:
 - A. the Vesting Date in respect of the Performance Right; or
 - B. the basis on which the Vesting Date and the expiry date of that Option is to be determined;
- (d) which, if any, Buyback Event will apply to each offered Security;
- (e) whether a holding lock will apply to any Security issued upon the exercise of an Option or the conversion of a Performance Right, and if so:
 - (i) whether during such holding lock the relevant Eligible Person or his or her Authorised Nominee will be able to dispose of a percentage of the Shares, in one or more tranches; and
 - (ii) the period for which that holding lock will apply; and
- (f) any other terms and conditions (including performance conditions where applicable) relating to the grant, exercise of any right of the Participant or the Company attaching to, or the issue of, a Security that, in the opinion of the Plan Committee, are fair and reasonable but not inconsistent with these rules

6. Exercise Price

The exercise price payable upon the exercise of an Option will be such price as is selected by the Board or the Plan Committee. The exercise price must be denominated in Australian dollars, and is payable at the time and in the manner determined by the Plan Committee.

7. Becoming a Participant

On the issue of a Security to an Eligible Person or Authorised Nominee or a legal representative of an Eligible Person or Authorised Nominee, that person becomes a Participant and is bound by the Plan.

8. Certificates

The Company must give a Participant one or more certificates stating, to the extent applicable, the number of Securities issued, the date of grant, the vesting date, the Vesting Conditions, the exercise price, the expiry date, the term of the holding lock (if any), the escrow arrangements (if any), and any other specific terms and conditions applicable.

9. Consideration for Security

The Consideration for a Security comprises the services that expected to be provided by the Eligible Person for the benefit of the Group. Unless otherwise stated, no further monetary or valuable consideration will be payable.

10. Entitlement to underlying Shares

Each Option confers on its holder the entitlement to subscribe for and be issued one fully paid Share at the relevant Exercise Price. Each Performance Right confers on its holder the entitlement to be issued one fully paid ordinary Share for no consideration.

11. No Quotation of Options and Performance Rights

The Company will not apply for the Official Quotation of any Options or Performance Rights.

12. Interest in Shares

A Participant has no interest in a Share the subject of an Option or of a Performance Right, unless and until the Share is issued to that Participant.

13. Vesting Conditions

The vesting of any Option or any Performance Right held by the Participant is subject to the following conditions being satisfied or waived at the discretion of the Plan Committee:

- (a) the Participant must have been, at all times, between and including both the date of grant of an Option or of a Performance Right, and the applicable Vesting Date, either an Eligible Person, an Authorised Nominee or a Legal Personal Representative of one of these people; and

- (b) any other conditions imposed in the Letter of Offer by the Plan Committee.

14. Vesting brought forward

If any Accelerated Vesting Event occurs while a Participant is employed by any member of the Group and before the Vesting Date, all Options or Performance Rights held by that Participant and that had not vested prior to the Accelerated Vesting Event, will immediately vest.

An **Accelerated Vesting Event** is either where an offer is made by a person to acquire all of the Shares that are not owned by the offeror, and after the announcement of that offer, the offeror acquires control of the company; or where a takeover bid or scheme of arrangement is recommended by the Board.

15. Lapsing of Option or Performance Right

An Option will lapse on the commencement of the day immediately after the expiry date.

An Option or Performance Right will also lapse upon either a Participant, or any Eligible Person who nominated that Participant, ceasing to be an employee or a Director, or a Buyback Event occurring in respect of the Participant. This is unless a special circumstance occurs (where a Participant suffers total and permanent disablement or death, is made redundant, or any other circumstances determined at the discretion of the Plan Committee) in relation to that Participant before the Vesting Date.

16. Non-Vesting or Non-Exercise of Options and Performance Rights

If the Vesting Conditions applicable to Options or Performance Rights have not been satisfied before 5 p.m. on the Vesting Date then each of the Options and Performance Rights will be cancelled and of no further force or effect.

17. Exercise of Options and Quotation of Shares

An Option which has not lapsed may be exercised by the Participant giving the Company a signed notice of exercise, the certificate of the Option and payment to the Company of an amount equal to the product of the number of Options being exercised and the exercise price in respect of those Options.

Within 15 Business Days after the notice of exercise, the Company must issue the number of Shares specified, cancel each certificate for the Options, and if applicable issue a new certificate for each of the number of Shares issued and any remaining Options that are the subject of the certificate.

A Participant may only exercise Options in multiples of 1,000 or another multiple the Plan Committee determines, unless the Participant exercise all Options they hold. The Company must apply for Official Quotation of the Shares issued at exercise of the Option. Every Share issued on exercise will rank *pari passu* in all respects with all other Shares previously issued.

18. Issue and Conversion of Performance Rights

Upon a Participant accepting any offer of Performance Rights as set out and in accordance with a Letter of Offer, the Company will grant, for no consideration, that Participant the number of Performance Rights as set out in the Letter of Offer.

Performance Rights will vest on satisfaction of the Vesting Conditions. Each Performance Right will be converted into one share once vested.

19. Dealings with Securities

A Security held by a Participant may not be exercised by any other person. This is unless a Security which has vested is transferred in one of the following ways:

- (a) a transfer following acceptance of an offer made under off-market bid relating to that Security;
- (b) a transfer to a bidder on the sale of the Securities under Division 3 of Part 6A.1 of the Corporations Act;
- (c) a transfer to a 100% holder (as that term is defined in section 665A(1) of the Corporations Act) on the sale of the Securities under Division 2 of Part 6A.2 of the Corporations Act;
- (d) a transfer under Part 6A.3 of the Corporations Act to a person entitled to acquire the Securities under section 661A or section 664A of the Corporations Act;
- (e) a transfer under a creditors' scheme of arrangement relating to the Securities under section 411 of the Corporations Act; or
- (f) a transfer approved by the Plan Committee in circumstances as may be determined by the Plan Committee in its absolute discretion.

20. Buyback Event

Upon the occurrence of a Buyback Event specified in the provision of the applicable Letter of Offer, the Participant must dispose of the Securities as directed by the Company or Plan Committee and otherwise in accordance with the provision of that Letter of Offer.

A **Buyback Event** will mean the occurrence of many different events as specified in the Rules which will include but is not limited to the Holder experiencing an insolvency related event, termination of employment of a Participant by any member of the Group or a takeover bid of the Company by a person that is recommended by the Board.

21. Holding Lock

The Plan Committee may, when making an offer of Securities to an Eligible Person, specify that a holding lock will be applied to the Shares issued as a result of the exercise of any of those Securities. Upon acceptance of an Offer the relevant Eligible Person will be deemed to have agreed to the provisions of a holding lock.

For the duration of the holding lock period all Shares issued under the Plan will not be capable of being disposed of unless the Plan Committee specifies otherwise in the Letter of Offer. The Participant who holds those Shares may not create any security interest in respect of those shares (unless in favour of the Company or agreed to by the Plan Committee) during the holding lock period.

22. New Issues

A Participant is only entitled to participate (in respect of an Option or Performance Right granted under the Plan) in a new issue of Shares to existing Shareholders generally if:

- (a) the Participant has validly exercised his or her Options within the relevant exercise period or the Performance Right has been converted; and
 - (b) become a Shareholder,
- prior to the relevant record date for that new issue.

23. Reconstructions

If prior to exercise of an Option or conversion of a Performance Right there is a reconstruction of the issued capital the Company, then the Option or Performance Right will be reconstructed in a manner consistent with the Listing Rules or as determined by the Board.

24. Rights of Participants

The Rules do not confer any rights that affect the employment contract of an Employee and may not be used to increase damages in an action in respect of termination. Participants will not have any right to attend or vote at meetings of Shareholders.

ANNEXURE D – VALUATION OF PERFORMANCE RIGHTS

PERFORMANCE RIGHTS: The Performance Rights to be issued to the Directors comprising Dano Chan, Don Carroll, Matt Latimore and John Dinan pursuant to Resolutions 4-7 have been valued internally by the Company using an assessment of the risk based probability of the Company achieving the vesting condition prior to their expiry date.

An assessment of the probability of achieving the market performance condition has been applied to derive the valuation of each performance right.

The valuation has been prepared based on the Company's closing price of Shares as at 12 April 2022.

The Performance Rights were ascribed the following values:

Item	PR Class 1	PR Class 2	PR Class 3	PR Class 4	PR Class 5	PR Class 6
Vesting conditions	vest at completion of test work and production of pig iron samples meeting expected quality targets within 3 months of shareholder approval	vest at confirmation of mine and plant flow sheet and positive financial model within 6 months of shareholder approval.	vest upon Company entering into Memorandum of Understanding for long term supply of Biomass within 9 months of shareholder approval	vest upon Company entering into Memorandum of Understandings with steel mill customers for part of the Company's estimated production within 12 months of shareholder approval	vest upon Company signing letter of intent with strategic partner to progress a bankable feasibility study within 12 months of shareholder approval.	vest upon Company completing a Bankable Feasibility Study within 24 months of shareholder approval.
Issue Date	1-Jun-22	1-Jun-22	1-Jun-22	1-Jun-22	1-Jun-22	1-Jun-22
Expiry date	1-Sep-22	1-Dec-22	1-Mar-23	1-Jun-23	1-Jun-23	1-Jun-24
Period (Years)	0.25	0.50	0.75	1.00	1.00	2.00
Stock Price	\$0.087	\$0.087	\$0.087	\$0.087	\$0.087	\$0.087
Exercise price	Nil	Nil	Nil	Nil	Nil	Nil
Value per PR	\$0.06525	\$0.06090	\$0.05655	\$0.05655	\$0.05220	\$0.05220

Director	PR Class	Number of PR Securities	Valuation
Dano Chan	1	3,000,000	\$195,750.00
	2	5,000,000	\$304,500.00
	3	4,000,000	\$226,200.00
	4	4,000,000	\$226,200.00
	5	3,000,000	\$156,600.00
	6	5,000,000	\$261,000.00
Don Carroll	1	2,000,000	\$130,500.00
	2	2,000,000	\$121,800.00
	3	1,000,000	\$56,550.00
	4	3,000,000	\$169,650.00
	5	3,000,000	\$156,600.00
	6	3,000,000	\$156,600.00
Matt Latimore	1	500,000	\$32,625.00
	2	1,000,000	\$60,900.00
	3	500,000	\$28,275.00
	4	2,000,000	\$113,100.00
	5	2,000,000	\$104,400.00
	6	1,000,000	\$52,200.00
John Dinan	1	500,000	\$32,625.00
	2	1,000,000	\$60,900.00
	3	500,000	\$28,275.00
	4	1,000,000	\$56,550.00
	5	2,000,000	\$104,400.00
	6	2,000,000	\$104,400.00
Total		52,000,000	\$2,940,600.00

CORPORATE DIRECTORY

Board of Directors

Mr Dano Chan, Managing Director
Mr Don Carroll, Chairman
Mr John Dinan, Non-Executive Director
Mr Matt Latimore, Non-Executive Director

Company Secretary

Mr John Dinan

Registered Office

Level 11, 52 Phillip Street
Sydney NSW 2000
Australia

Company Website

<https://www.mmel.com.au/site/content/>

Share Registry

Computershare Investor Services Pty Ltd
Yarra Falls, 452 Johnston Street
Abbotsford VIC 3067

Phone: +61 03 9415 5000

International: +61 03 9415 4000



MAGNUM
MINING & EXPLORATION LIMITED

ABN 70 003 170 376

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MGU

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Magnum Mining and Exploration Limited Annual General Meeting

The Magnum Mining and Exploration Limited Annual General Meeting will be held on Tuesday, 31 May 2022 at 12:00pm (AEST). You are encouraged to participate in the meeting using the following options:



MAKE YOUR VOTE COUNT

To lodge a proxy, access the Notice of Meeting and other meeting documentation visit www.investorvote.com.au and use the below information:



Control Number: 999999

SRN/HIN: I9999999999

PIN: 99999

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

For your proxy appointment to be effective it must be received by 12:00pm (AEST) Sunday, 29 May 2022.



ATTENDING THE MEETING VIRTUALLY

To watch the webcast, ask questions and vote on the day of the meeting, please visit: <https://meetnow.global/MF7JK2G>

For instructions refer to the online user guide www.computershare.com.au/virtualmeetingguide

You may elect to receive meeting-related documents, or request a particular one, in electronic or physical form and may elect not to receive annual reports. To do so, contact Computershare on 1300 850 505 (within Australia), +61 3 9415 4000 (outside Australia) or online at www.investorcentre.com/contact