

23 September 2021

Dear Shareholder

**Re: Notice of Meeting on Friday, 22 October 2021 at 1.00pm (AEDT)**

Notice is hereby given that the Annual General Meeting of Shareholders of Sunrise Energy Metals Limited (**Company**) will be held virtually via a live webcast at 1.00pm (AEDT) on Friday, 22 October 2021 (**Meeting**).

In accordance with the *Treasury Laws Amendment (2021 Measures No.1) Act 2021*, the Company will not be despatching physical copies of the Notice of Meeting. Instead, the Notice of Meeting and accompanying explanatory statement (**Meeting Materials**) are being made available to shareholders electronically. This means that:

- You can access the Meeting Materials online at the Company's website <https://www.sunriseem.com/investors/general-meeting/> or at or at the Company's share registry's online voting site, Investor Vote at <http://www.investorvote.com.au/SRL2021GM>.
- A complete copy of the Meeting Materials has been posted to the Company's ASX Market Announcements page at [www.asx.com.au](http://www.asx.com.au) under the Company's ASX code "SRL".
- If you have provided an email address and have elected to receive electronic communications from the Company, you will receive an email to your nominated email address with a link to an electronic copy of the Meeting Materials and the voting instruction form.

If you would like to receive electronic communications from the Company in the future, please update your communication elections online at <https://www.computershare.com/au>. If you have not yet registered, you will need your shareholder information including SRN/HIN details.

If you are unable to access the Meeting Materials online please contact our share registry, Computershare, on <https://www.computershare.com/au> or by phone on 1300 850 505 (within Australia) between 8.30am and 5.00pm Monday to Friday, to obtain a copy.

Any shareholders who wish to attend the Meeting should monitor the Company's website and its ASX announcements for any updates about the Meeting. If it becomes necessary or appropriate to make alternative arrangements for the holding or conducting of the Meeting, the Company will make further information available through the ASX website at [asx.com.au](http://asx.com.au) (stock code: SRL) and on its website at <https://www.sunriseem.com/>. Shareholders are encouraged to lodge their completed proxy forms in accordance with the instructions in this Notice of Meeting.

Yours sincerely,



**Melanie Leydin**  
Company Secretary



**SUNRISE ENERGY METALS LIMITED**  
**ACN 127 457 916**

## **Notice of Annual General Meeting**

Date of meeting:  
**Friday, 22 October 2021**

Time of meeting:  
**1.00pm (Melbourne time)**

The Meeting will be held via live webcast at:  
<https://web.lumiagm.com/377201969>

*This Notice of Meeting and Explanatory Statement should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional advisor without delay.*

# SUNRISE ENERGY METALS LIMITED

ACN 127 457 916

## NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting (“AGM” or “Meeting”) of shareholders of Sunrise Energy Metals Limited (the “Company” or “SRL”) will be held virtually via live webcast on Friday, 22 October 2021 at 1.00pm (AEDT).

The technology used to hold the Meeting virtually will provide SRL Shareholders with a reasonable opportunity to ask questions or make comments (ensuring that shareholders whom are participating remotely are able to actively do so), voting at the Meeting is occurring by way of a poll rather than a show of hands, each person entitled to vote is to be given the opportunity to vote in real time, and this notice of Meeting includes information about how shareholders can participate in the Meeting.

**SRL Shareholders can attend and participate in the virtual Meeting via the following link:**

<https://web.lumiagm.com/377201969>

**Further information on how to participate virtually is set out below.**

SRL Shareholders are strongly encouraged to submit their proxies as early as possible. To lodge your proxy, please follow the directions on your personalised proxy form which will be delivered to you by mail or email.

If it becomes necessary or appropriate to make alternative arrangements for the holding or conducting of the Meeting, SRL will make further information available through the ASX website at [asx.com.au](http://asx.com.au) (ASX: SRL) and on its website. SRL Shareholders should monitor SRL’s website and its ASX announcements for any updates.

### ATTENDING AND PARTICIPATING IN THE MEETING VIRTUALLY

#### Registration:

Registration opens at 12.00pm on Friday, 22 October 2021

#### Attend via:

<https://web.lumiagm.com/377201969>

SRL Shareholders can access the live webcast at <https://web.lumiagm.com> (Meeting ID: 377201969). If you choose to participate in this way, you will be able to view the Meeting live, lodge a direct vote in real time and ask questions online. SRL Shareholders participating in the Meeting will be able to cast direct votes between the commencement of the Meeting and the closure of voting as announced by the Chair during the Meeting. Instructions on how to access the Meeting and cast your votes can be found at [www.computershare.com.au/virtualmeetingguide](http://www.computershare.com.au/virtualmeetingguide).

If you are not able to attend the Meeting to vote, the Board encourages you to lodge your votes online at [www.investorvote.com.au](http://www.investorvote.com.au). You will require the control number (1855219), your HIN/SRN and postcode/domicile code to access online voting.

SRL is happy to accept and answer questions submitted prior to the Meeting by email to [info@sunriseem.com](mailto:info@sunriseem.com). SRL will address relevant questions during the Meeting or by written response after the Meeting (subject to the discretion of SRL not to respond to unreasonable and / or offensive questions).

# SUNRISE ENERGY METALS LIMITED

ACN 127 457 916

Registered Office: Level 6, 350 Collins Street, Melbourne, VIC 3000

## AGENDA

The Explanatory Statement and Proxy Form which accompany and form part of this Notice, includes defined terms and describe in more detail the matters to be considered. Please consider this Notice, the Explanatory Statement, and the Proxy Form in their entirety.

### ORDINARY BUSINESS

#### Receipt & Consideration of Accounts & Reports

To receive and consider the financial report of the Company and the related reports of the Directors (including the Remuneration Report) and auditors for the year ended 30 June 2021.

*There is no requirement for this item of business to be the subject of a Shareholder vote. Accordingly, no resolution will be put to Shareholders on this item of business.*

#### Resolution 1: Adoption of Remuneration Report

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

*“That for the purposes of section 250R(2) of the Corporations Act 2001 and for all other purposes, the Remuneration Report (included in the Directors’ Report) for the financial year ended 30 June 2021 be adopted.”*

#### Resolution 2: Election of Mr Trevor Eton as a Director of the Company

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

*“That, for the purposes of ASX Listing Rule 14.4 and Clause 19.5 of the Company’s Constitution, and for all other purposes, Mr Trevor Eton, having been appointed to the Board of Directors on 1 July 2021 and retiring at this Meeting in accordance with the Constitution of the Company, and being eligible for election, be elected as a Director of the Company.”*

#### Resolution 3: Re-Election of Mr Robert Friedland as a Director of the Company

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

*“That Mr Robert Friedland, who retires by rotation in accordance with the Company’s Constitution, and who offers himself for re-election, be re-elected as a Director of the Company.”*

#### Resolution 4: Approval to Issue 198,694 Performance Rights to Mr Sam Riggall

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

*“That the grant of 198,694 Long Term Incentive Plan Performance Rights (being a right to acquire up to 198,694 fully paid ordinary shares in the Company, subject to satisfaction of relevant vesting conditions) to Mr Sam Riggall, Managing Director and Chief Executive Officer of the Company, (or his nominee) under the Employee Incentive Plan and on the terms described in the Explanatory Statement is approved under and for the purpose of Listing Rule 10.14, sections 200B and 200E of the Corporations Act and for all other purposes.”*

#### Resolution 5: Ratification of Prior Issue of NematIQ Shares

*“That, for the purpose of Listing Rule 7.4 and for all other purposes, shareholders approve the issue of 740,741 fully paid ordinary shares on 12 May 2021 to Ionic Industries Limited at a deemed issue price of \$2.70 per share, as described in the Explanatory Statement which accompanies and forms part of this Notice.”*

**Resolution 6: Ratification of Prior Issue of Hylea Shares**

*“That, for the purpose of Listing Rule 7.4 and for all other purposes, shareholders approve the issue of 724,086 fully paid ordinary shares on 13 August 2021 to Lotus Resources Limited (ASX: LOT) at a deemed issue price of \$2.0716 per share, as described in the Explanatory Statement which accompanies and forms part of this Notice.”*

**SPECIAL BUSINESS**

**Resolution 7: Approval of 10% Placement Capacity**

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

*“That, under and for the purposes of Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of Equity Securities up to 10% of the issued capital of the Company (at the time of the issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions in the Explanatory Statement.”*

**BY ORDER OF THE BOARD**



**Melanie Leydin**  
**Company Secretary**  
23 September 2021

## Notes

1. **Entire Notice:** The details of the Resolutions contained in the Explanatory Statement accompanying this Notice of Meeting should be read together with, and form part of, this Notice of Meeting.
2. **Record Date:** The Company has determined that for the purposes of the Annual General Meeting, Shares will be taken to be held by the persons who are registered as holding the shares at 7.00pm (AEDT) on the date 48 hours before the date of the Annual General Meeting. Only those persons will be entitled to vote at the Annual General Meeting and transfers registered after that time will be disregarded in determining entitlements to attend and vote at the Annual General Meeting.
3. **Proxies**
  - a. Votes at the Annual General Meeting may be given personally or by proxy, attorney or representative.
  - b. Each Shareholder has a right to appoint one or two proxies.
  - c. A proxy need not be a shareholder of the Company.
  - d. If a Shareholder is a company, it must execute under its common seal or otherwise in accordance with its Constitution or the Corporations Act.
  - e. Where a Shareholder is entitled to cast two or more votes, the shareholder may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise.
  - f. If a Shareholder appoints two proxies, and the appointment does not specify the proportion or number of the Shareholder's votes, each proxy may exercise half of the votes. If a Shareholder appoints two proxies, neither proxy may vote on a show of hands.
  - g. A proxy must be signed by the Shareholder or his or her attorney who has not received any notice of revocation of the authority. Proxies given by corporations must be signed in accordance with corporation's constitution and Corporations Act.
  - h. To be effective, proxy forms must be received by the Company's share registry (Computershare Investor Services Pty Limited) no later than 48 hours before the commencement of the Annual General Meeting, this is no later than 1.00pm (AEDT) on Wednesday, 20 October 2021. Any proxy received after that time will not be valid for the scheduled Meeting.

## 4. Corporate Representative

Any corporate shareholder who has appointed a person to act as its corporate representative at the Meeting should provide that person with a certificate or letter executed in accordance with the Corporations Act authorising him or her to act as that company's representative. The authority may be sent to the Company and/or share registry in advance of the Meeting.

## 5. Voting Exclusion Statement:

### Resolution 1

In accordance with sections 250R(4) and 250BD(1) of the Corporations Act, a vote must not be cast (in any capacity, including as a proxy), and the Company will disregard any votes purported to be cast, on this Resolution by, or on behalf of, a member of the Key Management Personnel, details of whose remuneration are included in the remuneration report, or a Closely Related Party of such a member (**KMP voter**), unless the KMP voter is casting a vote on this Resolution on behalf of a person who is not a KMP voter (including as a proxy) and either:

- (a) the KMP voter is appointed as a proxy by writing that specifies the way the proxy is to vote on the Resolution; or
- (b) the KMP voter is the Chair of the Meeting and the appointment of the Chair as proxy:
  - (i) does not specify the way the proxy is to vote on the Resolution; and
  - (ii) 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 for the Company or the consolidated entity.

If you appoint the Chair as your proxy and you do not direct the Chair how to vote, you will be expressly authorising the Chair to exercise the proxy even if the relevant Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel for the Company.

If the Chair of the Meeting is appointed as a proxy for a person who is permitted to vote on this Resolution, the Chair will vote any proxies which do not indicate on their Proxy Form the way the Chair must vote, in favour of this Resolution. In exceptional circumstances, the Chair may change his or her voting intention on the Resolution, in which case an ASX announcement will be made. Shareholders may also choose to direct the Chair to vote against the Resolution or to abstain from voting.

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

### Resolutions 2 and 3

There are no voting exclusions on any of these Resolutions.

#### Resolution 4

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

- (a) a person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the Company's Employee Incentive Plan; or
- (b) an associate of that person.

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

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

A further restriction also applies to Key Management Personnel and their closely related parties voting undirected proxies on this Resolution – see **Restriction on KMPs voting undirected proxies below**.

#### Resolution 5 and 6

The Company will disregard any votes cast in favour of Resolutions 5 and 6 by or on behalf of any person who participated in the issue of shares and any associates of those persons.

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

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

#### Resolution 7

As at the date of dispatch of this Notice, the Company is not proposing to make an issue of Equity Securities under Listing Rule 7.1A.2 and, therefore, a voting exclusion statement on this Resolution is not currently required by Listing Rule 7.3A.7.

#### 6. Restrictions on KMPs voting undirected proxies:

A vote must not be cast as proxy on any of Resolutions 1 and 4 by a member of the Key Management Personnel (as defined by the Corporations Act) or a closely related party of Key Management Personnel.

However, a person described above (a "**Restricted Voter**") may cast a vote on behalf of a person who is not a Restricted Voter on any of Resolutions 1 and 4 as a proxy if:

- (a) The Restricted Voter is appointed as a proxy by writing that specifies the way the proxy is to vote on the Resolution(s); or
- (b) The Chair is the Restricted Voter and the written appointment of the Chair as proxy does not specify the way the proxy is to vote on the Resolution(s) and expressly authorises the Chair to exercise the proxy even though the Resolution(s) is or are connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

If you appoint the Chair as your proxy and you do not direct the Chair how to vote, you will be expressly authorising the Chair to exercise the proxy even if the relevant Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel for the Company.

If the Chair of the Meeting is appointed as a proxy for a person who is permitted to vote on Resolutions 1 and 4, the Chair will vote any proxies which do not indicate on their Proxy Form the way the Chair must vote, in favour of Resolutions 1 and 4. In exceptional circumstances, the Chair may change his or her voting intention on the Resolutions, in which case an ASX announcement will be made. Shareholders may also choose to direct the Chair to vote against the Resolutions or to abstain from voting.

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

#### 7. Enquiries

Shareholders are invited to contact the Company Secretary, Melanie Leydin on (03) 9692 7222 if they have any queries in respect of the matters set out in these documents.

# EXPLANATORY STATEMENT

## **Receipt & Consideration of Accounts & Reports**

A copy of the Annual Report for the financial year ending 30 June 2021 (which incorporates the Company's financial report, reports of the Directors (including the Remuneration Report) and the auditor's report) is not enclosed. You may obtain a copy free of charge by contacting the Company by phone at (03) 9692 7222, and you may request that this occurs on a standing basis for future years. Alternatively, you may access the Annual Report at the Company's website <https://www.sunriseem.com/> or via the Company's announcement platform on ASX. There is no requirement for this item of business to be the subject of a Shareholder vote. Accordingly, no resolution will be put to Shareholders on this item of business.

## **ORDINARY BUSINESS**

### **Resolution 1 – Adoption of Remuneration Report**

#### ***Background***

Section 250R(2) of the Corporations Act requires that a resolution to adopt the Remuneration Report must be put to the vote at the Annual General Meeting. The vote on this Resolution is advisory only and does not bind the Directors or the Company.

The Remuneration Report is set out in the Directors' Report in the Company's 2021 Annual Report. The Remuneration Report sets out the Company's remuneration arrangements for the Directors and senior management of the Company.

In accordance with Section 250SA of the Corporations Act, Shareholders will be provided with a reasonable opportunity to ask questions concerning, or make comments on, the Remuneration Report at the Annual General Meeting.

The Corporations Act requires the Company to put a resolution to Shareholders that in accordance with Division 9 of Part 2G.2 of the Corporations Act, if twenty five (25%) per cent or more of votes that are cast are voted against the adoption of the Remuneration Report at two consecutive Annual General Meetings, Shareholders will be required to vote at the second of those Annual General Meetings on a resolution (a "spill resolution") that another meeting be held within 90 days at which all of the Company's Directors (other than the Managing Director) must go up for re-election.

It is noted that at the Company's last Annual General Meeting, the votes cast against the Remuneration Report represented less than twenty-five (25%) per cent of the total votes cast and accordingly, a spill resolution will not under any circumstances be required for the Annual General Meeting.

The Directors will consider the outcome of the vote and comments made by Shareholders on the Remuneration Report at the Meeting when reviewing the Company's remuneration policies.

#### ***Voting Exclusions***

A voting exclusion statement is set out in Note 5 of the Notice.

#### ***Board Recommendation***

Noting that each Director has a personal interest in their own remuneration from the Company (as such interests are described in the Remuneration Report) and, as described in the voting exclusions on this Resolution (set out in the Notice of AGM), that each Director (or any Closely Related Party of a Director) is excluded from voting their shares on this Resolution, the Board encourage all eligible shareholders to cast their votes in favour of this Resolution.



## **Resolution 2 – Election of Mr Trevor Eton as Director**

### ***Background***

In accordance with ASX Listing Rule 14.4 and Clause 19.3 of the Company's Constitution, Mr Trevor Eton will retire at the Annual General Meeting and being eligible, will offer himself for election.

Mr Eton was appointed as a Non-Executive Director effective 1 July 2021. He is a highly respected finance executive with over 35 years' experience in corporate finance within the minerals industry. His previous full-time executive role was as CFO and Company Secretary of sulphide nickel producer, Panoramic Resources Limited (ASX: PAN) ('Panoramic') from 2003 to 2020 where he was instrumental in the financing, construction and development of the Savannah Nickel Project and the acquisition and subsequent development of the Lanfranchi Nickel Project, which saw Panoramic reach a market capitalisation exceeding \$1 billion in 2007. Prior to Panoramic, he held corporate finance roles with various other resource companies, including diversified metal producers, MPI Mines Limited and Australian Consolidated Minerals Limited (ACM).

Mr Eton is currently a Non-Executive Director of Auroch Minerals Limited (ASX:AOU), a Perth based exploration company whose principal asset is an 80% interest in the previously mined Nepean Nickel Project, located near Coolgardie in Western Australia. Mr Eton holds a Bachelor of Arts (Hons.) degree with a major in Economics from the Victoria University of Wellington, New Zealand, a Post Graduate Diploma in Management from the Melbourne Business School and is an Associate Fellow of the Australian Institute of Management (AFAIM).

Mr Eton chairs the Audit, Finance and Risk Committee and is a member of the People, Governance and Sustainability Committee.

### ***Voting Exclusions***

There are no voting exclusions on this Resolution.

### ***Board Recommendation***

The Board (with Mr Eton abstaining) recommends Shareholders vote in favour of this Resolution. The Chair of the Meeting intends to vote undirected proxies in favour of this Resolution.

## **Resolution 3 – Re-Election of Mr Robert Friedland as Director**

### ***Background***

In accordance with ASX Listing Rule 14.4 and Clauses 20.1 and 20.2 of the Company's Constitution, Directors must retire after the third AGM since they were last elected. A Director must not hold office without re-election following the third AGM after the Director's appointment / re-election or for more than three years, whichever is longest (Clause 20.1). If no Director is standing for election / re-election under clause 20.1 or 20.2, the Director who has been the longest in office since that Director's last election must retire from office at the AGM. If two or more Directors have each been longest in office since their (re) election on the same day, they must agree among themselves, otherwise this will be determined by lot. These clauses do not apply to the Managing Director (Clause 20.6). Mr Robert Friedland is retiring at this Meeting under Clause 20.2.

Mr Friedland joined the Board of Sunrise Energy Metals Limited as Co-Chairman and Non-Executive Director in September 2016. During the past 25 years of his career, Mr. Friedland has founded and led two prominent, international mining entities under the Ivanhoe Mines banner. He is Executive Co-Chairman and a director of Ivanhoe Mines Ltd., which has three major mine development projects and exploration underway in Southern Africa, including construction of three new mines, two of which are on world-scale mineral discoveries made by Ivanhoe Mines, in South Africa and the Democratic Republic of Congo. The company operated under the Ivanplats name after its founding in 1998 and assumed the Ivanhoe Mines name in 2013. The original Ivanhoe Mines, founded in 1994 and now named Turquoise Hill Resources, had extensive mining and exploration interests in the Asia Pacific Region. Mr. Friedland was Executive Chairman and Chief Executive Officer of the original Ivanhoe Mines until 2012, and also was President from 2003 to 2008. He directed Ivanhoe Mines' assembly of a portfolio of interests in several countries over 16 years and led the company's team that made the discoveries and initial development of the Oyu Tolgoi copper-gold-silver deposits in southern Mongolia. Rio Tinto acquired a controlling interest in the company in January 2012 and the company was renamed Turquoise Hill Resources in August 2012, which now is operating and continuing the development of Oyu Tolgoi. Before founding Ivanhoe Mines, Mr. Friedland was a co-founding principal investor in Diamond Fields Resources in late 1992. Assuming Co-Chairmanship in 1994 after company-funded exploration discovered high-grade nickel at

Voisey's Bay in Canada, Mr. Friedland led negotiations for the subsequent sale of the tier-one discovery to INCO for C\$4.3 billion in 1996. The mine began production in 2005. Now owned by Vale, it is the world's fourth-largest nickel producer. Mr. Friedland also is Chairman and President of Ivanhoe Capital Corporation, his family's private, Singapore-based company founded in 1987 that specialises in providing venture capital, project financing and related services for international business enterprises, predominantly in the minerals, energy and communications technologies sectors. He was inducted into the Canadian Mining Hall of Fame in 2016.

### ***Voting Exclusions***

There are no voting exclusions on this Resolution.

### ***Board Recommendation***

The Board (with Mr Friedland abstaining) recommends Shareholders vote in favour of this Resolution. The Chair of the Meeting intends to vote undirected proxies in favour of this Resolution.

## **Resolution 4 – Approval to Issue 198,694 Performance Rights to Mr Sam Riggall**

### ***Background***

The Company proposes, subject to Shareholder approval, to grant Managing Director and Chief Executive Officer, Mr Sam Riggall 198,694 performance rights which, upon vesting, will result in the issue of up to 198,694 fully paid ordinary shares ("Performance Rights") pursuant to the Company's Employee Incentive Plan ("EIP") and the Employee Incentive Plan Rules ("EIPR").

The number of performance rights proposed to be granted to Mr Riggall is based on his applicable long-term incentive ("LTI") percentage under the Board approved EIP, his applicable total fixed remuneration ("TFR") and the ASX volume weighted average price of the Company in July 2021 of approximately \$1.87 per share. Note that effective 1 July 2020 Mr Riggall volunteered to take a 20% reduction in TFR, however, Mr Riggall's other entitlements, including his ongoing participation in the Company's LTI Plan, continue to be based on his TFR that would have applied had he not volunteered for the reduction in TFR.

The Company's approach to remuneration is to ensure that remuneration received by Key Management Personnel is closely linked to the Company's performance and the returns generated for shareholders. Performance-linked compensation includes both short-term and long-term incentives and is designed to incentivise and reward employees for meeting or exceeding Company-wide and individual objectives. The short-term incentive ("STI") is an "at risk" bonus provided in the form of cash and/or shares, while the long-term incentive ("LTI") is provided as options and performance rights over ordinary shares of the Company. The STI and LTI plans provide for the Board to be able to exercise discretion on the award of cash bonuses, options, and performance rights.

Within the established remuneration framework, each employee is assigned a level which reflects the seniority and responsibility associated with their role. This level determines an employees' participation in the STI and LTI, and therefore, the proportion of their total remuneration which is linked to performance. Senior executives of the Company have a higher proportion of their total potential remuneration 'at risk'. The applicable annual incentive plan metrics as at 1 July 2021 are detailed below.

<b>Percentage of TFR</b>	<b>Level 1 (CEO)</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Level 4</b>	<b>Level 5</b>
STI – bonus	20%	20%	20%	20%	20%
LTI – performance rights	150%	100%	20%	10%	5%

<b>Total Remuneration Breakdown</b>	<b>Level 1 (CEO)</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Level 4</b>	<b>Level 5</b>
STI – bonus	7%	9%	14%	15%	16%
LTI – performance rights	56%	45%	14%	8%	4%
<b>Total at risk</b>	<b>63%</b>	<b>54%</b>	<b>28%</b>	<b>23%</b>	<b>20%</b>

The Board considers that the performance-linked compensation structure outlined in the EIP will generate the desired outcome in respect of attracting and retaining high calibre employees and aligning employee performance with shareholder interests.

The provision of Performance Rights to Mr Riggall pursuant to the LTI plan comprises a significant component of his 'at risk' remuneration. These Performance Rights are intended to align Mr Riggall's long term performance over the vesting period with the interests of Shareholders as well as acting as a retention incentive.

The Board has concluded that the remuneration package for Mr Riggall is reasonable and appropriate having regard to the circumstances of the Company and his duties and responsibilities as Managing Director and Chief Executive Officer.

### **Conditions and Hurdles for Performance Rights**

<b>Performance Rights</b>		
<b>Vesting Date:</b>	1 July 2024	
<b>Vesting Period:</b>	1 July 2021 to 30 June 2024	
<b>Vesting Conditions:</b>	The vesting of any of the Performance Rights is dependent on Mr Riggall meeting the Service and Performance Conditions. Collectively these conditions are known as the <b>Vesting Conditions</b> .	
<b>Service Condition:</b>	Continuous employment by Mr Riggall in his current position (or equivalent) from Grant Date to Vesting Date. Subject to the EIP Rules, Performance Rights will generally lapse on resignation or dismissal.	
<b>Other Conditions:</b>	The other conditions of the Performance Rights are as per the EIP Rules.	
<b>Performance Conditions:</b>		
Up to 100% of the Performance Rights granted will vest to the extent that the Total Shareholder Return (TSR) for the Company outperforms the Performance Hurdles over the Performance Period. TSR is defined as the total return of a share to an investor (capital gain plus dividends received). The Volume Weighted Average Prices (VWAP) traded on the ASX in the one month preceding the commencement of the Vesting Period compared to the VWAP of shares in the one month preceding the Vesting Date will be used in measuring TSR over the Performance Period.		
<b>Performance Hurdle 1: 50% Performance Rights vesting conditional on SRL's absolute TSR performance</b>		
SRL TSR over measurement period	% of Performance Rights vesting	
12.5% p.a. compounding annually or greater	100%	
7.5% p.a. compounding annually	50%^	
Less than 7.5% p.a. compounding	0%	
^ Straight line pro-rata vesting between 7.5% and 12.5%		
<b>Performance Hurdle 2: 50% Performance Rights vesting conditional on SRL's TSR performance compared to the ASX300 metals and mining index (ASX: XMM) ('Index')</b>		
Performance level	SRL performance relative to the Index over the measurement period	% of Performance Rights vesting^^
Stretch	≥ Index movement +15%	100%
Between target & stretch	> Index movement + 5% & <15%	Pro-rata
<b>Target</b>	<b>Index movement +5%</b>	<b>50%</b>
Between threshold & target	> Index movement + 5% & <15%	Pro-rata
Threshold	= Index movement	25%
Below threshold	< Index movement	0%
^^ Provided that zero performance rights would vest if the SRL TSR is negative over the measurement period.		

Any Performance Rights which fail to vest on the Vesting Date will immediately lapse unless the People, Governance & Sustainability Committee or the Board decides exceptional circumstances justify the reduction or waiver in whole or in part of the Vesting Conditions. There is no ability to re-test whether or not the Vesting Conditions have been satisfied after the Vesting Period has ended.

## **ASX Listing Rules**

Listing Rule 10.14 requires shareholder approval for the issue of shares to directors under an employee incentive scheme. If this Resolution is passed, it will also mean that the grant of Performance Rights to Mr Riggall will not utilise any of the Company's placement capacity under Listing Rule 7.1. No further shareholder approval under Listing Rule 7.1 is required for that purpose.

Listing Rule 10.15 requires that the following information be provided to Shareholders for the purposes of obtaining Shareholder approval pursuant to Listing Rule 10.14:

- (a) The proposed recipient is Mr Sam Riggall, the Chief Executive Officer and Managing Director of the Company.
- (b) As a director of the Company, Mr Riggall falls into the category described in Listing Rule 10.14.1.
- (c) A total of 198,694 Performance Rights are being proposed to be granted to Mr Riggall (and any Shares to be issued on vesting of those Performance Rights) shall be issued for no consideration.
- (d) The current total remuneration package of Mr Riggall is \$488,234 consisting of \$390,587 total fixed remuneration plus up to a maximum of \$97,647 STI cash bonus.
- (e) The number of securities on issue that have previously been granted to Mr Riggall under the EIP is outlined below:

<b>Number and type of securities (post-consolidation)</b>	<b>Average acquisition price</b>
604,811 Unlisted Performance Rights	Nil
100,000 Unlisted Options	Nil

- (f) The Performance Rights which, upon vesting, will result in the issue of up to 198,694 fully paid ordinary shares pursuant to the Company's EIP. To be vested, the Performance Rights conditions and hurdles, as outlined under *Conditions and Hurdles of Performance Rights* above, will have to be satisfied.
- (g) The Company is issuing Performance Rights as a form of equity security as it is a cost effective, non-cash incentive which closely links rewards with performance. The number of Performance Rights offered has been calculated based on the ASX volume weighted average price of SRL in July 2021 of \$1.87 per share, with Performance Rights estimated to be valued (for accounting purposes) at approximately \$397,000 based on an independent valuation of a comparable tranche of Performance Rights granted in March 2021.
- (h) If Shareholder approval is obtained, the Performance Rights will be granted no later than one month after the Meeting.
- (i) The Performance Rights will be issued for no consideration.
- (j) A summary of the material terms of the EIP has been provided under **Annexure A**.
- (k) No loan will be made by the Company in relation to the grant of Performance Rights to Mr Riggall.
- (l) Details of any securities issued under the EIP will be published in each annual report of the Company relating to the period in which they were issued, along with a statement that approval for the issue was obtained under Listing Rule 10.14.
- (m) Any additional persons covered by Listing Rule 10.14 who become entitled to participate in an issue of securities under the EIP after Resolution 5 is approved and who are not named in this Notice and Explanatory Statement will not participate until approval is obtained under that rule.

## **Termination Benefits approval – sections 200B and s200E Corporations Act**

Sections 200B and 200E of the Corporations Act prohibit the Company from giving a benefit to a person who holds (or has held in the previous three years) a managerial or executive office with the Company or its subsidiaries, if that benefit is given in connection with that person's retirement from office and is in excess of that person's average annual base salary over the relevant period, unless the benefit is approved by Shareholders or an exemption applies.

Approval is therefore sought under section 200E of the Corporations Act to allow for the Board to determine to accelerate vesting of some or all of Mr Riggall's unvested Performance Rights in the event Mr Riggall ceases employment in 'good leaver' circumstances being cessation other than due to resignation or dismissal for cause or poor performance and for the benefit not to be a termination benefit for the purposes of the Corporations Act. Where Mr Riggall ceases as a 'bad leaver' (which includes by resignation or dismissal for poor performance), all unvested Performance Rights will lapse, unless the Board determines otherwise.

If Shareholder approval is obtained, the value of the approved benefits will be disregarded when calculating Mr Riggall's termination benefits cap for the purpose of subsection 200F(2)(b) or subsection 200G(1)(c) of the Corporations Act. The approval will be effective from the date the Resolution is passed until the conclusion of the 2024 Annual General Meeting (that is, for a period of approximately three years).

The value of any benefit relating to the Performance Rights given in connection with Mr Riggall ceasing to hold managerial or executive office cannot presently be ascertained. However, matters, events and circumstances that will, or are likely to, affect the calculation of that value are:

- the number of Performance Rights held by Mr Riggall prior to cessation of his employment;
- the date when, and circumstances in which, Mr Riggall ceases employment;
- whether performance hurdles are waived or (if not waived) met, and the number of Performance Rights that vest (which could be all of the Performance Rights held by Mr Riggall); and
- the market price of the Company's shares on the ASX on the date Shares are provided to Mr Riggall upon vesting of the Performance Rights.

### ***Corporations Act***

The Board has formed the view that the issues of Performance Rights to Mr Riggall (or his nominee) do not require Shareholder approval under section 208 of the Corporations Act as the issues constitute "reasonable remuneration" in accordance with section 211 of the Corporations Act.

A "financial benefit" is defined in section 229 of the Corporations Act and includes granting an option to a related party. Section 228 of the Corporations Act defines a "related party" for the purposes of Chapter 2E to include:

- directors of the public company (section 228(2)(a)); and
- an entity controlled by directors of the public company (section 228(4)). Section 228(5) provides that an entity is a related party of a public company at a particular time if the entity was a related party of the public company of a kind referred to in subsection (1), (2), (3) or (4) at any time within the previous 6 months.

In reaching this view, the Board considers the proposed grant of Performance Rights aligns the interests of Mr Riggall with the interests of Shareholders. The grant of Performance Rights to Mr Riggall is a cost-effective form of remuneration when compared to the payment of cash consideration. The Board believes that having regard to the Company's current cash position, and the Company's objective to use available cash to fund its operations in the near future, compensating Mr Riggall in Performance Rights is in line with current market practices.

Mr Riggall was not present during the decision-making process, including any decision to put to shareholders the proposed issue of his Performance Rights. If this Resolution is passed and the Performance Rights are issued, Mr Riggall will have a relevant interest in 200,632 Performance Rights.

### ***Voting Exclusions***

A voting exclusion statement is set out under Note 5 of this Notice.

### ***Board Recommendation***

The Board (with Mr Riggall abstaining) recommends that Shareholders vote in favour of this Resolution. The Chair of the Meeting intends to vote undirected proxies in favour of this Resolution.

## **Resolution 5: Ratification of Prior Issue of NematiQ Shares**

### ***Background***

On 12 May 2021 (“NematiQ Issue Date”), the Company issued 740,741 fully paid ordinary shares (“NematiQ Shares”), at a deemed issue price of \$2.70 per Share to Ionic Industries Limited (“Ionic”) to acquire the remaining 16.8% (116,667 shares) of NematiQ Pty Ltd (“NematiQ”) that it did not then own as well as the shareholder loan of \$340,000 owed by NematiQ to Ionic (“the NematiQ Issue”).

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

The NematiQ Issue does not fit within any of these exceptions and, as it has not yet been approved by the Company’s 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 NematiQ Issue Date.

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

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

To this end, this Resolution seeks shareholder approval to the Issue under and for the purposes of Listing Rule 7.4.

If this Resolution is passed, the NematiQ Issue 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 NematiQ Issue Date.

If this Resolution is not passed, the Issue 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 Issue Date.

ASX Listing Rule 7.5 requires that the following information be provided to shareholders for the purpose of obtaining shareholder approval pursuant to ASX Listing Rule 7.4:

- (a) the NematiQ Shares were issued to Ionic.
- (b) the number and class of securities issued were 740,741 fully paid ordinary shares in the Company.
- (c) the NematiQ Shares were issued on 12 May 2021.
- (d) the NematiQ Shares were issued at a deemed issue price of \$2.70 per Share.
- (e) The NematiQ Shares were issued as consideration to acquire the remaining 16.8% (116,667 shares) of NematiQ that the Company did not then own as well as the shareholder loan of \$340,000 owed by NematiQ to Ionic. No funds have been raised as part of the issue.
- (f) Summary of the material terms of the agreement under which the NematiQ Shares were issued have been announced on 11 May 2021 and they are as follows:
  - Company acquiring Ionic’s remaining 16.8% equity in NematiQ and the shareholder loan of \$340,000 owed by NematiQ to Ionic for approximately \$2 million worth of shares in SRL.

### ***Voting Exclusions***

A voting exclusion statement is set out under Note 5 of this Notice.

## **Board Recommendation**

The Board recommends that Shareholders vote in favour of this Resolution. The Chair of the Meeting intends to vote undirected proxies in favour of this Resolution.

## **Resolution 6: Ratification of Prior Issue of Hylea Shares**

### **Background**

On 13 August 2021 (“Hylea Issue Date”), the Company issued 724,086 fully paid ordinary shares (“Hylea Shares”), at a deemed issue price of \$2.0716 per Share to Lotus Resources Limited (“Lotus”) (ASX: LOT) to acquire a 100% interest in the Hylea Project comprising Exploration Licences EL8520, EL8641 and EL8801 (the “Hylea Issue”).

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

The Hylea Issue does not fit within any of these exceptions and, as it has not yet been approved by the Company’s 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 Hylea Issue Date.

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

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

To this end, this Resolution seeks shareholder approval to the Issue under and for the purposes of Listing Rule 7.4.

If this Resolution is passed, the Hylea Issue 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 Hylea Issue Date.

If this Resolution is not passed, the Issue 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 Issue Date.

ASX Listing Rule 7.5 requires that the following information be provided to shareholders for the purpose of obtaining shareholder approval pursuant to ASX Listing Rule 7.4:

- (g) the Hylea Shares were issued to Lotus.
- (h) the number and class of securities issued were 724,086 fully paid ordinary shares in the Company.
- (i) the Hylea Shares were issued on 13 August 2021.
- (j) the Hylea Shares were issued at a deemed issue price of \$2.0716 per Share.
- (k) The Hylea Shares were issued as part consideration for the acquisition of the Hylea Project comprising Exploration Licences EL8520, EL8641 and EL8801. No funds have been raised as part of the issue.
- (l) Summary of the material terms of the agreement under which the Hylea Shares were issued have been announced on 20 April 2021 and they are as follows:
  - SRL to acquire a 100% interest in Exploration Licences EL8520, EL8641 and EL8801 for \$2.5 million, with \$1 million payable in cash and \$1.5 million payable in cash and / or SRL Shares at the Company’s election, at the completion date.

- If settled in SRL Shares, the number of SRL shares issued would be determined based a 5-day VWAP preceding the completion date.

### ***Voting Exclusions***

A voting exclusion statement is set out under Note 5 of this Notice.

### ***Board Recommendation***

The Board recommends that Shareholders vote in favour of this Resolution. The Chair of the Meeting intends to vote undirected proxies in favour of this resolution.

## **Resolution 7 – Approval of 10% Placement Capacity**

### ***Background***

Listing Rule 7.1A enables eligible entities to issue Equity Securities up to 10% of its issued share capital through placements over a 12-month period after the Annual General Meeting ("10% Placement Capacity"). The 10% Placement Capacity is in addition to the Company's 15% placement capacity under Listing Rule 7.1.

An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. The Company is an eligible entity.

The Company is seeking shareholder approval by way of a special resolution to have the ability, if required, to issue Equity Securities under the 10% Placement Capacity. The effect of this Resolution will be to allow the Directors to issue Equity Securities under Listing Rule 7.1A during the 10% Placement Period (as described below) without using the Company's 15% placement capacity under Listing Rule 7.1.

If Shareholders approve this Resolution, the number of Equity Securities permitted to be issued under the 10% Placement Capacity will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (see below) and the Company will be able to issue Equity Securities from the 10% Placement Capacity, as noted below, without any further shareholder approval.

If Shareholders do not approve this Resolution, the Company will not be able to access the additional 10% capacity to issue Equity Securities without shareholder approval provided for in Listing Rule 7.1A and will remain subject to the 15% limit on issuing Equity Securities without shareholder approval set out in Listing Rule 7.1.

This Resolution is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote at this Meeting (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

### **Description of Listing Rule 7.1A**

#### ***(a) Shareholder approval***

The ability to issue Equity Securities under the 10% Placement Capacity is subject to shareholder approval by way of a special resolution at an Annual General Meeting. This means it requires approval of 75% of the votes cast by shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate shareholder, by a corporate representative).

#### ***(b) Equity Securities***

Any Equity Securities issued under the 10% Placement Capacity must be in the same class as an existing quoted class of Equity Securities of the Company.

The Company, as at the date of the Notice, has on issue three classes of Equity Securities, being Shares, Unquoted Options and Unquoted Performance Rights.

#### ***(c) Formula for calculating 10% Placement Capacity***

Listing Rule 7.1A.2 provides that eligible entities which have obtained shareholder approval at an Annual General Meeting may issue or agree to issue, during the 12 month period after the date of the Annual General Meeting, a number of Equity Securities calculated in accordance with the following formula:



**(A x D) – E**

- A.** is the number of shares on issue at the commencement of the “relevant period” (which for the Company, is the 12-month period immediately preceding the date of the issue or agreement):
- A. plus the number of fully paid shares issued in the relevant period under an exception in Listing Rule 7.2, other than exception 9, 16 or 17;
  - B. plus the number of fully paid shares issued in the relevant period on the conversion of convertible securities within rule 7.2 exception 9 where:
    - i. the convertible securities were issued or agreed to be issued before the commencement of the relevant period; or
    - ii. the issue of, or agreement to issue, the convertible securities was approved, or taken under the Listing Rules to have been approved under rule 7.1 or rule 7.4;
  - C. plus the number of fully paid shares issued in the relevant period under an agreement to issue securities within rule 7.2 exception 16 where:
    - i. the agreement was entered into before the commencement of the relevant period; or
    - ii. the agreement or issue was approved, or taken under the Listing Rules to have been approved, under rule 7.1 or rule 7.4;
  - D. plus the number of any other fully paid shares issued in the relevant period with approval of holders of shares under Listing rules 7.1 or 7.4;
  - E. plus the number of partly paid shares that become fully paid in the relevant period;
  - F. less the number of fully paid shares cancelled in the relevant period.

Note that A has the same meaning in Listing Rule 7.1 when calculating an entity’s 15% placement capacity.

**D.** is 10%

**E.** is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the relevant period where the issue or agreement has not been subsequently approved by shareholders under Listing Rule 7.4.

*(d) Listing rule 7.1 and Listing Rule 7.1A*

The ability of an entity to issue Equity Securities under Listing Rule 7.1A is in addition to the entity’s 15% placement capacity under Listing Rule 7.1.

The actual number of Equity Securities that the Company will have capacity to issue under Listing Rule 7.1A will be calculated at the date of issue of the Equity Securities in accordance with the formula prescribed in Listing Rule 7.1A.2

*(e) Nature of consideration for issue and Minimum Issue Price*

The Equity Securities issued under Listing Rule 7.1A must be issued for a cash consideration per security which must be not less than 75% of the VWAP of Equity Securities in the same class calculated over the 15 trading days on which trades in that class were recorded immediately before:

- i. The date on which the price at which the Equity Securities are to be issued is agreed by the Company and the recipient of the securities; or
- ii. If the Equity Securities are not issued within 10 trading days of the date in paragraph (i) above, the date on which the Equity Securities are issued.

*(f) 10% Placement Period*

Shareholder approval of the 10% Placement Capacity under Listing Rule 7.1A is valid from the date of the Annual General Meeting at which the approval is obtained and expires on the first to occur of the following:

- i. the date that is 12 months after the date of the Annual General Meeting at which the approval is obtained;
- ii. the time and date of the Company's next annual general meeting;
- iii. the time and date of the approval by shareholders of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking).

**(10% Placement Period).**

**Specific information required by Listing Rule 7.3A**

Pursuant to and in accordance with Listing Rule 7.3A, information is provided in relation to the approval of the 10% Placement Capacity as follows:

- (a) The period for which the Shareholder approval of the 10% Placement Capacity under Listing Rule 7.1A commences on the date of the Annual General Meeting at which the approval is obtained, being 22 October 2021, and expires on the first to occur of the following:
  - i. the date that is 12 months after the date of the Annual General Meeting at which the approval is obtained, 22 October 2022;
  - ii. the time and date of the Company's next annual general meeting;
  - iii. the time and date of the approval by shareholders of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking).
- (b) The Equity Securities will be issued at an issue price of not less than 75% of the VWAP for the Company's Equity Securities in the same class calculated over the 15 trading days on which trades in that class were recorded immediately before:
  - i. the date on which the price at which the Equity Securities are to be issued is agreed by the Company and the recipient of the securities; or
  - ii. if the Equity Securities are not issued within 10 trading days of the date in paragraph (i) above, the date on which the Equity Securities are issued.
- (c) The purposes for which the funds raised by an issue of Equity Securities under rule 7.1A.2 (for cash consideration only) may be used by the Company include:
  - i. consideration for the acquisition(s) of the new assets and investments, including the expenses associated with such acquisition(s); and
  - ii. continued expenditure on the Company's current business and/or general working capital.
- (d) If this Resolution is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Capacity, the existing Shareholders' voting power in the Company will be diluted as shown in the below table. Shareholders may also be exposed to economic risk and voting dilution, including the following:
  - i. the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities other than on the date of the Annual General Meeting; and
  - ii. the Equity Securities may be issued at a price that is discount to the market for the Company's Equity Securities on the issue date.

which may have an effect on the amount of funds raised by the issue of the Equity Securities.

The below table shows the dilution of existing Shareholders on the basis of the market price of Shares as at 9 September 2021 (**Current Share Price**) and the current number of ordinary securities for variable "A" calculated in accordance with the formula in Listing Rule 7.1A(2) as at the date of this Notice.

The table also shows:

- two examples where variable “A” has increased, by 50% and 100%. Variable “A” is based on the number of ordinary securities the Company has on issue. The number of ordinary securities on issue may increase as a result of issues of ordinary securities that do not require Shareholder approval (for example, a pro rata entitlements issue or scrip issued under a takeover offer) or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders’ meeting; and
- two examples of where the issue price of ordinary securities has decreased by 50% and increased by 100% as against the current market price.

Variable 'A' in Listing Rule 7.1A.2		Issue Price		
		\$0.85 50% decrease in Current Share Price	\$1.70 Current Share Price	\$3.40 100% increase in Current Share Price
<b>Current Variable A</b> 90,057,879 Shares	<b>10% Voting Dilution</b>	9,005,788 Shares	9,005,788 Shares	9,005,788 Shares
	<b>Funds raised</b>	\$7,654,920	\$15,309,839	\$30,619,679
<b>50% increase in current Variable A</b> 135,086,818 Shares	<b>10% Voting Dilution</b>	13,508,682 Shares	13,508,682 Shares	13,508,682 Shares
	<b>Funds raised</b>	\$11,482,380	\$22,964,759	\$45,929,518
<b>100% increase in current Variable A</b> 180,115,758 Shares	<b>10% Voting Dilution</b>	18,011,576 Shares	18,011,576 Shares	18,011,576 Shares
	<b>Funds raised</b>	\$15,309,839	\$30,619,679	\$61,239,358

The table has been prepared on the following assumptions:

- The Company issues the maximum number of Equity Securities available under the 10% Placement Capacity.
  - No Options (including any Options issued under the 10% Placement Capacity) are exercised into Shares before the date of the issue of the Equity Securities.
  - The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
  - The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Capacity, based on that Shareholder’s holding at the date of the Annual General Meeting.
  - The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.
  - The issue of Equity Securities under the 10% Placement Capacity consists only of Shares. If the issue of Equity Securities includes Options, it is assumed that those Options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.
  - The Current Share Price is \$1.70, being the closing price of the Shares on ASX on 9 September 2021.
- (e) The Company’s allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Capacity. The identity of the allottees of Equity Securities will be determined on a case-by-case basis having regard to relevant factors including, but not limited to, the following:
- i. the methods of raising funds that are available to the Company, including, but not limited to, rights issues or other issues in which existing security holders can participate;

- ii. the effect of the issue of the Equity Securities on the control of the Company;
- iii. the financial situation and solvency of the Company; and
- iv. advice from corporate, financial and broking advisers (if applicable)

The allottees under the 10% Placement Capacity have not been determined as at the date of this Notice but may include existing substantial Shareholders, subject to compliance with Listing Rule 10.11, and/or new Shareholders who are not related parties or associates of a related party of the Company.

- (f) The Company:
- i. has not issued, nor agreed to issue, any Equity Securities under Rule 7.1A.2 in the 12-month period preceding the date of the Meeting; and
  - ii. has not agreed, before the 12-month period referred to in the preceding paragraph, to issue any Equity Securities under rule 7.1A.2 where such securities remain unissued as at the date of the Meeting.

### ***Voting Exclusions***

As at the date of dispatch of this Notice, the Company is not proposing to make an issue of Equity Securities under Listing Rule 7.1A.2 and, therefore, a voting exclusion statement is not required by Listing Rule 7.3A.7.

### ***Board Recommendation***

The Board believes that this Resolution is in the best interests of the Company and unanimously recommends that shareholders vote in favour of this Resolution. The Chair of the Meeting intends to vote undirected proxies in favour of this Resolution.

## GLOSSARY

The following terms have the following meanings in this Explanatory Statement:

“\$” means Australian Dollars;

“**10% Placement Capacity**” has the meaning as defined in the Explanatory Statement for Resolution 7;

“**10% Placement Period**” has the meaning as defined in the Explanatory Statement for Resolution 7;

“**AEDT**” means Australian Eastern Daylight Time;

“**AGM, Annual General Meeting or Meeting**” means the 2021 Annual General Meeting convened by the Notice;

“**Annual Report**” means the Directors’ Report, the Financial Report and Auditor’s Report, in respect to the year ended 30 June 2021;

“**Associates**” has the meaning given to that term in sections 11 and 13 to 17 (inclusive) of the Corporations Act;

“**ASX**” means ASX Limited ACN 008 624 691;

“**Auditor’s Report**” means the auditor’s report on the Financial Report;

“**Board**” means the board of directors of the Company;

“**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).

“**Company**” means Sunrise Energy Metals Limited ACN 127 457 916;

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

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

“**Director**” means a current director of the Company;

“**Directors Report**” means the annual directors’ report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities;

“**EIP**” means the Equity Incentive Plan of the Company;

“**EIPR**” means the Equity Incentive Plan Rules;

“**Equity Securities**” has the same meaning as in the Listing Rules;

“**Explanatory Statement**” means the explanatory statement accompanying the Notice;

“**Financial Report**” means the annual financial report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities;

“**Key Management Personnel**” means those persons details of whose remuneration are included in the Remuneration Report having the authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (executive or otherwise), as defined in the Corporations Act;

“**Listing Rules**” means the official listing rules of ASX;

“**LTI**” means the Long-Term Incentives;

“**Meeting**” has the meaning given in the introductory paragraph of the Notice;

“**Notice**” means this notice of the 2021 Annual General Meeting;

“**Performance Right**” means a right to acquire a Share, subject to conditions specified by the Board;

“**Plan**” means the Equity Incentive Plan of the Company;

**“Proxy Form”** means the proxy form attached to the Notice;

**“Remuneration Report”** means the remuneration report set out in the Director’s report section of the Company’s annual financial report for the year ended 30 June 2021;

**“Resolution”** means a resolution referred to in the Notice;

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

**“Shareholder”** means a member of the Company, as defined in the Constitution of the Company;

**“Trading Day”** means a day determined by ASX to be a trading day in accordance with the Listing Rules; and

**“VWAP”** means the volume weighted average price.

## Annexure A

### Summary of material terms and conditions of the Company's Employee Incentive Plan Rules ("EIPR")

A summary of material terms and conditions of the Company's EIPR is set out below. For full details of the EIPR, please refer to the rules themselves which are accessible on the Company website at <https://www.sunriseem.com/>.

- The EIPR set out the framework for the offer of Shares, Options or Performance Rights by the Company, and is typical for a document of this nature.
- In making its decision to issue Shares, Options or Performance Rights, the Board may decide the number of securities and the vesting conditions which are to apply in respect of the securities. The Board has broad flexibility to issue Shares, Options or Performance Rights having regard to a range of potential vesting criteria and conditions.
- In certain circumstances, unvested Options or Performance Rights will immediately lapse and any unvested Shares held by the participant will be forfeited if the relevant person is a "bad leaver" as distinct from a "good leaver".
- If a participant acts fraudulently or dishonestly or is in breach of their obligations to the Company or its subsidiaries, the Board may determine that any unvested Performance Rights or Options held by the participant immediately lapse and that any unvested Shares held by the participant be forfeited.
- In certain circumstances, Shares, Performance Rights or Options can vest early, including following a change of control or other events of a similar nature. For the purposes of this rule, a relevant control event occurs in a number of scenarios in which a third party may acquire 50% or more of the Company's Shares.
- The total number of Shares that would be issued were each Option, Performance Right and Share under the EIPR exercised or vested (as applicable), plus the number of Shares issued in the previous three years under the EIPR, must not, at any time, exceed 5% of the total number of Company Shares on issue. Shares issued under the EIPR will rank equally in all respects with other Shares and the Company must apply for the quotation of such Shares.
- The Board has discretion to impose restrictions (except to the extent prohibited by law or the ASX Listing Rules) on Shares issued or transferred to a participant on vesting of an Option or a Performance Right, and the Company may implement appropriate procedures to restrict a participant from so dealing in the Shares.
- In respect of vested Options or Performance Rights, if the Board becomes aware of an event which would have resulted in vesting criteria not being satisfied, such as a material misstatement in the Company's financial statements during the vesting period, any affected vested Options or Rights may be cancelled for no consideration.
- In the event of any reorganisation of the issued capital of the Company on, or prior to, the expiry of the Performance Rights or Options, the rights of the relevant security holder can be changed in the discretion of the Board, including to comply with the applicable ASX Listing Rules in force at the time of the reorganisation.
- The Board is granted a certain level of discretion under the EIPR, including the power to amend the rules under which the EIPR is governed and to waive vesting conditions, forfeiture conditions or disposal restrictions.



**sunrise**

energy metals

ABN 34 127 457 916



SRL

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 **1:00 PM (AEDT) on Wednesday, 20 October 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](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 Sunrise Energy Metals 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 Sunrise Energy Metals Limited which will be held virtually on Friday, 22 October 2021 at 1:00 PM (AEDT) 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
Resolution 1 Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2 Election of Mr Trevor Eton as a Director of the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3 Re-Election of Mr Robert Friedland as a Director of the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4 Approval to Issue 198,694 Performance Rights to Mr Sam Riggall	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5 Ratification of Prior Issue of NematIQ Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6 Ratification of Prior Issue of Hylea Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7 Approval of 10% Placement Capacity	<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

SRL

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Computershare

