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**CASTILLO COPPER LIMITED**

**ACN 137 606 476 (COMPANY)**

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**NOTICE OF EXTRAORDINARY GENERAL MEETING & EXPLANATORY STATEMENT**

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Notice is given that an Extraordinary General Meeting of the Company will be held as follows:

**TIME:** 11.00am (WST)

**DATE:** Friday, 30 July 2021

**PLACE:** 45 Ventnor Avenue, West Perth 6005, Perth,  
Western Australia

*As this is an important document, please read it carefully and in its entirety. If you do not understand it please consult your professional advisors.*

*If you are unable to attend the Extraordinary General Meeting, please complete the proxy form enclosed and return it in accordance with the instructions set out on that form.*

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## INTRODUCTION

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Notice is given that the Extraordinary General Meeting of Shareholders of the Company will be held at the offices of 45 Ventnor Avenue, West Perth 6005, Perth, Western Australia on 30 July 2021 commencing at 11.00am (WST). The Explanatory Statement to this Notice of Meeting provides additional information on matters to be considered at the Extraordinary General Meeting. The Explanatory Statement and the Proxy Form are part of this Notice of Meeting.

The terms and abbreviations used in this Notice and Explanatory Statement are defined in the attached Glossary.

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## COVID-19 MEETING PROTOCOLS

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

Shareholders who wish to participate and vote at the Meeting can so indicate on the Proxy Form attached and provide their email address for the Company to send them details on how to participate. Shareholders can also submit any questions in advance of the Meeting by emailing them to info@castillocopper.com.

The Meeting will consider only the business detailed in the Agenda below. The Company does not intend for there to be a Company update presentation made to Shareholders.

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## AGENDA

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### 1 RESOLUTION 1 – RATIFICATION OF PRIOR ISSUE OF SHARES TO CORPORATE ADVISERS

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

*"That for the purpose of Listing Rule 7.4 and for all other purposes, Shareholders approve and ratify the prior issues of 1,000,000 Shares to Tomgun Pty Ltd and 1,000,000 Shares to Areion Trading Co Pty Ltd on the terms and conditions set out in the Explanatory Statement."*

**Voting Exclusion:** The Company will disregard any votes cast in favour of this Resolution by or on behalf of:

- (a) Tomgun Pty Ltd and/or Areion Trading Co Pty Ltd; or
- (b) an associate of Tomgun Pty Ltd and/or Areion Trading Co Pty Ltd.

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

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

### 2 RESOLUTION 2 – RATIFICATION OF PRIOR ISSUE OF SHARES TO STATION OWNER

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

*"That for the purpose of Listing Rule 7.4 and for all other purposes, Shareholders approve and ratify the prior issue of 500,000 Shares to Morella Pastoral Pty Ltd on the terms and conditions set out in the Explanatory Statement."*

**Voting Exclusion:** The Company will disregard any votes cast in favour of this Resolution by or on behalf of:

- (a) Morella Pastoral Pty Ltd; or
- (b) an associate of Morella Pastoral Pty Ltd.

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

- (a) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or

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

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### 3 RESOLUTION 3 – RATIFICATION OF PRIOR ISSUE OF SHARES TO CORPORATE ADVISER

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

*"That for the purpose of Listing Rule 7.4 and for all other purposes, Shareholders approve and ratify the prior issue of 1,687,500 Shares to Report Card Pty Ltd on the terms and conditions set out in the Explanatory Statement."*

**Voting Exclusion:** The Company will disregard any votes cast in favour of this Resolution by or on behalf of:

- (a) Report Card Pty Ltd; or
- (b) an associate of Report Card Pty Ltd.

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

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

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### 4 RESOLUTION 4 – RATIFICATION OF PRIOR ISSUE OF SHARES FOR DRILLING SERVICES

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

*"That for the purpose of Listing Rule 7.4 and for all other purposes, Shareholders approve and ratify the prior issue of 430,785 Shares to Hydco Investments Pty Ltd on the terms and conditions set out in the Explanatory Statement."*

**Voting Exclusion:** The Company will disregard any votes cast in favour of this Resolution by or on behalf of:

- (a) Hydco Investments Pty Ltd; or
- (b) an associate of Hydco Investments Pty Ltd.

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

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

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## 5 RESOLUTION 5 – RATIFICATION OF PRIOR ISSUE OF SHARES UNDER LISTING RULE 7.1 – TRANCHE 1 OF CAPITAL RAISING

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

*"That for the purpose of Listing Rule 7.4 and for all other purposes, Shareholders approve and ratify the prior issue of 91,331,443 Shares on the terms and conditions set out in the Explanatory Statement."*

**Voting Exclusion:** The Company will disregard any votes cast in favour of this Resolution by or on behalf of 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).

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

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

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## 6 RESOLUTION 6 – RATIFICATION OF PRIOR ISSUE OF SHARES UNDER LISTING RULE 7.1 – TRANCHE 1 OF CAPITAL RAISING

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

*"That for the purpose of Listing Rule 7.4 and for all other purposes, Shareholders approve and ratify the prior issue of 49,261,080 Shares on the terms and conditions set out in the Explanatory Statement."*

**Voting Exclusion:** The Company will disregard any votes cast in favour of this Resolution by or on behalf of 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).

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

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

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## 7 RESOLUTION 7 – RATIFICATION OF PRIOR ISSUE OF SHARES UNDER LISTING RULE 7.1A – TRANCHE 1 OF CAPITAL RAISING

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

*"That for the purpose of Listing Rule 7.4 and for all other purposes, Shareholders approve and ratify the prior issue of 97,502,707 Shares on the terms and conditions set out in the Explanatory Statement."*

**Voting Exclusion:** The Company will disregard any votes cast in favour of this Resolution by or on behalf of 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).

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

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

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## 8 RESOLUTION 8 – APPROVAL TO ISSUE SHARES – TRANCHE 2 OF CAPITAL RAISING

*“That, for the purpose of Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue 30,213,466 Shares on the terms and conditions set out in the Explanatory Statement.”*

**Voting Exclusion:** The Company will disregard any votes cast in favour of this Resolution by or on behalf of any person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue of Equity Securities under this Resolution (except a benefit solely by reason of being a holder of ordinary securities in the Company) if the Resolution is passed and any associates of that person (or those persons).

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

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

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## 9 RESOLUTION 9 – APPROVAL TO ISSUE SHARES – TRANCHE 2 OF CAPITAL RAISING

*“That, for the purpose of Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue 7,706,311 Shares on the terms and conditions set out in the Explanatory Statement.”*

**Voting Exclusion:** The Company will disregard any votes cast in favour of this Resolution by or on behalf of any person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue of Equity Securities under this Resolution (except a benefit solely by reason of being a holder of ordinary securities in the Company) if the Resolution is passed and any associates of that person (or those persons).

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

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

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## 10 RESOLUTION 10 – APPROVAL TO ISSUE OPTIONS – PLACEMENT

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

*“That, for the purpose of Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue 109,523,808 Options on the terms and conditions set out in the Explanatory Statement.”*

**Voting Exclusion:** The Company will disregard any votes cast in favour of this Resolution by or on behalf of any person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue of Equity Securities under this Resolution (except a benefit solely by reason of being a holder of ordinary securities in the Company) if the Resolution is passed and any associates of that person (or those persons).

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

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

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## 11 RESOLUTION 11 – APPROVAL TO ISSUE OPTIONS – PLACEMENT

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

*"That, for the purpose of Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue 28,483,696 Options on the terms and conditions set out in the Explanatory Statement."*

**Voting Exclusion:** The Company will disregard any votes cast in favour of this Resolution by or on behalf of any person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue of Equity Securities under this Resolution (except a benefit solely by reason of being a holder of ordinary securities in the Company) if the Resolution is passed and any associates of that person (or those persons).

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

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

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## 12 RESOLUTION 12 – APPROVAL TO ISSUE OPTIONS TO CPS CAPITAL GROUP PTY LTD

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

*"That for the purpose of Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue 14,425,063 Options to CPS Capital Group Pty Ltd (or its nominee(s)) on the terms and conditions set out in the Explanatory Statement."*

**Voting Exclusion:** The Company will disregard any votes cast in favour of this Resolution by or on behalf of:

- (a) CPS Capital Group Pty Ltd (or its nominee); or
- (b) an associate of CPS Capital Group Pty Ltd (or its nominee),

and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person (or those persons).

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

- (a) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or

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

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## 13 RESOLUTION 13 – APPROVAL TO ISSUE OPTIONS TO SI CAPITAL LIMITED

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

*"That for the purpose of Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue 3,418,043 Options to SI Capital Limited (or its nominee(s)) on the terms and conditions set out in the Explanatory Statement."*

**Voting Exclusion:** The Company will disregard any votes cast in favour of this Resolution by or on behalf of:

- (a) SI Capital Limited (or its nominee); or
- (b) an associate of SI Capital Limited (or its nominee),

and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person (or those persons).

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

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

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## 14 RESOLUTION 14 – DIRECTOR PARTICIPATION IN PLACEMENT – MR ROBERT SCOTT

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

*"That for the purpose of Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 1,190,477 Shares and 595,238 Options to Mr Robert Scott (or his nominee) on the terms and conditions set out in the Explanatory Statement."*

**Voting Exclusion:** The Company will disregard any votes cast in favour of this Resolution by or on behalf of:

- (a) Robert Scott (or his nominee); or
- (b) an associate of Robert Scott (or his nominee),

and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person (or those persons).

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

- (a) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair 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:
  - 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

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

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## 15 RESOLUTION 15 – DIRECTOR PARTICIPATION IN PLACEMENT – MR SIMON PAULL

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

*"That for the purpose of Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 1,190,477 Shares and 595,238 Options to Mr Simon Paull (or his nominee) on the terms and conditions set out in the Explanatory Statement."*

**Voting Exclusion:** The Company will disregard any votes cast in favour of this Resolution by or on behalf of:

- Simon Paull (or his nominee); or
- an associate of Simon Paull (or his nominee),

and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person (or those persons).

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

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

The Directors have determined pursuant to regulation 7.11.37 of the Corporations Regulations that the persons eligible to vote at the Meeting are those who are registered as Shareholders of the Company at 5pm (WST) on 28 July 2021.

**By Order of the Board**

Dale Brian Hanna  
Company Secretary  
28 June 2021

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## EXPLANATORY STATEMENT

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This Explanatory Statement has been prepared for the information of Shareholders of Castillo Copper Limited (**Company**) in connection with the business to be conducted at the Extraordinary General Meeting of the Company to be held at the offices of 45 Ventnor Avenue, West Perth 6005, Perth, Western Australia commencing at 11.00am (WST) on 30 July 2021.

This Explanatory Statement should be read in conjunction with the accompanying Notice of Meeting. The purpose of this Explanatory Statement is to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions in the Notice of Meeting.

A Proxy Form has been dispatched with the Notice of Meeting and Explanatory Statement.

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### **1 BACKGROUND TO PREVIOUS ISSUES OF SHARES**

As previously announced by the Company:

- (a) on 2 October 2020, the Company issued 2,000,000 Shares at a deemed issue price of \$0.044 per Share to nominees of Palaios Trading Co Pty Ltd, a corporate adviser, in settlement of matters arising from services previously provided by Palaios Trading Co Pty Ltd to the Company;
- (b) on 19 November 2020, the Company issued 500,000 Shares at a deemed issue price of \$0.05 per Share to Morella Pastoral Pty Ltd, a station owner, in settlement of assistance provided by that station owner to the Company at that time in connection with its drilling program;
- (c) on 11 December 2020, the Company issued 1,687,500 Shares at a deemed issue price of \$0.052 per Share to Report Card Pty Ltd, a corporate adviser, in settlement of promotional services provided to the Company; and
- (d) on 23 March 2021, the Company issued 430,785 Shares at a deemed issue price of \$0.063 per Share to Hydco Investments Pty Ltd in settlement of drilling services provided to the Company.

Resolutions 1 to 4 (inclusive) seek Shareholder ratification of the:

- 2,000,000 Shares issued by the Company on 2 October 2020 to those nominees of Palaios Trading Co Pty Ltd;
  - 500,000 Shares issued by the Company on 19 November 2020 to Morella Pastoral Pty Ltd;
  - 1,687,500 Shares issued by the Company on 11 December 2020 to Report Card Pty Ltd; and
  - 430,785 Shares issued by the Company on 23 March 2021 to Hydco Investments Pty Ltd.
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### **2 RESOLUTION 1 – RATIFICATION OF PRIOR ISSUE OF SHARES TO CORPORATE ADVISER**

#### **2.1 General**

Resolution 1 seeks Shareholder ratification pursuant to Listing Rule 7.4 for the issue of 1,000,000 Shares by the Company to each of Tomgun Pty Ltd and Areion Trading Co Pty Ltd as nominees of Palaios Trading Co Pty Ltd.

#### **2.2 Listing Rules 7.1 and 7.4**

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 shareholders over any 12 month period to 15% of the fully paid shares it had on issue at the start of that period.

The issue of the 2,000,000 Shares the subject of Resolution 1 does not fit within any of the exceptions in Listing Rule 7.2 and, as it has not yet been approved by Shareholders, it effectively uses up part of the 15% limit in Listing Rule 7.1, reducing the Company's capacity to issue further Equity Securities without Shareholder approval under Listing Rule 7.1 for the 12 month period following the date of issue of the Shares.

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

The Company wishes to retain as much flexibility as possible to issue additional Equity Securities into the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1.

To this end, Resolution 1 seeks Shareholder approval to the issue of the 2,000,000 Shares the subject of Resolution 1 for the purposes of Listing Rule 7.4.

### **2.3 Technical information required by Listing Rule 14.1A**

If Resolution 1 is passed, the issue of the 2,000,000 Shares will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of Equity Securities it can issue without Shareholder approval over the 12 month period following the date of issue of the Shares.

If Resolution 1 is not passed, the issue of the 2,000,000 Shares will be included in calculating the Company's 15% limit in Listing Rule 7.1, 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 Shares.

### **2.4 Technical information required by Listing Rule 7.5**

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

- (a) the Shares were issued to Tomgun Pty Ltd and Areion Trading Co Pty Ltd as nominees of Palaios Trading Co Pty Ltd, who is a corporate adviser to the Company but is not a related party of the Company, a member of Key Management Personnel, a substantial holder in the Company, or an associate of any such person;
- (b) a total of 2,000,000 Shares were issued as follows:
  - (i) 1,000,000 Shares were issued to Tomgun Pty Ltd; and
  - (ii) 1,000,000 Shares were issued to Areion Trading Co Pty Ltd;
- (c) the Shares were issued on 2 October 2020;
- (d) the deemed issue price of the Shares was \$0.0044 per Share;
- (e) the purpose of the issue of the Shares was to settle matters arising from services previously provided by Palaios Trading Co Pty Ltd to the Company;
- (f) no funds were raised from the issue of the Shares;
- (g) a summary of the material terms of the agreement pursuant to which the Shares were issued is set out in item 1 of Appendix 1;
- (h) the Shares are all fully paid ordinary shares in the capital of the Company issued on the same terms as the Company's existing Shares; and
- (i) a voting exclusion statement is included in this Notice.

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## **3 RESOLUTION 2 – RATIFICATION OF PRIOR ISSUE OF SHARES TO STATION OWNER**

### **3.1 General**

Resolution 2 seeks Shareholder ratification pursuant to Listing Rule 7.4 for the issue of 500,000 Shares by the Company to Morella Pastoral Pty Ltd.

### **3.2 Listing Rules 7.1 and 7.4**

A summary of Listing Rules 7.1 and 7.4 is set out in Section 2.2 above.

The issue of the 500,000 Shares the subject of Resolution 2 does not fit within any of the exceptions in Listing Rule 7.2 and, as it has not yet been approved by Shareholders, it effectively uses up part of the 15% limit in Listing Rule 7.1, reducing the Company's capacity to issue further Equity Securities without Shareholder approval under Listing Rule 7.1 for the 12 month period following the date of issue of the Shares.

The Company wishes to retain as much flexibility as possible to issue additional Equity Securities into the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1.

To this end, Resolution 2 seeks Shareholder approval to the issue of the 500,000 Shares the subject of Resolution 2 for the purposes of Listing Rule 7.4.

### **3.3 Technical information required by Listing Rule 14.1A**

If Resolution 2 is passed, the issue of the 500,000 Shares will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of Equity Securities it can issue without Shareholder approval over the 12 month period following the date of issue of the Shares.

If Resolution 2 is not passed, the issue of the 500,000 Shares will be included in calculating the Company's 15% limit in Listing Rule 7.1, 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 Shares.

### **3.4 Technical information required by Listing Rule 7.5**

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to Resolution 2:

- (a) the Shares were issued to Morella Pastoral Pty Ltd, who is not a related party of the Company, a member of Key Management Personnel, a substantial holder in the Company, an adviser to the Company or an associate of any such person;
- (b) 500,000 Shares were issued;
- (c) the Shares were issued on 19 November 2020;
- (d) the deemed issue price of the Shares was \$0.05 per Share;
- (e) the purpose of the issue of the Shares was to settle outstanding fees owing to Morella Pastoral Pty Ltd for assistance provided to the Company at the time for its drilling program, which amounted to \$25,000;
- (f) no funds were raised from the issue of the Shares;
- (g) a summary of the material terms of the agreement pursuant to which the Shares were issued is set out in item 2 of Appendix 1;
- (h) the Shares are all fully paid ordinary shares in the capital of the Company issued on the same terms as the Company's existing Shares; and
- (i) a voting exclusion statement is included in this Notice.

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## **4 RESOLUTION 3 – RATIFICATION OF PRIOR ISSUE OF SHARES TO CORPORATE ADVISER**

### **4.1 General**

Resolution 3 seeks Shareholder ratification pursuant to Listing Rule 7.4 for the issue of 1,687,500 Shares by the Company to Report Card Pty Ltd.

### **4.2 Listing Rules 7.1 and 7.4**

A summary of Listing Rules 7.1 and 7.4 is set out in Section 2.2 above.

The issue of the 1,687,500 Shares the subject of Resolution 3 does not fit within any of the exceptions in Listing Rule 7.2 and, as it has not yet been approved by Shareholders, it effectively uses up part of the 15% limit in Listing Rule 7.1, reducing the Company's capacity to issue further Equity Securities without Shareholder approval under Listing Rule 7.1 for the 12 month period following the date of issue of the Shares.

The Company wishes to retain as much flexibility as possible to issue additional Equity Securities into the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1.

To this end, Resolution 3 seeks Shareholder approval to the issue of the 1,687,500 Shares the subject of Resolution 2 for the purposes of Listing Rule 7.4.

### **4.3 Technical information required by Listing Rule 14.1A**

If Resolution 3 is passed, the issue of the 1,687,500 Shares will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of Equity Securities it can issue without Shareholder approval over the 12 month period following the date of issue of the Shares.

If Resolution 3 is not passed, the issue of the 1,687,500 Shares will be included in calculating the Company's 15% limit in Listing Rule 7.1, 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 Shares.

### **4.4 Technical information required by Listing Rule 7.5**

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

- (a) the Shares were issued to Report Card Pty Ltd, who is a corporate adviser to the Company but is not a related party of the Company, a member of Key Management Personnel, a substantial holder in the Company, or an associate of any such person;
- (b) 1,687,500 Shares were issued;
- (c) the Shares were issued on 11 December 2020;
- (d) the deemed issue price of the Shares was \$0.052 per Share;
- (e) the purpose of the issue of the Shares was to settle outstanding fees owing for promotional corporate advisory services, which amounted to \$87,750;

- (f) no funds were raised from the issue of the Shares;
  - (g) a summary of the material terms of the agreement pursuant to which the Shares were issued is set out in item 3 of Appendix 1;
  - (h) the Shares are all fully paid ordinary shares in the capital of the Company issued on the same terms as the Company's existing Shares; and
  - (i) a voting exclusion statement is included in this Notice.
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## **5 RESOLUTION 4 – RATIFICATION OF PRIOR ISSUE OF SHARES FOR DRILLING SERVICES**

### **5.1 General**

Resolution 4 seeks Shareholder ratification pursuant to Listing Rule 7.4 for the issue of 430,785 Shares by the Company to Hydco Investments Pty Ltd.

### **5.2 Listing Rules 7.1 and 7.4**

A summary of Listing Rules 7.1 and 7.4 is set out in Section 2.2 above.

The issue of the 430,785 Shares the subject of Resolution 4 does not fit within any of the exceptions in Listing Rule 7.2 and, as it has not yet been approved by Shareholders, it effectively uses up part of the 15% limit in Listing Rule 7.1, reducing the Company's capacity to issue further Equity Securities without Shareholder approval under Listing Rule 7.1 for the 12 month period following the date of issue of the Shares.

The Company wishes to retain as much flexibility as possible to issue additional Equity Securities into the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1.

To this end, Resolution 4 seeks Shareholder approval to the issue of the 430,785 Shares the subject of Resolution 4 for the purposes of Listing Rule 7.4.

### **5.3 Technical information required by Listing Rule 14.1A**

If Resolution 4 is passed, the issue of the 430,785 Shares will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of Equity Securities it can issue without Shareholder approval over the 12 month period following the date of issue of the Shares.

If Resolution 4 is not passed, the issue of the 430,785 Shares will be included in calculating the Company's 15% limit in Listing Rule 7.1, 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 Shares.

### **5.4 Technical information required by Listing Rule 7.5**

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

- (a) the Shares were issued to Hydco Investments Pty Ltd, who is not a related party of the Company, a member of Key Management Personnel, a substantial holder in the Company, an adviser to the Company or an associate of any such person;
  - (b) 430,786 Shares were issued;
  - (c) the Shares were issued on 23 March 2021;
  - (d) the deemed issue price of the Shares was \$0.063 per Share;
  - (e) the purpose of the issue of the Shares was to settle outstanding fees owing to Hydco Investments Pty Ltd for drilling services, which amounted to approximately \$27,140;
  - (f) no funds were raised from the issue of the Shares;
  - (g) a summary of the material terms of the agreement pursuant to which the Shares were issued is set out in item 4 of Appendix 1;
  - (h) the Shares are all fully paid ordinary shares in the capital of the Company issued on the same terms as the Company's existing Shares; and
  - (i) a voting exclusion statement is included in this Notice.
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## **6 BACKGROUND TO PLACEMENT**

On 4 June 2021, the Company announced a capital raising for the issue to sophisticated and professional investors in the United Kingdom and Australia of a total of up to 278,395,961 Shares (**Placement Shares**) and 157,041,087 free attaching Options (**Placement Options**) to raise a total of approximately \$11.7 million (£6.4 million) before costs (**Placement**), comprising two tranches as follows:

- (a) 238,095,230 Shares (**Tranche 1 Placement Shares**) which were issued on 4 June 2021, comprising:
  - (i) 91,331,443 Shares with an issue price of \$0.042 per Share issued pursuant to the Company's placement capacity under Listing Rule 7.1 (the subject of Resolution 5);
  - (ii) 49,261,080 Shares with an issue price of £0.023 per Share issued pursuant to the Company's placement capacity under Listing Rule 7.1 (the subject of Resolution 6); and
  - (iii) 97,502,707 Shares with an issue price of \$0.042 per Share issued pursuant to the Company's additional placement capacity under Listing Rule 7.1A (the subject of Resolution 7); and
- (b) up to 40,300,731 Shares (**Tranche 2 Placement Shares**), comprising:
  - (i) 30,213,466 Shares with an issue price of \$0.042 per Share which will be issued subject to Shareholder approval pursuant to Listing Rule 7.1 (and which are the subject of Resolution 8); and
  - (ii) 7,706,311 Shares with an issue price of £0.023 per Share which will be issued subject to Shareholder approval pursuant to Listing Rule 7.1 (and which are the subject of Resolution 9).

Under the Placement, the Company has also agreed to issue one free attaching Placement Option for every 2 Placement Shares subscribed for by investors under the Placement subject to Shareholder approval, comprising:

- (i) 109,523,808 Options exercisable at \$0.08 each on or before 31 July 2024 and otherwise on the terms and conditions set out in Appendix 2 (and which are the subject of Resolution 10); and
- (ii) 28,483,696 Options exercisable at £0.044 each on or before 1 August 2024 and otherwise on the terms and conditions set out in Appendix 3 (and which are the subject of Resolution 11).

The Company engaged CPS Capital Group Pty Ltd to act as lead broker and manager to the Placement. A summary of the terms of the engagement is set out in Item 5 of Appendix 1. CPS Capital Group Pty Ltd is entitled to be issued 14,425,063 Options exercisable at \$0.08 each on or before 31 July 2024 and otherwise on the terms and conditions set out in Appendix 2. Resolution 12 seeks Shareholder approval for the issue of the Options to CPS Capital Group Pty Ltd.

The Company also engaged SI Capital Ltd as an adviser to the Placement. A summary of the terms of the engagement is set out in Item 6 of Appendix 1. SI Capital Ltd is entitled to be issued 3,418,043 Options exercisable at £0.044 each on or before 1 August 2024 and otherwise on the terms and conditions set out in Appendix 3. Resolution 13 seeks Shareholder approval for the issue of the Options to SI Capital Ltd.

Subject to Shareholder approval, Mr Robert Scott and Mr Simon Paull, each a Director, will participate in tranche 2 of the Placement as follows:

- (a) Mr Scott will subscribe for 1,190,477 Tranche 2 Placement Shares at an issue price of \$0.042 per Share, together with 595,238 Placement Options exercisable at \$0.08 each on or before 31 July 2024 and otherwise on the terms and conditions set out in Appendix 2. This participation is the subject of Resolution 14.
- (b) Mr Paull will subscribe for 1,190,477 Tranche 2 Placement Shares at an issue price of \$0.042 per Share, together with 595,238 Placement Options exercisable at \$0.08 each on or before 31 July 2024 and otherwise on the terms and conditions set out in Appendix 2. This participation is the subject of Resolution 15.

The participation of Messrs Scott and Paull in the Placement will be on the same terms as unrelated Australian participants in the Placement.

Funds raised from the Placement will be used to progress the Company's exploration campaigns at its Mt Oxide and Zambia pillars, along with potentially designing exploration campaigns at its Cangai and Broken Hill pillars and for general working capital purposes.

## **7 RESOLUTION 5 – RATIFICATION OF PRIOR ISSUE OF SHARES UNDER LISTING RULE 7.1 – TRANCHE 1 OF CAPITAL RAISING**

### **7.1 General**

A summary of the Placement is set out in Section 6 above.

Resolution 5 seeks Shareholder ratification pursuant to Listing Rule 7.4 for the issue of 91,331,443 Tranche 1 Placement Shares issued pursuant to the Company's Listing Rule 7.1 capacity.

## **7.2 Listing Rules 7.1 and 7.4**

A summary of Listing Rules 7.1 and 7.4 is set out in Section 2.2 above.

The issue of the 91,331,443 Shares the subject of Resolution 5 does not fit within any of the exceptions in Listing Rule 7.2 and, as it has not yet been approved by Shareholders, it effectively uses up part of the 15% limit in Listing Rule 7.1, reducing the Company's capacity to issue further Equity Securities without Shareholder approval under Listing Rule 7.1 for the 12 month period following the date of issue of the Shares.

The Company wishes to retain as much flexibility as possible to issue additional Equity Securities into the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1.

To this end, Resolution 5 seeks Shareholder approval to the issue of the 91,331,443 Shares the subject of Resolution 5 for the purposes of Listing Rule 7.4.

## **7.3 Technical information required by Listing Rule 14.1A**

If Resolution 5 is passed, the issue of the 91,331,443 Shares will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of Equity Securities it can issue without Shareholder approval over the 12 month period following the date of issue of the Shares.

If Resolution 5 is not passed, the issue of the 91,331,443 Shares will be included in calculating the Company's 15% limit in Listing Rule 7.1, 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 Shares.

## **7.4 Technical information required by Listing Rule 7.5**

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

- (a) the Shares were issued to sophisticated and professional investors, none of whom are a related party of the Company, a member of Key Management Personnel, a substantial holder in the Company, an adviser to the Company or an associate of any such person. The Shares were issued to sophisticated and professional investors who are clients of CPS Capital Group Pty Ltd. The recipients were identified through a bookbuild process, where expressions of interest to participate in the capital raising from non-related parties of the Company were sought;
- (b) 91,331,443 Shares were issued;
- (c) the Shares were issued on 15 June 2021;
- (d) the issue price of the Shares was \$0.042 per Share;
- (e) the purpose of the issue of the Shares was to raise (in aggregate under the Placement and before costs) approximately \$11.7 million (£6.4 million), which funds are intended to be used as set out in Section 6 above;
- (f) the Shares are all fully paid ordinary shares in the capital of the Company issued on the same terms as the Company's existing Shares; and
- (g) a voting exclusion statement is included in this Notice.

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## **8 RESOLUTION 6 – RATIFICATION OF PRIOR ISSUE OF SHARES UNDER LISTING RULE 7.1 – TRANCHE 1 OF CAPITAL RAISING**

### **8.1 General**

A summary of the Placement is set out in Section 6 above.

Resolution 6 seeks Shareholder ratification pursuant to Listing Rule 7.4 for the issue of 49,261,080 Tranche 1 Placement Shares issued pursuant to the Company's Listing Rule 7.1 capacity.

### **8.2 Listing Rules 7.1 and 7.4**

A summary of Listing Rules 7.1 and 7.4 is set out in Section 2.2 above.

The issue of the 49,261,080 Shares the subject of Resolution 6 does not fit within any of the exceptions in Listing Rule 7.2 and, as it has not yet been approved by Shareholders, it effectively uses up part of the 15% limit in Listing Rule 7.1, reducing the Company's capacity to issue further Equity Securities without Shareholder approval under Listing Rule 7.1 for the 12 month period following the date of issue of the Shares.

The Company wishes to retain as much flexibility as possible to issue additional Equity Securities into the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1.

To this end, Resolution 6 seeks Shareholder approval to the issue of the 49,261,080 Shares the subject of Resolution 6 for the purposes of Listing Rule 7.4.

### **8.3 Technical information required by Listing Rule 14.1A**

If Resolution 6 is passed, the issue of the 49,261,080 Shares will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of Equity Securities it can issue without Shareholder approval over the 12 month period following the date of issue of the Shares.

If Resolution 6 is not passed, the issue of the 49,261,080 Shares will be included in calculating the Company's 15% limit in Listing Rule 7.1, 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 Shares.

### **8.4 Technical information required by Listing Rule 7.5**

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

- (a) the Shares were issued to sophisticated and professional investors, none of whom are a related party of the Company, a member of Key Management Personnel, a substantial holder in the Company, an adviser to the Company or an associate of any such person. The Shares were issued to sophisticated and professional investors who are clients of SI Capital Ltd. The recipients were identified through a bookbuild process, where expressions of interest to participate in the capital raising from non-related parties of the Company were sought;
- (b) 49,261,080 Shares were issued;
- (c) the Shares were issued on 4 June 2021;
- (d) the issue price of the Shares was £0.023 per Share;
- (e) the purpose of the issue of the Shares was to raise (in aggregate under the Placement and before costs) approximately \$11.7 million (£6.4 million), which funds are intended to be used as set out in Section 6 above;
- (f) the Shares are all fully paid ordinary shares in the capital of the Company issued on the same terms as the Company's existing Shares; and
- (g) a voting exclusion statement is included in this Notice.

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## **9 RESOLUTION 7 – RATIFICATION OF PRIOR ISSUE OF SHARES UNDER LISTING RULE 7.1A – TRANCHE 1 OF CAPITAL RAISING**

### **9.1 General**

A summary of the Placement is set out in Section 6 above.

Resolution 7 seeks Shareholder ratification pursuant to Listing Rule 7.4 for the issue of 97,502,707 Tranche 1 Placement Shares issued pursuant to the Company's Listing Rule 7.1A capacity.

### **9.2 Listing Rules 7.1 and 7.4**

A summary of Listing Rules 7.1 and 7.4 is set out in Section 2.2 above.

Under Listing Rule 7.1A, an eligible entity can seek approval from its members, by way of a special resolution passed at its annual general meeting, to increase the 15% limit under Listing Rule 7.1 by an extra 10% to 25% (**Listing Rule 7.1A Mandate**). Shareholders approved this additional capacity at the Company's last annual general meeting on 27 November 2020.

The issue of the 97,502,707 Shares the subject of Resolution 7 does not fall within any of the exceptions in Listing Rule 7.2 and, as it has not yet been approved by Shareholders, it effectively uses up part of the 15% limit under Listing Rule 7.1 and the 10% limit under Listing Rule 7.1A, reducing the Company's capacity to issue further Equity Securities without Shareholder approval under:

- (a) Listing Rule 7.1 for the 12 month period following the issue of the Shares; and
- (b) Listing Rule 7.1A for the period ending on the earliest of:
  - (i) the date that is 12 months after the Company's last annual general meeting at which the Listing Rule 7.1A Mandate was approved;
  - (ii) the time and date of the Company's next annual general meeting; and
  - (iii) the time and date on which Shareholders approve a transaction under Listing Rule 11.1.2 (for a significant change to the nature or scale of the Company's activities) or Listing Rule 11.2 (for the disposal of the Company's main undertaking),

**(Listing Rule 7.1A Mandate Expiry Date).**

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 the applicable of Listing Rule 7.1 or Listing Rule 7.1A and so does not reduce the company's capacity to issue further Equity Securities without shareholder approval under those rules.

The Company wishes to retain as much flexibility as possible to issue additional Equity Securities into the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1.

To this end, Resolution 7 seeks Shareholder approval to the issue of the 97,502,707 Shares the subject of Resolution 7 for the purposes of Listing Rule 7.4.

#### **9.3 Technical information required by Listing Rule 14.1A**

If Resolution 7 is passed, the issue of the 97,502,707 Shares the subject of Resolution 7 will be excluded in calculating the Company's 10% limit in Listing Rule 7.1A, effectively increasing the number of Equity Securities it can issue without Shareholder approval for the period ending on the Listing Rule 7.1A Mandate Expiry Date.

If Resolution 7 is not passed, the issue of the 97,502,707 Shares the subject of Resolution 7 will be included in calculating the Company's 10% limit in Listing Rule 7.1A, effectively decreasing the number of Equity Securities the Company can issue without Shareholder approval for the period ending on the Listing Rule 7.1A Mandate Expiry Date.

#### **9.4 Technical information required by Listing Rule 7.5**

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

- (a) the Shares were issued to sophisticated and professional investors, none of whom are a related party of the Company, a member of Key Management Personnel, a substantial holder in the Company, an adviser to the Company or an associate of any such person. The Options were issued to sophisticated and professional investors who are clients of CPS Capital Group Pty Ltd. The recipients were identified through a bookbuild process, where expressions of interest to participate in the capital raising from non-related parties of the Company were sought;
- (b) 97,502,707 Shares were issued;
- (c) the Shares were issued on 4 June 2021;
- (d) the issue price of the Shares was \$0.042 per Share;
- (e) the purpose of the issue of the Shares was to raise (in aggregate under the Placement and before costs) approximately \$11.7 million (£6.4 million), which funds are intended to be used as set out in Section 6 above;
- (f) the Shares are all fully paid ordinary shares in the capital of the Company issued on the same terms as the Company's existing Shares; and
- (g) a voting exclusion statement is included in this Notice.

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### **10 RESOLUTION 8 – APPROVAL TO ISSUE SHARES – TRANCHE 2 OF CAPITAL RAISING**

#### **10.1 General**

A summary of the Placement is set out in Section 6 above.

Resolution 8 seeks Shareholder approval pursuant to Listing Rule 7.1 for the issue of 30,213,466 Shares, at an issue price of \$0.042 per Share, pursuant to the Placement.

#### **10.2 Listing Rule 7.1**

A summary of Listing Rule 7.1 is set out in Section 2.2 above.

The proposed issue of the 30,213,466 Shares the subject of Resolution 8 does not fit within any of the exceptions in Listing Rule 7.2 and exceeds the 15% limit in Listing Rule 7.1. It therefore requires the approval of Shareholders under Listing Rule 7.1.

#### **10.3 Technical information required by Listing Rule 14.1A**

If Resolution 8 is passed, the Company will be able to proceed with the issue of the 30,213,466 Shares the subject of Resolution 8. In addition, the issue of the Shares will be excluded from the calculation of the number of Equity Securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolution 8 is not passed, the Company may not be able to proceed with the issue of the 30,213,466 Shares the subject of Resolution 8.

#### **10.4 Technical information required by Listing Rule 7.3**

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

- (a) the Shares will be issued to sophisticated and professional investors, none of whom are a related party of the Company, a member of Key Management Personnel, a substantial holder in the Company, an adviser to the Company or an associate of any such person. The Shares will be issued to sophisticated and professional investors who are clients of CPS Capital Group Pty Ltd. The recipients were identified through a bookbuild process, where expressions of interest to participate in the capital raising from non-related parties of the Company were sought;
- (b) the number of Shares to be issued pursuant to Resolution 8 is 30,213,466;
- (c) the Shares are anticipated to be issued on or around 31 July 2021 and, in any event, by no later than 3 months after the date of the Meeting;
- (d) the issue price of the Shares will be \$0.042 per Share;
- (e) the purpose of the issue of the Shares is to raise (in aggregate under the Placement and before costs) approximately \$11.7 million (£6.4 million), which funds are intended to be used as set out in Section 6 above;
- (f) the Shares will be fully paid ordinary shares in the capital of the Company issued on the same terms as the Company's existing Shares;
- (g) the Shares are not being issued under, or to fund, a reverse takeover; and
- (h) a voting exclusion statement is included in this Notice.

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#### **11 RESOLUTION 9 – APPROVAL TO ISSUE SHARES – TRANCHE 2 OF CAPITAL RAISING**

##### **11.1 General**

A summary of the Placement is set out in Section 6 above.

Resolution 9 seeks Shareholder approval pursuant to Listing Rule 7.1 for the issue of 7,706,311 Shares, at an issue price of £0.023 per Share, pursuant to the Placement.

##### **11.2 Listing Rule 7.1**

A summary of Listing Rule 7.1 is set out in Section 2.2 above.

The proposed issue of the 7,706,311 Shares the subject of Resolution 9 does not fit within any of the exceptions in Listing Rule 7.2 and exceeds the 15% limit in Listing Rule 7.1. It therefore requires the approval of Shareholders under Listing Rule 7.1.

##### **11.3 Technical information required by Listing Rule 14.1A**

If Resolution 9 is passed, the Company will be able to proceed with the issue of the 7,706,311 Shares the subject of Resolution 9. In addition, the issue of the Shares will be excluded from the calculation of the number of Equity Securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolution 9 is not passed, the Company may not be able to proceed with the issue of the 7,706,311 Shares the subject of Resolution 9.

##### **11.4 Technical information required by Listing Rule 7.3**

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to Resolution 9:

- (a) the Shares will be issued to sophisticated and professional investors, none of whom are a related party of the Company, a member of Key Management Personnel, a substantial holder in the Company, an adviser to the Company or an associate of any such person. The Shares will be issued to sophisticated and professional investors who are clients of SI Capital Ltd. The recipients were identified through a bookbuild process, where expressions of interest to participate in the capital raising from non-related parties of the Company were sought;
- (b) the number of Shares to be issued pursuant to Resolution 9 is 7,706,311;
- (c) the Shares are anticipated to be issued on or around 1 August 2021 and, in any event, by no later than 3 months after the date of the Meeting;
- (d) the issue price of the Shares will be £0.023 per Share;

- (e) the purpose of the issue of the Shares is to raise (in aggregate under the Placement and before costs) approximately \$11.7 million (£6.4 million), which funds are intended to be used as set out in Section 6 above;
  - (f) the Shares will be fully paid ordinary shares in the capital of the Company issued on the same terms as the Company's existing Shares;
  - (g) the Shares are not being issued under, or to fund, a reverse takeover; and
  - (h) a voting exclusion statement is included in this Notice.
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## **12 RESOLUTION 10 – APPROVAL TO ISSUE OPTIONS – PLACEMENT**

### **12.1 General**

A summary of the Placement is set out in Section 6 above.

Resolution 10 seeks Shareholder approval pursuant to Listing Rule 7.1 for the issue of 109,523,808 Placement Options, exercisable at \$0.08 each on or before 31 July 2024 and otherwise on the terms and conditions set out in Appendix 2, pursuant to the Placement.

### **12.2 Listing Rule 7.1**

A summary of Listing Rule 7.1 is set out in section 2.2 above.

The proposed issue of Options the subject of Resolution 10 does not fit within any of the exceptions in Listing Rule 7.2 and exceeds the 15% limit in Listing Rule 7.1. It therefore requires the approval of Shareholders under Listing Rule 7.1.

### **12.3 Technical information required by Listing Rule 14.1A**

If Resolution 10 is passed, the Company will be able to proceed with the issue of the 109,523,808 Options the subject of Resolution 10. In addition, the issue of the Options will be excluded from the calculation of the number of Equity Securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolution 10 is not passed, the Company may not be able to proceed with the issue of the 109,523,808 Options the subject of Resolution 10.

### **12.4 Technical information required by Listing Rule 7.3**

The following information is provided to Shareholders for the purpose of Listing Rule 7.3 in relation to Resolution 10:

- (a) the Options will be issued to those parties who participated in the Placement, none of whom are a related party of the Company, a member of Key Management Personnel, a substantial holder in the Company, an adviser to the Company or an associate of any such person. The Options will be issued to sophisticated and professional investors who are clients of CPS Capital Group Pty Ltd. The recipients were identified through a bookbuild process, where expressions of interest to participate in the capital raising from non-related parties of the Company were sought;
  - (b) the number of Options to be issued pursuant to Resolution 10 is 109,523,808;
  - (c) the Options are anticipated to be issued on or around 31 July 2021 and, in any event, by no later than 3 months after the date of the Meeting;
  - (d) the Options will be granted for nil consideration as they are being issued as free-attaching to the Shares issued under the Placement;
  - (e) the purpose of the issue of the Options is to raise (in aggregate under the Placement and before costs) approximately \$11.7 million (£6.4 million), which funds are intended to be used as set out in Section 6 above;
  - (f) a summary of the material terms to which the Options will be issued is set out in Appendix 2;
  - (g) the Options are not being issued under, or to fund, a reverse takeover; and
  - (h) a voting exclusion statement is included in the Notice of Meeting.
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## **13 RESOLUTION 11 – APPROVAL TO ISSUE OPTIONS – PLACEMENT**

### **13.1 General**

A summary of the Placement is set out in Section 6 above.

Resolution 11 seeks Shareholder approval pursuant to Listing Rule 7.1 for the issue of 28,483,696 Options exercisable at £0.044 each on or before 1 August 2024 and otherwise on the terms and conditions set out in Appendix 3, pursuant to the Placement.

### **13.2 Listing Rule 7.1**

A summary of Listing Rule 7.1 is set out in section 2.2 above.

The proposed issue of Options the subject of Resolution 11 does not fit within any of the exceptions in Listing Rule 7.2 and exceeds the 15% limit in Listing Rule 7.1. It therefore requires the approval of Shareholders under Listing Rule 7.1.

### **13.3 Technical information required by Listing Rule 14.1A**

If Resolution 11 is passed, the Company will be able to proceed with the issue of the 28,483,696 Options the subject of Resolution 11. In addition, the issue of the Options will be excluded from the calculation of the number of Equity Securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolution 11 is not passed, the Company may not be able to proceed with the issue of the 28,483,696 Options the subject of Resolution 11.

### **13.4 Technical information required by Listing Rule 7.3**

The following information is provided to Shareholders for the purpose of Listing Rule 7.3 in relation to Resolution 10:

- (a) the Options will be issued to those parties who participated in the Placement, none of whom are a related party of the Company, a member of Key Management Personnel, a substantial holder in the Company, an adviser to the Company or an associate of any such person. will be issued to sophisticated and professional investors who are clients of SI Capital Ltd. The recipients were identified through a bookbuild process, where expressions of interest to participate in the capital raising from non-related parties of the Company were sought;
- (b) the number of Options to be issued pursuant to Resolution 11 is 28,483,696;
- (c) the Options are anticipated to be issued on or around 1 August 2021 and, in any event, by no later than 3 months after the date of the Meeting;
- (d) the Options will be granted for nil consideration as they are being issued as free-attaching to the Shares issued under the Placement;
- (e) the purpose of the issue of the Options was to raise (in aggregate under the Placement and before costs) approximately \$11.7 million (£6.4 million), which funds are intended to be used as set out in Section 6 above;
- (f) a summary of the material terms to which the Options will be issued is set out in Appendix 3;
- (g) the Options are not being issued under, or to fund, a reverse takeover; and
- (h) a voting exclusion statement is included in the Notice of Meeting.

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## **14 RESOLUTION 12 – APPROVAL TO ISSUE OPTIONS TO CPS CAPITAL GROUP PTY LTD**

### **14.1 General**

A summary of the Placement is set out in Section 6 above.

Resolution 12 seeks Shareholder approval pursuant to Listing Rule 7.1 for the issue to CPS Capital Group Pty Ltd of 14,425,603 Options, exercisable at \$0.08 each on or before 31 July 2024 and otherwise on the terms and conditions set out in Appendix 2, for services provided by CPS Capital Group Pty Ltd in connection with the Placement.

### **14.2 Listing Rule 7.1**

A summary of Listing Rule 7.1 is set out in section 2.2 above.

The proposed issue of Options the subject of Resolution 12 does not fit within any of the exceptions in Listing Rule 7.2 and exceeds the 15% limit in Listing Rule 7.1. It therefore requires the approval of Shareholders under Listing Rule 7.1.

### **14.3 Technical information required by Listing Rule 14.1A**

If Resolution 12 is passed, the Company will be able to proceed with the issue of the 14,425,603 Options the subject of Resolution 12. In addition, the issue of the Options will be excluded from the calculation of the number of Equity Securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolution 12 is not passed, the Company may not be able to proceed with the issue of the 14,425,603 Options the subject of Resolution 12.

### **14.4 Technical information required by Listing Rule 7.3**

The following information is provided to Shareholders for the purpose of Listing Rule 7.3 in relation to Resolution 12:

- (a) the Options will be issued to CPS Capital Group Pty Ltd, who is a corporate adviser to the Company but is not a related party of the Company, a member of Key Management Personnel, a substantial holder in the Company, or an associate of any such person;
- (b) the number of Options to be issued pursuant to Resolution 12 is 14,425,603;
- (c) the Options are anticipated to be issued on or around 31 July 2021 and, in any event, by no later than 3 months after the date of the Meeting;
- (d) the Options will be granted for nil cash consideration as they are being issued to CPS Capital Group Pty Ltd at a deemed value of \$0.0001 per Option for services provided in connection with the Placement;
- (e) no funds will be raised from the issue of the Options;
- (f) a summary of the material terms to which the Options will be issued is set out in Appendix 2 and a summary of the material terms of the agreement between the Company and CPS Capital Group Pty Ltd is set out in Item 5 of Appendix 1;
- (g) the Options are not being issued under, or to fund, a reverse takeover; and
- (h) a voting exclusion statement is included in the Notice of Meeting.

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## **15 RESOLUTION 13 – APPROVAL TO ISSUE OPTIONS TO SI CAPITAL LIMITED**

### **15.1 General**

A summary of the Placement is set out in Section 6 above.

Resolution 13 seeks Shareholder approval pursuant to Listing Rule 7.1 for the issue to SI Capital Ltd of 3,418,043 Options exercisable at £0.044 each on or before 1 August 2024, for services provided by SI Capital Ltd in connection with the Placement.

### **15.2 Listing Rule 7.1**

A summary of Listing Rule 7.1 is set out in section 2.2 above.

The proposed issue of Options the subject of Resolution 13 does not fit within any of the exceptions in Listing Rule 7.2 and exceeds the 15% limit in Listing Rule 7.1. It therefore requires the approval of Shareholders under Listing Rule 7.1.

### **15.3 Technical information required by Listing Rule 14.1A**

If Resolution 13 is passed, the Company will be able to proceed with the issue of the 3,418,043 Options the subject of Resolution 13. In addition, the issue of the Options will be excluded from the calculation of the number of Equity Securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolution 13 is not passed, the Company may not be able to proceed with the issue of the 3,418,043 Options the subject of Resolution 13.

### **15.4 Technical information required by Listing Rule 7.3**

The following information is provided to Shareholders for the purpose of Listing Rule 7.3 in relation to Resolution 13:

- (a) the Options will be issued to SI Capital Ltd, who is a corporate adviser to the Company but is not a related party of the Company, a member of Key Management Personnel, a substantial holder in the Company, or an associate of any such person;
- (b) the number of Options to be issued pursuant to Resolution 13 is 3,418,043;
- (c) the Options are anticipated to be issued on or around 1 August 2021 and, in any event, by no later than 3 months after the date of the Meeting;
- (d) the Options will be granted for nil cash consideration as they are being issued to SI Capital Ltd at a deemed value of \$0.0001 per Option for services provided in connection with the Placement;
- (e) no funds will be raised from the issue of the Options;
- (f) a summary of the material terms to which the Options will be issued is set out in Appendix 3 and a summary of the material terms of the agreement between the Company and SI Capital Ltd is set out in Item 6 of Appendix 1;
- (g) the Options are not being issued under, or to fund, a reverse takeover; and
- (h) a voting exclusion statement is included in the Notice of Meeting.

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## **16 RESOLUTIONS 14 AND 15 – DIRECTOR PARTICIPATION IN PLACEMENT**

### **16.1 General**

A summary of the Placement is set out in Section 6 above.

As set out in Section 6, Mr Robert Scott and Mr Simon Paull, each a Director, will, subject to Shareholder approval, participate in tranche 2 of the Placement (**Director Participation**). The Director Participation will be on the same terms as unrelated Australian participants in the Placement.

Accordingly, the Company is seeking:

- (a) Shareholder approval under Resolution 14 for the issue to Mr Robert Scott (or his nominee) of:
  - (i) 1,190,477 Tranche 2 Placement Shares, at an issue price of \$0.042 per Share; and
  - (ii) 595,238 Placement Options exercisable at \$0.08 each on or before 31 July 2024 and otherwise on the terms and conditions set out in Appendix 2; and
- (b) Shareholder approval under Resolution 15 for the issue to Mr Simon Paull (or his nominee) of:
  - (i) 1,190,477 Tranche 2 Placement Shares, at an issue price of \$0.042 per Share; and
  - (ii) 595,238 Placement Options exercisable at \$0.08 each on or before 31 July 2024 and otherwise on the terms and conditions set out in Appendix 2,

(collectively, the **Director Placement Securities**).

### **16.2 Listing Rule 10.11**

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

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

unless it obtains the approval of its shareholders.

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

### **16.3 Technical information required by Listing Rule 14.1A**

If Resolution 14 is passed, the Company will be able to proceed with the issue of the 1,190,477 Shares and 595,238 Options to Mr Robert Scott (or his nominee) under the Director Participation.

If Resolution 14 is not passed, the Company will not be able to proceed with the issue of the 1,190,477 Shares and 595,238 Options to Mr Robert Scott (or his nominee) under the Director Participation and the relevant Placement funds will not be raised.

If Resolution 15 is passed, the Company will be able to proceed with the issue of the 1,190,477 Shares and 595,238 Options to Mr Simon Paull (or his nominee) under the Director Participation.

If Resolution 15 is not passed, the Company will not be able to proceed with the issue of the 1,190,477 Shares and 595,238 Options to Mr Simon Paull (or his nominee) under the Director Participation and the relevant Placement funds will not be raised.

#### **16.4 Information Required by ASX Listing Rule 10.13**

The following information is provided to Shareholders for the purposes of Listing Rule 10.13 in relation to Resolutions 14 and 15:

- (a) the Director Placement Securities will be issued to Mr Robert Scott and Mr Simon Paull (or their respective nominee(s));
- (b) Mr Robert Scott and Mr Simon Paull are each a Director and are therefore each a Related Party of the Company for the purposes of Listing Rule 10.11.1;
- (c) the maximum number of Shares and Options to be issued is 2,380,954 Shares and 1,190,476 Options, comprising:
  - (i) 1,190,476 Shares and 595,238 Options to be issued to Mr Robert Scott (or his nominee); and
  - (ii) 1,190,476 Shares and 595,238 Options to be issued to Mr Simon Paull (or his nominee); and
- (d) the Shares will be fully paid ordinary shares in the capital of the Company issued on the same terms as the Company's existing Shares;
- (e) a summary of the material terms to which the Options will be issued is set out in Appendix 2;
- (f) the Director Placement Securities are anticipated to be issued on or around 31 July 2021 and, in any event, by no later than 1 month after the date of the Meeting;
- (g) the issue price of the Director Placement Securities will be \$0.042 Share and nil per Option, as the Options will be free-attaching Options (issued on a 1 for 2 basis in accordance with the terms of the Placement);
- (h) the purpose of the issue of the Director Placement Securities is to raise (in aggregate under the Placement and before costs) approximately \$11.7 million (£6.4 million), which funds are intended to be used as set out in Section 6 above;
- (i) the Director Placement Securities are not being issued under, or to fund, a reverse takeover; and
- (j) a voting exclusion statement is included in the Notice of Meeting.

#### **16.5 Chapter 2E of the Corporations Act**

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

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

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

The Director Participation will result in the issue of the Director Placement Securities, which constitutes giving a financial benefit. Mr Robert Scott and Mr Simon Paull are each a Related Party of the Company by virtue of being a Director.

The Board (except for Mr Scott in relation to Resolution 14 and Mr Paull in relation to Resolution 15) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the Director Participation because the Director Placement Securities will be issued to Mr Scott and Mr Paull (or their nominees) on the same terms as Shares and Options issued to non-related party participants in the Placement and, as such, the giving of the financial benefit is on arm's length terms.

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## GLOSSARY

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**\$** means Australian dollars.

**£** means pounds sterling, the currency of the United Kingdom.

**Appendix** means an appendix to this Notice.

**ASX** means ASX Limited ABN 98 008 624 691 and, where the context permits, the Australian Securities Exchange operated by ASX Limited.

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

**Board** means the Directors acting as the board of directors of the Company or a committee appointed by such board of directors.

**Business Day** means a day (other than a Saturday or Sunday) on which banks in Perth, Western Australia are open for normal business.

**Chair or Chairman** means the chair of the Extraordinary General Meeting.

**Company or CCZ** means Castillo Copper Limited ACN 137 606 476.

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

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

**CPS Capital** means CPS Capital Group Pty Ltd.

**Director** means a current director of the Company.

**Director Participation** has the meaning given in Section 16.1.

**Director Placement Securities** has the meaning given in Section 16.1.

**Equity Securities** has the same meaning as given in the Listing Rules.

**Explanatory Statement** means the explanatory statement accompanying the Notice of Meeting.

**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.

**Listing Rule 7.1A Mandate** has the meaning given in Section 9.2.

**Listing Rule 7.1A Mandate Expiry Date** has the meaning given in Section 9.2.

**LSE** means the London Stock Exchange.

**Meeting** means the meeting convened by the Notice of Meeting.

**Notice or Notice of Meeting** means the notice of meeting which forms part of this Explanatory Statement.

**Option** means an option to acquire one Share.

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

**Placement** has the meaning given in Section 6.

**Placement Options** has the meaning given in Section 6.

**Placement Shares** has the meaning given in Section 6.

**Proxy Form** means the enclosed appointment of proxy form.

**Related Party** is defined in section 228 of the Corporations Act.

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

**Section** means a section contained in this Explanatory Statement.

**Shareholder** means a registered holder of a Share.

**SI Capital** means SI Capital Ltd.

**Tranche 1 Placement Shares** has the meaning given in Section 6.

**Tranche 2 Placement Shares** has the meaning given in Section 6.

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

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## APPENDIX 1 – MATERIAL TERMS OF AGREEMENTS (RESOLUTIONS 1, 2, 3, 4)

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### 1. Material terms of agreement with Palaios Trading Co Pty Ltd (“Palaios”) – Resolution 1

Pursuant to the terms of the mandate between the Company and Palaios (formerly Merchant Corporate Advisory Pty Ltd) dated 1 November 2019:

- Palaios agreed to provide capital raising and corporate advisory services relating to the listing of the Company on the LSE and a broader capital raising of approximately \$2 million. These services included:
  - (a) assisting with the management of the marketing process for the capital raising and providing strategic market advice throughout the offer period;
  - (b) assisting the Company in investor communications; and
  - (c) assisting the Company with its capital and equity management strategy;
- the Company agreed to pay Palaios a capital raising fee of 6% of the total amount of new capital raised by Palaios in any equity capital raising by the Company; and
- the Company agreed to issue to Palaios or its nominee(s) 3,000,000 Shares and 10,000,000 Options exercisable at \$0.005 on or before the date that is three years after their issue, with such Equity Securities to be issued to Palaios or its nominee following the Company’s 2019 Annual General Meeting at a nominal value of \$0.00001 each;
- the Company agreed to issue to Palaios or its nominee(s) 2,000,000 Shares at a nominal value of \$0.00001 per Share, proceeding the Company’s successful listing of the LSE; and
- the Company agreed to give Palaios (in conjunction with SI Capital Ltd) the opportunity and right of first refusal to raise additional capital for the Company, on terms to be agreed, for a period of 12 months following the date of the mandate.

The Company agreed to issue the Shares the subject of Resolution 1 in settlement of all matters arising under the mandate between the parties (including in relation to the right of first refusal described above).

### 2. Material terms of agreement with Morella Pastoral Pty Ltd (“Morella”) – Resolution 2

- CCZ executed a *Standard Conduct and Compensation Agreement* whereby Morella agreed to allow CCZ access to its farming property for the purposes of conducting an exploration program in return for cash compensation based on the types of activity undertaken.
- Outside of the agreement and as an act of good will, CCZ issued Morella 500,000 Shares (the subject of Resolution 2), prior to the commencement of the exploration program.

### 3. Material terms of Agreement with Report Card Pty Ltd (“Report Card”) – Resolution 3

- Pursuant to the agreement between Report Card and the Company, Report Card was to provide investor marketing services in the form of 6 x standard EDM’s.
- The total price to be paid to Report Card was to be satisfied via Shares at a deemed issue price of \$0.048 per Share.

### 4. Material terms of Agreement with Hydco Investments Pty Ltd (“Hydco”) – Resolution 4

- CCZ executed an *Independent Contractors Agreement* whereby Hydco would carry out an exploration and drilling campaign on behalf of CCZ.
- Both parties agreed that a portion of the Hydco invoices were to be settled via the issuance of Shares.

### 5. Material terms of Agreement with CPS Capital – Resolution 12

Pursuant to the terms of the mandate between the Company and CPS Capital relating to services provided by CPS Capital in connection with the Placement:

- CPS Capital is to receive a management fee of 2% of the total gross proceeds of the Placement, plus GST, for managing the Placement;
- CPS Capital is to receive a placing fee of 4% of the total gross proceeds of the Placement, plus GST, for funds raised via the Placement;
- CPS Capital will pay a fee of 4%, or such lesser amount agreed between parties, for funds introduced to the Placement by other AFSL holders by CPS Capital;
- CCZ will issue Options to CPS Capital and or its nominee equal to 6% of the total gross number of Shares issued pursuant to the Placement, at a deemed value of \$0.0001 per Option. These Options are to be on the same terms as the Australian Placement Options;
- CPS Capital will receive a monthly corporate advisory fee of \$6,000.00, plus GST, where applicable, payable in cash, monthly for providing continued capital markets support;
- the mandate is for a minimum term of six (6) months and will only be extended at the sole written election of CCZ; and
- should CCZ terminate the mandate prior to the expiration of 6 months, any balance not yet invoiced and paid, will be due and payable by CCZ to CPS Capital. Any GST due to CPS Capital must be paid in cash.

## **6. Material terms of Agreement with SI Capital – Resolution 13**

Pursuant to the terms of the mandate between the Company and SI Capital relating to services provided by SI Capital in connection with the Placement:

- SI Capital is to receive a commission of 4% of the total UK proceeds of the Placement; and
- CCZ will issue Options to CPS Capital and or its nominee equal to 6% of the total gross number of UK Shares issued pursuant to the Placement, at a deemed value of \$0.0001 per Option. These Options are to be on the same terms as the UK Placement Options.

**Australian Listed Options – Rights Attaching**

The Options the subject of Resolutions 10, 12, 14 and 15 will be granted under the following terms and conditions:

**(a) Entitlement**

The Options entitle the holder to subscribe for one Share upon exercise of each Option.

**(b) Exercise Price and Expiry Date**

The Options have an exercise price of \$0.08 (**Exercise Price**) and an expiry date of 5.00pm (WST) on 31 July 2024 (**Expiry Date**).

**(c) Exercise Period**

The Options are exercisable at any time on or prior to the Expiry Date. If an Option is not exercised before the Expiry Date it will automatically lapse (and thereafter be incapable of exercise).

**(d) Notice of Exercise**

The Options may be exercised by notice in writing to the Company (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised.

**(e) Exercise Date**

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

**(f) Shares issued on exercise**

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

**(g) Quotation of Shares on exercise**

Application will be made by the Company to ASX for quotation of the Shares issued upon the exercise of the Options.

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

Within 5 Business Days after the later of the following:

- the Exercise Date; and
- when excluded information in respect to the Company (as defined in section 708A(7) of the Corporations Act) (if any) ceases to be excluded information,

the Company will:

- allot and issue the Shares pursuant to the exercise of the Options;
- if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act or lodge a prospectus with ASIC that qualifies the Shares for resale under section 708A(11) of the Corporations Act; and
- apply for Official Quotation on ASX of Shares issued pursuant to the exercise of the Options.

**(i) Participation in new issues**

There are no participation rights or entitlements inherent in the Options and Option holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least five Business Days after the issue is announced. This will give Option holders the opportunity to exercise their Options prior to the date for determining entitlements to participate in any such issue.

**(j) Adjustment for bonus issue of Shares**

If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment):

- the number of Shares which must be issued on the exercise of an Option will be increased by the number of Shares which the Option holder would have received if the Option holder had exercised the Option before the record date for the bonus issue; and
- no change will be made to the Exercise Price.

(k) **Adjustment for rights issue**

If the Company makes an issue of Shares pro rata to existing Shareholders there will be no adjustment of the Exercise Price of an Option.

(l) **Adjustment for reorganisation**

If there is any reconstruction of the issued share capital of the Company, the rights of the Options may be varied to comply with the Listing Rules which apply to the reconstruction at the time of the reconstruction.

(m) **Quotation of Options**

The Company will apply for Official Quotation of the Options on ASX.

(n) **Options transferable**

If the Options do not become listed Options, then they are transferable provided that the transfer of the Options complies with section 707(3) of the Corporations Act. Should the Options become listed Options in accordance with paragraph (m) above, the Options will be transferable in accordance with relevant market rules.

**United Kingdom Listed Options – Rights Attaching**

The Options the subject of Resolutions 11 and 13 will be granted under the following terms and conditions:

**(a) Entitlement**

The Options entitle the holder to subscribe for one Share upon exercise of each Option.

**(b) Exercise Price and Expiry Date**

The Options have an exercise price of £0.044 (**Exercise Price**) and an expiry date of 5.00pm (WST) on 1 August 2024 (**Expiry Date**).

**(c) Exercise Period**

The Options are exercisable at any time on or prior to the Expiry Date. If an Option is not exercised before the Expiry Date it will automatically lapse (and thereafter be incapable of exercise).

**(d) Notice of Exercise**

The Options may be exercised by notice in writing to the Company (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised.

**(e) Exercise Date**

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

**(f) Shares issued on exercise**

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

**(g) Quotation of Shares on exercise**

Application will be made by the Company to ASX for quotation of the Shares issued upon the exercise of the Options.

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

Within 5 Business Days after the later of the following:

- the Exercise Date; and
- when excluded information in respect to the Company (as defined in section 708A(7) of the Corporations Act) (if any) ceases to be excluded information,

the Company will:

- allot and issue the Shares pursuant to the exercise of the Options;
- if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act or lodge a prospectus with ASIC that qualifies the Shares for resale under section 708A(11) of the Corporations Act; and
- apply for Official Quotation on ASX of Shares issued pursuant to the exercise of the Options.

**(i) Participation in new issues**

There are no participation rights or entitlements inherent in the Options and Option holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least five Business Days after the issue is announced. This will give Option holders the opportunity to exercise their Options prior to the date for determining entitlements to participate in any such issue.

**(j) Adjustment for bonus issue of Shares**

If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment):

- the number of Shares which must be issued on the exercise of an Option will be increased by the number of Shares which the Option holder would have received if the Option holder had exercised the Option before the record date for the bonus issue; and
- no change will be made to the Exercise Price.

**(k) Adjustment for rights issue**

If the Company makes an issue of Shares pro rata to existing Shareholders there will be no adjustment of the Exercise Price of an Option.

**(l) Adjustment for reorganisation**

If there is any reconstruction of the issued share capital of the Company, the rights of the Options may be varied to comply with the Listing Rules which apply to the reconstruction at the time of the reconstruction.

**(m) Quotation of Options**

The Company will apply for Official Quotation of the Options on ASX.

**(n) Options transferable**

If the Options do not become listed Options, then they are transferable provided that the transfer of the Options complies with section 707(3) of the Corporations Act. Should the Options become listed Options in accordance with paragraph (m) above, the Options will be transferable in accordance with relevant market rules.



Castillo Copper Limited | ACN 137 606 476

# Proxy Voting Form

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

Holder Number:

Your proxy voting instruction must be received by **11.00am (WST) on Wednesday, 28 July 2021**, being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

## SUBMIT YOUR PROXY

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

### YOUR NAME AND ADDRESS

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

### STEP 1 – APPOINT A PROXY

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

### DEFAULT TO THE CHAIR OF THE MEETING

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

### STEP 2 - VOTES ON ITEMS OF BUSINESS

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

### APPOINTMENT OF SECOND PROXY

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

### SIGNING INSTRUCTIONS

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

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

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

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

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

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

### CORPORATE REPRESENTATIVES

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

### Lodging your Proxy Voting Form:

#### Online:

Use your computer or smartphone to appoint a proxy at  
<https://investor.automic.com.au/#/loginsah>

or scan the QR code below using your smartphone

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



#### BY MAIL:

Automic  
GPO Box 5193  
Sydney NSW 2001

#### IN PERSON:

Automic  
Level 5, 126 Phillip Street  
Sydney NSW 2000

#### BY EMAIL:

[meetings@automicgroup.com.au](mailto:meetings@automicgroup.com.au)

#### BY FACSIMILE:

+61 2 8583 3040

#### All enquiries to Automic:

**WEBCHAT:** <https://automicgroup.com.au/>

**PHONE:** 1300 288 664 (Within Australia)

+61 2 9698 5414 (Overseas)

## STEP 1 - How to vote

## **APPOINT A PROXY:**

I/We being a Shareholder entitled to attend and vote at the Extraordinary General Meeting of Castillo Copper Limited, to be held at **11.00am (WST) on Friday, 30 July 2021 at 45 Ventnor Avenue, West Perth WA 6005** hereby:

**Appoint the Chair of the Meeting (Chair)** OR if you are not appointing the Chair of the Meeting as your proxy, please write in the box provided below the name of the person or body corporate you are appointing as your proxy or failing the person so named or, if no person is named, the Chair, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, and subject to the relevant laws as the proxy sees fit and at any adjournment thereof.

\_\_\_\_\_

**The Chair intends to vote undirected proxies in favour of all Resolutions in which the Chair is entitled to vote.**

Unless indicated otherwise by ticking the "for", "against" or "abstain" box you will be authorising the Chair to vote in accordance with the Chair's voting intention.

## STEP 2 – Your voting direction

<b>Resolutions</b>	<b>For</b>	<b>Against</b>	<b>Abstain</b>	<b>Resolutions</b>	<b>For</b>	<b>Against</b>	<b>Abstain</b>
1. Ratification of Prior Issue of Shares to Corporate Advisers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	9. Approval to issue Shares – Tranche 2 Of Capital Raising	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Ratification of prior issue of Shares to Station Owner	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	10. Approval to issue Options – Placement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Ratification of prior issue of Shares to Corporate Adviser	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	11. Approval to issue Options – Placement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Ratification of prior issue of Shares for Drilling Services	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	12. Approval to issue Options to CPS Capital Group Pty Ltd	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Ratification of prior issue of Shares Under Listing Rule 7.1 – Tranche 1 of Capital Raising	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	13. Approval to issue Options to SI Capital Limited	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Ratification of prior issue of Shares Under Listing Rule 7.1 – Tranche 1 Of Capital Raising	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	14. Director Participation in Placement – Mr Robert Scott	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Ratification of prior issue of Shares Under Listing Rule 7.1A – Tranche 1 of Capital Raising	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	15. Director Participation in Placement – Mr Simon Paull	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. Approval to issue shares – Tranche 2 of Capital Raising	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				

**Please note:** If you mark the abstain box for a particular Resolution, you are directing your proxy not to vote on that Resolution on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

## STEP 3 – Signatures and contact details

Individual or Securityholder 1	Securityholder 2	Securityholder 3
Sole Director and Sole Company Secretary Contact Name:	Director	Director / Company Secretary
Email Address:		
Contact Daytime Telephone	Date (DD/MM/YY)	
	/	/

**By providing your email address, you elect to receive all of your communications despatched by the Company electronically (where legally permissible).**