



NOTICE OF GENERAL MEETING

EXPLANATORY STATEMENT

AND PROXY FORM

GENERAL MEETING OF ADX ENERGY LTD

**TO BE HELD AT
BDO
LEVEL 9, MIA YELLAGONGA TOWER 2
5 SPRING STREET
PERTH, WESTERN AUSTRALIA**

**THURSDAY 28 SEPTEMBER 2023
COMMENCING AT 10:00 AM (WST)**

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

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 8 9381 4266

ADX Energy Ltd
ABN 50 009 058 646
29 Bay Road, Claremont WA 6010
Phone: +61 8 9381 4266 Email: admin@adxenergy.com.au

NOTICE OF GENERAL MEETING

**Notice is given that the General Meeting of ADX Energy Ltd will be held at
BDO, Level 9, Mia Yellagonga Tower 2, 5 Spring Street, Perth, Western Australia
Thursday 28 September 2023 at 10:00 am (WST)**

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IMPORTANT INFORMATION

Your Vote is Important

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

How to Vote

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

Voting eligibility

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 5.00pm (WST) on Tuesday, 26 September 2023.

Voting in Person

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

Voting by Proxy

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

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

- each member has a right to appoint a proxy;
- the proxy need not be a member of the Company; and
- a member who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints 2 proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

Your proxy form is enclosed.

Sections 250BB and 250BC of the Corporations Act came into effect on 1 August 2011 and apply to voting by proxy on or after that date. Shareholders and their proxies should be aware of these changes to the Corporations Act, as they apply to this General Meeting. Broadly, the sections mean that:

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

Further details are set out below.

Proxy vote if appointment specifies way to vote

Section 250BB(1) of the Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, **if it does:**

- the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (i.e. as directed); and
- if the proxy has 2 or more appointments that specify different ways to vote on the resolution – the proxy must not vote on a show of hands; and
- if the proxy is the chair of the meeting at which the resolution is voted on – the proxy must vote on a poll, and must vote that way (i.e. as directed); and
- if the proxy is not the chair – the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (i.e. as directed).

Transfer of non-chair proxy to chair in certain circumstances

Section 250BC of the Corporations Act provides that, if:

- an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's members; and
- the appointed proxy is not the chair of the meeting; and
- at the meeting, a poll is duly demanded on the question that the resolution be passed; and
- either of the following applies:
 - the proxy is not recorded as attending the meeting;
 - the proxy does not vote on the resolution,

the chair of the meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the meeting.

**BUSINESS OF THE MEETING
AGENDA**

ORDINARY BUSINESS

1. Resolution 1 – Ratification of Loan Note Options

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

"That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the previous issue on 11 July 2023 of 81,500,000 Options on the basis set out in the Explanatory Statement."

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

2. Resolution 2 – Consolidation of Capital

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

"That, pursuant to section 254H of the Corporations Act and for all other purposes, the issued capital of the Company be consolidated on the basis that:

(a) every 10 Shares be consolidated into one (1) Share; and

(b) every 10 Options be consolidated into one (1) Option,

and, where this Consolidation results in a fraction of a Security being held, the Company be authorised to round that fraction up to the nearest whole number."

3. Resolution 3 – Adoption of Employee Incentive Plan

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

"That, for the purposes of ASX Listing Rule 7.2 (Exception 13(b)) and for all other purposes, approval is given for the Company to adopt an employee incentive scheme titled Employee Incentive Plan and for the issue of a maximum of 360,000,000 Securities (on a pre-Consolidation basis) under that Plan, on the terms and conditions set out in the Explanatory Statement."

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

4. General

To transact any other business as may be brought before the meeting in accordance with the Constitution of the Company, the Corporations Act, or otherwise.

BY ORDER OF THE BOARD



**AMANDA SPARKS
COMPANY SECRETARY
29 August 2023**

Voting Prohibition Statements

<p>Resolution 3 – Adoption of Employee Incentive Plan</p>	<p>A person appointed as a proxy must not vote on the basis of that appointment, on these Resolutions if:</p> <ul style="list-style-type: none"> (a) the proxy is either: <ul style="list-style-type: none"> (i) a member of the Key Management Personnel; or (ii) a Closely Related Party of such a member; and (b) the appointment does not specify the way the proxy is to vote on these Resolutions. <p>However, the above prohibition does not apply if:</p> <ul style="list-style-type: none"> (a) the proxy is the Chair; and (b) the appointment expressly authorises the Chair to exercise the proxy even though these Resolutions are connected directly or indirectly with remuneration of a member of the Key Management Personnel.
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Voting Exclusion Statements

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

<p>Resolution 1 – Ratification of Loan Note Option</p>	<p>A person who participated in the issue or is a counterparty to the agreement being approved or an associate of that person or those persons.</p>
<p>Resolution 3 – Adoption of Employee Incentive Plan</p>	<p>A person is eligible to participate in the employee incentive scheme or an associate of that person or those persons.</p>

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

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

ADX Energy Ltd
EXPLANATORY STATEMENT

This Explanatory Statement and all attachments are important documents. They should be read carefully.

If you have any questions regarding the matters set out in this Explanatory Statement or the preceding Notice, please contact the Company, your stockbroker or other professional adviser.

1. RESOLUTION 1 – RATIFICATION OF OPTIONS

1.1 Background

On 11 July 2023, ADX announced it had secured A\$1.5 million in loan note funding for the ongoing pre-investment in equipment and services to drill up to 4 wells, as well as engineering and services for the installation of a permanent production facility to replace an early production unit currently in operation at the Anshof-3 production well.

A total of 30 loan notes of A\$ 50,000 each totalling A\$ 1.5 million (**Loan Notes**) were issued to a small number of supportive existing Shareholders and other new sophisticated and professional investors. The key terms of the Loan Note agreements are summarised as follows:

	Loan Note A	Loan Note B	Total Loan Notes
Face Value of Each Loan Note	\$50,000	\$50,000	\$50,000
Number of Loan Notes Issued	20	10	30
Total Loans aggregate amount	\$1,000,000	\$500,000	\$1,500,000
Loan Term	18 Months (11 January 2025)	18 Months (11 January 2025)	18 Months (11 January 2025)
Interest Rate per annum (payable quarterly in arrears)	8%	12%	8-12%
Free Attaching Unlisted Options with an Exercise Price of \$0.01, expiring 11 January 2025 – Per Loan Note	1,500,000 per Loan Note (30,000,000 in Total)	-	30,000,000 in Total
Free Attaching Unlisted Options with an Exercise Price of \$0.014, expiring 11 January 2025	1,500,000 per Loan Note (30,000,000 in Total)	2,150,000 per Loan Note (21,500,000 in Total)	51,500,000 in Total
	TOTAL OPTIONS		81,500,000

A total of 81,500,000 free attaching Options were issued with the Loan Notes (**Loan Note Options**). The Loan Note Options comprise:

- 30,000,000 unlisted Options exercisable at \$0.01 each with an expiry date of 11 January 2025; and
- 51,500,000 unlisted Options exercisable at \$0.014 each with an expiry date of 11 January 2025.

The Loan Note Options were issued pursuant to the Company's capacity under ASX Listing Rule 7.1.

Resolution 1 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of the Loan Note Options.

1.2 Listing Rule 7.1

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

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

1.3 Listing Rules 7.4

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

The Company wishes to retain as much flexibility as possible to issue additional equity securities in the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1. Accordingly, the Company is seeking Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Loan Note Options.

Resolution 1 seeks Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Loan Note Options.

1.4 Technical information required by Listing Rule 14.1A

If Resolution 1 is passed, the Loan Note Options will be excluded in calculating the Company's combined 25% limit in ASX Listing Rules 7.1 and 7.1A, effectively increasing the number of equity securities the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Loan Note Options.

If Resolution 1 is not passed, the Loan Note Options will be included in calculating the Company's combined 25% limit in ASX Listing Rules 7.1 and 7.1A, effectively decreasing the number of equity securities the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Loan Note Options.

1.5 Technical information required by ASX Listing Rule 7.5

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

- (a) the Loan Note Options were issued to professional and sophisticated investors who provided Loan Note funding. The recipients were identified through a bookbuild process, which involved the Directors seeking expressions of interest from existing Shareholders and other non-existing Shareholders to participate in the loan note funding from non-related parties of the Company. None of the recipients were related parties of the Company;
- (b) in accordance with paragraph 7.4 of ASX Guidance Note 21, the Company confirms that none of the recipients were:
 - (i) related parties of the Company, members of the Company's Key Management Personnel, substantial holders of the Company, advisers of the Company or an associate of any of these parties; and
 - (ii) issued more than 1% of the current issued capital of the Company;
- (c) the Loan Note Options were issued pursuant to ASX Listing Rule 7.1 (ratification of which is sought under Resolution 1);

- (d) the issue price of the Loan Note Options was nil. The Loan Note Options are free attaching options to the Loan Notes, on the basis set out in section 1.1. The Company has not and will not receive any other consideration for the issue of Loan Note Options (other than in respect of funds received on exercise of the Loan Note Options);
- (e) the purpose of the issue of the Loan Note Options was to satisfy the Company's obligations under the Loan Note agreements;
- (f) 30,000,000 unlisted Options are exercisable at \$0.01 each with an expiry date of 11 January 2025; and 51,500,000 unlisted Options are exercisable at \$0.014 each with an expiry date of 11 January 2025. The terms and conditions of the Loan Note Options are set out in Schedule 1A & 1B;
- (g) upon conversion of the Loan Note Options, a maximum of 81,500,000 fully paid Shares will be issued;
- (h) the Loan Note Options were issued on 11 July 2023;
- (i) the Loan Note Options were issued under the Loan Note agreements. A summary of the material terms of the Loan Note agreements are set out in section 1.1; and
- (j) a voting exclusion statement is included in Resolution 1 of this Notice.

2. RESOLUTION 2 – CONSOLIDATION OF CAPITAL

2.1 Background

Resolution 2 seeks Shareholder approval to consolidate the Company's issued capital on the basis that:

- (a) every 10 Shares be consolidated into one (1) Share (subject to rounding); and
- (b) every 10 Options be consolidated into one (1) Option (subject to rounding),

(the **Consolidation**).

2.2 Legal requirements

Section 254H of the Corporations Act provides that a company may, by resolution passed in a general meeting, convert all or any of its shares into a larger or smaller number.

2.3 Listing Rule 7.21

Listing Rule 7.21 provides that an entity which has convertible securities (except options) on issue may only reorganise its capital if, in respect of the convertible securities, the number of securities or the conversion price, or both, is reorganised so that the holder of the convertible securities will not receive a benefit that holders of ordinary securities do not receive. There are currently no convertible securities to which Listing Rule 7.21 applies.

2.4 Fractional entitlements

Not all security holders will hold that number of Securities which can be evenly divided by 10. Fractional entitlements will be rounded up to the nearest whole number.

2.5 Taxation

It is not considered that any taxation implications will exist for security holders arising from the Consolidation. However, security holders are advised to seek their own tax advice on the effect of the Consolidation and neither the Company, nor its advisers, accept any responsibility for the individual taxation implications arising from the Consolidation.

2.6 Holding statements

From the date two Business Days after the Effective Date (as set out in the timetable in Section 2.8 below), all holding statements for Securities will cease to have any effect, except as evidence of entitlement to a certain number of Securities on a post-Consolidation basis.

After the Consolidation becomes effective, the Company will arrange for new holding statements for Securities to be issued to holders of those Securities. It is the responsibility of each security holder to check the number of Securities held prior to disposal or exercise (as the case may be).

2.7 Effect on capital structure

The effect which the Consolidation will have on the Company's capital structure is set out in the table below.

	Shares	Unlisted Options ¹
Pre-Consolidation	3,621,367,519	432,107,373
Post Consolidation (Resolution 2) ^{2,3}	362,136,752	43,210,737

Notes:

1. The terms of these Options are set out in the table below.
2. Assumes no Options are exercised prior to the completion of the Consolidation.
3. Subject to rounding.

The effect the Consolidation will have on the terms of the Options is as set out in the tables below:

Options – pre-Consolidation

Terms	Number
Unquoted Options exercisable at \$0.015 each on or before 26 November 2023	67,500,020
Unquoted Options exercisable at \$0.013 each on or before 10 August 2024	231,750,000
Unquoted Options exercisable at \$0.01 each on or before 11 January 2025	30,000,000
Unquoted Options exercisable at \$0.014 each on or before 11 January 2025	51,500,000
Unquoted Options with nil exercise price exercisable on or before 31 July 2024	6,078,125
Unquoted Options with nil exercise price exercisable on or before 31 October 2024	5,116,071
Unquoted Options with nil exercise price exercisable on or before 31 January 2025	7,250,000
Unquoted Options with nil exercise price exercisable on or before 31 May 2025	3,145,833
Unquoted Options with nil exercise price exercisable on or before 31 July 2025	2,456,250
Unquoted Options with nil exercise price exercisable on or before 31 October 2025	3,294,642
Unquoted Options with nil exercise price exercisable on or before 31 January 2026	1,857,954
Unquoted Options with nil exercise price exercisable on or before 31 May 2026	3,117,187
Unquoted Options with nil exercise price exercisable on or before 31 July 2026	2,695,312
Unquoted Options with nil exercise price exercisable on or before 31 October 2026	3,803,571
Unquoted Options with nil exercise price exercisable on or before 31 January 2027	2,839,285
Unquoted Options with nil exercise price exercisable on or before 31 May 2027	4,707,588
Unquoted Options with nil exercise price exercisable on or before 31 July 2027	4,995,535
Total	432,107,373

Options – post-Consolidation

Terms	Number
Unquoted Options exercisable at \$0.15 each on or before 26 November 2023	6,750,002
Unquoted Options exercisable at \$0.13 each on or before 10 August 2024	23,175,000
Unquoted Options exercisable at \$0.10 each on or before 11 January 2025	3,000,000
Unquoted Options exercisable at \$0.14 each on or before 11 January 2025	5,150,000
Unquoted Options with nil exercise price exercisable on or before 31 July 2024	607,813
Unquoted Options with nil exercise price exercisable on or before 31 October 2024	511,607
Unquoted Options with nil exercise price exercisable on or before 31 January 2025	725,000
Unquoted Options with nil exercise price exercisable on or before 31 May 2025	314,583
Unquoted Options with nil exercise price exercisable on or before 31 July 2025	245,625
Unquoted Options with nil exercise price exercisable on or before 31 October 2025	329,464
Unquoted Options with nil exercise price exercisable on or before 31 January 2026	185,795
Unquoted Options with nil exercise price exercisable on or before 31 May 2026	311,719
Unquoted Options with nil exercise price exercisable on or before 31 July 2026	269,531
Unquoted Options with nil exercise price exercisable on or before 31 October 2026	380,357
Unquoted Options with nil exercise price exercisable on or before 31 January 2027	283,929
Unquoted Options with nil exercise price exercisable on or before 31 May 2027	470,759
Unquoted Options with nil exercise price exercisable on or before 31 July 2027	499,554
Total	43,210,737

2.8 Indicative timetable*

If Resolution 2 is passed, the Consolidation will take effect in accordance with the following timetable (as set out in Appendix 7A (paragraph 7) of the Listing Rules):

Action	Date
Despatch of Notice of Meeting	Tuesday, 29 August 2023
General Meeting	Thursday, 28 September 2023
Company notifies ASX that Shareholders have approved Consolidation	Thursday, 28 September 2023
Effective date	Thursday, 28 September 2023
Last day for pre-Consolidated trading	Friday, 29 September 2023
Post-Consolidated trading starts on a deferred basis	Monday, 2 October 2023
Record Date Last day for Company to register transfers on a pre-Consolidation basis	Tuesday, 3 October 2023
First day for Company to register securities on a post- Consolidation basis and first day for sending of Holding Statements	Wednesday, 4 October 2023
Change of details of holdings date. Deferred settlement market ends	Monday, 9 October 2023
Last day for securities to be entered into holders Security holdings	Monday, 9 October 2023
Last day for the Company to send notice for each holder of the change in their details of holdings	Monday, 9 October 2023

3. RESOLUTION 3 – ADOPTION OF EMPLOYEE INCENTIVE PLAN

3.1 General

Resolution 3 seeks Shareholder approval for the adoption of the employee incentive scheme titled Employee Incentive Plan (**Plan**) and to enable the Company to issue Securities under the Plan, in accordance with ASX Listing Rule 7.2 (Exception 13(b)) and for the issue of up to a maximum of 360,000,000 Securities (on a pre-Consolidation basis), excluding issues approved by Shareholders under Listing Rule 10.14 or Listing Rule 10.11, under the Incentive Plan in accordance with Listing Rule 7.2 (Exception 13(b)).

The objective of the Plan is to attract, motivate and retain key employees and it is considered by the Company that the adoption of the Plan and the future issue of Securities under the Plan will provide selected employees with the opportunity to participate in the future growth of the Company.

3.2 Listing Rule 7.1 and Listing Rule 7.2 Exception 13(b)

As summarised in Section 1.2 above, and subject to a number of exceptions set out in Listing Rule 7.2, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary shares it had on issue at the start of that period.

Listing Rule 7.2 (Exception 13(b)) provides that Listing Rule 7.1 does not apply to an issue of securities under an employee incentive scheme if, within three years before the date of issue of the securities, the holders of the entity's ordinary securities have approved the issue of equity securities under the scheme as exception to Listing Rule 7.1.

Exception 13(b) is only available if and to the extent that the number of equity securities issued under the scheme does not exceed the maximum number set out in the entity's notice of meeting dispatched to shareholders in respect of the meeting at which shareholder approval was obtained pursuant to Listing Rule 7.2 (Exception 13(b)). Exception 13(b) also ceases to be available if there is a material change to the terms of the scheme from those set out in the notice of meeting.

If Resolution 3 is passed, the Company will be able to issue Securities under the Plan to eligible participants over a period of 3 years. The issue of any Securities to eligible participants under the Plan (up to the maximum number of Securities stated in Section 3.3 below) will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

For the avoidance of doubt, the Company must seek Shareholder approval under Listing Rule 10.14 in respect of any future issues of Securities under the Plan to a related party or a person whose relationship with the company or the related party is, in ASX's opinion, such that approval should be obtained.

If Resolution 3 is not passed, the Company will be able to proceed with the issue of Securities under the Plan to eligible participants, but any issues of Securities will reduce, to that extent, the Company's capacity to issue equity securities without Shareholder approval under Listing Rule 7.1 for the 12 month period following the issue of the Securities.

3.3 Technical information required by Listing Rule 7.2 (Exception 13)

Pursuant to and in accordance with Listing Rule 7.2 (Exception 13), the following information is provided in relation to Resolution 3:

- a summary of the key terms and conditions of the Plan is set out in Schedule 2. In addition, a copy of the Plan is available for review by Shareholders at the registered office of the Company until the date of the Meeting. A copy of the Plan can also be sent to Shareholders upon request to the Company Secretary. Shareholders are invited to contact the Company if they have any queries or concerns;
- the Company has issued 51,098,397 Options and 112,366,012 Performance Rights under the Plan since the plan was last approved by Shareholders on 28 May 2021. Shareholders should note that the new

Plan replaces the old Performance Rights and Option Plan and accordingly, it is the first time approval is sought under Listing Rule 7.2 exception 13;

- the Company is seeking Shareholder approval to adopt the Plan to include the new terms and conditions required by Division 1A of Part 7.12 of the Corporations Act, which replaced the previous relief provided by ASIC Class Order 14/1000 (Employee Incentive Scheme); and
- the maximum number of Securities proposed to be issued under the Plan, following Shareholder approval, is 36,000,000 Securities (being approximately 10% of the Company's current issued capital based on a post-Consolidation basis assuming Resolution 2 is approved, or 360,000,000 Securities on a pre-Consolidation basis). It is not envisaged that the maximum number of Securities for which approval is sought will be issued immediately, and at this stage the Company does not intend to issue that quantum of Securities.

RECOMMENDATIONS

The Board believes that the Resolutions to be proposed at the Company's General Meeting are in the best interests of the Company and (except where otherwise stated) unanimously recommends that Shareholders vote in favour of each Resolution.

ENQUIRIES

Shareholders are invited to contact the Company Secretary, Amanda Sparks, on (08) 9381 4266 if they have any queries in respect of the matters set out in these documents.

GLOSSARY

\$ means Australian dollars.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the Australian Securities Exchange, as the context requires.

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

Board means the current board of directors of the Company

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

Chair means the chair of the Meeting.

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

a spouse or child of the member;

a child of the member's spouse;

a dependent of the member or the member's spouse;

anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;

a company the member controls; or

a person prescribed by the *Corporations Regulations 2001 (Cth)*.

Company means ADX Energy Ltd (ABN 50 009 058 646).

Constitution means the Company's constitution.

Corporations Act means the Corporations Act 2001 (Cth).

Directors means the current directors of the Company.

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

ESS Regime means Division 1A of Part 7.12 of the Corporations Act which came into effect on 1 October 2022.

Explanatory Statement means the explanatory statement accompanying the Notice.

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

Key Management Personnel has the same meaning as in the accounting standards and broadly includes those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any director (whether executive or otherwise) of the Company.

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

Option means an option which enables the holder to subscribe for one Share.

Ordinary Securities has the meaning set out in the ASX Listing Rules.

Proxy Form means the proxy form accompanying the Notice.

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

Section means a Section of the Explanatory Statement.

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

Shareholder means a holder of a Share.

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

SCHEDULE 1A –TERMS OF THE LOAN NOTE OPTIONS WITH EXERCISE PRICE OF \$0.01

1. The Options are exercisable at a price of AUD 0.01 each and expire 11 January 2025. Each Option entitles the holder to subscribe for one fully paid ordinary share in ADX Energy Ltd (**Share**).
2. The holder may exercise any part of the Options without prejudice to the holder's ability to subsequently exercise any remaining Options.
3. All Shares issued upon exercise of the Options will rank equally in all respects with the then issued Shares, and ADX will, within seven (7) days, apply for official quotation by the ASX of all Shares issued upon the exercise of the Options.
4. There are no participating rights or entitlements conferred on the Options and the holder will not be entitled to participate with respect to the Options in new issues offered to shareholders of ADX during their currency without exercising the Options. However, ADX will ensure that for the purposes of determining entitlements to any such issue, the relevant record date will be at least seven Business Days after the relevant issue is announced and the holder is notified at that time. This will give the holder the opportunity to exercise the Options prior to the date for determining entitlements and to participate in any such issue as a shareholder.
5. In the event of any reorganisation of capital of ADX prior to the expiry date for exercise of the Options, the number of Options to which the holder is entitled or the exercise price of the Options or both shall be changed to comply with the ASX Listing Rules applying to a reorganisation of capital at the time of reorganisation.
6. The number of Options held will appear on an option holder statement which will be accompanied by a Notice of Exercise of Options that is to be completed when exercising Options.
7. The Options are exercised by completing the Notice of Exercise of Options form and forwarding it to ADX with the exercise price payable to ADX. An Optionholder may elect to use the offset facility provided for by this clause (Offset Facility). The Offset Facility entitles an Optionholder to set-off the Exercise Price against an equivalent value of the Optionholder's Principal Amount of Loan Notes owed by ADX.

ADX shall within seven days after the receipt of such Notice, issue Shares in respect of the Options exercised and dispatch a shareholder statement to the holder.

8. The Options are transferable upon ADX approval.
9. The Options will not be quoted on the ASX. Notwithstanding any other term of these Terms of Options, if any term of these Terms of Options is or becomes non-compliant with the ASX Listing Rules, that term will be taken to be varied or deleted (as required) so that it is compliant with the ASX Listing Rules.

SCHEDULE 1B – TERMS OF THE LOAN NOTE OPTIONS WITH EXERCISE PRICE OF \$0.014

1. The Options are exercisable at a price of AUD 0.014 each and expire 11 January 2025. Each Option entitles the holder to subscribe for one fully paid ordinary share in ADX Energy Ltd (**Share**).
2. The holder may exercise any part of the Options without prejudice to the holder's ability to subsequently exercise any remaining Options.
3. All Shares issued upon exercise of the Options will rank equally in all respects with the then issued Shares, and ADX will, within seven (7) days, apply for official quotation by the ASX of all Shares issued upon the exercise of the Options.
4. There are no participating rights or entitlements conferred on the Options and the holder will not be entitled to participate with respect to the Options in new issues offered to shareholders of ADX during their currency without exercising the Options. However, ADX will ensure that for the purposes of determining entitlements to any such issue, the relevant record date will be at least seven Business Days after the relevant issue is announced and the holder is notified at that time. This will give the holder the opportunity to exercise the Options prior to the date for determining entitlements and to participate in any such issue as a shareholder.
5. In the event of any reorganisation of capital of ADX prior to the expiry date for exercise of the Options, the number of Options to which the holder is entitled or the exercise price of the Options or both shall be changed to comply with the ASX Listing Rules applying to a reorganisation of capital at the time of reorganisation.
6. The number of Options held will appear on an option holder statement which will be accompanied by a Notice of Exercise of Options that is to be completed when exercising Options.
7. The Options are exercised by completing the Notice of Exercise of Options form and forwarding it to ADX with the exercise price payable to ADX. An Optionholder may elect to use the offset facility provided for by this clause (Offset Facility). The Offset Facility entitles an Optionholder to set-off the Exercise Price against an equivalent value of the Optionholder's Principal Amount of Loan Notes owed by ADX.

ADX shall within seven days after the receipt of such Notice, issue Shares in respect of the Options exercised and dispatch a shareholder statement to the holder.
8. The Options are transferable upon ADX approval.
9. The Options will not be quoted on the ASX. Notwithstanding any other term of these Terms of Options, if any term of these Terms of Options is or becomes non-compliant with the ASX Listing Rules, that term will be taken to be varied or deleted (as required) so that it is compliant with the ASX Listing Rules.

SCHEDULE 2 – KEY TERMS AND CONDITIONS EMPLOYEE INCENTIVE SECURITIES PLAN

Outlined below is a summary of the key terms of the Company's Employee Incentive Plan.

- (a) **Eligibility:** Eligible Participants include Directors (both executive and non-executive), full time and part time employees and casual employees and contractors of the Company (or any 'primary participant', as that term is defined in the ESS Regime) in relation to the Company or an Associated Body Corporate. Subject to the Board's consent, an Eligible Participant may nominate another person to participate in the Plan in their place.
- (b) **Administration of Plan:** The Board is responsible for the operation of the Plan and has a broad discretion to determine which Eligible Employees will be offered Awards under the Plan.
- (c) **Invitation:** The Board may issue an invitation to an Eligible Participant to participate in the Plan (**Invitation**). The Invitation will specify:
 - (i) the number and type of Awards (being Options, Performance Rights and/or incentive Shares) specified in the Invitation;
 - (ii) any vesting conditions, performance hurdles, performance period, exercise conditions and/or restriction conditions attaching to the Awards;
 - (iii) the issue price or exercise price of the Awards (as applicable);
 - (iv) an acceptance period;
 - (v) any other terms and conditions attaching to the Awards; and
 - (vi) any other information required by the Corporations Act, the Listing Rules or any law to be included in the invitation.
- (d) **Issue and exercise price:**
 - (i) Options shall be issued for nil cash consideration, and the Board may determine the exercise price in its absolute discretion (including whether to offer the Eligible Participant a cashless exercise facility which will entitle the Eligible Participant to set-off the exercise price against the number of Shares which the Eligible Participant is entitled to receive upon exercise of the Eligible Participant's Options));
 - (ii) Performance Rights shall be issued for nil cash consideration, and Shares issued upon the conversion of Performance Rights shall be issued for nil cash consideration;
 - (iii) The Board shall determine the issue price of any Shares issued under the Plan, which may be nil.
 - (iv) A cashless exercise facility will be offered.
- (e) **Quotation on ASX:** The Company will apply for Shares issued under the Plan and upon the exercise of Options and Performance Rights to be admitted to trading on ASX upon issue of the Share. Quotation will be subject to the ASX Listing Rules and any holding lock applying to the Shares. Options and Performance Rights issued under the Plan shall not be quoted.
- (f) **Rights attaching to Shares:** Each Share issued under the Plan or on the exercise of an Award shall be issued on the same terms and conditions as the Company's issued Shares (other than in respect of transfer restrictions imposed by the Plan) and it will rank equally with all other issued Shares from the issue date except for entitlements which have a record date before the issue date. The holder of a Share issued under the Plan shall be entitled to receive notice of, and attend and vote at, shareholder meetings, and to receive any dividends declared by the Company.
- (g) **Rights attaching to Options and Performance Rights:** Subject to the terms of the Plan, the Board may determine the rights attaching the Options and Performance Rights issued under the Plan. The holder of an

Option or Performance Right issued under the Plan shall not be entitled to receive notice of, and attend and vote at, shareholder meetings, nor to receive any dividends declared by the Company.

(h) **Restriction Conditions:** Shares may be subject to restriction conditions (such as a period of employment or a performance hurdle) which must be satisfied before the Shares can be sold, transferred, or encumbered (**Restriction Condition**). The Board may waive Restriction Conditions in its absolute discretion, including where a holder dies or is a good leaver. The Company is authorised to impose a holding lock on the Shares to implement these restrictions.

(i) **Ceasing to be an Eligible Participant:** If an Eligible Participant becomes a Leaver before a Vesting Condition has been satisfied, subject to Board discretion, all or such other number of the Participant's unvested Convertible Securities (based on the extent to which the Vesting Condition has been satisfied) continue "on-foot" and will be tested upon satisfaction of the Vesting Condition, vesting only to the extent that the Vesting Condition has been satisfied. Alternatively, the Board can modify the Vesting Conditions or determine that unvested Convertible Securities lapse.

Where the Board determines fraudulent or dishonest activities, the Board may in its discretion deem some or all Convertible Securities held by that Participant to have been forfeited.

(j) **Power of Attorney:** The holder irrevocably appoints each of the Company and each director of the Company severally as his or her attorney to do all things necessary to give effect to the buy back or sale of the holder's Shares in accordance with the Plan.

(k) **Change of control events:** Notwithstanding any other provisions of the Rules, if a Change of Control Event occurs, or the Board determines that such an event is likely to occur, the Board may in its discretion determine the manner in which any or all of the Participant's Convertible Securities will be dealt with, including, without limitation, in a manner that allows the Participant to participate in and/or benefit from any transaction arising from or in connection with the Change of Control Event.



ADX Energy Ltd
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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 **10:00am (AWST) on Tuesday, 26 September 2023.**

Proxy Form

How to Vote on Items of Business

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

APPOINTMENT OF PROXY

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

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

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

A proxy need not be a securityholder of the Company.

SIGNING INSTRUCTIONS FOR POSTAL FORMS

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

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

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

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

PARTICIPATING IN THE MEETING

Corporate Representative

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

Lodge your Proxy Form:

XX

Online:

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

Your secure access information is



Control Number: 999999

PIN: 99999

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

By Mail:

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

By Fax:

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



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

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

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



I N D

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 ADX Energy Ltd hereby appoint

the Chairman of the Meeting OR

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

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the General Meeting of ADX Energy Ltd to be held at BDO, Level 9, Mia Yellagonga Tower 2, 5 Spring Street, Perth, WA 6000 on Thursday, 28 September 2023 at 10:00am (AWST) and at any adjournment or postponement of that meeting.

Chairman authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Resolution 3 (except where I/we have indicated a different voting intention in step 2) even though Resolution 3 is connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

Important Note: If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Resolution 3 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
Resolution 1	Ratification of Loan Note Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Consolidation of Capital	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Adoption of Employee Incentive Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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

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

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

Update your communication details *(Optional)*

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

