
WALKABOUT RESOURCES LIMITED

ACN 119 670 370

NOTICE OF GENERAL MEETING

Notice is given that the Meeting will be held at:

TIME: 10.00am AWST
DATE: 24 August 2021
PLACE: To be held virtually via webinar

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

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

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 10am AWST on 22 August 2021.

**SHAREHOLDERS WILL NOT BE ABLE TO ATTEND THE MEETING IN PERSON HOWEVER WILL BE
ABLE TO ATTEND VIRTUALLY VIA WEBINAR
SEE BELOW FOR DETAILS**

Shareholders are urged to vote by lodging the proxy form attached to the Notice

BUSINESS OF THE MEETING

AGENDA

1. RESOLUTION 1 – RATIFICATION OF PRIOR ISSUE OF SHARES – LISTING RULE 7.1

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

“That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 32,000,000 Shares on the terms and conditions set out in the Explanatory Statement.”

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

2. RESOLUTION 2 – INCREASE IN TOTAL AGGREGATE REMUNERATION FOR NON-EXECUTIVE DIRECTORS

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

“That, for the purposes of clause 14.8 of the Constitution, Listing Rule 10.17 and for all other purposes, Shareholders approve an increase of the total aggregate amount of fees payable to non-executive Directors from \$200,000 per annum to \$400,000 per annum in accordance with the terms and conditions set out in the Explanatory Statement.”

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

3. RESOLUTION 3 – RATIFICATION OF PRIOR ISSUE OF COMMENCEMENT FEE SHARES – LISTING RULE 7.1

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

“That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 2,360,495 Shares on the terms and conditions set out in the Explanatory Statement.”

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

4. RESOLUTION 4 – RATIFICATION OF PRIOR ISSUE OF INITIAL PLACEMENT SHARES – LISTING RULE 7.1

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

“That, for the purposes of Listing Rule 7.1 and for all other purposes, Shareholders ratify the issue of 3,800,000 Shares on the terms and conditions set out in the Explanatory Statement.”

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

5. RESOLUTION 5 – RATIFICATION OF FIRST PLACEMENT SUBSCRIPTION RIGHT – LISTING RULE 7.1

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

That, for the purposes of Listing Rule 7.1 and for all other purposes, Shareholders ratify the Company's grant of the right to issue Shares with the value of USD \$1,785,000 in relation to the First Placement, on the terms and conditions set out in the Explanatory Statement."

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

6. RESOLUTION 6 – APPROVAL OF SECOND PLACEMENT SUBSCRIPTION RIGHT – LISTING RULE 7.1

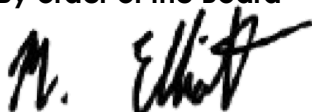
To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purposes of Listing Rule 7.1 and for all other purposes, approval is given for the Company's grant of the right to issue Shares with the value of USD \$4,515,000 in relation to the Second Placement, on the terms and conditions set out in the Explanatory Statement."

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

Dated: 22 July 2021

By order of the Board



**M ELLIOTT
CHAIRMAN**

Voting Prohibition Statements

Resolution 2 – Increase in Total Aggregate Remuneration for Non-Executive Directors	<p>A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:</p> <p>(a) the proxy is either:</p> <p style="padding-left: 20px;">(i) a member of the Key Management Personnel; or</p> <p style="padding-left: 20px;">(ii) a Closely Related Party of such a member; and</p> <p>(b) the appointment does not specify the way the proxy is to vote on this Resolution.</p> <p>However, the above prohibition does not apply if:</p> <p>(a) the proxy is the Chair; and</p> <p>(b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.</p>
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Voting Exclusion Statements

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

Resolution 1 – Ratification of prior issue of Shares	A person who participated in the issue or is a counterparty to the agreement being approved (namely participants in the placement) or an associate of that person or those persons.
Resolution 2 – Increase in Total Aggregate Remuneration for Non-Executive Directors	A Director or an associate of that person or those persons.
Resolution 3 - Ratification of prior issue of Commencement Fee Shares	A person who participated in the issue or is a counterparty to the agreement being approved (namely, Battery Metals Capital Group, LLC) or an associate of that person or those persons.
Resolution 4 – Ratification of prior issue of Initial Placement Shares	A person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) (namely, Battery Metals Capital Group, LLC) or an associate of that person (or those persons).
Resolution 5 – Ratification of First Placement Subscription Right	A person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) (namely, Battery Metals Capital Group, LLC) or an associate of that person (or those persons).
Resolutions 6 - Approval of Second Placement Subscription Right	A person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) (namely, Battery Metals Capital Group, LLC) or an associate of that person (or those persons).

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

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

Voting in person

The Meeting will be held virtually via webinar. Please refer to the information below on how Shareholders can participate in the Meeting.

Attending Virtually via Webinar

The General Meeting of the Shareholders will be held at 10.00am AWST on 24 August 2021 as a **virtual meeting**. This means that the General Meeting will be broadcast as a live webinar. If you are a Shareholder and you wish to attend the Meeting virtually, please **pre-register** in advance by email to the Company Secretary at shaunm@wkt.com.au, including the Shareholder's name, address and HIN or SRN by no later than 10.00am WST on 22 August 2021.

After registering, you will receive a confirmation containing information on how to attend the virtual meeting on the day of the Meeting via zoom (a web-based meeting portal).

Voting Virtually at the GM

Shareholders who wish to vote virtually on the day of the Meeting may do so via the Lumi platform by using the link below:
<https://web.lumiagm.com/387026316>

A User Guide link for voting using the Lumi platform is below:
www.computershare.com.au/onlinevotingguide

Shareholders are encouraged to submit their proxies prior to the meeting.

Asking Questions at the Virtual GM

The Company will provide Shareholders with the opportunity to ask questions of Management during the meeting.

Shareholders are encouraged to submit questions in advance of the meeting to the Company Secretary. Questions must be submitted in writing to Shaun Menezes at shaunm@wkt.com.au at least 48 hours prior to the meeting.

Please ensure that your questions are received by no later than 10am (AWST) on 22 August 2021.

Appointing a Proxy

Shareholders are encouraged to complete and return their Proxy Forms which accompanied the Notice of Meeting. Details on the appointment of a proxy are set out in the Notice of Meeting.

Lodgement of Proxy Forms

To be valid, the Proxy Form and any power of attorney or other authority (if any) under which it is signed (or a certified copy of it) must be received by no later than 10.00am (AWST) on 22 August 2021 (**Proxy Deadline**). Proxy forms received after this time will be invalid. Proxy forms may be lodged using any of the following methods, with the Online Proxy method encouraged:

Online Proxy

You may submit your proxy online at www.investorvote.com.au using your secure access information as shown on your Proxy Form or using your mobile device to scan the personalised QR code contained on the proxy form.

You will be taken to have signed the proxy form if you lodge your proxy in accordance with the instructions on the website. A proxy cannot be appointed electronically if they are appointed under a power of attorney or similar authority. The online proxy facility may not be suitable for Shareholders wishing to appoint two proxies with different voting directions. Please read the

instructions for online proxy submissions carefully before you lodge your proxy.

Proxy delivery

In addition to online proxy submissions, Proxy Forms may be given by post or fax. A Proxy Form and a reply paid envelope was enclosed with the Notice of Meeting.

A completed proxy form and any power of attorney or other authority (if any) under which it is signed (or a certified copy of it) must be received by the Proxy Deadline by one of the following means:

- posted to Computershare Investor Services Pty Limited, GPO Box 242, Melbourne VIC 3001; or
- by fax to 1800 783 447 (within Australia) or +61 3 9473 2555 (outside Australia).

Corporate Representative

If your holding is registered in a company name, a corporate securityholder may appoint a person to act as its representative to participate in the webinar by providing that person with the appropriate 'Certificate of Appointment of Corporate Representative' (available from the Share Registrar or www.investorcentre.com under the help tab "Printable Forms"). Once completed, this form should be provided to the Company Secretary at shaunm@wkt.com.au prior to the meeting commencing.

Undirected Proxies

The Chair of the meeting intends to vote undirected proxies in favour of all resolutions as set out in the Notice of Meeting. In exceptional circumstances, the Chair of the Meeting may change his/her voting intention on any Resolution, in which case an ASX announcement will be made.

Voting by Poll

Voting on all Resolutions at the General Meeting will be conducted by poll. Further details of the poll will be provided at the General Meeting.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 8 6298 7500.

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions.

1. RESOLUTION 1 – RATIFICATION OF PRIOR ISSUE OF SHARES – LISTING RULE 7.1

1.1 General

On 19 May 2021, the Company issued 32,000,000 Shares at an issue price of \$0.20 per Share to raise \$6,400,000 (**May Placement Shares**).

The Company engaged the services of Aiken Murray Capital Partners Limited (ACN 169 972 436) and Foster Stockbroking Pty Limited (ACN 088 747 148) (together the **Joint Lead Managers**), to manage the issue of the May Placement Shares. The Company has paid the Joint Lead Managers a fee of \$384,000, to be split evenly (being, 6% of the amount raised under the issue of the May Placement Shares).

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

The Company obtained approval to increase its limit to 25% at the annual general meeting held on 30 November 2020.

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

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

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

Resolution 1 seeks Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the May Placement Shares.

1.2 Technical information required by Listing Rule 14.1A

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

If Resolution 2 is not passed, the May Placement Shares will be included in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, effectively decreasing the number of equity securities that the Company can issue without Shareholder approval over the 12-month period following the date of issue of the May Placement Shares.

1.3 Technical information required by Listing Rule 7.5

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

- (a) the May Placement Shares were issued to professional and sophisticated investors who are clients of the Joint Lead Managers. The recipients were identified through a bookbuild process, which involved the Joint Lead Managers seeking expressions of interest to participate in the capital raising from non-related parties of the Company.
- (b) in accordance with paragraph 7.4 of ASX Guidance Note 21, the Company confirms that none of the recipients were:
 - (i) related parties of the Company, members of the Company's Key Management Personnel, substantial holders of the Company, advisers of the Company or an associate of any of these parties; and
 - (ii) issued more than 1% of the issued capital of the Company;
- (c) 32,000,000 May Placement Shares were issued and the May Placement Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (d) the May Placement Shares were issued on 19 May 2021;
- (e) the issue price was \$0.20 per May Placement Shares. The Company has not and will not receive any other consideration for the issue of the May Placement Shares;
- (f) the purpose of the issue of the May Placement Shares was to raise \$6,400,000, which will be applied towards advancing construction of the Lindi Jumbo Graphite Mine in Tanzania and working capital; and
- (g) the May Placement Shares were not issued under an agreement.

2. RESOLUTION 2 – INCREASE IN TOTAL AGGREGATE REMUNERATION FOR NON-EXECUTIVE DIRECTORS

2.1 General

Listing Rule 10.17 provides that an entity must not increase the total aggregate amount of directors' fees payable to all of its non-executive directors without the approval of holders of its ordinary securities.

Directors' fees include all fees payable by the entity or any of its child entities to a non-executive director for acting as a director of the entity or any of its child entities (including attending and participating in any board committee meetings), superannuation contributions for the benefit of a non-executive director and any fees which a non-executive director agrees to sacrifice for other

benefits. It does not include reimbursement of genuine out of pocket expenses, genuine "special exertion" fees paid in accordance with an entity's constitution, or securities issued to a non-executive director under Listing Rules 10.11 or 10.14 with the approval of the holders of its ordinary securities.

Clauses 14.7 and 14.8 of the Constitution also provide that total aggregate remuneration payable to the non-executive Directors will not exceed the sum initially set by the Constitution and subsequently increased by ordinary resolution of Shareholders in a general meeting.

The maximum aggregate amount of fees payable to the non-executive Directors is currently set at \$200,000.

Resolution 2 seeks Shareholder approval for the purposes of clause 14.8 of the Constitution and Listing Rule 10.17 to increase the total aggregate amount of fees payable to non-executive Directors to \$400,000.

The maximum aggregate amount of fees proposed to be paid to non-executive Directors per annum has been determined after reviewing similar companies listed on ASX and the Directors believe that this level of remuneration is in line with corporate remuneration of similar companies.

2.2 Technical information required by Listing Rule 10.17

If Resolution 2 is passed, the maximum aggregate amount of fees payable to the non-executive Directors will increase by \$200,000 to \$400,000. Whilst it is not envisaged that the maximum amount sought will be utilised immediately, the increase to maximum aggregate amount of fees payable may enable the Company to:

- (a) fairly remunerate both existing and any new non-executive directors joining the Board;
- (b) remunerate its non-executive Directors appropriately for the expectations placed upon them both by the Company and the regulatory environment in which it operates; and
- (c) have the ability to attract and retain non-executive directors whose skills and qualifications are appropriate for a company of the size and nature of the Company.

If Resolution 2 is not passed, the maximum aggregate amount of fees payable to non-executive Directors will remain at \$200,000. This may inhibit the ability of the Company to remunerate, attract and retain appropriately skilled non-executive directors.

In the past 3 years, the Company has issued an aggregate of 3,000,000 Options and 3,608,696 Performance Rights to non-executive Directors pursuant to Listing Rules 10.11 and 10.14.

These securities were issued to the following non-executive Directors:

- (a) 3,000,000 Options and 1,804,348 Performance Rights were issued to Andrew Cunningham; and
- (b) 1,804,348 Performance Rights were issued to Thomas Murrell.

2.3 Board Recommendation

Given the interest of the non-executive Directors in this Resolution, the Board makes no recommendation to Shareholders regarding this Resolution.

3. BACKGROUND TO RESOLUTIONS 3 TO 6

3.1 Subscription Agreement

On 25 June 2021, the Company entered into a subscription agreement with Battery Metals Capital Group, LLC (**Battery Metals**), a US-based institutional investor (**Subscription Agreement**). Under the Subscription Agreement, Battery Metals agreed to invest an aggregate amount of up to USD \$10,000,000 in the Company, and in return, the Company agreed to issue Shares with an aggregate subscription price of up to USD \$10,500,000 (**Subscription Placement**). References to Battery Metals in this Notice include any designee or nominee of Battery Metals.

A summary of the material terms of the Subscription Agreement is set out in Schedule 1 to this Notice.

For further details in respect of Battery Metals and the Subscription Agreement, please refer to the announcement (titled "Institutional Placement to US Battery Minerals Investor") released on the Company's ASX platform on 25 June 2021 (ASX: WKT).

As set out in that announcement, the Subscription Placement comprises:

- (a) an initial placement of USD \$1,785,000 worth of Shares (**First Subscription Amount**) to raise USD \$1,700,000 (**First Placement**) (being the Shares to be issued on exercise from time to time, in whole or in part, of the First Placement Subscription Right the subject of Resolution 5);
- (b) in addition, second placement (subject to Shareholder approval at the Meeting) of USD \$4,515,000 worth of Shares (**Second Subscription Amount**) to raise USD \$4,200,000 (**Second Placement**) (being the Shares to be issued on exercise from time to time, in whole or in part, of the Second Placement Subscription Right the subject of Resolution 6); and
- (c) finally, subject to the Company exercising its right (the **Put Right**) in relation thereto, a third placement of USD \$4,200,000 worth of Shares (**Third Subscription Amount**) to raise USD \$4,000,000 (**Third Placement**). If the Company exercises its Put Right in relation to the Third Placement, the Third Placement will occur on a date determined by Battery Metals that is after the exercise date of the Put Right and on or before 27 June 2022 (assuming that the Second Placement Subscription Right is granted on the fifth business day following the date of the Meeting). Unless and until the Company exercises the Put Right in relation to the Third Investment, the Company has no contractual obligation in relation to the Third Placement, and the Third Placement will not raise. Accordingly, the Company is not required to seek Shareholder approval in relation to the Third Placement under Listing Rule 7.1 where it has sufficient placement capacity under Listing Rule 7.1 to accommodate the Third Placement at the time of the exercise of the Put Right.

The First Placement, Second Placement and Third Placement are together referred to herein as the **Subscription Placement**, the First Subscription Amount, the Second Subscription Amount and the Third Subscription amount are together

referred to herein as the **Subscription Amounts**, and the shares issued under the First Placement, Second Placement and Third Placements are together referred to herein as the **Placement Shares**. As noted above, the Company is not seeking Shareholder approval of the Third Placement at the Meeting.

Notwithstanding the above, Battery Metals will not be obligated to provide additional funding in the Second Placement and/or the Third Placement, and/or may reduce the size of the Second Placement and/or the Third Placement, if the market price of the Company's shares is below \$0.135 and does not recover to that level within two months after Battery Metals providing the Company with notice thereof.

In connection with the Subscription Placement, at the Meeting, the Company is seeking approval for:

- (a) the ratification of 2,360,495 Shares issued in consideration for the commencement of the Subscription Placement (**Commencement Fee Shares**), under Resolution 3 of this Notice (refer to Section 4 for further details);
- (b) the ratification of 3,800,000 Shares (**Initial Placement Shares**). Under the Subscription Agreement, the Initial Placement Shares will either, at Battery Metals' election (refer to Section 5 for further details):
 - (i) be applied towards some or all of the aggregate number of Placement Shares to be issued under the Subscription Placement; or
 - (ii) alternatively, not be applied towards the aggregate number of Placement Shares to be issued under the Subscription Placement, and instead Battery Metals will make an additional payment to the Company. As set out in Schedule 1, if Battery Metals elects to make such a payment, the amount payable will be equal to the number of Placement Shares not so applied multiplied by the Purchase Price determined at the time the payment is made; and
- (c) the ratification of the grant to Battery Metals of the right to issue Shares in relation to the First Placement (the **First Placement Shares**), under Resolution 5 of this Notice (refer to Section 5 for further details) (the **First Placement Subscription Right**).
- (d) the grant to Battery Metals of the right to issue Shares in relation to the Second Placement (the **Second Placement Shares**), under Resolution 6 of this Notice (refer to Section 7 for further details) (the **Second Placement Subscription Right**).

The First Subscription Right and Second Subscription Right constitute an 'equity security' under the Listing Rules (as it constitutes the right to unissued Shares) and a 'convertible security' under the Listing Rules (as it is convertible to Shares in accordance with the terms of the Subscription Agreement).

4. RESOLUTION 3 – RATIFICATION OF THE ISSUE OF COMMENCEMENT FEE SHARES

4.1 General

The background to the Subscription Placement is set out above in Section 3.1.

Pursuant to the Subscription Agreement, on 1 July 2021, the Company paid a fee of USD \$300,000 (**Commencement Fee**) to Battery Metals by way of the issue of 2,360,495 Shares (**Commencement Fee Shares**), in consideration of Battery Metals' agreement to undertake the First Investment.

As summarised in Section 1.1 above, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary shares it had on issue at the start of that period.

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 this 15% limit by an extra 10% to 25%.

The Company obtained approval to increase its limit to 25% at the annual general meeting held on 30 November 2020.

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

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

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

Resolution 3 seeks Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Commencement Fee Shares.

4.2 Technical information required by Listing Rule 14.1A

If Resolution 3 is passed, the Commencement Fee Shares will be excluded in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, effectively increasing the number of equity securities the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Commencement Fee Shares.

If Resolution 3 is not passed, the Commencement Fee Shares will be included in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, effectively decreasing the number of equity securities that the Company can

issue without Shareholder approval over the 12 month period following the date of issue of the Commencement Fee Shares.

4.3 Technical information required by Listing Rule 7.5

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

- (a) the Commencement Fee Shares were issued to Battery Metals;
- (b) 2,360,495 Commencement Fee Shares were issued and the Commencement Fee Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (c) the Commencement Fee Shares were issued on 1 July 2021;
- (d) the Commencement Fee Shares were issued at a deemed issue price of \$0.17 per share, in consideration of Battery Metals' agreement to undertake the First Placement. The Company has not and will not receive any other consideration for the issue of the Commencement Fee Shares;
- (e) the purpose of the issue of the Commencement Fee Shares was to satisfy the Company's obligation under the Subscription Agreement to pay a fee of USD \$300,000 (or AUD \$401,284 based on the exchange rate prescribed in the Subscription Agreement) to Battery Metals; and
- (f) the Commencement Fee Shares were issued to Battery Metals under the Subscription Agreement. A summary of the material terms of the Subscription Agreement is set out in Schedule 1.

5. RESOLUTION 4 – RATIFICATION OF THE ISSUE OF INITIAL PLACEMENT SHARES

5.1 General

The background to the Subscription Placement is set out above in Section 3.1.

Pursuant to the Subscription Agreement, on 1 July 2021, the Company issued 3,800,000 Shares (**Initial Placement Shares**) to Battery Metals, in consideration of Battery Metals' agreement to undertake the First Placement. As noted in Sections 3.1 and Schedule 1, the Initial Placement Shares may be applied towards some or all of the aggregate number of Placement Shares to be issued under the Subscription Placement.

As summarised in Section 1.1 above, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary shares it had on issue at the start of that period.

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 this 15% limit by an extra 10% to 25%.

The Company obtained approval to increase its limit to 25% at the annual general meeting held on 30 November 2020.

The issue of the Initial Placement Shares does not fit within any of the exceptions set out in Listing Rule 7.2 and, as it has not yet been approved by Shareholders, it

effectively uses up part of the 15% limit in Listing Rule 7.1, reducing the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1 for the 12 month period following the date of issue of the Initial Placement Shares.

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

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

Resolution 4 seeks Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Initial Placement Shares.

5.2 Optional Additional Payment

As noted in Section 3.1 and Schedule 1, the Initial Placement Shares may be applied towards some or all of the aggregate number of Placement Shares to be issued under the Subscription Placement. Alternatively, Battery Metals may elect, in its sole discretion, by providing notice to the Company of its intention to do so, to make an additional payment to the Company in respect of all or part of the Placement Shares (that portion being the **Election Shares**). Upon making such an election, that number of Election Shares will not be deducted from the total number of Placement Shares issuable by the Company.

Examples of the potential Placement Shares issued are set out below.

Scenario	Resulting Action
Battery Metals does not elect to make an additional payment in respect of any Election Shares.	3,800,000 Initial Placement Shares issued to Battery Metals, and total number of Placement Shares issuable by the Company is reduced by 3,800,000.
Battery Metals elects to make an additional payment in relation to the value of a portion of 3,800,000 Shares (i.e. for some Election Shares)	3,800,000 Initial Placement Shares issued to Battery Metals, and total number of Placement Shares issuable by the Company is reduced by the difference between 3,800,000 less that number of Election Shares.
Battery Metals elects to make an additional payment in relation to the value of 3,800,000 Shares (a payment up to the full value of 3,800,000 Shares)	3,800,000 Initial Placement Shares issued to Battery Metals, and total number of Placement Shares issuable by the Company is not reduced by any number (Battery Metals effectively gains the right to acquire an additional 3,800,000 Shares, for which approval has been sought under this Resolution)

5.3 Technical information required by Listing Rule 14.1A

If Resolution 4 is passed, the Initial Placement Shares will be excluded in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, effectively increasing the number of equity securities the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Initial Placement Shares.

If Resolution 4 is not passed, the Initial Placement Shares will be included in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, effectively decreasing the number of equity securities that the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Initial Placement 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 Initial Placement Shares were issued to Battery Metals;
- (b) 3,800,000 Initial Placement Shares were issued, and the Initial Placement Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (c) the Initial Placement Shares were issued on 1 July 2021;
- (d) the Initial Placement Shares were issued in consideration of Battery Metals' agreement to undertake the First Placement (and thus for no cash consideration). As set out in Sections 3.1 and 5.2 and Schedule I, in accordance with the terms of the Subscription Agreement, Battery Metals may elect to apply some or all of the Initial Placement Shares towards the aggregate number of Shares that are required to be issued by the Company upon exercise of the First Placement Subscription Right, Second Placement Subscription Right or Third Placement Subscription Right, or, alternatively, make the payment to the Company described in Section 3.1 and Schedule I;
- (e) the purpose of the issue of the Initial Placement Shares was to satisfy the Company's obligations under the Subscription Agreement; and
- (f) the Initial Placement Shares were issued to Battery Metals under the Subscription Agreement. A summary of the material terms of the Subscription Agreement is set out in Schedule 1.

6. RESOLUTION 5 – RATIFICATION OF FIRST PLACEMENT SUBSCRIPTION RIGHT

6.1 General

The background to the Subscription Placement is set out above in Section 3.1.

This Resolution 5 seeks Shareholder approval for the ratification of the Company's grant of the First Placement Subscription Right, being the right to issue Shares (**First Placement Shares**) with the value of USD \$1,785,000 in relation to the First Placement, in accordance with Listing Rule 7.4.

The Company granted the First Placement Subscription right on 6 July 2021, and in this connection received proceeds of USD \$1,700,000 from Battery Metals in relation to the **First Placement**.

As summarised in Section 1.1 above, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary shares it had on issue at the start of that period.

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 this 15% limit by an extra 10% to 25%.

The Company obtained approval to increase its limit to 25% at the annual general meeting held on 30 November 2020.

The grant of the First Placement Subscription Right does not fit within any of the exceptions set out in Listing Rule 7.2 and, as it has not yet been approved by Shareholders, it effectively uses up part of the 15% limit in Listing Rule 7.1, reducing the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1 for the 12 month period following the date of the grant of the First Placement Subscription Right. As set out in Section 3.1, the First Placement Subscription Right constitutes both an 'equity security' and a 'convertible security' under the Listing Rules.

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

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

Resolution 5 seeks Shareholder ratification pursuant to Listing Rule 7.4 for the grant of the First Placement Subscription Right under the Subscription Agreement.

6.2 Technical information required by Listing Rule 14.1A

If Resolution 5 is passed, the grant of the First Placement Subscription Right, and hence the number of Shares issued or agreed to be issued in relation to the First Placement Subscription Right, will be excluded in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, effectively increasing the number of equity securities the Company can issue without Shareholder approval over the 12 month period following the date of the grant of the First Placement Subscription Right.

If Resolution 5 is not passed, the grant of the First Placement Subscription Right, and hence the number of Shares issued or agreed to be issued in relation to the First Placement Subscription Right, will be included in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, effectively decreasing the number of equity securities that the Company can issue without Shareholder approval over the 12 month period following the date of the grant of the First Placement Subscription Right.

6.3 Indicative Share Calculation

As set out in the Company's announcement released on 25 June 2021, the number of First Placement Shares to be issued on exercise of the First Placement Subscription Right from time to time, in whole or in part, will be determined by applying the Purchase Price at the time of the exercise to all or part of the First Subscription Amount, subject to the Floor Price (refer to Schedule 1 for the meaning of Purchase Price and Floor Price). The Purchase Price will be determined as set out in Schedule 1. The Floor Price (refer definitions) is \$0.12.

The Purchase Price will be determined as follows:

- (a) if the Shares are issued at any time prior to 24 August 2021, the Purchase Price will be \$0.45; or
- (b) if the Shares are issued at any time on or after 24 August 2021, the Purchase Price will reset to the average of the 5 daily VWAP selected by Battery Metals during the 20 consecutive trading days immediately prior to the date of Battery Metals notice to issue shares, less a 5% discount (or an 8% discount if the Placement Shares are issued after 25 June 2022) (rounded down to the next half of a cent if the Purchase Price is less than or equal to fifty cents, or otherwise to the next whole cent).

Set out below is a worked example of the number of Placement Shares that may be issued on exercise of the First Placement Subscription Right, using five example average of 5 daily VWAPs (at intervals of \$0.126) and the resulting Purchase Price, and assuming Battery Metals elects to exercise the First Placement Subscription Right in full and the subscription occurs after 24 August 2021 (such that the initial Purchase Price of \$0.45 is not applicable) and before 25 June 2022 (such that an 5% discount applies to the average of the 5 daily VWAPs).

Example average of 5 daily VWAPs	Relevant Purchase Price (average of the 5 daily VWAPs less a 5% discount)	Number of Shares issued on exercise of the First Placement Subscription Right (based on the relevant Purchase Price)
\$0.126	\$0.120 (equal to the Floor Price)	19,897,004
\$0.25	\$0.235	10,160,172
\$0.38	\$0.360	6,632,335
\$0.50	\$0.475	5,026,611
\$0.63	\$0.59	4,046,848

Notes:

1. The closing price on 12 July 2021 for the Company's shares (being the last practicable date prior to preparation of this Notice) was \$0.21.
2. Based on an AUD:USD exchange rate of \$0.7476.

Where, in relation to an exercise of the First Placement Subscription Right, the Purchase Price is:

- (a) is less than the Floor Price, the Company may refuse to issue Shares and instead opt to repay the relevant subscription price (being \$1,700,000) all

or part of the First Subscription Amount in relation to which the First Placement Subscription Right is exercised) in cash (with a 5% premium) (being a total of USD \$1,874,250, if in relation to the entire First Subscription Amount); or

- (b) at the Floor Price, the Company may refuse to issue Shares and instead opt to repay the relevant subscription price as above, however, this is subject to Battery Metals' right to receive Shares at the Floor Price in lieu of such cash repayment.

The above payments must be made no later than the first business day following the date on which that notice was provided to the Company.

In the event that the Company does not exercise its right to refuse to issue Shares in the foregoing scenario, the Purchase Price will be determined as set forth above without application of the Floor Price.

The Company notes that the above workings are an example using pricing as defined in Schedule 1 only and the actual number of Placement Shares to be issued on exercise of the First Placement Subscription Right may differ. This will result in the maximum number of Placement Shares to be issued and the dilution percentage to also differ.

6.4 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 First Placement Subscription Right (being the right to acquire the First Placement Shares and which itself will constitute the issue an 'equity security' and a 'convertible security' within the meanings of such terms in the Listing Rules) was granted to Battery Metals, who is not a related party of the Company;
- (b) the First Placement Subscription Right was granted on 6 July 2021, on the terms summarised in Section 3.1;
- (c) Battery Metals must exercise the First Placement Subscription Right (at one or more times, from time to time), as set out in Section 3.1 and Schedule I, by providing the Company with a share issuance notice, by no later than 6 July 2023. First Placement Shares must be issued on the date set out in the Settlement Notice, which date must be at least one trading day after the date of the receipt of the Settlement Notice (unless the Company is permitted to elect, and does not elect, under the Subscription Agreement, to pay Battery Metals an amount calculated in accordance with the Subscription Agreement in lieu of issuing Shares);
- (d) the maximum number of First Placement Shares to be issued upon exercise of the First Placement Subscription Right is unknown as at the date of this Notice. However, please refer above to Section 6.3 for a hypothetical worked example of the potential number of First Placement Shares to be issued, using various Purchase Prices. The Purchase Price will be determined as set out in Schedule 1. The First Placement Shares issued on exercise of the First Placement Subscription Right will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;

- (e) the First Placement Subscription Right was granted in consideration of the First Placement, being the USD \$1,700,000 payment by Battery Metals in accordance with the terms described in Section 3.1 and Schedule I. The Company has not received and will not receive, any other consideration in relation to the First Placement Subscription Right;
- (f) the purpose of the First Placement Subscription Right (and the subsequent issue of the First Placement Shares) is to raise USD \$1,700,000 in gross proceeds;
- (g) the grant of the First Placement Subscription Right, and the subsequent issue of the First Placement Shares, to Battery Metals is pursuant the Subscription Agreement. A summary of the material terms of the Subscription Agreement is set out in Schedule 1; and
- (h) the First Placement Subscription Right was not granted under, or to fund, a reverse takeover.

7. RESOLUTION 6 – APPROVAL OF SECOND PLACEMENT SUBSCRIPTION RIGHT

7.1 General

The background to the Subscription Placement is set out above in Section 3.1.

As summarised in Section 1.1 above, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary shares it had on issue at the start of that period.

The proposed grant of the Second Placement Subscription Right falls (and, upon exercise of that right by Battery Metals, the subsequent issue of the Second Placement Shares falls) within exception 17 of Listing Rule 7.2. It therefore requires the approval of Shareholders under Listing Rule 7.1. As set out in Section 3.1, the Second Placement Subscription Right constitutes both an 'equity security' and a 'convertible security' under the Listing Rules.

7.2 Technical information required by Listing Rule 14.1A

If Resolution 6 is passed, the Company will be able to proceed with granting Battery Metals the Second Placement Subscription Right. In addition, upon exercise of that right by Battery Metals, the issue of the Second Placement 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 6 is not passed, the grant of the Second Placement Subscription Right to Battery Metals, together with the issue of the Second Placement Shares on exercise of the Second Placement Subscription Right, will not proceed; accordingly, the Company will not be able to proceed with the Second Placement (and receive the additional USD \$4,300,000 of funding).

Resolution 6 seeks Shareholder approval for the purposes of Listing Rule 7.1 for the issue of the Second Placement Shares.

7.3 Indicative Share Calculation

As set out in the Company's announcement released on 25 June 2021, the number of Second Placement Shares to be issued on exercise of the Second

Placement Subscription Right from time to time, in whole or in part, will be determined by applying the Purchase Price at the time of the exercise to all or part of the Second Subscription Amount, subject to the Floor Price (refer to Schedule 1 for the meaning of Purchase Price and Floor Price). The Purchase Price will be determined as set out in Schedule 1. The Floor Price (refer definitions) is \$0.12.

The Purchase Price will be determined as follows:

- (a) if the Shares are issued at any time prior to 24 August 2021, the Purchase Price will be \$0.45; or
- (b) if the Shares are issued at any time on or after 24 August 2021, the Purchase Price will reset to the average of the 5 daily VWAP selected by Battery Metals during the 20 consecutive trading days immediately prior to the date of Battery Metals notice to issue shares, less a 5% discount (or an 8% discount if the Placement Shares are issued after 25 June 2022) (rounded down to the next half of a cent if the Purchase Price is less than or equal to fifty cents, or otherwise to the next whole cent).

Set out below is a worked example of the number of Placement Shares that may be issued on exercise of the Second Placement Subscription Right, using five example average of 5 daily VWAPs (at intervals of \$0.126) and the resulting Purchase Price, and assuming Battery Metals elects to exercise the Second Placement Subscription Right in full and the subscription occurs after 24 August 2021 (such that the initial Purchase Price of \$0.45 is not applicable) and before 25 June 2022 (such that an 5% discount applies to the average of the 5 daily VWAPs).

Example average of 5 daily VWAPs	Relevant Purchase Price (average of the 5 daily VWAPs less a 5% discount)	Number of Shares issued on exercise of the Second Placement Subscription Right (based on the relevant Purchase Price)
\$0.126	\$0.120 (equal to the Floor Price)	50,327,715
\$0.250	\$0.235	25,699,259
\$0.380	\$0.360	16,775,905
\$0.500	\$0.475	12,714,370
\$0.630	\$0.59	10,236,145

Notes:

1. The closing price on 12 July 2021 for the Company's shares (being the last practicable date prior to preparation of this Notice) was \$0.21.
2. Based on an AUD:USD exchange rate of \$0.7476.

Where, in relation to an exercise of the Second Placement Subscription Right, the Purchase Price is:

- (a) is less than the Floor Price, the Company may refuse to issue Shares and instead opt to repay the relevant subscription price (being USD \$4,300,000) all or part of the Second Subscription Amount in relation to which the Second Placement Subscription Right is exercised) in cash (with a 5% premium) (being a total of USD \$4,740,750, if in relation to the entire Second Subscription Amount); or

- (b) at the Floor Price, the Company may refuse to issue Shares and instead opt to repay the relevant subscription price as above, however, this is subject to Battery Metals' right to receive Shares at the Floor Price in lieu of such cash repayment.

The above payments must be made no later than the first business day following the date on which that notice was provided to the Company.

In the event that the Company does not exercise its right to refuse to issue Shares in the foregoing scenario, the Purchase Price will be determined as set forth above without application of the Floor Price.

The Company notes that the above workings are an example only based on pricing defined in Schedule 1 and the actual number of Placement Shares to be issued on exercise of the Second Placement Subscription Right may differ. This will result in the maximum number of Placement Shares to be issued and the dilution percentage to also differ.

7.4 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 6 :

- (a) the Second Placement Subscription Right (being the right to acquire the Second Placement Shares and which itself will constitute the issue an 'equity security' and a 'convertible security' within the meanings of such terms in the Listing Rules) will be granted to Battery Metals, who is not a related party of the Company;
- (b) the Second Placement Subscription Right will be granted to Battery Metals no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules). As of the date of this Notice, the Company anticipates that the Second Placement Subscription Right will be granted to Battery Metals within five business days of the date of the Meeting. Under the Subscription Agreement, issues of Second Placement Shares must occur within 24 months of the date on which the Second Placement Subscription right is granted;
- (c) Battery Metals must exercise the Second Placement Subscription Right (at one or more times, from time to time), as set out in Section 3.1 and Schedule I and Schedule I, by providing the Company with a share issuance notice, by no later than 31 August 2023 (assuming that the Second Placement Subscription Right is granted on the fifth business day following the date of the Meeting). Second Placement Shares must be issued on the date set out in the Settlement Notice, which date must be at least one trading day after the date of the receipt of the Settlement Notice (unless the Company is permitted to elect, and does not elect, under the Subscription Agreement, to pay Battery Metals an amount calculated in accordance with the Subscription Agreement in lieu of issuing Shares);
- (d) the maximum number of Second Placement Shares to be issued upon exercise of the Second Placement Subscription Right is unknown as at the date of this Notice. However, please refer above to Section 7.3 for a hypothetical worked example of the potential number of Second Placement Shares to be issued, using various Purchase Prices. The

Purchase Price will be determined as set out in Schedule 1. The Second Placement Shares issued on exercise of the Second Placement Subscription Right will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;

- (e) the grant of the Second Placement Subscription Right will be made in consideration of the Second Placement, being the USD \$4,200,000 payment by Battery Metals in accordance with the terms described in Section 3.1 and Schedule I. The Company has not received and will not receive, any other consideration in relation to the Second Placement Subscription Right;
- (f) the purpose of the Second Placement Subscription Right (and the subsequent issue of the Second Placement Shares) is to raise USD \$4,200,000 in gross proceeds;
- (g) the grant of the Second Placement Subscription Right, and the subsequent issue of the Second Placement Shares, to Battery Metals is pursuant the Subscription Agreement. A summary of the material terms of the Subscription Agreement is set out in Schedule 1; and
- (h) the grant of the Second Placement Subscription Right is not being granted under, or to fund, a reverse takeover.

GLOSSARY

\$ means Australian dollars.

ASIC means the Australian Securities & Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by ASX Limited, as the context requires.

Board means the current board of directors of the Company.

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

Chair means the chair of the Meeting.

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

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent of the member or the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the Corporations Regulations 2001 (Cth) for the purposes of the definition of 'closely related party' in the Corporations Act.

Company means The Company Resources Limited (ACN 119 670 370).

Constitution means the Company's constitution.

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

Directors means the current directors of the Company.

Explanatory Statement means the explanatory statement accompanying the Notice.

Floor Price means the minimum price (\$0.12) by which, if the formula for calculating the Purchase Price results in a figure less than that figure, the Company may refuse to issue the Placement Shares and instead opt to repay the relevant subscription price in cash (with a 5% premium), subject to Battery Metals' right to receive Placement Shares in lieu of such cash repayment.

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

Key Management Personnel has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, of the consolidated entity, directly or indirectly, including any director (whether executive or otherwise) of the Company, or if the Company is part of a consolidated entity, of an entity within the consolidated group.

Listing Rules means the Listing Rules of ASX.

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

Option means an option to acquire a Share.

Optionholder means a holder of an Option.

Proxy Form means the proxy form accompanying the Notice.

Purchase Price means in relation to an issue of Shares before 24 August 2021, the Initial Purchase Price, or in relation to an issue of Shares on or after 24 August 2021, the average of the five-daily volume-weighted average prices selected by Battery Metals during the 20 consecutive trading days immediately prior to the date of Battery Metals' notice to issue shares, less an 5% discount (or a 8% discount if the Placement Shares are issued after 25 June 2022) (rounded down to the next half of a cent if the Purchase Price is less than or equal to fifty cents, or otherwise to the next whole cent).

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


Section means a section of the Explanatory Statement.

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

Shareholder means a registered holder of a Share.

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

Need assistance?

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

 **Online:**
www.investorcentre.com/contact



YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **10:00am (AWST) Sunday, 22 August 2021.**

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 under the help tab, "Printable Forms".

Lodge your Proxy Form:

XX

Online:

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

Your secure access information is



Control Number: 185398

SRN/HIN:

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

By Mail:

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

By Fax:

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



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

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.

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 Walkabout Resources Ltd hereby appoint

the Chairman of the Meeting **OR**

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

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the General Meeting of Walkabout Resources Ltd to be held virtually via webinar on Tuesday, 24 August 2021 at 10:00am (AWST) and at any adjournment or postponement of that meeting.

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

Important Note: If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Resolution 2 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 Ratification of prior issue of Shares – Listing Rule 7.1	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Increase in total aggregate remuneration for non-executive Directors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Ratification of prior issue of Commencement Fee Shares – Listing Rule 7.1	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Ratification of prior issue of Initial Placement Shares – Listing Rule 7.1	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5 Ratification of First Placement Subscription Right – Listing Rule 7.1	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6 Approval of Second Placement Subscription Right – Listing Rule 7.1	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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

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

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

Update your communication details (Optional)

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



SCHEDULE 1 – SUMMARY OF SUBSCRIPTION AGREEMENT

A summary of the material terms of the Subscription Agreement is set out below.

Placement Shares

The Company will issue Shares (**Placement Shares**) in relation to all or part of the Subscription Placement made by Battery Metals, at Battery Metals' request, within 24 months of the date of the corresponding prepayment. The number of shares so issued by the Company will be determined by applying the Purchase Price (as set out below) to the subscription price prepaid by Battery Metals, but subject to the Floor Price (as set out below). The Purchase Price will be equal to \$0.45 initially (if the Placement Shares are issued prior to 24 August 2021) (**Initial Purchase Price**).

Pricing

Subject to the Floor Price described below, from 24 August 2021, the Purchase Price will reset to the average of the five-daily volume-weighted average prices selected by Battery Metals during the 20 consecutive trading days immediately prior to the date of Battery Metals' notice to issue shares, less an 5% discount (or an 8% discount if the Placement Shares are issued after 25 June 2022) (rounded down to the next half of a cent if the Purchase Price is less than or equal to fifty cents, or otherwise to the next whole cent) (**Reset Purchase Price**). Note that the meaning of Reset Purchase Price differs slightly in the context of the Commencement Fee Shares. The Purchase Price will, nevertheless, be the subject of the Floor Price of \$0.12. If the Purchase Price formula results in a price that is less than the Floor Price, the Company may refuse to issue shares and instead opt to repay the relevant subscription price in cash (with a 5% premium), subject to Battery Metals' right to receive Shares at the Floor Price in lieu of such cash repayment. The Purchase Price will not be the subject of a cap (thereby ameliorating a potential dilutive effect of a capital raising at today's share price level).

Initial Placement Shares

The Company will make an initial issuance of 3.8 million Shares to Battery Metals, towards the ultimate number of Placement Shares to be issued. Alternatively, in lieu of applying these shares towards the aggregate number of the Placement Shares to be issued by the Company, Battery Metals may make a further payment to the Company equal to the value of these shares determined using the Purchase Price at the time of the payment.

Refusal to Issue Shares

The Company will have the right (but no obligation) to refuse an issuance of shares in relation to Battery Metals' request for issuance and instead to repay the subscription amount by making a payment to Battery Metals equal to the number of shares that would have otherwise been issued multiplied the Purchase Price or, if greater, the market value of the Placement Shares at that time.

First Placement

The Company agreed to an initial placement of USD \$1,785,000 worth of Shares (**First Subscription Amount**) to raise USD \$1,700,000 (being the Shares to be issued on exercise from time to time, in whole or in part, of the First Placement Subscription Right the subject of Resolution 5) (**First Placement**).

Second Placement

The Company agreed to the second placement (subject to Shareholder approval at the Meeting) of USD \$4,515,000 worth of Shares (**Second Subscription Amount**) to raise USD \$4,200,000 (being the Shares to be issued on exercise from time to time, in whole or in part, of the Second Placement Subscription Right the subject of Resolution 6)

Third Placement

Battery Metals has granted the Company the right to receive a third placement of USD \$4,200,000 worth of Shares (**Third Subscription Amount**) to raise USD \$4,000,000.

Neither Battery Metals nor the Company has any obligation in relation to this third placement unless, during the 10 months following the Second Placement, the Company exercises its option to receive the third placement from Battery Metals. In order to exercise this option, the Company must have sufficient placement capacity to conduct this third placement at the time of exercising that option. Exercising this option will obligate Battery Metals and the Company to complete this third placemen, within 10 months of the Second Placement. The Company will determine whether to exercise the option prior to the deadline for its exercise, based on its capital requirements, the macroeconomic conditions, its share price, and its capacity under Listing Rule 7.1.

Miscellaneous

Battery Metals will not be obligated to provide the second placement or second placement, and/or may reduce the size of the second placement or third placement, if the market price of the Company's shares is below \$0.135 and does not recover to above that level within two months after Battery Metals notifies the Company. In addition, the Company and Battery Metals will each have the right to postpone the third tranche by up to two months.

The Company has agreed, to pay a fee of USD \$300,000 to Battery Metals by way of the issue of shares. These shares will be issued at the Initial Purchase Price (refer above for defined term).

The Subscription Agreement contains terms and conditions considered standard for an agreement of this nature.

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