



ABN 47 095 792 288

# **NOTICE OF 2020 ANNUAL GENERAL MEETING**

## **INCLUDING EXPLANATORY MEMORANDUM**

### **Date of Meeting**

Tuesday, 17 November 2020

### **Time of Meeting**

11.00am (WST)

### **Place of Meeting**

MEZZANINE FLOOR AUDITORIUM  
CITY OF PERTH LIBRARY, 573 HAY STREET  
PERTH, WESTERN AUSTRALIA

**Please read this Notice and Explanatory Memorandum carefully.  
If you are unable to attend the Annual General Meeting, please complete and return the Proxy Form in  
accordance with the specified directions.**



ABN 47 095 792 288

## NOTICE OF 2020 ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the Annual General Meeting of the Shareholders of Panoramic Resources Limited ABN 47 095 792 288 ("**Company**") will be held in the Mezzanine Floor Auditorium, City of Perth Library, 573 Hay Street, Perth, Western Australia on Tuesday, 17 November 2020 at 11.00am (WST) for the purpose of transacting the following business.

If COVID-19 social distancing restrictions change prior to the Meeting, the Company will advise via an ASX announcement as to any changes in the manner in which the Meeting will be held and as to whether shareholders will still be able to attend in person and participate in the usual way.

### AGENDA

#### **BUSINESS**

The accompanying Explanatory Memorandum containing information in relation to each of the following Resolutions forms part of this Notice of 2020 Annual General Meeting and should be read in conjunction with it.

#### **ORDINARY BUSINESS**

##### **Item 1 – RECEIPT OF ANNUAL FINANCIAL REPORT**

*"To receive and consider the 2020 annual financial report of the Company, which includes the financial statements of the Company for the year ended 30 June 2020, together with the notes to the financial statements, the Directors' declaration and the reports by the Directors and the Auditor."*

##### **Item 2 – ADOPTION OF REMUNERATION REPORT (Resolution 1)**

To consider and, if thought fit, pass the following Resolution as a **non-binding resolution**:

*"That the Remuneration Report for the year ended 30 June 2020 as set out in the 2020 Annual Report be adopted."*

**Note:** The vote on this Resolution is advisory only and does not bind the Company or the Directors. However, the Board is obliged to take the outcome of the vote into consideration when reviewing the remuneration practices and policies of the Company. Shareholders are encouraged to read the Explanatory Memorandum for further details on the consequences of voting on this Resolution.

**Voting exclusion statement:** The Company will disregard any votes cast on the Resolution by or on behalf of a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report, or their Closely Related Parties. However, the Company need not disregard a vote if:

- a) it is cast by a person as a proxy appointed by writing that specifies how the proxy is to vote on the proposed Resolution or the proxy is the Chair of the Meeting and the appointment of the Chair as proxy does not specify the way the proxy is to vote on the resolution and expressly authorises the Chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel; and
- b) it is not cast on behalf of a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report, or their Closely Related Parties.

Further, a Restricted Voter who is appointed as a proxy will not vote on the Resolution unless:

- a) the appointment specifies the way the proxy is to vote on the Resolution; or
- b) the proxy is the Chair of the Meeting and the appointment expressly authorises the Chair to exercise the proxy even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel. Shareholders should note that the Chair intends to vote any undirected proxies in favour of the Resolution.

Shareholders may also choose to direct the Chair to vote against the Resolution or to abstain from voting.

If any of the persons named above purport to cast a vote other than as permitted above, that vote will be disregarded by the Company (as indicated above) and those persons may be liable for breaching the voting restrictions that apply to them under the Corporations Act.

### **Item 3 – RE-ELECTION OF MR NICHOLAS LUIGI CERNOTTA AS A DIRECTOR (Resolution 2)**

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

*“That Mr Nicholas Luigi Cernotta, who retires in accordance with clause 10.3(b) of the Company’s Constitution and, being eligible for re-election, be re-elected as a Director”.*

### **Item 4 – RATIFICATION OF PLACEMENT SHARES (Resolution 3)**

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

*“That, pursuant to and in accordance with ASX Listing Rule 7.4, and for all other purposes, Shareholders ratify the prior issue of 246,109,543 Shares (at an issue price of \$0.07 each) on 2 June 2020 to professional and sophisticated investors on the terms and conditions detailed in the Explanatory Memorandum.”*

**Voting exclusion statement:** The Company will disregard any votes cast in favour of the Resolution by or on behalf of:

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

### **Item 5 – GRANT OF PERFORMANCE RIGHTS TO MR VICTOR RAJASOORIAR OR HIS NOMINEE (Resolution 4)**

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

*“That, for the purposes of ASX Listing Rule 10.14 and for all other purposes, the Directors are authorised to issue up to 7,416,488 Performance Rights for no cash consideration, with each Performance Right having nil exercise price and expiry date of 2 years from vesting, to Mr Victor Rajasooriar or his nominee, on the terms and conditions set out in the Explanatory Memorandum (including Annexure A to the Explanatory Memorandum).”*

**Voting exclusion statement:** The Company will disregard any votes cast in favour of the Resolution by or on behalf of:

- a) Mr Victor Rajasooriar and a person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the employee incentive scheme in question; or
- b) an Associate of those person.

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

Further, a Restricted Voter who is appointed as a proxy will not vote on the Resolution unless:

- a) the appointment specifies the way the proxy is to vote on the Resolution; or
- b) the proxy is the Chair of the Meeting and the appointment expressly authorises the Chair to exercise the proxy even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel. Shareholders should note that the Chair intends to vote any undirected proxies in favour of the Resolution.

Shareholders may also choose to direct the Chair to vote against the Resolution or to abstain from voting.

If any of the persons named above purport to cast a vote other than as permitted above, that vote will be disregarded by the Company (as indicated above) and those persons may be liable for breaching the voting restrictions that apply to them under the Corporations Act.

#### **Item 6 – AMENDMENT TO CONSTITUTION TO ADOPT PROPORTIONAL TAKEOVER PROVISIONS (Resolution 5)**

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

*"That, for the purposes of section 648G of the Corporations Act 2001 (Cth) and for all other purposes, the Constitution of the Company be amended, with immediate effect, in the manner outlined in the Explanatory Memorandum to this Notice of Meeting and set out in Annexure D to the Explanatory Memorandum, to include a requirement for Shareholder approval of any proportional takeover bids, as permitted under the Corporations Act 2001 (Cth)."*

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

By order of the Board



**Ms Susan Hunter**  
**Company Secretary**  
Dated: 16 October 2020

## **NOTES**

### **REMUNERATION REPORT**

Shareholders who have elected not to receive the Company's 2020 Annual Report (which includes the 2020 Remuneration Report) may obtain a copy of the 2020 Remuneration Report by contacting the Company on telephone (+61 8) 6266 8600 or, alternatively, by downloading a copy from the Company's website at [www.panoramicresources.com](http://www.panoramicresources.com).

### **HOW TO VOTE**

Shareholders can vote by either attending the Meeting and voting in person or by attorney or, in the case of corporate Shareholders, by appointing a corporate representative to attend and vote; or appointing a proxy to attend and vote on their behalf using the Proxy Form accompanying this Notice of Meeting and by submitting their proxy appointment and voting instructions in person, by post, electronically via the internet or by facsimile.

Shareholders, or their attorneys, who plan to attend the Meeting are asked to arrive at the venue 15 minutes prior to the time designated for the Meeting, if possible, so that their holding may be checked against the Company's share register and their attendance recorded.

### **PROXIES**

The Board encourages you to attend the Meeting in person, by proxy, or by appointing an authorised representative or vote by completing and returning the Proxy Form.

All Shareholders who are entitled to attend and vote at the meeting have the right to appoint a proxy to attend and vote for them. The proxy does not have to be a Shareholder. Shareholders holding two or more Shares can appoint either one or two proxies. If two proxies are appointed, the appointing Shareholder can specify what proportion of their votes they want each proxy to exercise. If two proxies are appointed, and the appointment does not specify the proportion or number of votes that the proxy may exercise, then in accordance with Section 249X(3) of the Corporations Act, each proxy may exercise half the votes.

If a proxy is not directed how to vote on an item of business, the proxy may generally vote, or abstain from voting, as they think fit. However, where a Restricted Voter is appointed as a proxy, the proxy may only vote on Resolutions 1 and 4 in accordance with a direction on how the proxy is to vote or, if the proxy is the Chair of the Meeting and the appointment expressly authorises the Chair to exercise the proxy even if the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

Should any resolution, other than those specified in this Notice, be proposed at the Meeting, a proxy may vote on that resolution as they think fit.

If a proxy is instructed to abstain from voting on an item of business, they are directed not to vote on the Shareholder's behalf on the poll and the Shares that are the subject of the proxy appointment will not be counted in calculating the required majority.

Shareholders who return their Proxy Forms with a direction how to vote, but who do not nominate the identity of their proxy, will be taken to have appointed the Chair of the Meeting as their proxy to vote on their behalf. If a Proxy Form is returned but the nominated proxy does not attend the Meeting, the Chair of the Meeting will act in place of the nominated proxy and vote in accordance with any instructions. Proxy appointments in favour of the Chair of the Meeting, the secretary or any Director that do not contain a direction how to vote will be used, where possible, to support each of the Resolutions proposed in this Notice, provided they are entitled to cast votes as a proxy under the voting exclusion rules which apply to some of the proposed Resolutions.

To vote by proxy, please complete and return the proxy form as soon as possible. To be effective, a completed proxy form must be received by Computershare Investor Services Pty Ltd **no later than 11.00am (WST) on Sunday, 15 November 2020**, being not less than 48 hours prior to the commencement of the meeting.

Lodgement options are as follows:

Online: Shareholders can submit their proxy voting instructions online at [www.investorvote.com.au](http://www.investorvote.com.au). Please refer to the proxy form for more information about submitting proxy voting instructions online.

By mail: Computershare Investor Services Pty Limited, GPO Box 242, Melbourne, Victoria 3001, Australia.

By fax: 1800 783 447 (within Australia) or +61 3 9473 2555 (outside Australia).

In person: Computershare Investor Services Pty Limited, Level 11, 172 St George's Terrace, Perth Western Australia 6000.

Custodians and nominees: Please visit [www.intermediaryonline.com](http://www.intermediaryonline.com) to submit your voting instructions.

## **HOW THE CHAIRMAN OF THE MEETING WILL VOTE UNDIRECTED PROXIES**

The Chairman of the Meeting will vote undirected proxies in favour of all items of business.

## **BODIES CORPORATE**

A body corporate may appoint an individual as its representative to attend and vote at the Meeting and exercise any other powers the body corporate can exercise at the Meeting. The appointment may be a standing one. The representative should bring to the Meeting evidence of his or her appointment, including any authority under which the appointment is signed, unless it has previously been given to the Company.

## **VOTING ENTITLEMENTS**

In accordance with Regulation 7.11.37 of the Corporations Regulations 2001, the Board has determined that, for the purposes of voting at the Meeting, Shareholders will be taken to be those persons recorded on the Company's register of members as at 11.00am (WST) on Sunday, 15 November 2020.

## **ENQUIRIES**

Shareholders are invited to contact Ms Susan Hunter, Company Secretary, on telephone (+61 8) 6266 8600 if they have any queries in respect to the matters set out in these documents.



## EXPLANATORY MEMORANDUM

This Explanatory Memorandum has been prepared for Shareholders to provide information about the items of business contained in the accompanying Notice of 2020 Annual General Meeting of the Company.

The Directors recommend that Shareholders read this Explanatory Memorandum in full before making any decision in relation to the Resolutions.

Resolutions 1, 2, 3 and 4 to be put to shareholders are ordinary resolutions. Ordinary resolutions require approval by a simple majority of votes cast by Shareholders present (either in person, or by representative or proxy) and entitled to vote on the resolution, in order to be passed.

### **BUSINESS OF THE MEETING**

#### **ITEM 1 – RECEIPT OF ANNUAL FINANCIAL REPORT**

The Corporations Act requires the Company to lay its annual financial report, Directors' Report and Auditor's Report for the last financial year before the Annual General Meeting. Shareholders should consider these documents and raise any matters of interest with the Directors when this item is being considered.

No resolution is required for this item, but Shareholders will be given a reasonable opportunity to ask questions and to make comments on the reports.

The Company's Auditor will also be present at the meeting and Shareholders will be given the opportunity to ask the Auditor or the Auditor's representative questions about the conduct of the audit, the preparation and content of the Auditor's Report, the accounting policies adopted by the Company and the independence of the Auditor.

The Chair will also allow a reasonable opportunity for the Auditor or their representative to answer any written questions submitted to the Auditor under section 250PA of the Corporations Act.

#### **ITEM 2 – ADOPTION OF REMUNERATION REPORT (RESOLUTION 1)**

The Remuneration Report details the Company's policy on the remuneration of Non-Executive Directors, the Managing Director and Senior Executives. The 2020 Remuneration Report can be found in the Directors' Report of the 2020 Annual Report, which is available on the Company's website at [www.panoramicresources.com](http://www.panoramicresources.com).

The Corporations Act requires that a resolution for the adoption of the Remuneration Report be put before Shareholders at each Annual General Meeting. However, such a Resolution is advisory only and does not bind the Directors or the Company.

Under changes to the Corporations Act which came into effect on 1 July 2011, requirements were introduced with regard to voting on the adoption of Remuneration Reports at Annual General Meetings. These changes have been commonly referred to as the "two strikes test". If at least 25% of the votes cast on the Resolution are against the adoption of the Remuneration Report at the Company's Annual General Meeting, this constitutes the "first strike".

If, at the subsequent Annual General Meeting held the following year ("second AGM"), Shareholders again cast 25% or more votes against adopting the Remuneration Report for that year, this constitutes the "second strike" which then triggers further requirements of the Company at the same AGM.

Following the second strike, the Company will be required to put to Shareholders, at the second AGM, a separate Resolution proposing the calling of a General Meeting to consider the appointment of Directors of the Company ("**Spill Resolution**").

If more than 50% of Shareholders then vote in favour of the Spill Resolution at the second AGM, the Company must convene a General Meeting of Shareholders ("**Spill Meeting**") within 90 days of that AGM to consider the re-election of each Director of the Company, other than the Managing Director.

All of the Directors who were in office at the time of the Company's second AGM, other than the Managing Director, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting. Following the Spill Meeting, those persons elected or re-elected as Directors will be the Directors of the Company.

Shareholders will be given the opportunity to ask questions and to make comments on the 2020 Remuneration Report.

#### **Board recommendation**

The Board unanimously recommends that Shareholders vote in favour of adopting the 2020 Remuneration Report.

### **ITEM 3 – RE-ELECTION OF MR NICHOLAS LUIGI CERNOTTA AS A DIRECTOR (RESOLUTION 2)**

ASX Listing Rule 14.4 and Article 10.3(b) of the Company's Constitution require that there must be an election of Directors at each annual general meeting of the Company. Mr Cernotta was appointed as a Non-Executive Director of the Board on 2 May 2018 and was last re-elected as a Director on 21 November 2018. He was appointed independent non-executive Chair of the Board on 25 May 2020. Mr Cernotta retires by way of rotation from office in accordance ASX Listing Rule 14.4 and Article 10.3(b) of the Company's Constitution and, being eligible, offers himself for re-election.

Mr Cernotta is a mining engineer with over 30 years' experience in the mining industry, spanning various commodities and operations in Australia and overseas. He has held senior executive roles with extensive operational experience in both the public and private sectors of the mineral resources industry, including as Director of Operations at Fortescue Metals Group Ltd, Chief Operating Officer at MacMahon Contracting Limited and Director of Operations at Barrick Gold Corporation.

Mr Cernotta holds a Bachelor of Engineering (Mining). He is currently a Non- Executive Director of Pilbara Minerals Limited (ASX:PLS), New Century Resources Limited (ASX:NCZ) and Northern Star Resources Limited (ASX:NST).

#### **Board recommendation**

Based on Mr Cernotta's relevant experience and qualifications the members of the Board (excluding Mr Cernotta) recommend the re-election of Mr Cernotta as a Director of the Company.

### **ITEM 4 – RATIFICATION OF PLACEMENT SHARES (RESOLUTION 3)**

#### **Background to Resolution**

On 2 June 2020, the Company announced the successful completion of an underwritten institutional placement (**Placement**) and issued a total of 410,182,572 new Shares at an issue price of A\$0.07 per Share to raise A\$28,712,780 before costs (**Placement Shares**). Funds are being used for the repayment of the Company's debt facilities, payment of creditors and general working capital, care and maintenance costs at the Company's Savannah nickel mine, key development activities required for restart of the Savannah nickel mine, including completion of critical ventilation infrastructure required for Savannah North development and targeted exploration including the drilling of near-mine EM targets from underground, the targeted drilling of the "oxide prospect" near the processing plant and the mapping and drill testing of regional targets.

Panoramic relied on the ASX class waiver decision "Temporary Extra Placement Capacity" dated 31 March 2020 (as replaced by the ASX class waiver decision dated 22 April 2020) (**ASX Class Waiver Decision**) to increase its placement capacity under ASX Listing Rule 7.1 from 15% to 25% (**Temporary Extra Placement Capacity**). One of the conditions of the ASX Class Waiver Decision is that the Temporary Extra Placement Capacity will not be able to be ratified or replenished under Listing Rule 7.1 or 7.4. This means that the Company is not able to ratify the issue of Placement Shares in excess of its 15% placement capacity under Listing Rule 7.1.

410,182,572 Placement Shares were issued comprising:

- a) 246,109,543 Placement Shares issued under the Company's 15% placement capacity under Listing Rule 7.1 (**Ratification Shares**); and
- b) 164,073,029 Placement Shares issued under the additional 10% Temporary Extra Placement Capacity (**Extra Placement Shares**).

The Company is seeking Shareholder approval to ratify the issue of the Ratification Shares pursuant to Resolution 3 of this Notice.

Resolution 3 seeks ratification pursuant to Listing Rule 7.4 for the issue of the Ratification Shares. Resolution 3 is an ordinary resolution.

### **Listing Rule 7.1 and Ratification Shares**

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

The issue of the Ratification Shares does not fall within an exception to Listing Rule 7.1 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 issue date.

Listing Rule 7.4 provides that where a company in a general meeting ratifies the previous issue of securities made pursuant to Listing Rule 7.1 (and provided that the previous issue did not breach Listing Rule 7.1) those securities will be deemed to have been made with Shareholder approval for the purpose of 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 confirms that the issue of the Ratification Shares did not breach Listing Rule 7.1.

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 for the purposes of Listing Rule 7.4 so that the Ratification Shares are not counted towards the Company's 15% limit under Listing Rule 7.1. The Extra Placement Shares will not be able to be ratified or replenished under Listing Rule 7.1 or 7.4.

If Resolution 3 is passed, the issue of the Ratification 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 the Company issued the Ratification Shares.

If Resolution 3 is not passed, the issue of the Ratification Shares will be included in calculating the Company's 15% limit in Listing Rule 7.1, effectively decreasing the number of equity securities it can issue without Shareholder approval over the 12 month period following the date the Company issued the Ratification Shares.

### **Information required by Listing Rule 7.5**

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

- a) the Ratification Shares were issued to WSA and a broad range of existing and new institutional investors, located domestically and offshore introduced by Canaccord Genuity (Australia) Limited and Morgans Corporate Limited, joint lead managers and joint underwriters to the transaction, in consultation with the Company, who are not related parties or associates of related parties of the Company;
- b) 246,109,543 Ratification Shares were issued as part of the recent Placement of 410,182,572 Shares;
- c) all Ratification Shares issued were fully paid ordinary shares and rank equally with the Company's existing Shares on issue;
- d) the Ratification Shares were issued on 2 June 2020;
- e) the Ratification Shares were issued at a price of \$0.07 per Placement Share, raising a total of A\$17,227,668 (before costs);
- f) the funds raised are being used for the repayment of Panoramic's debt facilities, payment of creditors and general working capital, care and maintenance costs, key development activities at Savannah and targeted exploration;
- g) the Ratification Shares issued to WSA were issued pursuant to a Subscription Agreement dated 25 May 2020, a summary of which is set out in Annexure C; and
- h) a voting exclusion statement is included in this Notice for Resolution 3.

## Directors' Recommendation

The Directors unanimously recommend that Shareholders vote in favour of Resolution 3.

## **ITEM 5 – GRANT OF PERFORMANCE RIGHTS TO MR VICTOR RAJASOORIAN OR HIS NOMINEE (RESOLUTION 4)**

The Company proposes to grant a total of up to 7,416,488 Performance Rights (each with nil exercise price and expiry date of 2 years from vesting) to Mr Victor Rajasoorian (**Participating Director**) or his nominee.

The Company obtained ASIC relief, on similar terms as the ASIC Class Order 14/1000, in relation to the proposed issue of the Performance Rights. The relief was required as the Company could not rely on ASIC Class Order 14/1000 due to being suspended for more than a total of five days in the preceding 12 month period.

### **Related Party Transactions Generally**

Chapter 2E of the Corporations Act prohibits a public company from giving a financial benefit to a related party of the public company unless either:

- a) the giving of the financial benefits falls within one of the nominated exceptions to the provision; or
- b) Shareholder approval is obtained prior to the giving of the financial benefit and the benefit is given within 15 months after obtaining such approval.

For the purposes of Chapter 2E of the Corporations Act, the Participating Director is a related party of the Company. Resolution 4 relates to a proposed issue of Performance Rights to Mr Rajasoorian (or his nominee), which is a financial benefit that requires Shareholder approval for the purposes of section 208 of the Corporations Act.

Under section 208 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; 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 210 of the Corporations Act.

In relation to this Resolution, the Board (excluding Mr Rajasoorian) has formed the view that Shareholder approval under section 208 of the Corporations Act is not required for the proposed issue of Performance Rights as the issue is considered reasonable remuneration for the purposes of section 211 of the Corporations Act. As such, Shareholder approval is not being sought for the purposes of section 208 of the Corporations Act.

### **Information Requirements – Listing Rules 10.14 and 10.15**

Listing Rule 10.14 provides that the Company must not permit any of the following persons to acquire equity securities under an employee incentive scheme:

- a) a director of the Company (Listing Rule 10.14.1);
- b) an associate of a director of the Company (Listing Rule 10.14.12); or
- c) a person whose relationship with the Company or a person referred to in Listing Rule 10.14.1 or 10.14.2 is such that, in ASX's opinion, the acquisition should be approved by its Shareholders (Listing Rule 10.14.3),

unless it obtains the approval of its Shareholders.

The proposed grant of Performance Rights to Mr Rajasoorian pursuant to the falls within Listing Rule 10.14.1 and therefore requires the approval of Shareholders under Listing Rule 10.14.

If this Resolution is passed, the Company will grant Performance Rights to Mr Rajasoorian or his nominee as noted above.

If this Resolution is not passed, the Company will not grant Performance Rights to Mr Rajasoorian or his nominee and the Company will not be utilising the most cost-effective and efficient means for incentivising Mr Rajasoorian, and other means, such as cash payments, would be considered. Those other means may not align Mr Rajasoorian's interests with those of Shareholders to the same extent.

The following further information is provided to Shareholders for the purposes of Listing Rule 10.15:

- a) the Performance Rights will be granted to Mr Rajasooriar or his nominee, as noted above;
- b) Mr Rajasooriar is a Director of the Company and is a related party of the Company under Listing Rule 10.14.1 by virtue of being a Director;
- c) Up to 7,416,488 Performance Rights will be granted;
- d) Mr Rajasooriar is a Director of the Company and the issue the subject of this Resolution is intended to remunerate or incentivise Mr Rajasooriar. Mr Rajasooriar's current total fixed remuneration (**TFR**) is \$575,000 (gross), inclusive of car parking and statutory superannuation. Mr Rajasooriar is entitled to receive short term incentives in accordance with the STI Plan Rules that apply from time to time up to 60% of TFR and long term incentives up to 100% of TFR in accordance with the rules of the Incentive Options and Performance Rights Plan.
- e) the terms and conditions of the Performance Rights are set out in Annexure A to this Explanatory Memorandum;
- f) the Performance Rights have been selected to incentive and motivate Mr Rajasooriar to exceed expectations and to focus on the Company's longer term goals;
- g) the Company's advisers have valued the Performance Rights with market based vesting conditions to be granted to the Mr Rajasooriar, or his nominee using the Monte Carlo Model. The value of a Performance Right calculated by the Monte Carlo Model is a function of a number of variables. The valuation of the Performance Rights has been prepared using the following assumptions:

Variable	Input
Share price	\$0.095
Exercise price	Nil
Risk Free Interest Rate	0.175%
Volatility	80%
Time (years to expiry)	2.73

The Company's independent advisers have calculated the value of each ATSR Performance Right based on the following assumptions:

- i. they have based the underlying value of each Share in the Company on the ASX closing price of A\$0.095 on 5 October 2020;
- ii. risk free rate of return – 0.175% (estimated, based on 3 year Australian government bond rate); and
- iii. they used a volatility of the Share price of 80% as determined from the daily movements in Share price of Panoramic and its Peer Group over the length of time to expiry, adjusted for abnormal trading.

Any change in the variables applied in the Monte Carlo calculation between the date of the valuation and the date the ATSR Performance Rights are granted would have an impact on their value.

Based on the assumptions, it is considered that the estimated average value of the ATSR Performance Rights to be granted to Mr Rajasooriar, or his nominee, is \$0.069 per Performance Right.

The Company's independent advisers have calculated the value of each RTSR Performance Right based on the following assumptions:

- i. a TSR adjustment for Panoramic and each of the Peer Group's constituent companies to account for the TSR realised during the period from the start of the performance period (1 July 2020) up to the valuation date (5 October 2020) was used as an input in the valuation model;

- ii. they have based the underlying value of each Share in the Company on the ASX closing price of A\$0.095 on 5 October 2020;
- iii. risk free rate of return – 0.175% (estimated, based on 3 year Australian government bond rate); and
- iv. they used a volatility of the Share price of 80% as determined from the daily movements in Share price of Panoramic and its Peer Group over the length of time to expiry, adjusted for abnormal trading.

Any change in the variables applied in the Monte Carlo calculation between the date of the valuation and the date the RTSR Performance Rights are granted would have an impact on their value.

Based on the assumptions, it is considered that the estimated average value of the RTSR Performance Rights to be granted to Mr Rajasooriar, or his nominee is \$0.071 per Performance Right;

- h) the Performance Rights will be granted on a date which will be no later than 3 years after the date of this Meeting, unless otherwise extended by way of ASX granting a waiver to the Listing Rules;
- i) the Performance Rights will be granted for no cash consideration;
- j) a summary of the material terms of the Incentive Options and Performance Rights Plan is set out in Annexure B;
- k) details of any securities issued under the Incentive Options and Performance Rights Plan will be published in the annual report of the Company relating to a period in which they were issued, along with a statement that approval for the issue was obtained under Listing Rule 10.14;
- l) any additional people covered by Listing Rule 10.14 who become entitled to participate in the scheme after the Resolution is approved and who were not named in the notice of meeting will not participate until approval is obtained under that rule; and
- m) a voting exclusion statement applies to this Resolution as set out in the Notice.

### **Directors' recommendation**

All the Directors were available to make a recommendation. For the reasons noted above, Mr Rajasooriar declines to make a recommendation about the Resolution as he has a material personal interest in the outcome of this particular Resolution as it relates to the proposed grant of Performance Rights to him or his nominee(s). The Directors (other than Mr Rajasooriar) recommend that Shareholders vote in favour of this Resolution. The Board (other than Mr Rajasooriar) is not aware of any other information that would reasonably be required by the Shareholders to allow them to make a decision with respect to whether it is in the best interests of the Company to pass the Resolution.

### **Voting**

Shareholders are urged to carefully read the Proxy Form and provide a direction to the proxy on how to vote on the Resolution.

## **Item 6 – AMENDMENT TO CONSTITUTION TO ADOPT PROPORTIONAL TAKEOVER PROVISIONS (Resolution 5)**

### **Background**

The Corporations Act permits a company to include in its constitution provisions (called **takeover approval provisions**) requiring that a proportional or partial takeover offer (ie an offer for less than 100% of the shares but for the same proportion of each shareholder's shares) be approved by a majority of shareholders, before it may proceed. In effect, the approval of Resolution 5 will enable the Company to refuse to register shares acquired under a proportional takeover bid unless such bid is approved by a majority of shareholders.

Pursuant to section 648G(1) of the Corporations Act, proportional takeover provisions are required to be renewed every three years (unless a company's constitution provides for a shorter period). If the proportional takeover provisions are not renewed a company's constitution is taken to be altered by omitting the provisions pursuant to section 648G(3) of the Corporations Act. The Company has not renewed the proportional takeover provisions within the required period and as such the proportional takeover provisions are being adopted.

The full text of the amendments is set out in Annexure D to this Explanatory Memorandum.

## **Section 648G of the Corporations Act**

The following information is provided pursuant to section 648G of the Corporations Act.

### **(a) Operation of the proportional takeover provisions**

By inserting the proposed proportional takeover provisions into the Company's Constitution as set out in Annexure D the registration of a transfer of Shares acquired under a proportional takeover offer will be prohibited unless an approving resolution is passed by Shareholders in the Company in the manner provided in the proposed proportional takeover provisions of the Company's Constitution.

The proportional takeover provisions do not apply to a full takeover bid for all of the Shares of the Company.

If the proposed proportional takeover provisions are adopted and a proportional takeover offer is subsequently made for Shares in the Company, the Directors must seek Shareholder approval by a majority vote to register transfers under the proportional takeover bid. The Shareholder approval can be obtained at a general meeting of Shareholders.

In either case, those Shareholders who are entitled to vote at the general meeting are the Shareholders (other than the bidder and its associates) who are recorded on the register of members at the end of the day on which the first of the takeover offers under the proportional takeover bid is made.

The resolution must be voted on at least 14 days before the last day of the offer period under the proportional takeover bid. The resolution will be passed if more than 50 percent of eligible votes are cast in favour of the approval. If no such resolution has been voted on at least 14 days before the last day of the bid period then a resolution to approve the bid is taken to have been passed.

If the resolution is not passed by a majority of the shares voted, then the offer will be deemed to be withdrawn and registration of any transfer of shares resulting from the offer will be prohibited. Acceptances will be returned and any contracts formed by acceptance will be rescinded. If the resolution is approved, transfers of shares to the bidder will be registered provided they comply with the other provisions of the Constitution.

The proposed proportional takeover provisions will expire three years after the date of their adoption, unless renewed by Shareholders by special resolution.

### **(b) Current acquisition proposals**

As at the day on which this Notice and Explanatory Memorandum is prepared, none of the Directors of the Company is aware of a proposal by a person to acquire, or to increase the extent of, a substantial interest in the Company.

### **(c) Advantages of proportional takeover provisions to Shareholders**

Potential advantages to Shareholders of the inclusion of proportional takeover provisions in the Company's Constitution are set out below:

1. The takeover approval provisions may enable Shareholders to act together and so avoid the coercion of Shareholders that might otherwise arise where they believe a partial offer is inadequate, but nevertheless accept through concern that a significant number of other Shareholders will accept.
2. The takeover approval provisions may provide Shareholders with protection against being coerced into accepting a partial bid at a high premium where the bidder indicates its intention to mount a subsequent bid for the remaining shares at a much reduced price. This puts pressure on Shareholders to accept the initial bid in order to maximise their returns.
3. If a partial bid is made, the takeover approval provisions may make it more probable that a bidder will set its offer price at a level that will be attractive to at least a majority of Shareholders.
4. The body of Shareholders may more effectively advise and guide the Directors' response to a partial bid, and knowing the view of the majority of Shareholders may assist individual Shareholders to assess the likely outcome of the proportional bid and decide whether or not to accept an offer under the bid.

5. The takeover approval provisions may make it more probable that any takeover offer will be a full bid for the whole shareholding of each Shareholder, so that Shareholders may have the opportunity of disposing of all their Shares rather than only a proportion.

**(d) Disadvantages of the proportional takeover provisions to Shareholders**

Potential disadvantages to Shareholders of the inclusion of proportional takeover provisions in the Company's Constitution are set out below:

1. By placing obstacles in the way of partial offers, the proposal may tend to discourage partial offers, thus reducing the opportunity for Shareholders to sell a portion of their holding.
2. It is possible that the existence of the takeover approval provisions might have an adverse effect on the market value of the Company's Shares by making a partial offer less likely thus reducing any takeover speculation element in the Share price.
3. An individual Shareholder who wishes to accept a proportional offer will be unable to sell to the bidder unless a majority of Shareholders favour the proportional takeover scheme (which may be viewed as an additional restriction on the ability of individual Shareholders to deal freely in their Shares).
4. If a proportional takeover offer is made, the Company will incur the cost of calling a meeting of Shareholders.

**(e) Advantages and disadvantages of the proportional takeover provisions for the Directors**

Potential advantages and disadvantages to the Directors of the inclusion of proportional takeover provisions in the Company's Constitution are set out below:

1. If the Directors consider that a proportional bid should be opposed, they will be assisted in preventing the bidder from securing control of the Company as the bidder will need a majority of votes to be cast in its favour by the independent Shareholders, before the bidder can succeed.
2. On the other hand, under the takeover approval provisions, if a proportional takeover offer is received, the Directors must call a meeting to seek the Shareholders' views. They must do so even if the Directors believe that the offer should be accepted.
3. At present, it is only the Directors who express any formal view on the adequacy or otherwise of a takeover bid, on behalf of the Company. Under the takeover approval provisions the most effective view on a proportional bid will become the view expressed by the vote of the Shareholders themselves, at the meeting.
4. The takeover approval provisions may make it easier for the Directors to discharge their fiduciary and statutory duties as directors in the event of a proportional takeover bid.

**(f) Reasons for proposing the Resolution**

Having considered the advantages and disadvantages to Shareholders and the Directors, the Directors have decided to put this Resolution to Shareholders, to give Shareholders an opportunity to take advantage of the protections which the takeover approval provisions offer, if a proportional takeover offer is made.

## GLOSSARY

“**Accounting Standards**” has the meaning given to that term in the Corporations Act;

“**AGM**” means the Annual General Meeting of the Company to be held at 11.00am on Tuesday, 17 November 2020 at the Mezzanine Floor Auditorium, City Of Perth Library, 573 Hay Street, Perth, Western Australia;

“**ASX**” means ASX Limited (ABN 98 008 624 691) trading as the Australian Securities Exchange;

“**ASX Listing Rules**” means the official listing rules of ASX as amended from time to time;

“**Auditor**” means any persons appointed to perform the duties of auditor of the Company from time to time;

“**Board**” means the board of Directors;

“**Closely Related Parties**” has the meaning given in the Corporations Act and includes spouses, children and dependants of Key Management Personnel;

“**Constitution**” means the Company’s constitution;

“**Company**” or “**Panoramic**” means Panoramic Resources Limited (ABN 47 095 792 288);

“**Corporations Act**” means *Corporations Act 2001* (Cth);

“**Directors**” means the directors of the Company;

“**Explanatory Memorandum**” means this information attached to the Notice, which provides information to Shareholders about the Resolutions contained in the Notice;

“**Group**” means the Company and each of its Related Bodies Corporate;

“**Incentive Options and Performance Rights Plan**” means the Panoramic Resources Limited Incentive Options & Performance Rights Plan, of which a summary of the principal terms and rules is given in Annexure B;

“**Key Management Personnel**” means persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Directors (whether executive or otherwise) of the Company.

“**Meeting**” means the meeting which is the subject of the Notice;

“**Notice**” means the Notice of 2020 Annual General Meeting which accompanies this Explanatory Memorandum;

“**Performance Right**” means a right to be issued or transferred a Share at a future point, subject to the satisfaction of Vesting Conditions;

“**Peer Group**” means the following companies: Aeris Resources Ltd (ASX:AIS); Aurelia Metals Ltd (ASX:AMI); Copper Mountain Mining Corp (ASX:C6C); Heron Resources Ltd (ASX:HRR); Hillgrove Resources Ltd (ASX:HGO); Hot Chili Ltd (ASX:HCH); Metals X Ltd (ASX:MLX); Mincor Resources Ltd (ASX:MCR); New Century Resources Ltd (ASX:NCZ); Sandfire Resources Ltd (ASX:SFR); Red River resources Ltd (ASX:RVR); Poseidon Nickel Ltd (ASX:POS); Venturex Resources Ltd (ASX:VXR); and Western Areas Ltd (ASX:WSA), as adjusted by the Board in consultation during the Performance Period.

“**Related Body Corporate**” has the meaning given to that term in the Corporations Act;

“**Remuneration Report**” and “**2020 Remuneration Report**” means the 2020 Remuneration Report which forms part of the Directors’ Report and is contained in the Company’s 2020 annual financial report;

“**Resolution**” means a resolution to be put to Shareholders at the Meeting, as set out in the Notice;

“**Share**” means a fully paid ordinary share issued in the capital of the Company;

“**Shareholder**” means a person whose name is entered in the Company’s register of members;

“**TSR**” measures the return received by shareholders from holding Shares over the Performance Period, calculated as follows:

$$TSR = (B - A) / A$$

Where:

A = the Market Value of the Shares at 1 July 2020; and

B = the Market Value of the Shares at the end of the Performance Period.

**“Vesting Conditions”** has the meaning given in Annexure A;

**“WST”** means Western Australian Standard Time; and

**“WSA”** means Western Areas Limited ACN 091 049 357 (ASX: WSA).

## ANNEXURE A – TERMS AND CONDITIONS OF PERFORMANCE RIGHTS

The terms of the Performance Rights proposed to be granted to Mr Rajasooriar, including the conditions on which the Performance Rights may vest, are set out below with further details:

- a) **Number of Awards:** The number of Performance Rights proposed to be granted is up to 7,416,4888, being the number of Performance Rights equal to 100% of Mr Rajasooriar's total fixed remuneration (\$575,000), divided by the 20 day volume weighted average price of Shares at 30 June 2020.
- b) **Award exercise price:** Nil.
- c) **Expiry date:** 2 years after the date of vesting of the Performance Rights.
- d) **Vesting Conditions:**
  - i. That Mr Rajasooriar continues to be employed by the Group throughout the period from 1 July 2020 to 30 June 2023 (Performance Period) and as at the date of vesting of the Performance Rights; and
  - ii. the Performance criteria set out below:

### Absolute Total Shareholder Return (ATSR)

25% of the Performance Rights will be performance tested against the ATSR (defined below) for the Company over the Performance Period on the basis set out below:

ATSR of the Company	Percentage of relevant Performance Rights that vest
Annualised TSR below 0%	0% vest
Annualised TSR below 5%	25% vest
Annualised TSR below 10%	50% vest
Annualised TSR below 15% or above	100% vest

The ATSR will be prorated between the levels, once the final annualised percentage growth has been calculated.

### Relative Total Shareholder Return (RTSR)

75% of the Performance Rights will be performance tested against the RTSR (defined below) for the Company over the Performance Period relative to the TSR of each of the companies in the Peer Group (defined below) over that same Performance Period on the basis set out below.

RTSR of the Company relative to Peer Group	Percentage of relevant Performance Rights that vest
Less than 50th percentile	Nil
At or above the 50th percentile but below the 60th percentile	Pro rata (on a straight line basis) between 25% and 49% vest
At or above the 60th percentile but below the 75th percentile	Pro rata (on a straight line basis) between 50% and 99% vest
At or above the 75th percentile	100% vest

The Board has determined to waive the Vesting Conditions on a Change of Control.

## Definitions

**TSR** measures the return received by shareholders from holding Shares over the Performance Period, calculated as follows:

$$\text{TSR} = (B-A) / A$$

Where:

A = the Market Value of the Shares at 1 July 2020; and

B = the Market Value of the Shares at the end of the Performance Period.

**Market Value** is calculated as the 20-day volume weighted average price of the Shares ending on the day prior to the start or end of the Performance Period, as applicable.

**Peer Group** means the following companies: Aeris Resources Ltd (ASX:AIS); Aurelia Metals Ltd (ASX:AMI); Copper Mountain Mining Corp (ASX:C6C); Heron Resources Ltd (ASX:HRR); Hillgrove Resources Ltd (ASX:HGO); Hot Chili Ltd (ASX:HCH); Metals X Ltd (ASX:MLX); Mincor Resources Ltd (ASX:MCR); New Century Resources Ltd (ASX:NCZ); Sandfire Resources Ltd (ASX:SFR); Red River resources Ltd (ASX:RVR); Poseidon Nickel Ltd (ASX:POS); Venturex Resources Ltd (ASX:VXR); and Western Areas Ltd (ASX:WSA), as adjusted by the Board in consultation during the Performance Period.

## ANNEXURE B – MATERIAL TERMS OF THE INCENTIVE OPTIONS AND PERFORMANCE RIGHTS PLAN (PLAN)

Below is a summary of the key terms of the Company's Incentive Options and Performance Rights Plan.

- a) **Eligibility:** Eligible Participants include executive and non-executive Directors or a full or part time employee of the Group who is declared by the Board to be eligible to receive grants of Awards under the Plan.
- b) **Administration of Plan:** The Directors administers the Plan as a Board or through the remuneration committee. From time to time, Eligible Participants (including a Director, whether executive or non-executive, subject to any necessary Shareholder approvals) may be invited by the Board (in its absolute discretion) to apply for one or more Award to acquire Shares in the Company.
- c) **Award:** Award means Options or Performance Rights, as the context requires, issued under the Plan.
- d) **Number of Awards:** The individual grants of Awards to those eligible to participate in the Plan will be as determined by the Board in its sole and absolute discretion, subject to any necessary Shareholder approvals. In line with current market practice, it is intended that the Managing Director be provided with a LTI allocation equal to 100% of his fixed remuneration and the other senior executives and senior managers are provided with a LTI allocation equal to 25-50% of their fixed remuneration, depending on the Eligible Participant's level of seniority.
- e) **Limit of Offers:** The number of Awards offered under the Plan and the number of Shares underlying any Awards, granted on any day, when aggregated with the number of Shares issued or that may be issued as a result of offers made in reliance on ASIC Class Order 14/1000, as amended or replaced from time to time, at any time during the previous three-year period under an employee incentive scheme, must not exceed the maximum permitted under any ASIC Class Order providing relief from the disclosure regime of the Corporations Act to ensure compliance with any such ASIC Class Order. The Board has determined that annual offers of Awards will not exceed 1% of the total number of Shares on issue.
- f) **Vesting Conditions:** An Award issued under the Plan will not vest and be exercisable unless the Vesting Conditions (any condition determined by the Board in its discretion), set out in the Offer Document which must be satisfied (unless waived in accordance with the Plan).

Future grants of Performance Rights made under the Plan are to be subject to the satisfaction of service and three Vesting Conditions over a three-year vesting period. These Vesting Conditions have been reviewed and determined by the Remuneration Committee. Absolute total shareholder return (TSR), relative TSR and Reserves and Resources growth performance, net of depletion, are deemed by the Remuneration Committee as appropriate performance measures of the Company's performance.

- g) **Vesting Condition Exceptions:** Notwithstanding the requirement to satisfy the Vesting Conditions, the Board may in its discretion (except to the extent otherwise provided by an Offer), by written notice to a Participant, resolve to waive or reduce any Vesting Condition applying to an Award in whole or in part.
- h) **Exercise on Vesting:** A Participant (or their personal legal representative where applicable) may, subject to the terms of the Plan and any Offer, exercise any vested Award at any time after the Award has vested but before the Award lapses by providing the Company with:
  - a. the certificate for the Awards or, if the certificate for the Awards has been lost, mutilated or destroyed, a declaration to that effect, accompanied by an indemnity in favour of the Company against any loss, costs or expenses which might be incurred by the Company as a consequence of its relying on the declaration that the certificate has been lost, mutilated or destroyed;
  - b. a notice in the form of Schedule 3 (of the Plan) addressed to the Company and signed by the Participant stating that the Participant exercises the Awards and specifying the number of Awards which are exercised; and
  - c. where the Award to be exercised is an Option, except to the extent the Board approves the use of the Cashless Exercise Facility or the Cash Payment Facility (where available), payment to the Company in cleared funds of an amount equal to the Option Exercise Price multiplied by the number of Options which are being exercised.
- i) **Cash Payment Facility:** Subject to the Corporations Act, the ASX Listing Rules, the Plan and the terms of any Offer, where all Vesting Conditions in respect of an Award have been satisfied or waived and the Offer for that Award provided for a Cash Payment alternative, the Board may, in its discretion, within 10 Business Days of

receipt of a valid notice of exercise for the vested Award, in lieu of issuing or transferring a Share to the Participant on exercise of the Award, pay the Participant or his or her personal representative (as the case may be) a Cash Payment for the Award exercised (which will be nil if the Cash Payment is a negative amount). A vested Award automatically lapses upon payment of a Cash Payment in respect of the vested Award.

- j) **Cashless Exercise Facility:** If a Participant wishes to exercise some or all of their vested Options, it may, subject to Board approval, elect to pay the Option Exercise Price by using the Cashless Exercise Facility. The Cashless Exercise Facility allows a Participant to set-off the Option Exercise Price against the number of Shares which the Participant is entitled to receive upon exercise of the Participant's Options. By using the Cashless Exercise Facility, the Participant will receive Shares to the Market Value of the surplus after the Option Exercise Price has been set-off.
- k) **Share Restriction Period:** Subject to any escrow restrictions imposed by the ASX Listing Rules, the Board may, in its discretion, determine at any time up until an Award is exercised, that a restriction period will apply to some or all of the Shares issued or transferred to a Participant on exercise of those Awards (Restricted Shares), up to a maximum of fifteen (15) years from the Acquisition Date of the Awards (Restriction Period)
- l) **Expiry Date:** Expiry Date means, in respect of an Award, the date on which the Award lapses (if it has not already otherwise lapsed in accordance with Plan), which must be a date no more than fifteen (15) years after the Acquisition Date of the Award.
- m) **Special Circumstances:** Special Circumstances means:
  - a. a Relevant Person ceasing to be an Eligible Participant due to death or Total or Permanent Disability, Retirement or Redundancy of a Relevant Person;
  - b. a Relevant Person suffering Severe Financial Hardship; or
  - c. any other circumstance stated to constitute "Special Circumstances" in the terms of the relevant Offer made to and accepted by the Participant.
- n) **Lapsing of Awards:** An Award will lapse upon the earlier to occur of:
  - a. an unauthorised Disposal of, or hedging of, the Awards;
  - b. a Vesting Condition in relation to the Award is not satisfied by the due date, or becomes incapable of satisfaction, as determined by the Board acting reasonably, unless the Board exercises its discretion to waive the Vesting Condition and vest the Award under a Vesting Condition Exception clause (c) below applies;
  - c. in respect of an unvested Award, a Relevant Person ceases to be an Eligible Participant, unless the Board in its discretion resolves to allow the unvested Award to remain subject to any Vesting Conditions after the Relevant Person ceases to be an Eligible Participant (which resolution may be made before or after the Relevant Person ceases to be an Eligible Participant);
  - d. in respect of a vested Award:
    - i. a Relevant Person ceases to be an Eligible Participant and the Board, in its discretion, resolves that the Award issued in respect of that Relevant Person must:
      - 1. be exercised within one (1) month (or such later date as the Board determines) of the date the Relevant Person ceases to be an Eligible Participant and the Award is not exercised within that period and the Board resolves, at its discretion, that the Award lapses as a result; or;
      - 2. be cancelled by the Company in consideration for a Cash Payment to the Participant, and a Cash Payment is made in respect of the vested Award; or
    - ii. where a Cash Payment alternative is available, upon payment of a Cash Payment in respect of the vested Award under the Cash Payment Facility;
  - e. the Board deems that an Award lapses due to Fraud and Related Matters;
  - f. in respect of an unvested Award, a winding up resolution or order is made in respect of the Company, and the Award does not vest in accordance with Vesting Condition Exceptions; and
  - g. the Expiry Date of the Award.

- o) **Exchange due to Change of Control:** If a company (Acquiring Company) obtains control of the Company as a result of a Change of Control and both the Company, the Acquiring Company and the Participant agree, a Participant may, in respect of any vested Awards that are exercised, be provided with shares of the Acquiring Company, or its parent, in lieu of Shares, on substantially the same terms and subject to substantially the same conditions as the Shares, but with appropriate adjustments to the number and kind of shares subject to the Awards.
- p) **Change of Control Event:** Change of Control means:
- a. a Takeover Bid is declared unconditional and the bidder has acquired a Relevant Interest in at least 50.1% of the Company's issued Shares;
  - b. a court approves, under Section 411(4)(b) of the Corporations Act, a proposed compromise or arrangement (other than a compromise or arrangement with the Company's creditors) for the purposes of, or in connection with, a scheme for the reconstruction of the Company or its amalgamation with any other company or companies; or
  - c. in any other case, a person obtains Voting Power in the Company of at least 50.1% of the Company's issued Shares.
- q) **Adjustments for Reorganisations:** If, at any time, the issued capital of the Company is reorganised (including consolidation, subdivision, reduction or return), all rights of a Participant are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules (if applicable) at the time of the reorganisation.
- r) **Adjustment to Award Terms:** No adjustment or variation of the terms of an Award will be made by the Board without the consent of the Participant who holds the relevant Award if such adjustment or variation would have a materially prejudicial effect upon the Participant (in respect of his or her outstanding Awards), other than an adjustment or variation introduced primarily:
- a. for the purpose of complying with or conforming to present or future State, Territory or Commonwealth legislation governing or regulating the maintenance or operation of the Plan or like plans;
  - b. to correct any manifest error or mistake;
  - c. to enable a member of the Group to comply with the Corporations Act, the ASX Listing Rules, applicable foreign law, or a requirement, policy or practice of the ASIC or other foreign or Australian regulatory body; or
  - d. to take into consideration possible adverse taxation implications in respect of the Plan, including changes to applicable taxation legislation or the interpretation of that legislation by a court of competent jurisdiction or any rulings from taxation authorities administering such legislation.
- s) **Trust:**
- a. The Board may, at any time, establish a trust for the sole purpose of acquiring and holding Shares in respect of Awards issued under the Plan, including for the purpose of enforcing the disposal restrictions and appoint a trustee to act as trustee of the trust.
  - b. The trustee will hold the Shares as trustee for and on behalf of a Participant as beneficial owner upon the terms of the trust.
  - c. The Board may at any time amend all or any of the provisions of the Plan to effect the establishment of a trust and the appointment of a trustee.
- t) **Deferred Taxation:** Subdivision 83A-C of the *Income Tax Assessment Act 1997* applies to the Plan and any Awards acquired under the Plan except to the extent an Offer provides otherwise.

## ANNEXURE C – MATERIAL TERMS OF THE SUBSCRIPTION AGREEMENT

Below is a summary of the key terms of the Subscription Agreement entered into between the Company and WSA.

- a) WSA agreed to pay and subscribe for, and the Company agreed to issue, such number of Placement Shares pursuant to the Placement that give WSA an interest of 19.9% in the Company upon completion of the Placement and Institutional Entitlement Offer.
- b) WSA also undertook to complete and return a retail offer Shortfall commitment pursuant to which it irrevocably subscribed for up to that number of Shortfall Shares under the Shortfall in respect of the Retail Entitlement Offer, such that WSA maintained an interest of up to 19.9% in the Company following completion of the Offer.
- c) WSA agreed to pay and subscribe for, and the Company has agreed to issue, such number of Placement Shares pursuant to the Placement that give WSA an interest of 19.9% in the Company upon completion of the Placement and Institutional Entitlement Offer.
- d) WSA's participation in the Placement and commitment to partially sub-underwrite the Retail Entitlement Offer Shortfall were subject to satisfaction or waiver of the respective conditions precedent which are standard for an agreement of this nature.
- e) Following completion of the Entitlement Offer, there are a number of rights and obligations imposed on WSA and the Company under the WSA Subscription Agreement, namely:
  - a. WSA will have the right, but not the obligation, to nominate a suitably qualified person to the Company's Board as a non-executive Director to replace a current Director of the Company's Board subject to:
    - i. the Company being satisfied with the nominated person, acting reasonably; and
    - ii. the Company's receipt of that persons consent to act as a non-executive Director.
  - b. where WSA's interest in the Company falls to less than 10%, WSA must immediately procure that the nominee director resigns;
  - c. the Board must not, and must not seek Shareholder approval to, increase the number of Directors on the Board without WSA's prior written consent (such consent to not be unreasonably withheld), until the earlier of WSA's voting power dropping below 10% and the date of the commission of the Savannah Project's processing plant as part of the Company's operational restart;
  - d. where WSA's interest in the Company remains at 10% or more, the Company must:
    - i. notify WSA, on a confidential basis, of any material capital raisings it proposes to undertake;
    - ii. consult with WSA prior to making an announcement on the material capital raising;
    - iii. subject at all times to the Listing Rules and any policy or guidance published or notified by the ASX from time to time, use all reasonable endeavours to procure that WSA will be offered, and will have the reasonable opportunity to be issued, the number of Shares necessary such that WSA's interest on completion of the material capital raising will materially reflect its interest immediately before the material capital raising. The Company is not required to comply with this obligation where it would involve the Board breaching its fiduciary or statutory duties; and
    - iv. not publicly announce, intend to undertake, or undertake a material capital raising until 6 months after completion of the Retail Entitlement Offer, without WSA's prior written consent. Again, the Company is not required to comply with this obligation where it would involve the Board breaching its fiduciary or statutory duties.
- f) For the purpose of the Subscription Agreement, a material capital raising is an issue, or agreement to issue securities of the Company that is equivalent to 10% or more of the Company's total issued Shares following completion of the Retail Entitlement Offer.
- g) The Company and WSA must work together to discuss the potential formation of a technical committee, consisting of two representatives from each party to provide technical assistance via recommendations to the Board in relation to items such as mine development and operational / technical decisions. The committee will end on the date of commission of the Savannah Project's processing plant upon operational restart.
- h) The Company and WSA each give warranties which are standard for an agreement of this nature.
- i) The Company or WSA may terminate the Subscription Agreement where:
  - a. a party commits a material breach of the Subscription Agreement without remedy; or

- b. the Company is prevented from issuing the Placement Shares due to an order of a court or government agency.
- j) WSA may also terminate the Subscription Agreement where:
  - a. ASIC or the Takeovers Panel issues orders preventing the Placement;
  - b. the Company's warranties cease to be true and accurate in any material respect, or not misleading, in any material respect and following consultation with the Company, WSA considers that:
    - i. there is, or could reasonably be expected to be, a material adverse effect on the price at which the Placement Shares will trade on ASX; or
    - ii. there is, or could be, a contravention by WSA of the Corporations Act or other applicable law were it to complete the Placement;
  - c. where the Company is to be removed from the Official List; or
  - d. any Shares are delisted from quotation by ASX.
- k) The Company may also terminate the Subscription Agreement where the WSA's warranties cease to be true and accurate, or not misleading.

For defined terms and further information, please see the Company's ASX announcement dated 25 May 2020.

## **ANNEXURE D – AMENDMENT TO CONSTITUTION TO ADOPT PROPORTIONAL TAKEOVER PROVISIONS**

Resolution 5 seeks Shareholder approval to adopt the amendments to the Company Constitution set out below.

1 Replace clauses 6.9 to 6.13, to read:

### **6.9 Resolution required for proportional takeover provisions**

Despite articles 6.1, 6.2 and 6.3, if offers are made under a proportional takeover bid for securities of the Company in accordance with the Corporations Act:

- a) articles 6.9 to 6.13 apply;
- b) the registration of a transfer giving effect to a takeover contract resulting from acceptance of an offer made under the takeover bid is prohibited unless and until a resolution (an “approving resolution”) to approve the bid is passed or taken to be passed in accordance with article 6.12 or article 6.13; and
- c) the Directors must ensure that an approving resolution is voted on in accordance with articles 6.10 to 6.11 before the fourteenth day before the last day of the bid period.

### **6.10 Procedure for resolution**

The Directors may determine whether the approving resolution is voted on:

- a) at a meeting of persons entitled to vote on the resolution convened and conducted, subject to the provisions of article 6.11, as if it were a general meeting of the Company convened and conducted in accordance with this Constitution and the Corporations Act with such modifications as the Directors determine the circumstances require; or
- b) by means of a postal ballot conducted in accordance with the following procedure:
  - i. a notice of postal ballot and ballot paper must be sent to all persons entitled to vote on the resolution not less than 14 days before the date specified in the notice for closing of the postal ballot, or such lesser period as the Directors determine the circumstances require;
  - ii. the non-receipt of a notice of postal ballot or ballot paper by, or the accidental omission to give a notice of postal ballot or ballot paper to, a person entitled to receive them does not invalidate the postal ballot or any resolution passed under the postal ballot;
  - iii. the notice of postal ballot must contain the text of the resolution and the date for closing of the ballot and may contain any other information the Directors consider appropriate;
  - iv. each ballot paper must specify the name of the person entitled to vote;
  - v. a postal ballot is only valid if the ballot paper is duly completed and:
    - (A) if the person entitled to vote is an individual, signed by the individual or a duly authorised attorney; or
    - (B) if the person entitled to vote is a corporation, executed under seal or as permitted by the Corporations Act or under the hand of a duly authorised officer or duly authorised attorney;
  - vi. a postal ballot is only valid if the ballot paper and the power of attorney or other authority, if any, under which the ballot paper is signed or a copy of that power or authority certified as a true copy by statutory declaration is or are received by the Company before close of business on the date specified in the notice of postal ballot for closing of the postal ballot at the Registered Office or share registry of the Company or at such other place as is specified for that purpose in the notice of postal ballot; and
  - vii. a person may revoke a postal ballot vote by notice in writing which to be effective must be received by the Company before the close of business on the date for closing of the postal ballot.

### **6.11 Persons entitled to vote**

The only persons entitled to vote on the approving resolution are those persons who, as at the end of the day on which the first offer under the bid was made, held bid class securities. Each person who is entitled to vote is entitled to one vote for each bid class security held by that person at that time.

Neither the bidder nor any associate of the bidder is entitled to vote on the resolution.

### **6.12 Resolution passed or rejected**

If the resolution is voted on in accordance with articles 6.9 to 6.11, then it is taken to have been passed if the proportion that the number of votes in favour of the resolution bears to the total number of votes on the resolution is greater than one-half, and otherwise is to be taken to have been rejected.

### **6.13 Resolution taken as passed**

If a resolution to approve the bid has not been voted on as at the end of the day before the fourteenth day before the last day of the offer period, then a resolution to approve the bid is taken to have been passed in accordance with articles 6.10 to 6.12.



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

## Need assistance?

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

 **Online:**  
[www.investorcentre.com/contact](http://www.investorcentre.com/contact)



## YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **11:00 AM (AWST) on Sunday, 15 November 2020.**

# Proxy Form

## How to Vote on Items of Business

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

### APPOINTMENT OF PROXY

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

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

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

**A proxy need not be a securityholder of the Company.**

## SIGNING INSTRUCTIONS FOR POSTAL FORMS

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

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

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

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

## PARTICIPATING IN THE MEETING

### Corporate Representative

If a representative of a corporate securityholder or proxy is to participate in the meeting you will need to provide the appropriate "Appointment of Corporate Representative". A form may be obtained from Computershare or online at [www.investorcentre.com](http://www.investorcentre.com) under the help tab, "Printable Forms".

## Lodge your Proxy Form:

**XX**

### Online:

Lodge your vote online at [www.investorvote.com.au](http://www.investorvote.com.au) using your secure access information or use your mobile device to scan the personalised QR code.

Your secure access information is



**Control Number: 999999**

**SRN/HIN: I9999999999**

**PIN: 99999**

For Intermediary Online subscribers (custodians) go to [www.intermediaryonline.com](http://www.intermediaryonline.com)

### By Mail:

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

### By Fax:

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



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

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

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



I 9999999999

I ND

## Proxy Form

Please mark  to indicate your directions

### Step 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Panoramic Resources Limited hereby appoint

the Chairman of the Meeting **OR**

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

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Panoramic Resources Limited to be held at the Mezzanine Floor Auditorium, City of Perth Library, 573 Hay Street, Perth, WA 6000 on Tuesday, 17 November 2020 at 11:00 AM (AWST) and at any adjournment or postponement of that meeting.

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

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

### Step 2 Items of Business

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

	For	Against	Abstain
1 Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Re-election of Mr Nicholas Luigi Cernotta as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Ratification of Placement Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Grant of Performance Rights to Mr Victor Rajasooriar or his Nominee	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5 Amendment to Constitution to Adopt Proportional Takeover Provisions	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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

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

Individual or Securityholder 1

Sole Director & Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

/ /

Date

**Update your communication details** (Optional)

Mobile Number

Email Address

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

PAN

2 6 9 3 1 6 A



Computershare

