



ACN 060 156 452

## Notice of Annual General Meeting and Explanatory Memorandum

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The Annual General Meeting of the Company will be held at the Vibe Hotel Subiaco, Kings Park Room, 9 Alvan Street, Subiaco WA 6008 on Friday, 27 May 2022 at 11.00 am (WST).

AIC Mines Limited is taking precautions to facilitate an in-person meeting in accordance with COVID-19 restrictions. If the situation in relation to COVID-19 changes in a way affecting the ability to conduct an in-person meeting the Company will provide an update ahead of the meeting by way of an ASX announcement.

Shareholders are strongly encouraged to vote by lodging the proxy form included with this Notice.

This Notice of Annual General Meeting should be read in its entirety. If Shareholders are in doubt as to how to vote, they should seek advice from their suitably qualified advisor prior to voting.

Should you wish to discuss any matter, please do not hesitate to contact the Company by telephone on +61 (8) 6269 0110 or by email at [cosec@aicmines.com.au](mailto:cosec@aicmines.com.au)

For personal use only

# Notice of Annual General Meeting

Notice is given that the Annual General Meeting of Shareholders of **AIC Mines Limited (AIC or Company)** will be held at the Vibe Hotel Subiaco, Kings Park Room, 9 Alvan Street, Subiaco, 6008, Western Australia on Friday, 27 May 2022 at 11.00 am (WST).

Terms used in this Notice of Meeting are defined in section 12 (Interpretation) of the accompanying Explanatory Memorandum.

## Agenda

### Ordinary business

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#### Financial Reports

To receive and consider the Company's Annual Report comprising the Directors' Report and Auditors' Report, Directors' Declaration, Consolidated Statement of Comprehensive Income, Consolidated Statement of Financial Position, Consolidated Statement of Changes in Equity, Consolidated Statement of Cash Flows and notes to and forming part of the financial statements for the Company for the financial year ended 31 December 2021.

#### 1. Remuneration Report

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To consider and, if thought fit, pass the following Resolution, with or without amendment, as an Advisory Resolution of the Company:

*"That the Remuneration Report for the year ended 31 December 2021 (as set out in the Annual Report) is adopted."*

The vote on this Resolution 1 is advisory only and does not bind the Directors or the Company.

#### **Voting restriction pursuant to section 250R(4) of the Corporations Act**

A vote on this Resolution 1 must not be cast (in any capacity) by or on behalf of either of the following persons:

- a member of the Key Management Personnel (**KMP**) details of whose remuneration are included in the Remuneration Report; and
- a Closely Related Party of such a member.

However, the above persons may cast a vote on Resolution 1 if:

- the person does so as a proxy;
- the vote is not cast on behalf of a member of the KMP details of whose remuneration are included in the Remuneration Report or a Closely Related Party of such a member; and
- either:
  - the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on the Resolution; or
  - the voter is the chair of the meeting and the appointment of the chair as proxy:
    - does not specify the way the proxy is to vote on the Resolution; and
    - expressly authorises the chair to exercise the proxy even if the Resolution is connected directly or indirectly with the remuneration of a member of the KMP for the Company or, if the Company is part of a consolidated entity, for the entity.

#### **Voting intention of the Chair**

Shareholders should be aware that any undirected proxies given to the Chair will be cast by the Chair and counted in favour of the Resolutions the subject of this Meeting, including Resolution 1, subject to compliance with the Corporations Act. In exceptional circumstances, the Chair may change his/her voting intention on any Resolution, in which case an ASX announcement will be made. Further details, in relation to the ability of the Chair to vote on undirected proxies are set out in the accompanying proxy form.

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## 2. Election of Jonathan Young as a Director

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To consider and, if thought fit, pass the following Resolution, with or without amendment, as an Ordinary Resolution of the Company:

*“That Jonathan Young, a Director who was appointed on 2 November 2021, retires in accordance with Rule 19.2 of the Company’s Constitution and for the purposes of Listing Rule 14.4 and, being eligible, is elected as a Director of the Company.”*

## 3. Re-Election of Josef El-Raghy as a Director

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To consider and, if thought fit, pass the following Resolution, with or without amendment, as an Ordinary Resolution of the Company:

*“That Josef El-Raghy, who retires by rotation in accordance with Rule 19.3 of the Company’s Constitution and for the purposes of Listing Rule 14.4 and, being eligible, offers himself for re-election, is re-elected as a Director of the Company.”*

## 4. Change of Auditor

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To consider and, if thought fit, pass the following Resolution, with or without amendment, as an Ordinary Resolution of the Company:

*“That, subject to ASIC consenting to the resignation of Ernst & Young as auditor of the Company, for the purposes of section 327B of the Corporations Act and for all other purposes, PricewaterhouseCoopers, having been nominated by a Shareholder and having consented in writing to act as the auditor of the Company, be appointed as auditor of the Company with effect from the close of the Meeting.”*

## Special business

## 5. Ratification of prior grant of Performance Rights

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To consider and, if thought fit, to pass, with or without amendment, the following resolution as an Ordinary Resolution of the Company:

*“That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders approve and ratify the prior issue of 250,000 Performance Rights granted on 7 February 2022 on the terms and conditions set out in the Explanatory Memorandum.”*

<p><b>Voting exclusion statement</b></p> <p>The Company will disregard any votes cast in favour of this Resolution by or on behalf of a person who participated in the issue or is a counterparty to the agreement being approved and any associate of that person or persons. However, this does not apply to a vote cast in favour of this Resolution by:</p> <ul style="list-style-type: none"><li>• a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or</li><li>• 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</li><li>• a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:<ul style="list-style-type: none"><li>- 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</li></ul></li></ul>
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# Notice of Annual General Meeting

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

## 6. Ratification of prior grant of Performance Rights

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an Ordinary Resolution of the Company:

*“That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders approve and ratify the prior issue of 250,000 Performance Rights granted on 1 March 2022 on the terms and conditions set out in the Explanatory Memorandum.”*

### Voting exclusion statement

The Company will disregard any votes cast in favour of this Resolution by or on behalf of a person who participated in the issue or is a counterparty to the agreement being approved and any associate of that person or persons. However, this does not apply to a vote cast in favour of this Resolution by:

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

### Voting Restriction pursuant to Section 250BD of the Corporations Act

As Resolution 6 is connected directly or indirectly with the remuneration of a member of Key Management Personnel (**KMP**) for the Company, pursuant to section 250BD of the Corporations Act, a person must not cast a vote, and the Company will disregard any votes cast on this Resolution by:

- any member of the KMP of the Company (or, if the Company is part of a consolidated entity, of the entity); or
- a Closely Related Party of such KMP (or, if the Company is part of a consolidated entity, of the entity),

who is appointed as a Shareholder's proxy, on the basis of that appointment, where the Shareholder does not direct in writing the way the proxy is to vote on this Resolution 6.

However, the Company need not disregard a vote if it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, where the Shareholder does not direct in writing the way the proxy is to vote on this Resolution 6, if the appointment of proxy expressly authorises the Chair to exercise the proxy even if this Resolution 6 is connected directly or indirectly with the remuneration of a member of the KMP for the Company or if the Company is part of a consolidated entity, of the entity.

### Voting Intention of the Chair

Shareholders should be aware that any undirected proxies given to the Chair will be cast by the Chair and counted in favour of the Resolutions the subject of this Meeting, including Resolution 6, subject to compliance with the Corporations Act. In exceptional circumstances, the Chair may change his/her voting intention on any Resolution, in which case an ASX announcement will be made. Further details, in relation to the ability of the Chair to vote on undirected proxies are set out in the accompanying proxy form.

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## 7. Replacement of Constitution

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a Special Resolution of the Company:

*“That, for the purposes of section 136(2) of the Corporations Act and for all other purposes, approval is given for the Company to repeal its existing Constitution and adopt a new constitution in its place in the form of the document tabled at the Meeting and signed by the Chair of the Meeting for identification purposes, with effect from the close of the Meeting.”*

## 8. Adoption of Equity Participation Plan

To consider and, if thought fit, pass the following Resolution, with or without amendment, as an Ordinary Resolution of the Company:

*“That, for the purposes of Listing Rule 7.2 Exception 13(b) and for all other purposes, the Company is authorised to grant Incentives, and issue Shares upon the exercise or vesting of the Incentives, under the terms of the Incentive Plan up to a maximum of 24,000,000 securities as detailed in the Explanatory Memorandum.”*

Note: The number of securities stipulated above is a maximum only. It is not envisaged that 24,000,000 securities will be issued immediately or at all and, as at the date of this Notice, the Company does not intend to issue that quantum of securities under the Incentive Plan. Please refer to the information in the Explanatory Memorandum with respect to Resolution 8 for more information.

### Voting exclusion statement

The Company will disregard any votes cast in favour of this Resolution by or on behalf of a person who is eligible to participate in the Incentive Plan and any associates of those persons. However, this does not apply to a vote cast in favour of this Resolution by:

- 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;
- 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
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
  - the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

### Voting Restriction pursuant to Section 250BD of the Corporations Act

As Resolution 8 is connected directly or indirectly with the remuneration of a member of Key Management Personnel (KMP) for the Company, pursuant to section 250BD of the Corporations Act, a person must not cast a vote, and the Company will disregard any votes cast on this Resolution by:

- any member of the KMP of the Company (or, if the Company is part of a consolidated entity, of the entity); or
- a Closely Related Party of such KMP (or, if the Company is part of a consolidated entity, of the entity),

who is appointed as a Shareholder’s proxy, on the basis of that appointment, where the Shareholder does not direct in writing the way the proxy is to vote on this Resolution 8.

However, the Company need not disregard a vote if it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, where the Shareholder does not direct in writing the way the proxy is to vote on this Resolution 8, if the appointment of proxy expressly authorises the Chair to exercise the proxy even if this Resolution 8 is connected directly or indirectly with the remuneration of a member of the KMP for the Company or if the Company is part of a consolidated entity, of the entity.

**Voting Intention of the Chair:** Shareholders should be aware that any undirected proxies given to the Chair will be cast by the Chair and counted in favour of the Resolutions the subject of this Meeting, including Resolution 8, subject to compliance with the Corporations Act. In exceptional circumstances, the Chair may change his/her voting intention on any Resolution, in which case an ASX announcement will be made. Further details, in relation to the ability of the Chair to vote on undirected proxies are set out in the accompanying proxy form.

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## 9. Approval of 10% Placement Facility

To consider and, if thought fit, pass the following Resolution, with or without amendment, as a Special Resolution of the Company:

*“That, for the purposes of Listing Rule 7.1A and for all other purposes, approval is given for the issue of Equity Securities totalling up to 10% of the issued capital of the Company at the time of issue, calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions set out in the Explanatory Memorandum.”*

**Voting exclusion statement**

The Company will disregard any votes cast in favour of this Resolution by or on behalf of a person if at the time the approval is sought the Company is proposing to make an issue of Equity Securities under Listing Rule 7.1A.2, any person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) and any associates of those persons. However, this does not apply to a vote cast in favour of this Resolution by:

- 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;
- 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
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
  - the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

## 10. Approval to issue Incentives to Aaron Colleran

To consider and, if thought fit, pass the following Resolution, with or without amendment, as an Ordinary Resolution of the Company:

*“That, pursuant to and in accordance with Listing Rule 10.14 and for all other purposes, Shareholders approve the issue of up to 1,697,793 Incentives to Aaron Colleran (or his nominees) under the Company’s Incentive Plan on the terms and conditions set out in the Explanatory Memorandum.”*

**Voting exclusion statement**

The Company will disregard any votes cast in favour of this Resolution by or on behalf of a person referred to in rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the employee incentive scheme in question and any associates of those persons. However, this does not apply to a vote cast in favour of this Resolution by:

- 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;
- 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
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
  - the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

**Voting Restriction pursuant to Section 250BD of the Corporations Act**

As Resolution 10 is connected directly or indirectly with the remuneration of a member of Key Management Personnel (**KMP**) for the Company, pursuant to section 250BD of the Corporations Act, a person must not cast a vote, and the Company will disregard any votes cast on this Resolution by:

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- any member of the KMP of the Company (or, if the Company is part of a consolidated entity, of the entity); or
- a Closely Related Party of such KMP (or, if the Company is part of a consolidated entity, of the entity),

who is appointed as a Shareholder's proxy, on the basis of that appointment, where the Shareholder does not direct in writing the way the proxy is to vote on this Resolution 10.

However, the Company need not disregard a vote if it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, where the Shareholder does not direct in writing the way the proxy is to vote on this Resolution 10, if the appointment of proxy expressly authorises the Chair to exercise the proxy even if this Resolution 10 is connected directly or indirectly with the remuneration of a member of the KMP for the Company or if the Company is part of a consolidated entity, of the entity.

## **Voting Intention of the Chair**

Shareholders should be aware that any undirected proxies given to the Chair will be cast by the Chair and counted in favour of the Resolutions the subject of this Meeting, including Resolution 10, subject to compliance with the Corporations Act. In exceptional circumstances, the Chair may change his/her voting intention on any Resolution, in which case an ASX announcement will be made. Further details, in relation to the ability of the Chair to vote on undirected proxies are set out in the accompanying proxy form.

## **Other Business**

To consider any other business that may be brought before the Meeting in accordance with the Company's Constitution.

## **Action to be taken by Shareholders**

### **Explanatory Memorandum**

Shareholders should read the Notice including the Explanatory Memorandum carefully before deciding how to vote on the Resolutions.

### **Questions for the Auditor**

Shareholders may submit written questions to the Company's Auditor, Ernst and Young (EY) Australia if the question is relevant to the content of EY Australia's audit report for the year ended 31 December 2021 or the conduct of its audit of the Company's Financial Report for the year ended 31 December 2021 as contained in the Financial Report. Relevant written questions for the Auditor must be received by the Company by no later than 5:00 pm (Perth time) on 20 May 2022. Please send any written questions to: The Company Secretary AIC Mines Limited A8, 435 Roberts Road, Subiaco Western Australia 6008. A list of written questions will be made available to shareholders attending the Meeting. If written answers are tabled at the Meeting, they will be made available to shareholders as soon as practicable after the Meeting.

### **Impact of COVID-19 on the Meeting**

The health and safety of members and personnel, and other stakeholders, is the highest priority of the Company.

Based on the best information available to the Board at the time of the Notice, the Board considers it will be in a position to hold an 'in-person' meeting to provide Shareholders with a reasonable opportunity to participate in and vote at the Meeting, while complying with the COVID-19 restrictions regarding gatherings. The Company, however, strongly encourages Shareholders to submit proxies prior to the Meeting.

If the situation in relation to COVID-19 were to change in a way that affected the position above, the Company will provide a further update ahead of the Meeting by releasing an ASX announcement.

### **Entitlement to vote**

In accordance with Regulation 7.11.37 of the Corporations Regulations, the Board has determined that persons who are registered holders of Shares in the Company as at 5:00 pm (WST) on 25 May 2022

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will be entitled to attend and vote at the Meeting as a shareholder. Share transfers registered after that time will be disregarded in determining entitlements to attend and vote at the Meeting.

If more than one joint holder of Shares is present at the Meeting (whether personally, by proxy, by attorney or by representative) and tenders a vote, only the vote of the joint holder whose name appears first on the register will be counted.

On a poll, shareholders have one vote for every fully paid ordinary Share held (subject to the restrictions on voting referred to in the Notice of Meeting).

### Voting in person

In the interests of public health and the safety of our Shareholders, the Company will implement arrangements to allow Shareholders to physically attend the Meeting in accordance with COVID-19 protocols and government advice.

The Company will strictly comply with applicable limitations on indoor gatherings in force at the time of the Meeting. If you attend the Meeting in person, you will be required to adhere to COVID-19 protocols in place at the time of the Meeting.

### Proxies

Shareholders are encouraged to vote by voting online or by completing a Proxy Form. Lodgement of a Proxy Form will not preclude a Shareholder from attending and voting at the Meeting in person.

Lodgement instructions (which include the ability to lodge proxies electronically) are set out in the Proxy Form to the Notice of Meeting.

Proxy Forms can be lodged:

- Online At [www.investorvote.com.au](http://www.investorvote.com.au)
- By mail: Computershare Investor Services Pty Limited, GPO Box 242, Melbourne Victoria 3001, Australia
- By fax: 1800 783 447 (within Australia)  
+61 3 9473 2555 (outside Australia)
- By mobile: Scan the QR Code available on the proxy form.
- Custodian voting For Intermediary Online subscribers only (custodians) please visit [www.intermediaryonline.com](http://www.intermediaryonline.com) to submit your voting intentions

### Corporate Representative

If a representative of a Shareholder corporation is to attend the Meeting, a "Corporate Representative Certificate" should be completed and produced prior to the meeting. Please contact the Company's Share Registry for a pro forma certificate if required.

By Order of the Board  
**AIC Mines Limited**



**Linda Hale**  
Company Secretary  
27 April 2022

# Explanatory Memorandum

## 1. Introduction

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This Explanatory Memorandum is provided to Shareholders of AIC Mines Limited ACN 060 156 452 (**Company**) to explain the Resolutions to be put to Shareholders at the Annual General Meeting to be held at the Vibe Hotel Subiaco, Kings Park Room, 9 Alvan Street, Subiaco, 6008, Western Australia on Friday, 27 May 2022 at 11.00 am (WST).

The Directors recommend Shareholders read the accompanying Notice of Meeting and this Explanatory Memorandum in full before making any decision in relation to the Resolutions.

Terms used in this Explanatory Memorandum are defined in section 12.

## 2. Consider the Company's 2021 Annual Report

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The Company's Annual Report comprising the Directors' Report and Auditors' Report, Directors' Declaration, Consolidated Statement of Comprehensive Income, Consolidated Statement of Financial Position, Consolidated Statement of Changes in Equity, Consolidated Statement of Cash Flows and notes to and forming part of the financial statements for the Company and for the financial year ended 31 December 2021 was released to the ASX on 14 March 2022 and subsequently dispatched to shareholders as required.

Shareholders can access a copy of the Company's Annual Report at: <https://www.aicmines.com.au/investors/company-announcements/>

The Company's Annual Report is placed before the Shareholders for discussion and a reasonable opportunity will be provided for discussion. No voting is required for this item.

## 3. Resolution 1 - Remuneration Report

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The Board has submitted its Remuneration Report to Shareholders for consideration and adoption by way of a non-binding Advisory Resolution in accordance with section 250R of the Corporations Act.

The Remuneration Report is set out in the Directors' Report section of the Annual Report. The Report, amongst other things:

- (a) explains the Board's policy for determining the nature and amount of remuneration of Key Management Personnel of the consolidated entity;
- (b) explains the relationship between the Board's remuneration policy and the Company's performance;
- (c) sets out remuneration details for each Key Management Personnel of the consolidated entity including details of performance related remuneration and any options or other securities granted as part of remuneration; and
- (d) details and explains any performance conditions applicable to the remuneration of Key Management Personnel of the Company.

The Board believes the Company's remuneration policies and structures as outlined in the Remuneration Report are appropriate relative to the size of the Company, its business and strategic objectives and current and emerging market practices.

A reasonable opportunity will be provided for discussion of the Remuneration Report at the Meeting.

# Explanatory Memorandum

The Directors abstain, in the interests of corporate governance, from making a recommendation in relation to this Resolution. In accordance with the Corporations Act, a vote on this Resolution is advisory only and does not bind the Directors or the Company.

There are restrictions on members of the Key Management Personnel and their Closely Related Parties and their proxies voting (in any capacity) on Resolution 1, details of which are set out in the voting restriction statement included in Resolution 1 of the Notice of Meeting.

Shareholders should be aware that any undirected proxies given to the Chair will be cast by the chair and counted in favour of the Resolutions the subject of this Meeting, including Resolution 1 subject to compliance with the Corporations Act. In exceptional circumstances, the Chair may change his/her voting intention on any Resolution, in which case an ASX announcement will be made.

## 4. Resolution 2 – Election of Jonathan Young as a Director

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In accordance with ASX Listing Rule 14.4 and Rule 19.2 of the Company's Constitution, the Directors may appoint any individual to be a director as an addition to the existing Directors or to fill a casual vacancy. However, any such appointment concludes at the next annual general meeting following the appointment. Mr Young was appointed as an additional Director on 2 November 2021, and accordingly his appointment requires confirmation at the Meeting.

Jonathan Young therefore retires in accordance with ASX Listing Rule 14.4 and Rule 19.2 of the Company's Constitution and, being eligible, offers himself for re-election as a Director.

Mr Young is the Chairman of FMR Investments Ltd (AIC's largest shareholder) and is a Director of Wealth Management at Canaccord Genuity Financial Limited. Mr Young has over 30 years' experience in financial services. He holds a Bachelor of Commerce Degree from the University of Western Australia and is a member of Chartered Accountants Australia and New Zealand. Mr Young is also a non-executive director of ASX-listed Greenstone Resources Limited and was previously a non-executive director of ASX-listed Breakaway Resources Limited.

If Resolution 2 is passed, Jonathan Young will be elected as a Director of the Company. If Resolution 2 is not passed, Jonathan Young will not be elected as a Director of the Company.

The Directors (with Mr Young abstaining) recommend that Shareholders vote in favour of Resolution 2. The Chair intends to exercise all undirected proxies in favour of Resolution 2.

## 5. Resolution 3 – Re-Election of Josef El-Raghy as a Director

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In accordance with Rule 19.3(b) of the Company's Constitution and ASX Listing Rule 14.4, no Director who is not a managing director may hold office without re-election beyond the third annual general meeting following the meeting at which the Director was last elected or re-elected.

Mr Josef El-Raghy therefore retires at the annual general meeting in accordance with the Constitution and being eligible, has offered himself for re-election at the meeting.

Mr El-Raghy was first elected to the Board at the Company's 2019 annual general meeting, having been appointed as an additional Director on 18 April 2019 by resolution of the Directors. He holds a Bachelor of Commerce degree from the University of Western Australia. Most recently, he was the Chairperson of Centamin PLC, a gold mining company listed on the Main Board of the London Stock Exchange and also the Toronto Stock Exchange. Having first joined Centamin as managing director in 2002, Mr El-Raghy oversaw the company's transition from junior explorer to successful gold miner before ceasing with the Group in June 2020. He was formerly a director of both CIBC Wood Gundy and Paterson Ord Minnett and had a ten-year career in stockbroking.

# Explanatory Memorandum

If Resolution 3 is passed, Josef El-Raghy will be elected as a Director of the Company. If Resolution 3 is not passed, Josef El-Raghy will not be elected as a Director of the Company.

The Directors (with Mr El-Raghy abstaining) recommend that Shareholders vote in favour of Resolution 3. The Chair intends to exercise all undirected proxies in favour of Resolution 3.

## 6. Resolution 4 – Change of Auditor

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### 6.1 Explanation

Ernst & Young (EY) has informed the Company that, following completion of the steps required in connection with the Company's 2021 Annual Report, EY intends to tender its resignation as auditor of the Company and will apply to ASIC for its consent to resign, effective from conclusion of the Meeting. Subsequent to this, the Board intends to appoint PricewaterhouseCoopers (PwC) as auditor for the Company from conclusion of the Meeting pursuant to section 327C(1) of the Corporations Act. The Company will keep Shareholders informed with regards to PwC's appointment.

In accordance with section 327C(2), an auditor appointed under section 327C(1) holds office until the company's next annual general meeting. The ongoing appointment of the auditor must then be approved by Shareholders under section 327B of the Corporations Act.

In accordance with section 328B(1) of the Corporations Act, the Company has obtained a written nomination from a Shareholder for PwC to be appointed as the Company's auditor, a copy of which is attached to this Explanatory Memorandum as Schedule 1. In accordance with section 328A(1) of the Corporations Act, PwC has given its written consent to act as the Company's auditor, and, as at the date of this Notice, has not withdrawn this consent.

If Resolution 4 is passed, and ASIC provides consent for the resignation of EY, the appointment of PwC as the Company's auditors will take effect from the close of the Annual General Meeting.

### 6.2 Directors' recommendation

The Directors recommend that Shareholders vote in favour of Resolution 4. The Chair intends to exercise all undirected proxies in favour of Resolution 4.

## 7. Resolutions 5 and 6 – Ratification of prior grant of Performance Rights

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### 7.1 Background

As announced by the Company to ASX on 8 February 2022 and 2 March 2022, the Company issued a total of 500,000 Performance Rights (issued in two tranches of 250,000 Performance Rights on these respective dates) on terms consistent with the Company's equity participation plan approved by Shareholders on 31 May 2019 (2019 Plan) to two executive employees as part of their remuneration package. The Performance Rights were issued to the following employees:

- (a) Sebastian Casey, Executive General Manager, People & Safety, in the amount of 250,000 Performance Rights; and
- (b) Michael Frame, Chief Financial Officer, in the amount of 250,000 Performance Rights.

Following the Company's reinstatement to official quotation on 5 November 2021 following the Company's re-compliance with Chapters 1 and 2 of the Listing Rules, the 2019 Plan was not technically capable of use from an ASX Listing Rule perspective. As a result, the issue of the Performance Rights to Mr Casey and Mr Frame have been made using the Company's placement capacity under Listing Rule 7.1.

# Explanatory Memorandum

Resolution 5 seeks Shareholder ratification pursuant to Listing Rule 7.4 of the grant of 250,000 Performance Rights to Mr Casey. Resolution 6 seeks Shareholder ratification pursuant to Listing Rule 7.4 of the grant of 250,000 Performance Rights to Mr Frame.

## 7.2 Listing Rules 7.1 and 7.4

On 7 February 2022 and 1 March 2022 (**Issue Dates**), the Company issued 250,000 Performance Rights each to Mr Casey and Mr Frame respectively (**PR Issues**).

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 or agree to 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 12 month period.

The PR Issues 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 Issue Dates.

Listing Rule 7.4 sets out an exception to Listing Rule 7.1. 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 Resolutions 5 and 6 seek Shareholder approval to the PR Issues for the purposes of Listing Rule 7.4.

If Resolutions 5 and 6 are passed, the PR Issues will be excluded in calculating the Company's 15% placement capacity under Listing Rule 7.1, effectively increasing the number of Equity Securities it can issue without Shareholder approval over the 12 month period following the Issue Dates.

If Resolutions 5 and 6 are not passed, the Performance Rights will be included in calculating the Company's 15% placement capacity under 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 Dates.

## 7.3 Information required by Listing Rule 7.5

Pursuant to and in accordance with Listing Rule 7.5, the Company advises:

- (a) the Performance Rights were issued to Mr Casey and Mr Frame as executive employees of the Company and eligible participants pursuant to terms consistent with the 2019 Plan, however without the benefit of Listing Rule 7.2 (Exception 13) under the 2019 Plan (and as such the issues of the Performance Rights to Mr Casey and Mr Frame were made using the Company's placement capacity under Listing Rule 7.1);
- (b) 500,000 Performance Rights were issued as follows:
  - (1) 250,000 Performance Rights were issued to Mr Casey on 7 February 2022 pursuant to the Company's placement capacity under Listing Rule 7.1;
  - (2) 250,000 Performance Rights were issued to Mr Frame on 1 March 2022 pursuant to the Company's placement capacity under Listing Rule 7.1;
- (c) the Performance Rights were issued on the material terms and conditions summarised in Schedule 2 and as more particularly detailed in Schedule 3;

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- (d) the Performance Rights were issued for nil cash consideration, and have no 'exercise price' and accordingly no funds were or will be raised from their grant; and
- (e) the Performance Rights were issued to Mr Casey and Mr Frame as part of their executive remuneration packages.

## 7.4 Voting Exclusion

A voting exclusion applies to Resolutions 5 and 6 on the terms set out in the Notice.

## 7.5 Directors' recommendation

The Directors recommend that Shareholders vote in favour of Resolutions 5 and 6. The Chair intends to exercise all undirected proxies in favour of Resolutions 5 and 6.

## 8. Resolution 7 – Replacement of Constitution

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### 8.1 General

Under section 136(2) of the Corporations Act, a company may modify or repeal its constitution or a provision of its constitution by special resolution of Shareholders.

Resolution 7 is a special resolution which, if passed, will enable the Company to repeal its existing Constitution and adopt a new constitution (**Proposed Constitution**) which is updated to ensure it reflects the current provisions of the Corporations Act and the ASX Listing Rules. Given the current Constitution was approved by Shareholders in 2016, the Directors believe that it is preferable in the circumstances to replace the existing Constitution with the Proposed Constitution, rather than to amend a multitude of specific provisions. This will incorporate amendments to the Corporations Act and ASX Listing Rules since the current Constitution was adopted at the 2016 AGM.

The Proposed Constitution is broadly consistent with the provisions of the existing Constitution. Many of the proposed changes are administrative or minor in nature. The Directors believe these amendments are not material nor will they have any significant impact on Shareholders. It is not practicable to list all of the changes to the Constitution in detail in this Explanatory Memorandum, however, a summary of the proposed material changes is set out below in Schedule 4.

A copy of the Proposed Constitution can be sent to Shareholders upon request to the Company Secretary by phone 08 6269 0110 or email cosec@aicmines.com.au. Shareholders are invited to contact the Company if they have any queries or concerns.

### 8.2 Summary of material proposed changes

The key practical differences between the existing Constitution and the Proposed Constitution are outlined in Schedule 4. Please note that this is not an exhaustive summary and focuses only on the material changes in the Proposed Constitution.

### 8.3 Proportional takeover provisions

The existing Constitution contains provisions dealing with proportional takeover bids for the Company's shares in accordance with the Corporations Act. The provisions, which are contained in rule 15 of the existing Constitution, are designed to assist Shareholders to receive proper value for their Shares if a proportional takeover bid is made for the Company.

Under the Corporations Act, these provisions must be renewed every 3 years or they will cease to have effect. The current provisions will automatically cease to have effect after 31 May 2022. If the proposed Resolution 7 is approved by Shareholders, the proportional takeover provisions in the Proposed Constitution will be in exactly the same terms as the existing provisions. In effect, the adoption of Resolution 7 will extend the existing proportional takeovers provisions to 27 May 2025.

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A copy of the Company's Proposed Constitution is available at <https://www.aicmines.com.au/>.

The Corporations Act requires that the following information be provided to Shareholders when they are considering the inclusion of proportional takeover provisions in a constitution:

(a) Effect of proposed proportional takeover provisions

A proportional takeover offer is where an offer is made to each shareholder for a proportion of that shareholder's Shares, and not for the shareholder's entire shareholding. This means that control of the Company may pass without Shareholders having the chance to sell all their Shares to the bidder. It also means the bidder may take control of the Company without paying an adequate amount for gaining control.

In order to deal with this possibility, the Company may provide in its constitution that:

- (1) in the event of a proportional takeover bid being made for Shares in the Company, Shareholders are required to vote by Ordinary Resolution and collectively decide whether to accept or reject the offer; and
- (2) the majority decision of the Company's Shareholders will be binding on all individual members.

The Directors consider that Shareholders should be able to vote on whether a proportional takeover bid ought to proceed given such a bid might otherwise allow control of the Company to change without Shareholders being given the opportunity to dispose of all of their shares for a satisfactory control premium. The Directors also believe that the right to vote on a proportional takeover bid may avoid Shareholders feeling pressure to accept the bid even if they do not want it to succeed.

The current provisions of the Constitution state that, if a proportional takeover bid is made, the Directors must ensure that Shareholders vote on a resolution to approve the bid more than 14 days before the bid period closes (or such later date as is approved by ASIC).

The vote is decided on a simple majority. Each person who, as at the end of the day on which the first offer under the bid was made, held bid class securities is entitled to vote, but the bidder and its associates are not allowed to vote.

If the Resolution is not passed, transfers which would have resulted from the acceptance of a bid will not be registered and the bid will be taken to have been withdrawn. If the bid is approved (or taken to have been approved), the transfers must be registered if they comply with the Corporations Act and the Company's Constitution.

The Directors will breach the Corporations Act if they fail to ensure the approving Resolution is voted on. However, if the Resolution is not voted on, the bid will be taken to have been approved.

The proportional takeover approval provisions do not apply to full takeover bids and only apply for 3 years after approval. The provisions may be renewed, but only by a Special Resolution.

(b) Reasons for renewing the provisions

If the proportional takeover approval provisions are not in the Constitution, a proportional takeover bid may enable control of the Company to pass without Shareholders having the opportunity to sell all of their Shares to the bidder. Shareholders may therefore be exposed to the risk of being left as a minority in the Company and the risk of the bidder being able to acquire control of the Company without payment of an adequate control premium for their Shares. The proposed proportional takeover provisions decrease this

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risk because they allow Shareholders to decide whether a proportional takeover bid is acceptable and should be permitted to proceed.

(c) Review of proportional takeover provisions

While proportional takeover approval provisions have previously been in force under the Company's Constitution, there have been no full or proportional takeover bids for the Company. Therefore, there is no example against which to review the advantages and disadvantages of the provisions for the Directors and the Shareholders. The Directors are not aware of any potential takeover bid that was discouraged by rule 15 of the existing Constitution.

(d) Potential advantages and disadvantages

The Directors consider that the renewal of the proportional takeover approval provisions has no potential advantages or disadvantages for them. They remain free to make a recommendation as to whether an offer under a proportional takeover bid should be accepted.

(1) Advantages

The potential advantages of the proportional takeover approval provisions for Shareholders of the Company include:

- (A) Shareholders have the right to decide by majority vote whether an offer under a proportional takeover bid should proceed, and will give Shareholders an opportunity to study a proportional takeover bid proposal and vote on the bid at a general meeting;
- (B) the provisions may help Shareholders avoid being locked in as a minority;
- (C) the bargaining power of Shareholders is increased (this may help ensure that any partial offer is adequately priced); and
- (D) knowing the view of the majority of Shareholders may help each individual Shareholder assess the likely outcome of the proportional takeover bid and to decide whether to accept or reject that offer.

(2) Disadvantages

The potential disadvantages for Shareholders of the Company include:

- (A) proportional takeover bids in Shares in the Company may be discouraged;
- (B) Shareholders may lose an opportunity of selling some of their Shares at a premium; and
- (C) the chance of a proportional takeover bid being successful may be reduced.

(3) Board's view

The Board considers that the potential advantages for Shareholders of the proportional takeover provisions outweigh the potential disadvantages. In particular, Shareholders as a whole are able to decide whether or not a proportional takeover bid is successful.

(e) No knowledge of any acquisition proposals

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At the date of this Notice of Meeting, no Director is aware of a proposal by a person to acquire, or to increase the extent of, a substantial interest in the Company. Rule 15.2 of the Company's current Constitution provides that the Company can refuse to register Shares acquired under a proportional takeover bid unless a resolution is passed by shareholders in general meeting approving the offer.

## 8.4 Directors' recommendation

The Directors recommend that Shareholders vote in favour of Resolution 7. The Chair intends to exercise all undirected proxies in favour of Resolution 7.

## 9. Resolution 8 – Adoption of Equity Participation Plan

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### 9.1 Introduction

Pursuant to Resolution 8, the Company is seeking approval of Shareholders for the adoption of the Company's revised Equity Participation Plan (**Incentive Plan**) as an exception under Listing Rule 7.2 Exception 13(b) which would enable securities issued under the Incentive Plan over the next three years to be excluded from the calculation of the number of securities issued for the purposes of Listing Rules 7.1.

### 9.2 Background

On 31 May 2019 at the Company's 2019 annual general meeting, the Company obtained Shareholder approval for the adoption of the 2019 Plan.

The Directors consider that it is desirable to establish an equity incentive scheme under which Eligible Persons may be offered the opportunity to subscribe for Incentives in order to increase the range of potential incentives available to them and to strengthen links between the Company and its employees.

The Incentive Plan is designed to provide Incentives to Eligible Persons and to recognise their contribution to the Company's success. Under the Company's current circumstances, the Directors consider that the Incentives to Eligible Persons are a cost effective and efficient incentive for the Company as opposed to alternative forms of incentives such as cash bonuses or increased remuneration.

To enable the Company to secure Eligible Persons who can assist the Company in achieving its objectives, it is necessary to provide remuneration and Incentives to such personnel. The Incentive Plan is designed to achieve this objective, by encouraging continued improvement in performance over time and by encouraging Eligible Persons to acquire and retain significant shareholdings in the Company.

The purpose of the Incentive Plan is to:

- (a) assist in the reward, retention and motivation of Eligible Persons;
- (b) link the reward of Eligible Persons to performance and the creation of shareholder value in the long term and also to issue incentives to employees;
- (c) align the interests of Eligible Persons more closely with the interests of shareholders by providing an opportunity for Eligible Persons to receive an equity interest in the form of options, performance rights and Shares;
- (d) provide Eligible Persons with the opportunity to share in any future growth in the value of the Company; and
- (e) provide greater incentive for Eligible Persons to focus on the Company's longer term goals.

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The Company seeks to adopt the revised Incentive Plan to replace the 2019 Plan.

## Listing Rules

Listing Rule 7.1 allows the Company to issue a maximum of 15% of its capital in any 12 month period without requiring Shareholder approval (**15% Placement Capacity**).

Listing Rule 7.2 provides certain exceptions to Listing Rule 7.1, allowing certain issues of securities to be excluded from the calculation of the number of securities issued during the 12 month period. Exception 13 of Listing Rule 7.2 provides that Listing Rule 7.1 does not apply to securities issued under an employee incentive plan, if within three years before the date of issue, Shareholders have approved the issue of securities under the Incentive Plan as an exception to Listing Rule 7.1.

Resolution 8 proposes that Shareholders consider and renew approval of the Incentive Plan in accordance with Listing Rule 7.2 (Exception 13), which would enable securities issued under the Incentive Plan over the next three years to be excluded from the calculation of the number of securities under the Company's 15% Placement Capacity for the purposes of Listing Rule 7.1.

If Resolution 8 is passed, the Company will be able to issue securities under the Incentive Plan to eligible participants over a period of three years up to a nominated maximum amount without using the Company's 15% Placement Capacity under Listing Rule 7.1. If Resolution 8 is not passed, the Company will not be able to issue securities under the Incentive Plan to eligible participants without using the Company's 15% Placement Capacity limit under Listing Rule 7.1, effectively decreasing the number of securities the Company can issue or agree to issue without obtaining Shareholder approval over the 12 month period following any such issue.

### 9.3 Key features of the Incentive Plan

Shareholders may request a copy of the Incentive Plan by phone 08 6269 0110 or email cosec@aicmines.com.au. A summary of the key features of the Incentive Plan is set out in Schedule 3. The terms of the Incentive Plan remain substantially the same as those approved by Shareholders at the 2019 annual general meeting, save for certain changes to introduce the potential for a custodian to administer the Incentive Plan and to ensure compliant with the ASX Listing Rules.

The Company is seeking approval under Listing Rule 7.2, Exception 13(b) to exempt grants of options, performance rights or other incentives in the form of shares to employees (as well as any Shares which are issued as result of any exercise of such options or performance rights) under the Incentive Plan from being counted as part of the Company's 15% Placement Capacity for the next three years to provide it with flexibility to continue remunerating its employees fairly and responsibly, and in a manner that encourages long term performance for Shareholders.

### 9.4 Requirement for Shareholder approval under Listing Rule 7.2

In the absence of approval under Listing Rule 7.2, Exception 13(b), grants of options, performance rights or other incentives in the form of shares to employees under the Incentive Plan may still occur after 27 May 2022 but will be counted as part of the Company's 15% Placement Capacity which would otherwise apply during a 12 month period (as set out in Listing Rule 7.1).

In accordance with Listing Rule 7.2, Exception 13(b), the following information is provided to Shareholders:

- (a) a summary of the terms of the Incentive Plan is set out in Schedule 3. The terms of the Incentive Plan are substantially the same as those approved by Shareholders at the Company's 2019 annual general meeting, save for certain changes to introduce the potential for a custodian to administer the Incentive Plan and to ensure compliant with the ASX Listing Rules.

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- (b) as at the date of this Notice, a total of 7,525,000 Incentives in the form of performance rights have been granted under the 2019 Plan since the date of the 2019 Plan's approval on 31 May 2019 (as well as an additional 500,000 Incentives issued using the Company's placement capacity under Listing Rule 7.1, and being the subject of Resolutions 5 and 6 of this Meeting). Of these 7,525,000 Incentives, 7,100,000 Incentives remain on issue having vested (or 7,600,000 Incentives inclusive of the Incentives the subject of Resolutions 5 and 6), 375,000 Incentives have lapsed and 50,000 Incentives have vested and been converted into Shares. The Board has resolved to issue Eligible Persons (including Mr Colleran as managing director, subject to Resolution 10 being passed) approximately 5,348,981 Incentives in the 2022 financial year.
- (c) if Shareholders approve Resolution 8, the maximum number of securities proposed to be used under the Incentive Plan within the three year period is 24,000,000, however this is an estimate only so as to illustrate a maximum. It is not envisaged 24,000,000 securities will be issued immediately, and, as at the date of this Notice, the Company does not intend to issue that quantum of securities under the Incentive Plan.
- (d) A voting exclusion statement for Resolution 8 is included in the Notice.

## 9.5 Voting Exclusion

A voting exclusion applies to Resolution 8 on the terms set out in the Notice.

## 9.6 Directors' recommendation

As each of the Directors may be eligible to participate in the Incentive Plan, the Directors make no recommendation as to how Shareholders should vote in on Resolution 8. The Chair of the Meeting intends to vote undirected proxies in favour of Resolution 8.

## 10. Resolution 9 – Approval of 10% Placement Facility

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### 10.1 General

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.

Under Listing Rule 7.1A, however, an Eligible Entity may seek Shareholder approval at its annual general meeting by way of Special Resolution to allow it to issue Equity Securities up to 10% of its issued capital (**10% Placement Capacity**) to increase this 15% limit by an extra 10% to 25%.

The Company is an Eligible Entity, meaning it is an entity which is not included in the S&P/ASX 300 Index and which has a market capitalisation of \$300 million or less.

Resolution 9 seeks Shareholder approval by way of Special Resolution for the Company to have the 10% Placement Capacity to issue Equity Securities without Shareholder approval.

If Shareholders approve Resolution 9, the number of Equity Securities the Eligible Entity may issue under the 10% Placement Capacity will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (as set out in section 10.2 below).

The effect of Resolution 9 will be to allow the Company to issue Equity Securities up to 10% of the Company's fully paid ordinary securities on issue under the 10% Placement Capacity during the period up to 12 months after the Meeting, without subsequent Shareholder approval and without using the Company's 15% annual placement capacity granted under Listing Rule 7.1.

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Resolution 9 is a special resolution. Accordingly, at least 75% of votes cast by Shareholders present and eligible to vote at the Meeting must be in favour of Resolution 9 for it to be passed.

If Resolution 9 is passed, the Company will be able to issue Equity Securities up to the combined 25% limit in Listing Rule 7.1 and 7.1A without any further Shareholder approval. There are no proposed issues by the Company under this proposed Resolution if the Resolution is passed.

If Resolution 9 is not passed, the Company will not be able to access the additional 10% Placement Capacity to issue Equity Securities without Shareholder approval provided under 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. Accordingly, if the Company intends to issue securities over and above its placement capacity under Listing Rule 7.1 then Shareholder approval will be required to issue such securities.

## 10.2 Listing Rule 7.1A

ASX Listing Rule 7.1A enables an Eligible Entity to seek shareholder approval at its annual general meeting to issue Equity Securities in addition to those under the Eligible Entity's 15% annual placement capacity under Listing Rule 7.1.

An Eligible Entity is one that, as at the date of the relevant annual general meeting:

- (f) is not included in the S&P/ASX 300 Index; and
- (g) has a maximum market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300,000,000 or less.

The Company is an Eligible Entity as it is not included in the S&P/ASX 300 Index and has a current market capitalisation of less than \$300,000,000. If however on the date of the Meeting the Company's market capitalisation exceeds \$300,000,000, then Resolution 9 will no longer be effective and will be withdrawn.

Any Equity Securities issued must be in the same class as an existing class of quoted Equity Securities. The Company currently has one class of quoted Equity Securities on issue, being the Shares (ASX Code: (A1M)).

The exact number of Equity Securities that the Company may issue under an approval under Listing Rule 7.1A will be calculated according to the following formula:

### **(A x D) – E**

Where:

- A is the number of Shares on issue at the commencement of the Relevant Period:
- (1) plus the number of Shares issued in the Relevant Period under an exception in Listing Rule 7.2 other than exception 9, 16 or 17;
  - (2) plus the number of fully paid ordinary securities issued in the Relevant Period on the conversion of convertible securities within Listing Rule 7.2 exception 9 where:
    - (A) the convertible securities were issued or agreed to be issued before the commencement of the Relevant Period; or
    - (B) the issue of, or agreement to issue, the convertible securities was approved, or taken under the Listing Rules to have been approved under Listing Rule 7.1 or 7.4;

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- (3) plus the number of fully paid ordinary securities issued in the Relevant Period under an agreement to issue securities within Listing Rule 7.2 exception 16 where:
  - (A) the agreement was entered into before the commencement of the Relevant Period; or
  - (B) the agreement or issue was approved, or taken under the Listing Rules to have been approved under Listing Rule 7.1 or 7.4;
- (4) plus the number of any other fully paid ordinary securities issues in the Relevant Period with approval under Listing Rule 7.1 or 7.4;
- (5) plus the number of partly paid shares that became fully paid in the Relevant Period; and
- (6) less the number of Shares cancelled in the Relevant Period.

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 immediately preceding the date of issue or agreement to issue where the issue or agreement has not been subsequently approved by the holders of Ordinary Securities under ASX Listing Rule 7.4; and

**Relevant Period** means:

- (a) if the entity has been admitted to the official list for 12 months or more, the 12 months period immediately preceding the date of the issue or agreement; or
- (b) if the entity has been admitted to the official list for less than 12 months, the period from the date the entity was admitted to the official list to the date immediately preceding the date of the issue or agreement.

## 10.3 Technical information required by Listing Rule 7.3A

Pursuant to and in accordance with Listing Rule 7.3A, the Company advises:

(a) **Minimum Price**

The minimum cash consideration per security at which existing quoted Equity Securities may be issued under the 10% Placement Capacity is 75% of the VWAP of Equity Securities in that class, calculated over the 15 ASX trading days on which trades in that class were recorded immediately before:

- (1) 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 Equity Securities; or
- (2) if the Equity Securities are not issued within 10 ASX trading days of the date in section (1) above, the date on which the Equity Securities are issued.

(b) **Date of Issue**

The Equity Securities may be issued under the 10% Placement Capacity commencing on the date of the Meeting and expiring on the first to occur of the following:

- (1) the date that is 12 months after the date of this Meeting;
- (2) the time and date of the Company's next annual general meeting;

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- (3) the time and date of approval by Shareholders of any transaction under ASX Listing Rules 11.1.2 (a significant change to the nature or scale of the Company's activities) or 11.2 (disposal of the Company's main undertaking) (after which date, an approval under Listing Rule 7.1A ceases to be valid).

(c) Risk of voting dilution

Any issue of Equity Securities under the 10% Placement Capacity will dilute the interests of Shareholders who do not receive any Shares under the issue.

If Resolution 9 is approved by Shareholders and the Company issues the maximum number of Equity Securities available under the 10% Placement Capacity, the economic and voting dilution of existing Shares would be as shown in the table below.

The table below shows the dilution of existing Shareholders calculated in accordance with the formula outlined in ASX Listing Rule 7.1A.2, on the basis of the current market price of Shares and the current number of Equity Securities on issue as at the date of this Notice.

The table also shows the voting dilution impact where the number of Shares on issue (**Variable 'A'** in the formula) changes and the economic dilution where there are changes in the issue price of Shares issued under the 10% Placement Capacity.

Number of Shares on Issue (Variable 'A' in Listing Rule 7.1A.2)	Potential Dilution and Funds Raised			
	Issue Price (per Share)	\$0.3275 50% decrease in Issue Price	\$0.655 Issue Price	\$1.31 100% increase in Issue Price
308,765,018 (Current Variable 'A')	Shares issued - 10% voting dilution	30,876,502 Shares	30,876,502 Shares	30,876,502 Shares
	Funds raised	\$10,112,054	\$20,224,109	\$40,448,217
463,147,527 (50% increase in Variable 'A')	Shares issued - 10% voting dilution	46,314,753 Shares	46,314,753 Shares	46,314,753 Shares
	Funds raised	\$15,168,082	\$30,336,163	\$60,672,326
617,530,036 (100% increase in Variable 'A')	Shares issued - 10% voting dilution	61,753,004 Shares	61,753,004 Shares	61,753,004 Shares
	Funds raised	\$20,224,109	\$40,448,217	\$80,896,435

\*The number of Shares on issue (Variable 'A' in the formula) could increase as a result of the issue of Shares that do not require Shareholder approval (such as under a pro-rata rights issue or scrip issued under a takeover offer) or that are issued with Shareholder approval under Listing Rule 7.1.

The table above uses the following assumptions:

- (1) based on the total number of 308,765,018 fully paid ordinary Shares on issue on the ASX as at 24 March 2022;
- (2) the issue price set out above is the closing price of the Shares on the ASX on 24 March 2022;
- (3) the Company issues the maximum possible number of Equity Securities under the 10% Placement Capacity;
- (4) the issue of Equity Securities under the 10% Placement Capacity consists only of Shares. It is assumed that no convertible securities are exercised into Shares

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before the date of issue of the Equity Securities under the 10% Placement Capacity;

- (5) the calculations above do not show the dilution that any one particular Shareholder will be subject to. All Shareholders should consider the dilution caused to their own individual shareholding depending on their specific circumstances;
- (6) this table does not set out any dilution pursuant to approvals under ASX Listing Rule 7.1, or increases in the number of Shares on issue as a result of issues of Shares that do not require Shareholder approval (for example, a pro rata entitlements issue, scrip issued under a takeover offer or upon exercise of convertible securities); and
- (7) 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%.

Shareholders should note that there is a risk that:

- (1) the market price for the Company's Shares (being the Equity Securities in the class the subject of the Listing Rule 7.1A mandate) may be significantly lower on the issue date than on the date of the Meeting; and
- (2) the Company's Shares may be issued at a price that is at a discount to the market price for those Shares on the date of issue,

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

(d) Purpose of the issue under 10% Placement Capacity

The Company may issue Equity Securities under the 10% Placement Capacity for cash consideration in which case the Company intends to use funds raised for continued exploration, development and operation of the Company's current assets, general working capital or in connection with the acquisition costs of any investments in exploration or mining mineral assets (direct or indirectly through acquiring shares) the Company may acquire in the future (or the development or operation of such assets).

The Company will comply with the disclosure obligations under Listing Rules 2.7, 3.10.3 and 7.1A(4) upon issue of any Equity Securities.

(e) Allocation policy under the 10% Placement Capacity

The Company's allocation policy for the issue of Equity Securities under the 10% Placement Capacity will be dependent on the prevailing market conditions at the time of the proposed placement(s). The Company considers that it may raise funds under the 10% Placement Capacity although this cannot be guaranteed. In addition, no intentions have been formed in relation to the possible number of issues, or the time frame in which the issues could be made. Subject to the requirements of the Listing Rules and the Corporations Act, the Board reserves the right to determine at the time of any issue of Equity Securities under Listing Rule 7.1A, and the allocation policy that the Company will adopt for that issue.

Recipients of the Equity Securities to be issued under the 10% Placement Capacity have not yet been determined. However, the recipients of Equity Securities could consist of current Shareholders or new investors (or both), none of whom will be related parties of or associates of a related party of the Company.

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The Company will determine the recipients at the time of the issue under the 10% Placement Capacity, having regard to the following factors:

- (1) the purpose of the issue;
  - (2) the methods of raising funds that are available to the Company including, but not limited to, a rights issue or other issues where existing Shareholders may participate;
  - (3) the effect of the issue of the Equity Securities on the control of the Company;
  - (4) the circumstances of the Company, including, but not limited to, the financial position and solvency of the Company;
  - (5) prevailing market conditions; and
  - (6) advice from corporate, financial and broking advisers (if applicable).
- (f) Previous approval under Listing Rule 7.1A

The Company previously obtained approval under Listing Rule 7.1A on 21 May 2021.

During the 12 months preceding the date of this Meeting, the total number of Equity Securities issued under Listing Rule 7.1A was nil.

Equity Securities issued since 21 May 2021 are set out below:

- (1) 240,000,000 Shares, having been approved by Shareholders on 25 October 2021; and
  - (2) 50,000 Shares issued on 24 March 2022 on exercise of Incentives issued under the 2019 Plan.
- (g) Compliance with Listing Rule 7.1A.4

When the Company issued Equity Securities pursuant to the 10% Placement Capacity, it will give to ASX:

- (1) a list of the recipients of the Equity Securities and the number of Equity Securities issued to each (not for release to the market), in accordance with Listing Rule 7.1A.4; and
- (2) the information required by Listing Rule 7.1A.4 for release to the market.

## 10.4 Voting Exclusion

A voting exclusion statement is included in this Notice. As at the date of this Notice, the Company has not invited any existing Shareholders to participate in an issue of Equity Securities under Listing Rule 7.1A. Therefore, no existing Shareholders will be excluded from voting on Resolution 9.

However, in the event that between the date of the Notice and the date of the Meeting, the Company proposes to make an issue of Equity Securities under Listing Rule 7.1A to one or more existing Shareholders, those Shareholders' votes will be excluded under the voting exclusion statement in the Notice.

## 10.5 Directors recommendation

The Directors recommend that Shareholders vote in favour of Resolution 9. The Chair intends to exercise all undirected proxies in favour of Resolution 9.

# Explanatory Memorandum

## 11. Resolution 10 – Approval to issue Incentives to Aaron Colleran

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### 11.1 General

The Company is proposing, subject to obtaining Shareholder approval, to issue up to a total of 1,697,793 Incentives to Aaron Colleran (or his nominees).

The Company is at an important stage of development with both significant opportunities and challenges in both the near and medium term, and the proposed issue of Incentives seeks to align the efforts of Mr Colleran to achieving the key objectives of the Company through this critical phase and the resultant creation of Shareholder value. In addition, the Board believes it is important to offer these Incentives to continue to attract and maintain highly experienced and qualified executives in a competitive market whilst conserving the Company's available cash reserves by providing such incentive.

The Incentives are to be issued under the Company's Incentive Plan for which approval is also sought at the Meeting, the terms of which are summarised in Schedule 3.

The terms and conditions are set out in Schedule 5, including the applicable vesting conditions.

Resolution 10 seeks Shareholder approval pursuant to Listing Rule 10.14 for the issue of up to a total of 1,697,793 Incentives under the Incentive Plan to Mr Colleran (or his nominees).

### 11.2 Listing Rule 10.14

The Company is proposing to issue a total of 1,697,793 Incentives to Mr Aaron Colleran (or his nominee) (**Issue**).

Listing Rule 10.14 provides that a listed company must not permit any of the following persons to acquire Equity Securities under an employee incentive scheme:

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

unless it obtains the approval of its Shareholders.

The Issue falls within Listing Rule 10.14.1 (or Listing Rule 10.14.2 if Mr Colleran elects for the Incentives to be granted to his nominee) and therefore requires the approval of Shareholders under Listing Rule 10.14.

Resolution 10 seeks the required Shareholder approval to the Issue under and for the purposes of Listing Rule 10.14. As Shareholder approval is sought under Listing Rule 10.14, approval under Listing Rule 7.1 or 10.11 is not required.

If Resolution 10 is passed, the Company will be able to proceed with the issue of up to 1,697,793 Incentives to Mr Colleran (or his nominee).

If Resolution 10 is not passed, the Company will not be able to proceed with the issue of 1,697,793 Incentives to Mr Colleran (or his nominees) and the Company will need to agree alternative remuneration incentives with Mr Colleran.

### 11.3 Technical information required by Listing Rule 10.15

Pursuant to and in accordance with Listing Rule 10.15, the Company advises:

## Explanatory Memorandum

- (a) the Incentives will be issued under the Incentive Plan to Mr Colleran (or his nominees), a director of the Company;
- (b) Mr Colleran is a related party of the Company by virtue of being a Director and falls into the category stipulated by Listing Rule 10.14.1 (Mr Colleran's nominees, if applicable, would fall within Listing Rule 10.14.2 as his associates);
- (c) the maximum number of Incentives to be issued to Mr Colleran (or his nominees) is 1,697,793;
- (d) Mr Colleran's current total remuneration package as at the date of this Notice is \$500,000 per annum (inclusive of superannuation) and he was paid a short term cash bonus of \$255,000 in December 2021;
- (e) Mr Colleran has previously been issued 6,000,000 Incentives under the 2019 Plan, as approved at the annual general meeting of the Company held on 31 May 2019, and 500,000 Incentives under the 2019 Plan approved at the annual general meeting held on 21 May 2021. The Incentives issued under the 2019 Plan were issued at an acquisition price of nil;
- (f) the Incentives will be issued on the terms and conditions contained in Schedule 5;
- (g) the Board considers that Incentives, rather than Shares, are an appropriate form of incentive because reward the achievement of financial and non-financial business objectives over a multi-year period and the holder will only obtain the value of the Incentives upon satisfaction of the relevant milestones;
- (h) the Company attributes a value of \$971,647 to the Incentives. The valuation was conducted by an independent party using a combination of Monte Carlo (for the market based hurdles such as Total Shareholder Return) and Black-Scholes-Merton (for non-market based hurdles such as the growth in Cu reserves and resources) valuation methodologies. The assumptions underlying the valuation of the Incentives are described in the tables below;

<b>Monte Carlo Valuation</b>	
<b>Valuation Parameters</b>	<b>Inputs and Assumptions</b>
Valuation Date	Grant date - 23 March 2022
Performance hurdle	Total Shareholder Return as described in Schedule 5
Performance period	2.5 years
Expected exercise date	1 July 2024
Share price at valuation date	\$0.65
Assumed exercise price per contract	\$0.00
Risk free interest rate	2.425%. The risk free rate is based on the three-year Australian Government Bonds as at Valuation date.
Dividend yield of AIC	0.00%. Historical dividends were reviewed in determining an appropriate dividend yield.
Expected volatility of AIC	76.183%. Historical market price volatility was taken into account in determining the expected volatility.
Opening price of AIC	\$0.525. The opening price is the share price at the performance start date.

<b>Black-Scholes-Merton Valuation</b>	
<b>Valuation Parameters</b>	<b>Inputs and Assumptions</b>
Valuation Date	Grant date - 23 March 2022

# Explanatory Memorandum

Performance hurdle	Growth in reserves and resources as described in Schedule 5
Expected exercise date	1 July 2024
Share price at valuation date	\$0.65
Assumed exercise price per contract	\$0.00
Risk free interest rate	2.425%. The risk free rate is based on the three-year Australian Government Bonds as at Valuation date.
Dividend yield of AIC	0.00%. Historical dividends were reviewed in determining an appropriate dividend yield.
Expected volatility of AIC	76.183%. Historical market price volatility was taken into account in determining the expected volatility.

- (i) the Incentives will be issued as soon as practicable after the Meeting and in any event, no later than three years after the date of the Meeting;
- (j) the Incentives will have an issue price of nil as they will be issued as part of Mr Colleran's remuneration package;
- (k) a summary of the material terms of the Plan is in Schedule 3;
- (l) no loan will be provided in relation to the issue of the Incentives;
- (m) details of any Securities issued under the Plan will be published in the 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. Any additional persons covered by Listing Rule 10.14 who become entitled to participate in an issue of Securities under the Plan after Resolution 10 is approved and who were not named in the Notice will not participate until approval is obtained under Listing Rule 10.14.
- (n) a voting exclusion statement is included in the Notice.

## 11.4 Chapter 2E of the Corporations Act

In accordance with section 208 of the Corporations Act, the Company must obtain Shareholder approval to give a financial benefit to a related party unless an exception applies.

The issue of the Incentives constitutes the giving of a financial benefit and Mr Colleran is a related party of the Company by virtue of being a Director.

Section 211 of the Corporations Act provides an exception to the requirement to obtain Shareholder approval for giving a financial benefit to a related party if:

- (a) the benefit is remuneration of a related party as an officer (including a Director) of the company; and
- (b) to give the remuneration would be reasonable given the circumstances.

The Board (excluding Mr Colleran, in light of his personal interest in the Resolution) considers that the proposed issue of Incentives is reasonable in all the circumstances and that the exception in section 211 of the Corporations Act applies. Accordingly, the Board (excluding Mr Colleran) considers that Shareholder approval under section 208 of the Corporations Act is not required for the proposed issue of Incentives.

# Explanatory Memorandum

## 11.5 Board recommendation

The Board (other than Mr Colleran who has a personal interest in the outcome of the Resolution) recommends that Shareholders vote in favour of Resolution 10. The Chair intends to exercise all undirected proxies in favour of Resolution 10.

## 12. Interpretation

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**Advisory Resolution** means a Resolution which, the result of voting by Shareholders, does not bind the Company.

**Annual Report** means the annual report for the Company for the period ended 31 December 2021, released to the ASX on 14 March 2022.

**ASIC** means the Australian Securities and Investments Commission.

**ASX** means ASX Limited ACN 008 624 691 or the Australian Securities Exchange (as applicable).

**Award** means either:

- (a) the grant of an Incentive to a Participant under the Plan, including any entitlement to a Dividend Equivalent Payment (as defined in and in accordance with the Plan); and
- (b) the Allocation (as defined in and in accordance with the Plan) of a Share to a Participant under the Plan.

**Board** means the board of directors of the Company.

**Chair** means the person who chairs the Meeting.

**Closely Related Party** (as defined in the Corporations Act) of a member of the Key Management Personnel for an entity means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependant 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 dealings with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the regulations for the purposes of this definition.

**Company** means AIC Mines Limited ACN 060 156 452.

**Company Group** or **Group** means the Company and its Related Bodies Corporate.

**Constitution** means the constitution of the Company from time to time.

**Corporations Act** means the *Corporations Act 2001* (Cth) as amended, varied or replaced from time to time.

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

# Explanatory Memorandum

**Eligible Entity** means an entity that, as at the date of the relevant general meeting:

- (a) is not included in the S&P/ASX 300 Index; and
- (b) has a maximum market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300,000,000 or less.

**Eligible Person** means the person whom the Board determined in its absolute discretion is eligible to participate in the Plan, other than a person whose participation in the Plan would disentitle the Company from relying on any applicable instrument of relief issued by ASIC from time to time relating to employee incentive schemes.

**Equity Securities** has the meaning given to that term in the Listing Rules.

**Explanatory Memorandum** means this explanatory memorandum accompanying the Notice of Meeting.

**Financial Benefit** has the meaning given to that term in section 229 of the Corporations Act.

**Incentive** means an invitation to an Eligible Person in accordance with the Plan.

**Incentive Plan** means the Company's employee incentive scheme substantially in the form provided in Schedule 3.

**Key Management Personnel** or **KMP** has the definition given in *Accounting Standards AASB 124 Related Party Disclosure* as those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly and indirectly, including any director (whether executive or otherwise) of that entity.

**Listing Rule** means the official listing rules of the ASX as amended from time to time.

**Meeting, Annual General Meeting** or **AGM** means the annual general meeting to be held at Vibe Hotel Subiaco, Kings Park Room, 9 Alvan Street, Subiaco, 6008, Western Australia on Friday, 27 May 2022 at 11.00 am (WST) as convened by the accompanying Notice of Meeting.

**Notice of Meeting** or **Notice** means the notice of meeting giving notice to Shareholders of the Meeting, accompanying this Explanatory Memorandum.

**Ordinary Resolution** means a resolution passed by more than 50% of the votes cast at a general meeting of shareholders.

**Plan** means the 2019 Plan or the Incentive Plan (as applicable).

**Performance Condition** means a performance condition required to be met by an Eligible Person in order to have Incentives vest under the Plan.

**Performance Rights** means performance rights issued by the Company pursuant to or consistent with the 2019 Plan.

**Related Bodies Corporate** has the meaning given to that term in the Corporations Act.

**Related Party** has the meaning in section 228 of the Corporations Act.

**Remuneration Report** means the remuneration report as contained in the annual Directors Report of the Company for the financial year ending 31 December 2021.

**Resolution** means a resolution as set out in the Notice of Meeting.

# Explanatory Memorandum

**Securities** has the meaning in section 92(1) of the Corporations Act.

**Share** means an ordinary fully paid share in the issued capital of the Company.

**Shareholder** means a holder of Shares in the Company.

**Special Resolution** means a resolution:

- (a) of which notice has been given as set out in paragraph 249L(1)(c) of the Corporations Act; and
- (b) that has been passed by at least 75% of the votes cast by members entitled to vote on the resolution.

**VWAP** means the volume weighted average market price.

**2019 Plan** has the meaning given to that term in section 7.1 of the Explanatory Memorandum.

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Any enquiries in relation to the Resolutions or the Explanatory Memorandum should be directed to Linda Hale (**Company Secretary**):

AIC Mines Limited  
A8 435 Roberts Road  
Subiaco WA 6008  
+61 (08) 6269 0110  
cosec@aicmines.com.au

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# Explanatory Memorandum

## Schedule 1 – Nomination of Auditor Letter

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15C Beach Street  
Cottesloe WA 6011

31 March 2022

Company Secretary  
AIC Mines Limited  
A8 435 Roberts Road  
Subiaco WA 6008

Dear Sir/Madam

### Nomination of auditor

For the purposes of section 328B(1) of the *Corporations Act 2001* (Cth), I, Brett Montgomery being a shareholder of AIC Mines Limited ACN 060 156 452 (**Company**) hereby nominate the firm, PricewaterhouseCoopers to be appointed as the auditor of the Company at the annual general meeting to be held on or about 27 May 2022.

Yours sincerely



Brett Montgomery

# Explanatory Memorandum

## Schedule 2 – Material terms of Performance Rights

Item	Term Details
Participant	Sebastian Casey
Entitlement	Each Performance Right represents a right to be issued one Share upon valid exercise of the Incentive, subject to the terms and conditions of the Incentives and any subsequent Plan rules when adopted.
Issue price	nil
Issue date	7 February 2022
Exercise price	nil
Number of Performance Rights	250,000 Performance Rights
Expiry date	7 February 2025
Exercise period	At any time up to the expiry date, subject to vesting conditions being achieved.
Vesting conditions / performance hurdles	When the 60-day VWAP of the Company's share price is \$0.60 or more (which vested on 21 March 2022).

Item	Term Details
Participant	Michael Frame
Entitlement	Each Performance Right represents a right to be issued one Share upon valid exercise of the Incentive, subject to the terms and conditions of the Incentives and any subsequent Plan rules when adopted.
Issue price	Nil
Issue date	1 March 2022
Exercise price	Nil
Number of Performance Rights	250,000 Performance Rights
Expiry date	1 March 2025
Exercise period	At any time up to the expiry date, subject to vesting conditions being achieved.
Vesting conditions / performance hurdles	When the 60-day VWAP of the Company's share price is \$0.60 or more (which vested on 21 March 2022).

# Explanatory Memorandum

## Schedule 3 – Summary of Incentive Plan

Item	Term Details
Board	The Board is responsible for the operation of the Plan and may in its absolute discretion issue or cause to be issued Invitations on behalf of the Company to Eligible Persons.
Participants	An Eligible Person who accepts an Invitation and to whom an Award is made under the Plan.
Eligibility	The Board may determine in its absolute discretion who is eligible to participate in the Plan, other than a person whose participation in the Plan would disentitle the Company from relying on any applicable instrument of relief issued by ASIC from time to time relating to employee incentive schemes.
Number of Incentives	The Board has discretion to determine the number of Incentives offered to Eligible Persons, subject to a limit in accordance with the maximum permitted under an instrument of relief issued by ASIC from time to time relating to employee incentive schemes which the Company is relying on in regards to the Invitation.
No payment on grant or vesting	Unless the Board determines otherwise, a Participant will not pay anything for the Award of Incentives or Shares.
Vesting Conditions	If applicable, and as determined by the Board, vesting of the Incentives is conditional on the Participant satisfying the pre-determined vesting conditions and Performance Conditions imposed by the Board at the end of the vesting period. The vesting period if applicable to Incentives is the period determined by the Board and provided in the Invitation.
Vesting of Incentives	The Incentives will only vest if the Participant meets any specified vesting conditions and any Performance Conditions within the vesting period. The Board retains a residual discretion to reduce the number of Incentives that will vest depending upon the particular circumstances. Exercise of Incentives is subject to the vesting of Incentives, if applicable.
Entitlement under Incentives	An Eligible Person has no entitlement to be Awarded any Incentives unless and until such Incentives are Awarded. Unless and until a Share has been Allocated to a Participant under an Award or on vesting and exercise (if applicable) of the Incentive, the Participant has no interest in those Shares. An Incentive does not confer on a Participant the right to participate in new issues of Shares by the Company, including by way of a bonus issue, rights issue or otherwise.
Issue, transfer or allocation or Shares on vesting of Incentives	The vesting and exercise (if applicable) of an Incentive will be satisfied by the Company, at the Board's discretion, either: (i) Allocating a Share to the Participant; or (ii) making a cash payment in lieu of an Allocation of Shares, and delivering any Dividend Equivalent Payment (as defined in and in accordance with the Plan) that a Participant becomes entitled to under the Plan.
Dividends	The Incentives do not confer any right to vote, except as otherwise required by law, unless and until the Incentives have been converted into Shares.
Rights to a return of capital	The Incentives do not confer any right to a return of capital, whether in a winding up, upon a reduction of capital, or otherwise, unless and until the Incentives have been converted into Shares.

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## Explanatory Memorandum

Item	Term Details
Rights on winding up	The Incentives do not confer any right to participate in the surplus or profit or assets of the Company upon a winding up, unless and until the Incentives have been converted into Shares.
Reorganisation of capital	In the event of any reorganisation of the issued capital of the Company, all rights of the holder of the Incentives will be varied to comply with the Listing Rules at the time of the reorganisation.
Adjustments for new issues	<p>There will be no change to the number of Shares over which the Incentives may convert in the event of the Company making a pro-rata issue of Shares or other securities to the holders of Shares (other than a bonus issue).</p> <p>If the Company makes a bonus issue of Shares or other securities to existing Shareholders, there will be no change to the number of Shares which must be issued on the conversion of an Incentive as a result of such bonus issue.</p>
Cessation of employment	On a Participant's cessation of employment, subject to the particular terms of the Award, the Board may determine that some or all of the Participant's Incentives lapse, vest, are exercisable for a prescribed period (if applicable), or are no longer subject to some or all applicable restrictions.
Change of control	<p>Upon a change of control event occurring, then:</p> <p>(a) the Board may, in its absolute discretion, determine that all or a specified number of a Participant's Incentives:</p> <ol style="list-style-type: none"> <li>(1) vest and are exercisable (if applicable) for the period determined by the Board;</li> <li>(2) cease to be subject to dealing restrictions (as applicable); or</li> <li>(3) lapse or be cancelled if the Board determines in its absolute discretion that a term of the change of control event is that holders of those Incentives will participate in an acceptable alternative employee share incentive scheme which is reasonably acceptable to the Board in its absolute discretion; and</li> </ol> <p>(b) All Shares held by an Eligible Person under the Plan which are subject to a dealing restriction will be released.</p>
Clawback provision	The Board has broad clawback powers to determine that Incentives lapse, or that allocated Shares are forfeited, or that amounts are to be repaid in certain circumstances (for example, in the case of serious misconduct).
Restrictions on dealing	<p>The Board may at its discretion impose restrictions on dealing in respect of any Shares that are Allocated either under an Award or upon vesting and exercise (if applicable) of an Incentive.</p> <p>If the release of any restrictions imposed would arise in a period where dealing by an Eligible Person would be prohibited under law or the Securities Trading Policy, such release will be delayed until such time as dealings are permitted.</p>

NB: The above is a summary of the 2019 Plan, and also represents a summary of the key terms of the proposed Incentive Plan proposed to be adopted under Resolution 8 and explained in section 9.2 and 9.3 of the Explanatory Memorandum.

# Explanatory Memorandum

## **Schedule 4 – Material proposed changes between existing and Proposed Constitution**

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Capitalised terms not defined within this summary have the meaning given to them in the Proposed Constitution.

### **1. Restricted securities (rule 2.5)**

Rule 2.5 has been amended to ensure compliance with Listing Rule 15.12 which states that an entity's constitution must provide for each of the provisions outlined in Listing Rule 15.12. The amended rule 2.5 contains restrictions around the dealing of Restricted Securities, in particular that a holder of Restricted Securities must not dispose of those securities during the escrow period applicable to them. Further, if Restricted Securities are in the same class as quoted securities of the Company, the holder will be taken to have agreed that their Restricted Securities be kept on the Company's issue sponsored sub-register and are to have a holding lock applied during the escrow period.

### **2. Decisions at general meetings (rule 16.13)**

Rule 16.12 of the existing Constitution has been updated to reflect the insertion of section 250JA into the Corporations Act, which mandates that listed companies must conduct polls (and not a show of hands) if the notice of meeting sets out an intention to propose a resolution, the Company has given notice of a members' resolution, or a poll is demanded. This section operates irrespective of anything to the contrary in the Company's Constitution.

### **3. Use of technology at Meetings (rule 16.6)**

A new rule 16.6 has been inserted which provides that a general meeting of the Company may be held at two or more venues, provided the meeting is facilitated by technology that gives Shareholders as a whole a reasonable opportunity to participate in the meeting. In particular, if the Directors determine that a meeting shall not be held at a physical location and will instead be facilitated by instantaneous communication, the instantaneous communication device that is used must give the Shareholders as a whole a reasonable opportunity to participate in the Meeting and also enable the Shareholders to vote on a show of hands or on a poll. New rule 1.2(h) supports this new rule 16.6 in expressly allowing for the electronic communication and signing of documents.

### **4. Directors' remuneration (rule 19.5)**

Rule 19.5 has been amended according to Listing Rules 10.17 and 10.17A to limit the application of some restrictions on Director remuneration to non-executive Directors only. In line with those same Listing Rules, rule 19.5(e) now prohibits executive Directors' remuneration from including a commission or percentage of revenue or profits.

### **5. Unclaimed dividends (rule 26.2)**

Rule 25.10 of the existing Constitution has been amended and replaced by rule 26.2, which sets out the procedure for dealing with unclaimed dividends and payments. Having been declared, unclaimed monies or other interests may be invested or otherwise used by Directors for the benefit of the Company until claimed, and the Company shall not be considered a trustee with respect to those funds.

### **6. Execution of documentation by the Company (rule 31)**

Rule 31 has been amended in order to reflect recent amendments to the Corporations Act which allow the Company to execute any agreement or other document by electronic means.

# Explanatory Memorandum

## 7. **Members' election regarding receipt of documents (rule 32.5)**

Rule 31 of the existing Constitution has been amended to include provision for members' election regarding receipt of documents, which gives members the choice to receive all or a specific class of documents in physical or electronic form or elect to not be sent those documents at all. This applies to documents sent by the Company that relate to general meetings, resolutions considered by the Company without a meeting, the Company's annual report, a notice of members rights, or a class of documents prescribed under the regulations.

## 8. **Confidential information (rule 33)**

A new rule 33 has been inserted to expressly detail the confidentiality entitlements and requirements applicable to members, Directors and other officers of the Company, accounting for the procedures in place where a person ceases to be a Director. A rule of this nature is standard practice for listed companies of a similar nature to the Company.

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# Explanatory Memorandum

## Schedule 5 - Summary of terms and conditions of Incentives to Mr Colleran

Item	Term Details		
Participant	Aaron Colleran		
Entitlement	1,697,793		
Issue price	\$0.00		
Issue date	27 May 2022 (assumed date only, actual issue date will be within one month from shareholder approval)		
Exercise price	\$0.00		
Number of Incentives	1,697,793		
Expiry date	5 years from issue		
Exercise period	At any time up to the expiry date, subject to vesting conditions being achieved.		
Vesting conditions / performance hurdles	See table below		
Goal	Weighting	Measure	Level of vesting
Total Shareholder Return - Absolute	30%	Share price increase greater than 50%	100%
		Share price increase between 25% and 50%	Pro rata 75%-100%
		Share price increase between 10% and 25%	Pro rata 50%-75%
		Share price <10%	Nil
Total Shareholder Return - Relative	30%	Equal to or above 75th percentile	100%
		Equal to or above 50th percentile and below the 75th percentile	Pro rata vesting on a straight line basis between 50% and 100%
		Less than 50th percentile	Nil
Cu equivalent Ore Reserve Growth	20%	Depletion replacement +>10% increase	100%
		Between depletion replacement and up to 10% increase	Pro rata vesting on a straight line basis between 50% and 100%
		Depletion replaced	50%
		Depletion not replaced	Nil
Cu equivalent Mineral Resource Growth	20%	Depletion replacement +>10% increase	100%
		Between depletion replacement and up to 10% increase	Pro rata vesting on a straight line basis between 50% and 100%
		Depletion replaced	50%
		Depletion not replaced	Nil
Goal	Testing		
Total Shareholder	Measured by calculating the percentage by which the 30-day volume weighted average share price quoted on the ASX (VWAP) at close of trade on the first day		

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## Explanatory Memorandum

Return Absolute	-	of the performance period (1 Jan 2022) has increased compared to the cumulative average of the 30-day VWAP as measured at 30 June 2022, 30 June 2023 and 30 June 2024.
Total Shareholder Return Relative	-	Measured by calculating the relative total shareholder return over the performance period compared to peer companies C6C, AMI, MCR, PAN, PNR, AIS, NCZ, POS, DVP, KGL, G1A, RVR, CYM and AR1. Peer companies will be updated over time, if required, with Board approval.
Cu equivalent Ore Reserve Growth		Measured by calculating the Ore Reserve growth over the performance period by comparing the Ore Reserve current at the first day of the performance period (1 Jan 2022) to the Ore Reserve current at the last day of the performance period (30 June 2024). The Ore Reserve position will be the JORC 2012 Code compliant Ore Reserve as disclosed to the ASX prior to the Performance Date. All Ore Reserves in which the Company has an interest at the calculation date will be included in the calculation and hence includes new projects and acquisitions.
Cu equivalent Mineral Resource Growth		Measured by calculating the Mineral Resource growth over the performance period by comparing the Mineral Resource current at the first day of the performance period (1 Jan 2022) to the Mineral Resource current at the last day of the performance period (30 June 2024). The Mineral Resource position will be the JORC 2012 Code compliant Mineral Resource as disclosed to the ASX prior to the Performance Date. All Mineral Resource in which the Company has an interest will be included in the calculation and hence include new projects and acquisitions.

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## Need assistance?



**Phone:**

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



**Online:**

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



## YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **11:00am (AWST) on Wednesday, 25 May 2022.**

# Proxy Form

## How to Vote on Items of Business

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

### APPOINTMENT OF PROXY

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

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

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

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

## SIGNING INSTRUCTIONS FOR POSTAL FORMS

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

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

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

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

## PARTICIPATING IN THE MEETING

### Corporate Representative

If a representative of a corporate securityholder or proxy is to participate in the meeting you will need to provide the appropriate "Appointment of Corporate Representative". A form may be obtained from Computershare or online at [www.investorcentre.com/au](http://www.investorcentre.com/au) and select "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: 186661**

**SRN/HIN:**

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.

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

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

# 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 AIC Mines 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 AIC Mines Limited to be held at the Vibe Hotel Subiaco, Kings Park Room, 9 Alvan Street, Subiaco, WA 6008 on Friday, 27 May 2022 at 11:00am (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 Resolutions 1, 6, 8 and 10 (except where I/we have indicated a different voting intention in step 2) even though Resolutions 1, 6, 8 and 10 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, 6, 8 and 10 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			For	Against	Abstain
Resolution 1	Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Resolution 8	Adoption of Equity Participation Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Election of Jonathan Young as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Resolution 9	Approval of 10% Placement Facility	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Re-Election of Josef El-Raghy as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Resolution 10	Approval to issue Incentives to Aaron Colleran	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Change of Auditor	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>					
Resolution 5	Ratification of prior grant of Performance Rights	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>					
Resolution 6	Ratification of prior grant of Performance Rights	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>					
Resolution 7	Replacement of Constitution	<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

