

# Notice of Annual General Meeting and Explanatory Memorandum

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## **Atlantic Lithium Limited ACN 127 215 132**

Date of Meeting: Friday, 29 November 2024

Time of Meeting: 2:00pm (Perth time)

Venue: HopgoodGanim Lawyers, Allendale Square, Level 27, 77 St Georges Terrace, Perth WA 6000

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

# Notice of Meeting

Notice is given that Atlantic Lithium Limited ACN 127 215 132 (**Company**) will hold its Annual General Meeting (**AGM**) of Shareholders at HopgoodGanim Lawyers, Allendale Square, Level 27, 77 St Georges Terrace, Perth WA 6000 on Friday, 29 November 2024 at 2:00pm (Perth time).

Shareholders may submit questions in advance of the AGM. Questions may be submitted by email to [info@atlanticlithium.com.au](mailto:info@atlanticlithium.com.au). More frequently asked questions will be attempted to be addressed in the Chairman's address at the AGM.

## Voting

All Resolutions shall be conducted by poll.

For the purposes of determining voting entitlements at the AGM, Shares will be taken to be held by the persons who are registered as holding at 4.00pm (WST) on 27 November 2024. Accordingly, transactions registered after that time will be disregarded in determining entitlements to attend and vote at the AGM.

## Voting by proxy

If you are unable to attend the AGM in person, you are encouraged to complete and return the proxy form accompanying this Notice in accordance with the instructions set out in the proxy form. You can lodge your completed proxy form with the Company's Share Registry manager, Computershare by:

- (a) mailing it to Computershare using the reply paid envelope;
- (b) posting it to GPO Box 242, Melbourne VIC 3001 Australia;
- (c) lodging it online at Computershare's website [investorvote.com.au](https://investorvote.com.au) and logging in using the control number found on the front of the accompanying proxy form, or scanning the QR code on the front of the accompanying proxy form with your mobile device and inserting your postcode;
- (d) faxing it to 1800 783 447 (within Australia) or +61 3 9473 2555 (outside Australia); or
- (e) Intermediary Online subscribers (Institutions/Custodians) may lodge their proxy instruction online by visiting: [intermediaryonline.com](https://intermediaryonline.com).

The completed proxy form must be received by Computershare no later than 2:00pm (Perth time) on Wednesday, 27 November 2024 (being not later than 48 hours before the commencement of the Meeting). Any proxy form received after that time will not be valid for the scheduled Meeting.

In accordance with section 249L of the Corporations Act, Shareholders are advised that:

- (a) each Shareholder has a right to appoint a proxy;
- (b) the proxy need not be a Shareholder of the Company; and
- (c) A Shareholder who is entitled to cast two (2) or more votes may appoint two (2) proxies and may specify the proportion or number of votes each proxy is appointment to exercise. If the member appoints two (2) proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

Shareholders and their proxies should be aware that:

- (a) if proxy holders vote, they must cast all directed proxies as directed; and
- (b) any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

## Voting in person

To vote in person, attend the Meeting at the time, date and place set out above.

You may still attend the Meeting and vote in person even if you have appointed a proxy. If you have previously submitted a proxy form, your attendance will not revoke your proxy appointment unless you

# Notice of Meeting

actually vote at the Meeting for which the proxy is proposed to be used, in which case, the proxy's appointment is deemed to be revoked with respect to voting on that Resolution.

Please bring your personalised proxy form with you as it will help you to register your attendance at the Meeting. If you do not bring your proxy form with you, you can still attend the Meeting but representatives from the Company will need to verify your identity. Accordingly, the Directors strongly encourage all Shareholders to lodge a directed Proxy Form prior to the Meeting and appoint the Chair as their proxy.

## ***Voting by a corporation***

A body corporate that is a Shareholder or which has been appointed as a proxy, may appoint an individual to act as its representative at the Meeting. The appointment must comply with the requirements of section 250D of the Corporations Act. The representative should bring to the AGM evidence of their appointment, including any authority under which it is signed, unless it has previously been given to the Company.

The Notice is important and should be read in its entirety. If you are in doubt as to the course of action you should follow, you should consult your financial adviser or other professional adviser. If you have any difficulties obtaining a copy of the Notice of Meeting please contact the Company's share registry, Computershare Investor Services Pty Limited on 1300 850 505 (within Australia) or +61 (3) 9415 4000 (overseas).

Terms used in this Notice of Meeting are defined in section 17 (Interpretation) of the accompanying Explanatory Memorandum.

# Notice of Meeting

## 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 and its controlled entities for the financial year ended 30 June 2024.

#### 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, for the purpose of section 250R(2) of the Corporations Act and all other purposes, the Remuneration Report for the year ended 30 June 2024 (as set out in the Directors 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 for Resolution 1**

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 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 Henry 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 Henry, having been appointed as a Director by the Board on 19 December 2023 under Rule 38.1 of the Company’s Constitution and having offered himself for election as required under Rule 38.2 of the Company’s Constitution, be elected as a Non-Executive Director of the Company.”*

## **3. Election of Edward Koranteng 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 Edward Koranteng, having been appointed as a Director by the Board on 15 May 2024 under Rule 38.1 of the Company’s Constitution and having offered himself for election as required under Rule 38.2 of the Company’s Constitution, be elected as a Non-Executive Director of the Company.”*

## **4. Re-election of Kieran Daly 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 Kieran Daly, who retires in accordance with Rule 40.1(c) of the Company’s Constitution and, being eligible, offers himself for re-election, be re-elected as a Non-Executive Director of the Company.”*

## **5. Re-election of Amanda Harsas 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 Amanda Harsas, who retires in accordance with Rule 40.1(c) of the Company’s Constitution and, being eligible, offers herself for re-election, be re-elected as an Executive Director of the Company.”*

## **6. Authority to issue shares for cash**

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

*“That the Directors be authorised pursuant to Rule 6.3 of the Company’s Constitution to allot and issue Equity Securities for cash as if Rule 6.1 did not apply to any such allotment provided that this authority shall be limited to the allotment and issue of up to a maximum of 15% of the issued share capital of the Company as at the date of the Meeting, with such authority to be valid from the date of approval until the date of the Company’s next Annual General Meeting.”*

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## **7. Authority to issue shares for non-cash consideration purposes**

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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 the Directors be authorised pursuant to Rule 6.2(a) of the Company’s Constitution to allot and issue Equity Securities up to a maximum of 15% of the issued share capital of the Company as at the date of the Meeting, to be used for non-cash consideration purposes. Such authority to be valid from the date of approval until the date of the Company’s next Annual General Meeting.”*

## **8. Issue of Performance Rights to Neil Herbert under the Rights Plan**

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To consider and, if thought fit, pass the following Resolution, as an Ordinary Resolution of the Company:

*“That, for the purposes of Listing Rule 10.14 and for all other purposes, the Company be authorised to offer to issue 1,680,640 Performance Rights under the Rights Plan to Mr Neil Herbert (or his nominee), and otherwise and on the terms and conditions set out in the Explanatory Memorandum.”*

## **9. Issue of Performance Rights to Keith Muller under the Rights Plan**

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To consider and, if thought fit, pass the following Resolution, as an Ordinary Resolution of the Company:

*“That, for the purposes of Listing Rule 10.14 and for all other purposes, the Company be authorised to offer to issue 1,086,128 Performance Rights under the Rights Plan to Mr Keith Muller (or his nominee), and otherwise and on the terms and conditions set out in the Explanatory Memorandum.”*

## **10. Issue of Performance Rights to Amanda Harsas under the Rights Plan**

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To consider and, if thought fit, pass the following Resolution, as an Ordinary Resolution of the Company:

*“That, for the purposes of Listing Rule 10.14 and for all other purposes, the Company be authorised to offer to issue 1,006,098 Performance Rights under the Rights Plan to Ms Amanda Harsas (or her nominee), and otherwise and on the terms and conditions set out in the Explanatory Memorandum.”*

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## **Voting exclusion statement for Resolutions 8, 9 and 10**

The Company will disregard any votes cast in favour of Resolutions 8,9 and 10 by or on behalf of:

- a person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the Company's Rights Plan (including Neil Herbert, Keith Muller and Amanda Harsas); or
- an Associate of that person or those persons.

However, this does not apply to a vote cast in favour of each of these Resolutions 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 for Resolutions 8,9 and 10**

As Resolutions 8, 9 and 10 are connected directly or indirectly with the remuneration of a member of the KMP for the Company (or, if the Company is a consolidated entity, for the entity), pursuant to section 250BD of the Corporations Act, a vote on Resolutions 8, 9 and 10 must not be cast by:

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

who is appointed as a Shareholder's proxy, on the basis of that appointment, where the Shareholder does not specify in writing the way the proxy is to vote on Resolution 8, 9 or 10.

However, the Company need not disregard a vote on Resolutions 8, 9 and 10 if it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote and the Shareholder expressly authorises the person chairing the Meeting to exercise the proxy even if Resolutions 8, 9 and 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, 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 Resolutions 8, 9 and 10, subject to compliance with the Corporations Act. In exceptional circumstances, the Chair may change his 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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## 11. Issue of Placement Shares to Assore International Holdings Limited

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To consider and, if thought fit, pass the following Resolution, as an Ordinary Resolution of the Company:

*“That for the purposes of Listing Rule 10.11, Rule 6.3 of the Constitution and for all other purposes, Shareholder approval is given for the Company to issue 32,775,013 Shares at \$0.23 per Share to Assore International Holdings Limited (or its nominee) on the terms and conditions set out in the Explanatory Memorandum.”*

### **Voting Exclusion Statement for Resolution 11**

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

- Assore International Holdings Limited and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the entity); or
- an Associate of that person or those persons.

However, this does not apply to a vote cast in favour of this Resolution 11 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.

## 12. Approval for the issue of Placement Shares to Neil Herbert under Listing Rule 10.11

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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 for the purposes of Listing Rule 10.11, Rule 6.3 of the Constitution and for all other purposes, the Company be authorised to issue 565,217 Shares in the Company at \$0.23 per Share to Neil Herbert or nominee and otherwise on the terms and conditions set out in the Explanatory Memorandum.”*

### **Voting Exclusion Statement for Resolution 12**

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

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

However, this does not apply to a vote cast in favour of this Resolution 12 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



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- 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.

## 13. Approval for the issue of Placement Shares to Keith Muller under Listing Rule 10.11

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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 for the purposes of Listing Rule 10.11, Rule 6.3 of the Constitution and for all other purposes, the Company be authorised to issue 565,217 Shares in the Company at \$0.23 per Share to Keith Muller or nominee and otherwise on the terms and conditions set out in the Explanatory Memorandum.”*

### Voting Exclusion Statement for Resolution 13

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

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

However, this does not apply to a vote cast in favour of this Resolution 13 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.

## 14. Approval for the issue of Placement Shares to Edward Koranteng under Listing Rule 10.11

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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 for the purposes of Listing Rule 10.11, Rule 6.3 of the Constitution and for all other purposes, the Company be authorised to issue 130,455 Shares in the Company at \$0.23 per Share to Edward Koranteng or nominee and otherwise on the terms and conditions set out in the Explanatory Memorandum.”*

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## **Voting Exclusion Statement for Resolution 14**

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

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

However, this does not apply to a vote cast in favour of this Resolution 14 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.

## **15. Ratification of the issue of the Initial Placement Shares**

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 7.4 and for all other purposes, Shareholders approve and ratify the prior allotment of 9,442,378 Shares at an issue price of \$0.23 per share on the terms and conditions set out in the Explanatory Memorandum.”*

## **Voting Exclusion Statement for Resolution 15**

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

- the Tranche 1 Recipients and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the entity); or
- or an Associate of that person or those persons.

However, this does not apply to a vote cast in favour of this Resolution 15 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.

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## Special business

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### 16. Approval to issue an additional 10% of the issued capital of the Company over a 12 month period pursuant to Listing Rule 7.1A

To consider and, if thought fit, pass the following Special Resolution, as a Special Resolution of the Company:

*“That, pursuant to and in accordance with Listing Rule 7.1A, and for all other purposes, the Shareholders approve the issue of Equity Securities of 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, over a 12 month period from the date of the Meeting, at a price not less than that determined pursuant to Listing Rule 7.1A.3 and otherwise on the terms and conditions in the Explanatory Memorandum (Additional Placement Securities).”*

#### **Voting exclusion statement for Resolution 145**

The Company will disregard any votes cast in favour of this Resolution 16 by or on behalf of:

- any person who is expected to participate in, or who will obtain a material benefit as a result of the proposed issue (except a benefit solely by reason of being a holder of Shares if this Resolution is passed); or
- an Associate of that person or those persons.

However, this does not apply to a vote cast in favour of this Resolution 16 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; 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.

### 17. Spill Resolution – Conditional Resolution

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To consider and, if thought fit, pass the following Resolution, as an Ordinary Resolution of the Company:

*“That, subject to and conditional on at least 25% of the votes validly cast on Item 1 (Remuneration Report) being cast against the adoption of the Remuneration Report for the year ended 30 June 2024:*

- a. a general meeting of the Company (Spill Meeting) be held within 90 days after the passing of this Resolution;*
- b. all of the Directors of the Company in office at the time when the Resolution to make the Directors’ Report for the financial year ended 30 June 2024 was passed and who remain in office at the time of the Spill Meeting, cease to hold office immediately before the end of the Spill Meeting; and*
- c. Resolutions to appoint persons to offices that will be vacated immediately before the end of the Spill Meeting be put to the vote at the Spill Meeting.”*

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## **Voting restriction pursuant to section 250R(4) of the Corporations Act for Resolution 16**

A vote on this Resolution 17 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 17 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 against the Spill Resolution, 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.

## **General business**

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To consider any other business as may be lawfully put forward in accordance with the Constitution of the Company.

## **By order of the Board**



Amanda Harsas  
Finance Director and Company Secretary

30 October 2024

# Explanatory Memorandum

## 1. Introduction

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This Explanatory Memorandum is provided to Shareholders of Atlantic Lithium Limited ACN 127 215 132 (**Company**) to explain the Resolutions to be put to Shareholders at the AGM to be held as at HopgoodGanim Lawyers, Allendale Square, Level 27, 77 St Georges Terrace, Perth WA 6000 on Friday, 29 November 2024 at 2:00pm (Perth time).

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 17.

## 2. Consider the Company's 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 its controlled entities for the financial year ended 30 June 2024 was released to the ASX Limited on 18 September 2024 and subsequently dispatched to Shareholders as required.

Shareholders can access a copy of the Company's Annual Report at <https://www.atlanticlithium.com.au/reports-presentations>. The Company will not provide a hard copy of the Company's Annual Report to Shareholders unless specifically requested to do so.

The Company's Annual Report is placed before the Shareholders for discussion. No voting is required for this item.

## 3. Resolution 1 - Remuneration Report

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### 3.1 Remuneration Report

The Board has distributed 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.

This year, the Advisory Resolution has particular importance due to the receipt of a 'first strike' against the corresponding Resolution in 2023 whereby at least 25% of the votes cast were against adopting the Remuneration Report. Under the 'two strikes' rule regarding remuneration reports, if at least 25% of the votes cast are against the Resolution to adopt the Remuneration Report for the year ended 30 June 2024, an additional Resolution will be put to the AGM for a 'spill' of the Board at a subsequent general meeting. The 'two strikes' rule is explained in more detail in the Explanatory Memorandum to Resolution 17.

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) sets out the key concerns that were raised with regard to the Remuneration Report for the year ended 30 June 2023 and the response by the Company;
- (c) includes a summary of key changes made to the short-term incentive plan and long-term incentive plan for the year ended 30 June 2024;
- (d) explains the relationship between the Board's remuneration policy and the Company's performance;

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- (e) 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
- (f) 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.

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 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 Henry as a Director

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The Company's Constitution and ASX Listing Rule 14.4 provide that any Director appointed in addition to the existing Directors will hold office until the next following AGM and is then eligible for re-election.

Jonathan Henry was appointed as an additional Non-Executive Director of the Company on 19 December 2023 and has since served as a Non-Executive Director of the Company. He is a member of the Company's Audit & Risk Committee and Nominations & Remuneration Committee.

Mr Henry is an experienced Non-Executive Director, having held various leadership and Board roles across the mining industry for nearly two decades. Mr Henry has significant expertise working across capital markets, business development, project financing, key stakeholder engagement, and the reporting and implementation of ESG-focused initiatives. Mr Henry has a wealth of experience advancing projects towards production and commercialisation to deliver shareholder value.

Mr Henry has previously served as Non-Executive Chair and Executive Chair of Giyani Metals Corporation, a battery development company advancing its portfolio of manganese oxide projects in Botswana, Executive Chair and Non-Executive Director at Ormonde Mining plc, Non-Executive Director at Ashanti Gold Corporation, President, Director and Chief Executive Officer at Gabriel Resources Limited and various roles, including Chief Executive Officer and Managing Director, at Avocet Mining PLC.

The Board (with Jonathan Henry abstaining) unanimously recommends that you vote in favour of this Ordinary Resolution.

## 5. Resolution 3 - Election of Edward Koranteng as a Director

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The Company's Constitution and ASX Listing Rule 14.4 provide that any Director appointed in addition to the existing Directors will hold office until the next following AGM and is then eligible for re-election.

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Edward Koranteng was appointed as an additional Non-Executive Director of the Company on 15 May 2024 and has since served as a Non-Executive Director of the Company. He is chair of the Company's Nominations & Remuneration Committee.

Mr Koranteng is a lawyer and an experienced corporate and investment banker. He has served as Chief Executive Officer of the Minerals Income Investment Fund ("MIIF") since 2021.

Prior to joining MIIF, Mr Koranteng held the role of Business Head for East, Central and Southern Africa for Ghana International Bank plc ("GHIB"), where he was responsible for GHIB's energy and mining portfolio. He also worked with the Chase Bank Group (Kenya), now SBM Bank of Mauritius, as Group Head for Energy, Oil, Gas and Mining. Edward currently sits on the boards of MIIF and Glico General Insurance Ltd.

Mr Koranteng holds a BA (Hons) from the University of Ghana, a Master of Laws in International Banking and Finance from the University of Leeds in the UK, a Postgraduate Diploma from BPP Law School in the UK and the Ghana School of Law. He has practised as a barrister in both the UK and Ghana and holds various executive and postgraduate certifications, including in Oil, Gas and Mining from the Blavatnik School of Government, University of Oxford in the UK.

Mr Koranteng also serves as a Director of Asante Gold Corporation (appointed 16 March 2023), which is listed on the Canadian Securities Exchange (CSE) and Ghana Stock Exchange (GSE).

The Board (with Edward Koranteng abstaining) unanimously recommends that you vote in favour of this Ordinary Resolution.

## **6. Resolution 4 - Re-election of Kieran Daly as a Director**

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Kieran Daly retires in accordance with Rule 40.1(c) of the Company's Constitution (which provides that at each AGM one-third of the Directors for the time being must retire excluding any Director already required to submit for election or re-election under Rule 40 and any Managing Director). Being eligible, Mr Daly offers himself for re-election as a Non-Executive Director.

Mr Daly is chair of the Company's Audit & Risk Committee and also a member of the Nomination & Remuneration Committee.

Mr Daly has extensive experience working in investment banking/equity research and is the Executive: Growth & Strategic Development at Assore.

Prior to joining Assore in 2018, Mr Daly worked for firms such as UBS Group AG, Macquarie Group Limited and Investec Limited. During the first 15 years of his mining career, Mr Daly worked in the coal division of Anglo American plc (Anglo Coal) in a number of international roles including operations, sales & marketing, strategy and business development. His key roles included leading and developing Anglo Coal's marketing efforts across Asia and acting as the Global Head of Strategy for Anglo Coal.

Mr. Daly also serves as a Non-Executive Director of Gemfields Group Limited (appointed 1 July 2024 and an Alternate Non-Executive Director since 12 November 2021) which is listed on the Johannesburg Stock Exchange (JSE) and AIM and as a Non-Executive Director of Marimaca Copper Corp. (appointed 8 August 2024) which is listed on the Toronto Stock Exchange.

The Board (with Kieran Daly abstaining) unanimously recommends that you vote in favour of this Ordinary Resolution.

## **7. Resolution 5 - Re-election of Amanda Harsas as a Director**

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Amanda Harsas retires in accordance with Rule 40.1(c) of the Company's Constitution (which provides that at each AGM one-third of the Directors for the time being must retire excluding

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any Director already required to submit for election or re-election under Rule 40 and any Managing Director). Being eligible, Ms Harsas offers herself for re-election as an Executive Director.

Ms Harsas joined the Company in November 2020 as Chief Financial Officer and was subsequently appointed as Company Secretary in January 2021. In March 2022, Mrs Harsas was promoted to Finance Director.

Ms Harsas has over 25 years' experience in strategic finance, business transformation, commercial finance, customer and supplier negotiations and company secretarial and capital management across various firms including PwC, Healius and Law Society of Australia.

With extensive experience in mining and exploration, healthcare, retail, and professional services sectors throughout Australia, Asia, Europe and the USA, Ms Harsas brings a unique perspective to the Board.

Ms Harsas graduated from the University of Technology, Sydney with a Bachelor of Business. She is a member of Chartered Accountants Australia and New Zealand and the Australian Institute of Company Directors. The Directors (with Amanda Harsas abstaining) recommend that you vote in favour of this Ordinary Resolution.

The Board (with Amanda Harsas abstaining) unanimously recommends that you vote in favour of this Ordinary Resolution.

## 8. Resolution 6 - Authority to issue shares for cash

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Under Rule 6.1 of the Company's Constitution, prior to issuing Equity Securities (meaning shares (including preference shares), stock, stock units and rights or options to subscribe for any of the foregoing) the Company is required to make an offer of Equity Securities first to Shareholders pro rata to their existing holdings. Rule 6.3 then allows the Company to resolve, by Ordinary Resolution, that the Directors are authorised to issue and allot Equity Securities for up to 15% of the Company's issued share capital for cash as if the pre-emption rights did not apply (a **Disapplication Resolution**).

It is the Company's view that it can raise capital in a cost efficient and timely manner by carrying out a private placement of its shares instead of an offer of Equity Securities to all existing Shareholders where the costs of compliance with relevant securities laws would be much greater.

Accordingly, Resolution 6 seeks Shareholder approval under Rule 6.3 of the Company's Constitution to authorise the Directors to issue up to 15% of the Company's issued share capital at the time of the Meeting, as if the pre-emption rights in Rule 6.1 of the Company's Constitution did not apply. By way of example and using the issued share capital of the Company at the date of this Notice of Meeting, approval to issue 15% of the Company's capital pursuant to this Resolution would represent 97,450,358 shares.

The Directors will be authorised to issue Equity Securities for cash without first offering them to all Shareholders of the Company on a pro rata basis which is equal to 15% of the Company's issued share capital as at the date the Resolution is approved.

An authority given under this Resolution will expire at the earlier of the conclusion of the next AGM, or the date twelve (12) months from the date of the Resolution or revocation of the authority by the Company.

For completeness, the Company notes that Resolution 6 is not authorising a specific issue of shares for the purposes of Listing Rule 7.1 and any future issue of shares will be required to be issued in accordance with the Listing Rules, including without limitation Listing Rule 7.1. The Board strongly supports this Resolution and unanimously recommends all shareholders vote in favour.



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## 9. Resolution 7 - Authority to issue shares for non-cash consideration purposes

Resolution 7 seeks shareholder approval for the purposes of Rule 6.2(a) of the Company's Constitution to specifically authorise the Directors to issue and allot up to a maximum of 15% of the Company's Issued Share Capital (at the time of the Meeting) to be used at the discretion of the Board as consideration to key suppliers for services rendered and / or capital expenditure (eg. project-related equity) for the period through to the Company's next AGM, in order to assist with the preservation of the Company's treasury.

Under Rule 6.1 of the Constitution, the Company is required to make an offer of Equity Securities first to existing Shareholders pro rata to their existing holdings (the "Pre-emption Rights"). Rule 6.2(a) enables the issue of Equity Securities which are wholly paid up otherwise than in cash free of such Pre-emption Rights where this is approved by an Ordinary Resolution of the Company's Shareholders. By way of example, and using the issued share capital of the Company at the date of this Notice of Meeting, approval to issue 15% of the Company's capital pursuant to this Resolution would represent 97,450,358 shares.

For completeness, the Company notes that Resolution 7 is not authorising a specific issue of shares for the purposes of Listing Rule 7.1 and any future issue of shares will be required to be issued in accordance with the Listing Rules, including without limitation Listing Rule 7.1.

The Board strongly supports this Resolution and unanimously recommends all shareholders vote in favour.

## 10. Resolutions 8 to 10 – Issue of Performance Rights to Executive Directors under the Company's Rights Plan

### 10.1 Background

Resolutions 8, 9 and 10 seek Shareholder approval, pursuant to ASX Listing Rule 10.14, for the offer to issue 3,772,866 Performance Rights (**Director Performance Rights**) under the Company's Rights Plan (a summary of the key terms are summarised at Schedule 1) to each of the following related parties (being executive Directors) of the Company (together, the **Proposed PR Recipients**) as set out in the table below:

Director	Role	Number of Performance Rights
Neil Herbert	Executive Chairman	1,680,640
Keith Muller	Chief Executive Officer	1,086,128
Amanda Harsas	Finance Director and Company Secretary	1,006,098

Neil Herbert, Keith Muller and Amanda Harsas are Related Parties within the meaning of ASX Listing Rule 19 and the Corporations Act because they are each Directors of the Company.

Listing Rule 10.14 provides that a listed company must not permit a director or an Associate of a director (or certain other persons) to acquire Equity Securities under an employee incentive scheme unless it obtains the approval of its shareholders.

Listing Rule 10.11 also provides that the Company must not issue Equity Securities to a Related Party or an Associate of a Related Party without Shareholder approval. However, Listing Rule 10.12 (Exception 8) provides that approval under Listing Rule 10.11 is not required for an issue of Equity Securities under an employee incentive scheme made, or taken to have been made, with the approval of the issuing entity's shareholders under Listing Rule 10.14.

# Explanatory Memorandum

Further, Listing Rule 7.2 (Exception 14) provides that where an issue of securities is approved by Shareholders for the purposes of Listing Rule 10.11 or Listing Rule 10.14, then it will be excluded from the calculation of the Company's placement capacity under Listing Rule 7.1.

As the Director Performance Rights are proposed to be issued to the Proposed PR Recipients (each being Directors) pursuant to the Company's Rights Plan (summarised in Schedule 1), Resolutions 8 to 10 seek Shareholder approval for the offer to issue of those Performance Rights under Listing Rule 10.14. Accordingly, the Board is not seeking Shareholder approval to the issue of the Director Performance Rights under Listing Rule 10.11 (pursuant to Exception 8 in Listing Rule 10.12) or under Listing Rule 7.1 (pursuant to Exception 14 under Listing Rule 7.2).

In addition to the Listing Rules, the requirements of Chapter 2E of the Corporations Act must also be considered.

## 10.2 Chapter 2E of the Corporations Act

Chapter 2E of the Corporations Act prohibits the Company from giving a financial benefit (which includes the issue of Options) to a Related Party of the Company unless either:

- (a) the giving of the financial benefit falls within one of the nominated exceptions of Chapter 2E of the Corporations Act; or
- (b) prior Shareholder approval is obtained for the giving of the financial benefit.

A "Related Party" is defined widely in section 228 of the Corporations Act and includes, relevantly, a director (or proposed director) of a public company, any entity that controls (or is reasonably likely to control) a public company, and any entity that is controlled by a person or entity which is otherwise a Related Party, or there are reasonable grounds to believe that a person/entity is likely to become a Related Party of the public company.

A "Financial Benefit" for the purposes of the Corporations Act has a very wide meaning. It includes the public company paying money or issuing securities to the Related Party. In determining whether or not a financial benefit is being given, it is necessary to look to the economic and commercial substance and effect of what the public company is doing (rather than just the legal form). Any consideration which is given for the financial benefit is to be disregarded, even if it is full or adequate.

For the purposes of Chapter 2E, as noted above a director is considered to be a Related Party of the Company. Each of Resolutions 8 to 10, if passed, will confer financial benefits to the Proposed PR Recipients who are Directors and therefore related parties of the Company.

Relevantly, there is an exception to Chapter 2E set out section 211 of the Corporations Act, which provides that shareholder approval is not required where a Financial Benefit is given to a Related Party as reasonable remuneration for the Related Party's role as an officer or employee of the company.

Having considered the circumstances of the Company and the positions held by each of the respective Proposed PR Recipients, the Board believes that the issue of the Director Performance Rights to the Proposed PR Recipients, in lieu of cash payments, constitutes reasonable remuneration within the exception set out in section 211 of the Corporations Act. The Board believes that the Director Performance Rights are an effective remuneration tool and incentive tool, which preserves the cash reserves of the Company whilst providing valuable remuneration and incentive to each respective Proposed PR Recipients. Accordingly the Company is not seeking shareholder approval for Resolutions 8 to 10 for the purposes of Chapter 2E of the Corporations Act.

## 10.3 Overview of Director Performance Rights

The Director Performance Rights under Resolutions 8 to 10 are comprised of or represent a grant of rights based on 75% of the Proposed PR Recipient's salary for the 2025 financial year, which will be measured against vesting conditions over a three-year period from 30 July 2024 to 29 July 2027 (**FY27 Performance Rights**).

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The number of Director Performance Rights to be offered and issued under Resolutions 8 to 10 is equivalent to the percentage of the Proposed PR Recipient's annual salary divided by the volume weighted average price (**VWAP**) for the Company's shares for the 5 Trading Days immediately following the release of the Company's June Quarterly Activities and Appendix 5B Cash Flow Report to the ASX on 30 July 2024. The measurement periods run from 31 July 2024 to align with this date.

The Director Performance Rights are measured against vesting conditions tied to either the Total Shareholder Return or an operational target.

Further details of the terms and conditions of the Director Performance Rights are set out in Schedule 1.

## 10.4 Listing Rule 10.14

The Company is seeking Shareholder approval under Listing Rule 10.14 to offer to issue the Director Performance Rights which will also mean the issue of the Director Performance Rights is not counted towards its existing 15% issue capacity.

### (a) Information required under Listing Rule 10.15

Pursuant to and in accordance with the requirements of Listing Rule 10.15, the following information is provided in relation to the proposed issue of Director Performance Rights:

Listing Rule		Information										
10.15.1	The name of the person receiving the securities	The Director Performance Rights will be issued to Neil Herbert, Keith Muller and Amanda Harsas (or their respective nominees) ( <b>Proposed PR Recipients</b> ). Each of the Proposed PR Recipients holds an executive role with the Company.										
10.15.2	Which category in rules 10.14.1 – 10.14.5 the person falls within and why	Neil Herbert, Keith Muller and Amanda Harsas are executive Directors of the Company and therefore fall within the category under Listing Rule 10.14.1.										
10.15.3	The number and class of securities to be issued to the person	<div>The total number of Director Performance Rights to be issued (subject to the Proposed PR Recipients accepting an offer for the issue of their respective Director Performance Rights) pursuant to Resolutions 8 to 10 is 3,772,866 comprising:</div> <table><tr><th>Proposed PR Recipient</th><th>Number of Director Performance Rights</th></tr><tr><td>Neil Herbert</td><td>1,680,640</td></tr><tr><td>Keith Muller</td><td>1,086,128</td></tr><tr><td>Amanda Harsas</td><td>1,006,098</td></tr><tr><td>Total</td><td>3,772,866</td></tr></table>	Proposed PR Recipient	Number of Director Performance Rights	Neil Herbert	1,680,640	Keith Muller	1,086,128	Amanda Harsas	1,006,098	Total	3,772,866
Proposed PR Recipient	Number of Director Performance Rights											
Neil Herbert	1,680,640											
Keith Muller	1,086,128											
Amanda Harsas	1,006,098											
Total	3,772,866											
10.15.4	Remuneration packages	<div>The remuneration packages of the Proposed PR Recipients as at the date of this Notice are as follows:</div> <table><tr><th>Proposed PR Recipient</th><th>Position</th><th>Annual remuneration <i>(Inclusive of superannuation contributions and</i></th></tr></table>	Proposed PR Recipient	Position	Annual remuneration <i>(Inclusive of superannuation contributions and</i>							
Proposed PR Recipient	Position	Annual remuneration <i>(Inclusive of superannuation contributions and</i>										

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				<i>exclusive of withholding tax and bonuses)</i>																														
		Neil Herbert	Executive Chairman	\$735,000																														
		Keith Muller	Chief Executive Officer	\$475,000																														
		Amanda Harsas	Finance Director and Company Secretary	\$440,000																														
10.15.5	Securities previously issued under the new Rights Plan	<p>The number of securities previously issued to the Proposed PR Recipients under the Rights Plan are set out below. No acquisition price was paid for these securities and no amounts are payable for these securities when exercised.</p> <p>Neil Herbert:</p> <table><tr><th>Type of Security</th><th>No. of Securities Issued</th><th>Vesting Date</th></tr><tr><td>Performance Right</td><td>1,117,247</td><td>30 July 2024</td></tr><tr><td>Performance Right</td><td>1,117,247</td><td>30 July 2025</td></tr><tr><td>Performance Right</td><td>1,263,348</td><td>30 July 2026</td></tr></table> <p>Keith Muller:</p> <table><tr><th>Type of Security</th><th>No. of Securities Issued</th><th>Vesting Date</th></tr><tr><td>Performance Right</td><td>653,160</td><td>30 July 2025</td></tr><tr><td>Performance Right</td><td>816,450</td><td>30 July 2026</td></tr></table> <p>Amanda Harsas:</p> <table><tr><th>Type of Security</th><th>No. of Securities Issued</th><th>Vesting Date</th></tr><tr><td>Performance Right</td><td>687,537</td><td>30 July 2024</td></tr><tr><td>Performance Right</td><td>687,537</td><td>30 July 2025</td></tr></table>			Type of Security	No. of Securities Issued	Vesting Date	Performance Right	1,117,247	30 July 2024	Performance Right	1,117,247	30 July 2025	Performance Right	1,263,348	30 July 2026	Type of Security	No. of Securities Issued	Vesting Date	Performance Right	653,160	30 July 2025	Performance Right	816,450	30 July 2026	Type of Security	No. of Securities Issued	Vesting Date	Performance Right	687,537	30 July 2024	Performance Right	687,537	30 July 2025
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# Explanatory Memorandum

		Performance Right	756,291	30 July 2026
10.15.6	Details of the Director Performance Rights	<p><b>Summary of material terms:</b></p> <p>The proposed grant of Director Performance Rights to the Proposed PR Recipients will be pursuant to the terms of the Rights Plan and are also subject to the specific terms of the Director Performance Rights. The key terms are set out in Schedule 1 to this Explanatory Memorandum.</p> <p><b>Explanation as to why Performance Rights are being used:</b></p> <p>The Board believe that the success of the Company in the future will depend largely upon the skills of the people engaged to manage the Company's operations, in particular the Proposed PR Recipients who comprise the Company's executive team. Accordingly, it is important that the Company is able to attract and retain people of the highest calibre. The Nomination &amp; Remuneration Committee considers that the most appropriate means of achieving this is to provide the Proposed PR Recipients with an opportunity to participate in the Company's future growth and an incentive to contribute to that growth.</p> <p>The Board believes the grant of the Director Performance Rights to each of the Proposed PR Recipients is reasonable in the circumstances for the reasons set out below:</p> <ol style="list-style-type: none"> <li>1. the Director Performance Rights are unlisted, therefore the grant of the Director Performance Rights has no immediate dilutionary impact on Shareholders;</li> <li>2. the issue of Director Performance Rights to the Proposed PR Recipients will align the interests of the Proposed PR Recipients with those of Shareholders;</li> <li>3. the issue of the Director Performance Rights is a reasonable and appropriate method to provide cost-effective remuneration as the non-cash form of this benefit will allow the Company to spend a greater proportion of its cash reserves on its operations than it would if alternative cash forms of remuneration were given to the Proposed PR Recipients; and</li> <li>4. it is not considered that there are any significant opportunity costs to the Company or benefits foregone by the Company in granting the Director Performance Rights on the terms proposed.</li> </ol> <p><b>Value attributed to the Director Performance Rights and basis for valuation:</b></p> <p>The value of the Director Performance Rights to be granted to each Proposed PR Recipient under Resolutions 8 to 10 (subject to each Proposed PR</p>		

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		<p>Recipient accepting their respective offer of Director Performance Rights) is variable as it is ultimately driven by the market price of the Company's shares.</p> <p>It is noted that the number of Director Performance Rights to be offered and issued to the Proposed PR Recipients was determined by dividing an amount equal to a percentage (75%) of their annual salary by the volume weighted average price (<b>VWAP</b>) for the Company's shares for the 5 Trading Days immediately following the release of the Company's June Quarterly Activities and Appendix 5B Cash Flow Report to the ASX on 30 July 2024. The VWAP for that period was \$0.328. If that value is attributed to each Director Performance Right the total value of the Rights received by each Proposed PR Recipient is as follows:</p> <table> <tr> <th>Proposed PR Recipient</th><th>Number of Director Performance Rights</th><th>Attributed value</th></tr> <tr> <td>Neil Herbert</td><td>1,680,640</td><td>\$551,250</td></tr> <tr> <td>Keith Muller</td><td>1,086,128</td><td>\$356,250</td></tr> <tr> <td>Amanda Harsas</td><td>1,006,098</td><td>\$330,000</td></tr> </table>	Proposed PR Recipient	Number of Director Performance Rights	Attributed value	Neil Herbert	1,680,640	\$551,250	Keith Muller	1,086,128	\$356,250	Amanda Harsas	1,006,098	\$330,000
Proposed PR Recipient	Number of Director Performance Rights	Attributed value												
Neil Herbert	1,680,640	\$551,250												
Keith Muller	1,086,128	\$356,250												
Amanda Harsas	1,006,098	\$330,000												
10.15.7	<b>The date or dates on or by which the entity will issue the securities</b>	The Director Performance Rights will be issued (subject to each Proposed PR Recipient accepting their respective offer of Director Performance Rights) as soon as possible following the passing of Resolutions 8 to 10 (inclusive), but no later than 1 month after the date of the Meeting (or such later date to the extent permitted by an ASX waiver or modification of the Listing Rules).												
10.15.8	<b>The price or other consideration the entity will receive for the issue</b>	The Director Performance Rights will be granted for nil cash consideration and therefore no funds will be raised from their issue or upon their conversion into Shares.												
10.15.9	<b>Summary of material terms of the Rights Plan</b>	A summary of the material terms of the Rights Plan is set out in Schedule 1 to this Explanatory Memorandum.												
10.15.10	<b>Summary of material terms of any loan made to the Proposed PR Recipients in relation to the acquisition of the Director Performance Rights</b>	The Company will not provide a loan to any of the Proposed PR Recipients in relation to the acquisition of the Director Performance Rights or any Shares issued pursuant to the exercise of the Director Performance Rights.												

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<b>10.15.11</b>	<b>Reporting of securities issued under Rights Plan</b>	<p>Details of any Equity Securities issued under the Rights Plan will be published in the Company's Annual Report 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.</p> <p>Any additional persons covered by Listing Rule 10.14 who will become entitled to participate in an issue of Equity Securities under the Rights Plan after Resolutions 8 to 10 (inclusive) are approved (should they be approved) and who are not named in this Notice of Meeting will not participate until approval is obtained under Listing Rule 10.14.</p>
<b>10.15.12</b>	<b>Voting exclusion statement</b>	<p>A voting exclusion statement is included in the Notice.</p> <p>Save as set out in this Explanatory Memorandum, the Directors are not aware of any other information that will be reasonably required by Shareholders to make a decision in relation to benefits contemplated by Resolutions 8 to 10 (inclusive).</p>

## 10.5 Effect of Shareholder Approval

If Resolution 8 to Resolution 10 (inclusive) are each passed, the Company will be able to proceed to offer to issue the Director Performance Rights to each of the Proposed PR Recipients.

If Resolution 8 to Resolution 10 (inclusive) are not passed, the Company will not be able to proceed to offer to issue the Director Performance Rights to each of the Proposed PR Recipients and the Remuneration Committee may then need to consider alternative remuneration arrangements for each of the Proposed PR Recipients to ensure appropriate and aligned incentive packages are in place.

## 10.6 Director's recommendation

The Board (Neil Herbert, Keith Muller and Amanda Harsas abstaining) unanimously recommends that Shareholders vote in favour of Resolutions 8 to 10 (inclusive).

## 11. Resolution 11 – Issue of Shares to Assore International Holdings Limited – Substantial (10%+) Holder with Board Representation

### 11.1 General

Major shareholder and sophisticated investor, Assore International Holdings Limited (**Assore**), have conditionally subscribed to participate in a placement by the Company (**Placement**) as announced on the ASX on 25 October 2024. Assore will acquire a maximum of up to 32,775,013 Shares (**Assore Shares**) at an issue price per Share of \$0.23 per Share.

The funds raised from the Placement will be used by the Company on its Ewoyaa Lithium Project and to provide for on-going working capital.

Assore is a wholly-owned subsidiary of Assore Holdings (Proprietary) Limited (**Assore Holdings**). Assore is a long-term shareholder of the Company and Assore Holdings is a South African registered and headquartered, privately-owned company engaged in the mining, processing and marketing of a range of ores, minerals and metals.

The Company acknowledges the continued support from Assore.

Assore is not a Related Party or a promoter of the Company.

Assore currently has a relevant interest in 27.56% (being 179,025,852 Shares) of the voting Shares in the Company and has pursuant to a relevant agreement nominated Kieran Daly

# Explanatory Memorandum

(subject to Resolution 4 being passed) and Christelle van der Merwe as Directors of the Company.

Accordingly, Resolution 11 seeks Shareholder approval under ASX Listing Rule 10.11 for the issue of the Assore Shares to Assore.

## 11.2 Sections 606 and 611 of the Corporations Act

Pursuant to section 606(1) of the Corporations Act, a person must not acquire a “relevant interest” in issued voting shares in a listed company if the person acquiring the interest does so through a transaction in relation to securities entered into by or on behalf of the person and because of the transaction, that person’s or someone else’s voting power in the company increases:

- (a) from 20% or below to more than 20%; or
- (b) from a starting point above 20% and below 90%.

The voting power of a person in a body corporate is determined in accordance with section 610 of the Corporations Act. The calculation of a person’s voting power in a company involves determining the voting shares in the company in which the person and the person’s Associates have a relevant interest.

Section 611 of the Corporations Act provides that certain acquisitions of relevant interests in a company’s voting shares are exempt from the prohibition in section 606(1), including acquisitions by a person, which as a result of the acquisition, increase a person’s voting power in the company to a point not more than 3 percentage points (3%) higher than it was 6 months before the acquisition, provided the person’s voting power has been 19% or higher since that term (this exemption is known as the “3% creep” exemption and is found in item 9 of section 611 of the Corporations Act).

The Company notes that:

- (c) as at the date of this Notice of Meeting, Assore holds a voting power of 27.56% in the Company and, throughout the 6 months prior to the date of this Notice of Meeting, Assore had voting power of at least 19%;
- (d) as at 30 April 2024, being six months prior to the date of this Notice of Meeting, the Shares held by Assore represented 27.56% of the total number of Shares then on issue in the Company (being 649,669,053 Shares);
- (e) the maximum relevant interest that Assore could obtain within the “3% creep” exemption as at the date of this Notice of Meeting would therefore be 30.56%;
- (f) assuming that Shareholders approve the issue of the Assore Shares to Assore under Resolution 11, Assore will hold up to approximately 30.56% of the issued Shares in the Company on an undiluted basis at the maximum, which represents an increase in voting power of 3% (assuming a total issued capital of 693,147,314 Shares).

Accordingly, the Assore Shares may be issued to Assore in reliance on the “3% creep” exemption, so that the prohibition under section 606(1) of the Corporations Act does not apply to the Assore Shares.

## 11.3 Listing Rule 10.11

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

- (a) 10.11.1 a Related Party;
- (b) 10.11.2 a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (30%+) holder in the company;
- (c) 10.11.3 a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (10%+) holder in the company and who has nominated a director to the Board of the company pursuant to a relevant agreement which gives them a right or expectation to do so;



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- (d) 10.11.4 an Associate of a person referred to in Listing Rules 10.11.1 to 10.11.3; or
- (e) 10.11.5 a person whose relationship with the company or a person referred to in Listing Rules 10.11.1 to 10.11.4 is such that, in ASX's opinion, the issue or agreement should be approved by its shareholders,

unless it obtains the approval of its shareholders.

The issue of the Assore Shares to Assore falls within Listing Rule 10.11.3 and does not fall within any of the exceptions in Listing Rule 10.12. It therefore requires the approval of the Company's Shareholders under Listing Rule 10.11.

Resolution 11 seeks the required Shareholder approval to issue the Assore Shares under and for the purposes of Listing Rule 10.11.

## 11.4 Technical Information Required by Listing Rule 14.1A

If Resolution 11 is passed, the Company will be authorised to proceed with the issue of the Assore Shares within one month after the date of the Meeting (or such later date as permitted by any waiver or modification of the Listing Rules). The funds raised from the issue will be used in the manner set out in section 11.1. As approval pursuant to Listing Rule 7.1 is not required for the issue of the Assore Shares (because approval is being obtained under Listing Rule 10.11), the issue of the Assore Shares will not use up any of the Company's annual 15% placement capacity.

If Resolution 11 is not passed, the Company will not be able to proceed with the issue of the Assore Shares to Assore and no funds will be raised in respect of the issue of the Assore Shares (save to note that the balance of the Placement, which does not require shareholder approval will proceed or will have proceeded).

## 11.5 Technical Information Required by Listing Rule 10.13

The following information is provided in accordance with the Notice requirements of Listing Rule 10.13:

- (a) the Assore Shares will be issued to Assore, who falls within the category set out in Listing Rule 10.11.3 by virtue of Assore being a substantial (10%+) holder in the Company and who has nominated Kieran Daly (subject to Resolution 4 being passed) and Christelle van der Merwe as Directors pursuant to a relevant agreement which gives Assore a right or expectation to do so;
- (b) the maximum number of Assore Shares to be issued to Assore is up to 32,775,013;
- (c) the Assore Shares will be fully paid ordinary shares in the capital of the Company and will be issued on the same terms and conditions as the Company's existing Shares;
- (d) the Assore Shares will be issued no later than one month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules);
- (e) the Assore Shares will be issued at a price of \$0.23 per Share. The Company has not and will not receive any other consideration for the issue of the Assore Shares;
- (f) the purpose of the issue of the Assore Shares is to raise capital, which the Company intends to use in the manner set out in section 11.1 above;
- (g) Assore is not a Director nor an Associate of a Director, but is an entity connected with Kieran Daly, Non-Executive Director (subject to Resolution 4 being passed), and Christelle van der Merwe, Non-Executive Director, under Listing Rule 10.11.3, however the issue of the Assore Shares to Assore is not intended to remunerate or incentivise Kieran Daly or Christelle van der Merwe;
- (h) the Assore Shares are being issued under a commitment agreement from Assore which is on usual and standard terms to the agreements with others participating in the Placement, save for this shareholder approval condition sought under Resolution 11 and the number of Shares to be issued not allowing Assore to increase its interest beyond the available 3% creep exception;

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- (i) the Company is not aware of any other information that is reasonably required by Shareholders to allow them to decide whether it is in the best interests of the Company to pass Resolution 11; and
- (j) a voting exclusion statement applies to Resolution 11 and is set out in the Notice of Meeting.

## 11.6 Rule 6.3 of the Constitution

Please refer to section 8 of this Explanatory Memorandum in relation to Rule 6.3 of the Constitution.

This Resolution 11 also seeks shareholder approval for the avoidance of any doubt to allow the Directors pursuant to Rule 6.3 of the Constitution to allot and issue the Assore Shares for cash as if Rule 6.1 did not apply to any such allotment, provided that this authority shall be limited to the allotment of a maximum of 32,775,013 shares.

## 11.7 Directors' Recommendation

The Board (excluding Kieran Daly and Christelle van der Merwe, who abstain from making any recommendation) unanimously recommends that Shareholders vote in favour of Resolution 11.

## 12. Resolution 12, 13 and 14 - Approval for the issue of Placement Shares to Neil Herbert, Keith Muller and Edward Koranteng under Listing Rule 10.11

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### 12.1 Background

Resolutions 12, 13 and 14 seek Shareholder approval, pursuant to ASX Listing Rule 10.11, for the issue of Placement Shares at \$0.23 per Share to certain directors of the Company, being the Proposed Placement Recipients, as set out in the table below:

Director	Role	Subscription sum payable for Shares
Neil Herbert	Executive Chairman	\$130,000
Keith Muller	Chief Executive Officer	\$130,000
Edward Koranteng	Non-Executive Director	\$30,000

Neil Herbert, Keith Muller and Edward Koranteng are Related Parties within the meaning of ASX Listing Rule 19 and the Corporations Act because they are each Directors of the Company.

Listing Rule 10.11 provides that the Company must not issue Equity Securities to a Related Party or an Associate of a Related Party without Shareholder approval, unless exceptions apply. There is no applicable exception available.

Where an issue of securities is approved by Shareholders for the purposes of Listing Rule 10.11, then it will be excluded from the calculation of the Company's placement capacity under Listing Rule 7.1.

In addition to the Listing Rules, the requirements of Chapter 2E of the Corporations Act must also be considered.

### 12.2 Chapter 2E of the Corporations Act

Chapter 2E of the Corporations Act prohibits the Company from giving a financial benefit (which includes the issue of Options) to a Related Party of the Company unless either:

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- (a) the giving of the financial benefit falls within one of the nominated exceptions of Chapter 2E of the Corporations Act; or
- (b) prior Shareholder approval is obtained for the giving of the financial benefit.

A “Related Party” is defined widely in section 228 of the Corporations Act and includes, relevantly, a director (or proposed director) of a public company, any entity that controls (or is reasonably likely to control) a public company, and any entity that is controlled by a person or entity which is otherwise a Related Party, or there are reasonable grounds to believe that a person/entity is likely to become a Related Party of the public company.

A “Financial Benefit” for the purposes of the Corporations Act has a very wide meaning. It includes the public company paying money or issuing securities to the Related Party. In determining whether or not a financial benefit is being given, it is necessary to look to the economic and commercial substance and effect of what the public company is doing (rather than just the legal form). Any consideration which is given for the financial benefit is to be disregarded, even if it is full or adequate.

For the purposes of Chapter 2E, as noted above a director is considered to be a Related Party of the Company. Resolutions 12, to 14, if passed, will confer financial benefits to the Proposed Placement Recipients who are Directors and therefore related parties of the Company.

Relevantly, there is an exception to Chapter 2E set out in section 210 of the Corporations Act, which provides that shareholder approval is not required where a Financial Benefit is given to a Related Party on ‘arm’s length’ terms.

Having considered the circumstances of the Company and given the Share issue will be on the same terms as the non-related party Tranche 1 Recipients who participated in the Placement announced to the ASX on Friday 25 October 2024, at the same price, the Company is not seeking shareholder approval for Resolutions 12 to 14 for the purposes of Chapter 2E of the Corporations Act.

## 12.3 Listing Rule 10.11

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

- (a) 10.11.1 a Related Party;
- (b) 10.11.2 a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (30%+) holder in the company;
- (c) 10.11.3 a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (10%+) holder in the company and who has nominated a director to the Board of the company pursuant to a relevant agreement which gives them a right or expectation to do so;
- (d) 10.11.4 an Associate of a person referred to in Listing Rules 10.11.1 to 10.11.3; or
- (e) 10.11.5 a person whose relationship with the company or a person referred to in Listing Rules 10.11.1 to 10.11.4 is such that, in ASX’s opinion, the issue or agreement should be approved by its shareholders,

unless it obtains the approval of its shareholders.

The issue of the Placement Shares to the Proposed Placement Recipients falls within Listing Rule 10.11.1 and does not fall within any of the exceptions in Listing Rule 10.12. It therefore requires the approval of the Company’s Shareholders under Listing Rule 10.11.

Resolutions 12 to 14 seek the required Shareholder approval to issue the Shares under and for the purposes of Listing Rule 10.11.

If Resolutions 12 to 14 are passed, the Company will be authorised to proceed with the issue of the Shares within one month after the date of the Meeting (or such later date as permitted by any waiver or modification of the Listing Rules). The funds raised from the issue will be used in the manner set out in section 11.1. As approval pursuant to Listing Rule 7.1 is not required for the issue of the Shares (because approval is being obtained under Listing Rule

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10.11), the issue of the Shares will not use up any of the Company's annual 15% placement capacity.

If Resolutions 12 to 14 are not passed, the Company will not be able to proceed with the issue of the Shares to the Proposed Placement Recipients (or any one or more of them, as applicable) and no corresponding funds will be raised in respect of the issue of those Shares (save to note that the balance of the Placement, which does not require shareholder approval will proceed or will have proceeded).

## 12.4 Technical Information Required by Listing Rule 10.13

The following information is provided in accordance with the Notice requirements of Listing Rule 10.13:

- (a) the Shares will be issued to the Proposed Placement Recipients who receive the relevant approval, each of whom fall within the category set out in Listing Rule 10.11.1 by virtue of being a director of the Company;
- (b) the maximum number of Shares to be issued to each director is up to:

Resolution	Director	Maximum Number of Shares to be Issued
12	Neil Herbert	565,217
13	Keith Muller	565,217
14	Edward Koranteng	130,435

- (c) the Shares will be fully paid ordinary shares in the capital of the Company and will be issued on the same terms and conditions as the Company's existing Shares;
- (d) the Shares will be issued no later than one month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules);
- (e) the Shares will be issued at a price of \$0.23 per Share. The Company has not and will not receive any other consideration for the issue of the Shares;
- (f) the purpose of the issue of the Shares is to raise capital, which the Company intends to use in the manner set out in section 11.1 above;
- (g) the issue of the Shares is not intended to remunerate or incentivise and will be for cash payment by the Proposed Placement Recipient;
- (h) the Shares are being issued under a commitment agreement from the Proposed Placement Recipients which is on usual and standard terms to the agreements with others participating in the Placement (including the Tranche 1 Recipients), save for this shareholder approval condition sought under Resolutions 12 to 14;
- (i) the Company is not aware of any other information that is reasonably required by Shareholders to allow them to decide whether it is in the best interests of the Company to pass Resolutions 12 to 14; and
- (j) a voting exclusion statement applies to Resolutions 12, 13 and 14 and is set out in the Notice of Meeting.

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## 12.5 Rule 6.3 of the Constitution

Please refer to section 8 of this Explanatory Memorandum in relation to Rule 6.3 of the Constitution.

Resolutions 12 to 14 also seeks shareholder approval for the avoidance of any doubt to allow the Directors pursuant to Rule 6.3 of the Constitution to allot and issue the Shares for cash as if Rule 6.1 did not apply to any such allotment, provided that this authority shall be limited to the allotment of a maximum of the number of shares disclosed in section 12.4(b) above.

## 12.6 Directors' Recommendation

The Board (excluding Neil Herbert, who abstains from making any recommendation) unanimously recommends that Shareholders vote in favour of Resolution 12.

The Board (excluding Keith Muller, who abstains from making any recommendation) unanimously recommends that Shareholders vote in favour of Resolution 13.

The Board (excluding Edward Koranteng, who abstains from making any recommendation) unanimously recommends that Shareholders vote in favour of Resolution 14.

## 13. Resolution 15 - Ratification of the issue of the Initial Placement Shares

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### 13.1 Background

Resolution 15 is an ordinary resolution and proposes to ratify the issue of the Initial Placement Shares. The Initial Placement Shares will be issued to the Tranche 1 Recipients on or about 30 October 2024. Further details in relation to the Placement are set out above under the heading relating to Resolution 11, and details have been announced to the ASX on Friday 25 October 2024.

### 13.2 ASX Listing Rules 7.1 and 7.4

Broadly speaking and subject to a number of exceptions, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary shares it had on issue at the start of that period. The Shares the subject of Resolutions 11 to 14 do not fall within any of these exceptions and in aggregate exceeds the 15% capacity in Listing Rule 7.1. However, the Initial Placement Shares were capable of issue without shareholder approval and using the Company's 15% capacity under ASX Listing Rule 7.1.

Listing Rule 7.4 sets out an exception to Listing Rule 7.1. It provides that where a company in a general meeting ratifies a previous issue of securities made or agreed to be made pursuant to Listing Rule 7.1 (and provided that the previous issue did not breach Listing Rule 7.1) those securities will be deemed to have been made with Shareholder approval for the purpose of Listing Rule 7.1, and so does not reduce the Company's capacity to issue further equity securities without Shareholder approval under that rule.

Ratification by the Shareholders of the Company to the Initial Placement Shares is now sought pursuant to Listing Rule 7.4 under Resolution 15 in order to reinstate the Company's capacity to issue up to 15% of its issued capital, if required, in the next 12 months without Shareholder approval.

The effect of Resolution 15 is that the Company, for the purposes of Listing Rule 7.1 will be able to refresh its 15% placement capacity with effect from the date of the AGM to the amount of the Initial Placement Shares.

If Resolution 15 is passed, the Initial Placement Shares will be excluded in calculating the Company's 15% capacity in Listing Rule 7.1, effectively increasing the number of equity

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securities it can issue without Shareholder approval over the 12 month period following the issue date.

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

## 13.3 Technical Information required by Listing Rule 7.5

Listing Rule 7.5 requires that the following information be provided to Shareholders in relation to the Shares the subject of Resolution 15:

- (a) the Initial Placement Shares were allotted to the Tranche 1 Recipients, who were determined on the basis of applications received from institutional and sophisticated investors, who are clients of the lead manager, Canaccord Genuity;
- (b) the number of fully paid ordinary shares issued or to be issued by the Company is 9,442,378 Shares;
- (c) the Initial Placement Shares have been issued on the same terms as, and will rank equally with, all fully paid ordinary shares in the Company on issue;
- (d) the agreement to issue the Initial Placement Shares was announced to the ASX on Friday, 25 October 2024 and the Initial Placement Shares have or will be issued on or about 30 October 2024 and in any case, no later than 3 months after the date of the meeting;
- (e) the price of each Share means the issue price announced to ASX on Friday, 25 October 2024 of \$0.23 per Share;
- (f) the funds raised by the Initial Placement Shares will on its Ewoyaa Lithium Project and to provide for on-going working capital;
- (g) no Tranche 1 Recipients is a related party of the Company; and
- (h) a voting exclusion statement is included in the Notice of Meeting.

## 13.4 Directors' recommendation

The Board unanimously recommends that Shareholders vote in favour of Resolution 15. Any undirected proxies held by the Chairman will be voted in favour of Resolution 15.

## 14. Resolution 16 – Approval to issue an additional 10% of the issued capital of the Company over a 12 month period pursuant to Listing Rule 7.1A

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### 14.1 Introduction

Pursuant to Resolution 16, the Company is seeking Shareholder approval to issue an additional 10% of issued capital over a 12 month period pursuant to Listing Rule 7.1A. If passed, this Resolution will allow the Company to allot and issue up to the number of new Equity Securities calculated in accordance with Listing Rule 7.1A.2 (**Additional Placement Securities**) each at an issue price of at least 75% of the volume weighted average price (**VWAP**) for the Company's Equity Securities in that class (calculated over the last 15 Trading Days on which trades in the Equity Securities are recorded immediately before the date on which the price at which the Additional Placement Securities are to be issued is agreed, or if the Additional Placement Securities are not issued within ten Trading Days of that date, the date on which the Additional Placement Securities are issued) (**Issue Price**).

This approval is sought pursuant to Listing Rule 7.1A. Under Listing Rule 7.1A small and mid-cap listed entities that meet the eligibility threshold and have obtained the approval of their ordinary shareholders by Special Resolution at the AGM, are permitted to issue an additional 10% of issued capital over a 12 month period from the date of the AGM (**Additional 10%**).

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**Placement).** The Additional 10% Placement under Listing Rule 7.1A is in addition to the ability of the Company to issue 15% of its issued capital without Shareholder approval over a 12 month period pursuant to Listing Rule 7.1.

The Company may issue the Additional Placement Securities to raise funds for the Company. Funds raised from the issue of Additional Placement Securities, if undertaken, would be applied towards acceleration of exploration and development of the Company's projects. The funds will also be used towards general working capital requirements and corporate costs.

The Directors of the Company unanimously recommend that Shareholders vote in favour of Resolution 16.

## 14.2 Listing Rule 7.1A

### (a) General

#### (1) Eligibility

An entity is eligible to undertake an Additional 10% Placement if at the time of its AGM it has a market capitalisation of \$300 million or less and it is not included in the S&P/ASX300 Index.

The Company has a market capitalisation of less than \$300 million and is not included in the S&P/ASX300 Index and is therefore an "Eligible Entity" and able to undertake an Additional 10% Placement under Listing Rule 7.1A.

In the event that the Company for any reason ceases to be an Eligible Entity after the Company has already obtained Shareholders' approval pursuant to this Resolution 16, the approval obtained will not lapse and the Company will still be entitled to issue the Additional Placement Securities.

#### (2) Special Resolution

Listing Rule 7.1A requires this Resolution 16 to be passed as a Special Resolution, which means that it must be passed by at least 75% of the votes cast by members entitled to vote on the Resolution. Pursuant to Listing Rule 7.1A, no Additional Placement Securities will be issued until and unless this Special Resolution is passed at the meeting.

#### (3) Shareholder approval

The ability to issue the Additional Placement Securities is conditional upon the Company obtaining Shareholder approval by way of a Special Resolution at the Meeting.

### (b) Additional 10% Placement period - Listing Rule 7.1A.1

Assuming Resolution 16 is passed, shareholder approval of the Additional 10% Placement under Listing Rule 7.1A is valid from the date of the AGM and expires on the earlier to occur of:

- (1) the date that is 12 months after the date of the AGM;
- (2) the time and date of the Company's next AGM; or
- (3) the time and date of the approval by Shareholders of a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or Listing Rule 11.2 (disposal of main undertaking).

If approval is given for the issue of the Additional Placement Securities then the approval will expire on 29 November 2025 unless the Company holds its next AGM or shareholder approval is granted pursuant to Listing Rule 11.1.2 or Listing Rule 11.2 prior to that date.

### (c) Calculation for Additional 10% Placement - Listing Rule 7.1A.2

Listing Rule 7.1A.2 provides that Eligible Entities which have obtained shareholder approval at an AGM may issue or agree to issue, during the period of the approval, a number of Equity Securities calculated in accordance with the following formula:

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(A x D) - E

Where:

**A** is the number of fully paid ordinary securities on issue at the commencement of the 12 month period immediately preceding the date of issue or agreement (**relevant period**):

- (1) plus the number of fully paid ordinary securities 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 Listing Rule 7.4;
- (3) plus the number of fully paid ordinary securities issued in the relevant period under an agreement to issue securities under 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 Listing Rule 7.4;
- (4) plus the number of any other fully paid ordinary shares issued in the relevant period with approval under Listing Rule 7.1 or Listing Rule 7.4;
- (5) plus the number of partly paid ordinary securities that became fully paid in the relevant period;
- (6) less the number of fully paid ordinary securities 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 where the issue or agreement has not been subsequently approved by the shareholders under Listing Rule 7.4.

(d) **Listing Rule 7.1A.3**

(1) **Equity Securities**

Any Equity Securities issued under the Additional 10% Placement must be in the same class as an existing quoted class of Equity Securities of the Company and issued for cash consideration.

As at the date of this Notice of Meeting, the class of Equity Securities in the Company quoted on the ASX is fully paid ordinary shares. The Company presently has 659,111,431 Shares on issue at the date of this Notice of Meeting.

(2) **Minimum issue price**

The issue price for the Additional Placement Securities issued under Listing Rule 7.1A must be not less than 75% of the VWAP of Equity Securities in the same class calculated over the 15 Trading Days immediately before:

- (A) the date on which the price at which the relevant Additional Placement Securities are to be issued is agreed by the Company and the recipient of the Additional Placement Securities; or



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- (B) if the relevant Additional Placement Securities are not issued within ten Trading Days of the date in paragraph 13.2(d)(2)(A) above, the date on which the relevant Additional Placement Securities are issued.

(e) **Information to be given to ASX - Listing Rule 7.1A.4**

If Resolution 16 is passed and the Company issues any Additional Placement Securities under Listing Rule 7.1A, the Company must:

- (1) state in its announcement of the issue or in its application for quotation of the Additional Placement Securities that they are being issued under Listing Rule 7.1A; and
- (2) give to the ASX immediately after the issue a list of allottees of the Additional Placement Securities and the number of Additional Placement Securities allotted to each (this list will not be released to the market).

(f) **Listing Rule 7.1 and Listing Rule 7.1A**

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

At the date of this Notice of Meeting, the Company has on issue 659,111,431 Shares. The Company will have the capacity to issue the following Shares on the date of the Meeting:

- (1) 98,866,715 Shares under Listing Rule 7.1; and
- (2) subject to Shareholder approval being obtained under Resolution 16, 65,911,143 Shares under Listing Rule 7.1A.

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

This Resolution 16 also seeks shareholder approval for the avoidance of any doubt to allow the Directors pursuant to Rule 6.3 of the Constitution to allot and issue any Additional Placement Securities under Listing Rule 7.1A for cash as if Rule 6.1 did not apply to any such allotment, provided that this authority shall be limited to the allotment of a maximum of 65,911,143 Shares under Listing Rule 7.1A.

## 14.3 Specific information required by Listing Rule 7.3A

(a) **The period for which the approval will be valid - Listing Rule 7.3A.1**

As required by Listing Rule 7.3A.3, the Company will only issue and allot the Additional Placement Securities during the approval period. The approval period under Resolution 16 for the issue of the Additional Placement Securities runs from the date of the Meeting and will expire on the earlier of the date that is 12 months after the date of the Meeting, the date of the Company's next AGM or the date that Shareholders approve a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities of the Company) or Listing Rule 11.2 (the disposal of the main undertaking of the Company).

(b) **Minimum price of securities issued under Listing Rule 7.1A - Listing Rule 7.3A.2**

Pursuant to and in accordance with Listing Rule 7.1A.3, the Additional Placement Securities issued pursuant to approval under Listing Rule 7.1A must be issued for cash consideration and have an issue price of not less than 75% of the VWAP for the Equity Securities over the 15 Trading Days on which trades in that class were recorded immediately before:

- (1) the date on which the price at which the Additional Placement Securities are to be issued is agreed; or

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- (2) if the Additional Placement Securities are not issued within ten Trading Days of the date in paragraph 13.3(b)(1) above, the date on which the Additional Placement Securities are issued.

The Company will disclose to the ASX the issue price on the date of issue of the Additional Placement Securities.

(c) **Purpose - Listing Rule 7.3A.3**

As noted above, the purpose for which the Additional Placement Securities may be issued include to raise funds for the Company. Funds raised from the issue of Additional Placement Securities, if undertaken, would be applied towards acceleration of exploration and development of the Company's projects. The funds will also be used towards general working capital requirements and corporate costs.

(d) **Risk of economic and voting dilution - Listing Rule 7.3A.4**

As provided by Listing Rule 7.3A.2, if Resolution 16 is passed and the Company issues the Additional Placement Securities, there is a risk of economic and voting dilution to the existing Shareholders. The Company currently has on issue 659,111,431 Shares. The Company could issue 164,777,858 Shares under Listing Rules 7.1 and 7.1A on the date of the Meeting if Resolution 16 is passed (however, it is important to note that the exact number of Equity Securities which may be issued will be calculated in accordance with the formula contained in Listing Rule 7.1A.2 details of which are set out above). Any issue of Additional Placement Securities will have a dilutive effect on existing shareholders.

There is a specific risk that:

- (1) the Market Price for the Company's Equity Securities may be significantly lower on the date of the issue of any Additional Placement Securities than it is on the date of the Meeting; and
- (2) the Additional Placement Securities may be issued at a price that is at a discount to the Market Price for the Company's Equity Securities on the issue date,

which may have an effect on the amount of funds raised by the issue or the value of the Additional Placement Securities.

As required by Listing Rule 7.3A.4, Table 1 below shows the potential economic and voting dilution effect, in circumstances where the issued share capital has doubled and the Market Price of the shares has halved. Table 1 also shows additional scenarios in which the issued share capital has increased (by both 50% and 100%) and the Market Price of the shares has:

- (3) decreased by 50%; and
- (4) increased by 100%.

Issued Share capital	50% decrease in Market Price \$0.128		Current Market Price \$0.255		100% increase in Market Price \$0.510	
	10% Voting Dilution	Capital Raised	10% Voting Dilution	Capital Raised	10% Voting Dilution	Capital Raised
Present issued Share capital = 659,111,431 Shares	65,911,143	\$8,403,671	65,911,143	\$16,807,341	65,911,143	\$33,614,683

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50% Increase in Share capital = 988,667,147 Shares	98,866,715	\$12,605,506	98,866,715	\$25,211,012	98,866,715	\$50,422,025
100% Increase in Share capital = 1,318,222,862 Shares	131,822,286	\$16,807,341	131,822,286	\$33,614,683	131,822,286	\$67,229,366

## Assumptions and explanations

- (5) The Market Price is \$0.255 based on the closing price of the Shares on ASX on 24 October 2024.
- (6) The above table only shows the dilutionary effect based on the issue of the Additional Placement Securities (assuming only Shares are issued), and not any Shares issued under the 15% under Listing Rule 7.1.
- (7) The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue.
- (8) The Company issues the maximum number of Additional Placement Securities.
- (9) The issued Share capital has been calculated in accordance with the formula in Listing Rule 7.1A(2) as at 30 October 2024.
- (10) The issue price of the Additional Placement Securities used in the table is the same as the Market Price and does not take into account the discount to the Market Price (if any).

### (e) Company's allocation policy - Listing Rule 7.3A.5

The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue of the Additional Placement Securities. The identity of the allottees of Additional Placement Securities will be determined on a case-by-case basis having regard to a number of factors including but not limited to the following:

- (1) the methods of raising funds that are available to the Company including, but not limited to, rights issue or other issue in which existing shareholders can participate;
- (2) the effect of the issue of the Additional Placement Securities on the control of the Company;
- (3) the financial situation and solvency of the Company; and
- (4) advice from corporate, financial and broking advisers (if applicable).

The allottees of the Additional Placement Securities have not been determined as at the date of this Notice but may include existing substantial Shareholders and new Shareholders who are not related parties or Associates of a related party of the Company.

### (f) Previous issues under Listing Rule 7.1A.2 - Listing Rule 7.3A.6

The Company has not issued or agreed to issue any Equity Securities under Listing Rule 7.1A.2 in the 12 months preceding the date of meeting.

## 14.4 Voting exclusion statement

A voting exclusion statement is included in the Notice of Meeting. At the date of the Notice of Meeting, the proposed allottees of any Additional Placement Securities are not as yet known or identified. In these circumstances (and in accordance with the note set out in Listing

# Explanatory Memorandum

Rule 14.11.1 relating to Listing Rule 7.1 and Listing Rule 7.1A), for a person's vote to be excluded, it must be known that that person will participate in the proposed issue. Where it is not known who will participate in the proposed issue (as is the case in respect of the Additional Placement Securities), Shareholders must consider the proposal on the basis that they may or may not get a benefit and that it is possible that their holding will be diluted and there is no reason to exclude their votes.

## 14.5 Directors' recommendation

The Board unanimously recommends that you vote in favour of this Special Resolution.

## 15. Resolution 17 – Spill Resolution – Conditional Resolution

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The Corporations Act includes a 'two-strike' rule in relation to remuneration reports. The two-strike rule provides that if at least 25% of the votes cast on the Resolution to adopt the Remuneration Report at two consecutive AGMs are against adopting the Remuneration Report, shareholders will have the opportunity to vote on a Spill Resolution (described below) at the second AGM.

At Atlantic's 2023 AGM, at least 25% of the votes cast on the Resolution to adopt the FY23 Remuneration Report were against adopting the report (the first strike).

Accordingly, if at least 25% of the votes cast on item 1 at the 2024 AGM are against adopting the FY24 Remuneration Report, this will constitute a 'second strike' and item 16 will be put to the Meeting and voted on as required by section 250V of the Corporations Act (the Spill Resolution).

If less than 25% of the votes cast on Item 1 are against adopting the FY24 Remuneration Report, then there will be no second strike, and the Spill Resolution will not be put to the Meeting.

If the Spill Resolution is put to the Meeting it will be considered as an Ordinary Resolution, which means that to be passed, the Resolution requires the approval of a simple majority of the votes cast by or on behalf of shareholders entitled to vote on the Resolution.

If the Spill Resolution is passed, a further general meeting (Spill Meeting) must be held within 90 days after the 2024 AGM and, immediately before the end of the Spill Meeting each of:

- (a) Neil Herbert
- (b) Kieran Daly
- (c) Amanda Harsas
- (d) Jonathan Henry
- (e) Edward Koranteng
- (f) Keith Muller
- (g) Christelle van der Merwe

being the current Directors who were in office when the Board approved the last Directors' Report (the **Relevant Directors**), will cease to hold office.

The Spill Meeting would consider the election or re-election of Directors, and each of the Relevant Directors would be eligible to seek re-election.

It is proposed that any vote would be conducted by a poll. Such a process results in each

# Explanatory Memorandum

shareholder having one vote for each share held and in respect of which a vote is cast (subject to the voting exclusions).

The Board recommends that shareholders consider the following factors when deciding on how to vote on any Spill Resolution put to the AGM:

- (a) The Company's response to the 'first strike' received at the 2023 AGM, which is set out in the Remuneration Report on page 44 of the Company's 2024 Annual Report;
- (b) The Board's view that it currently has the right mix of skills and experience;
- (c) The disruption to the Company which would be caused by changes to the Board composition; and
- (d) The substantial additional expense which holding a Spill Meeting would cause.

The Board does not support this Resolution and strongly recommends all shareholders vote **against** this item.

## 16. Voting entitlement

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For the purposes of determining voting entitlements at the Meeting, in accordance with Regulation 7.11.37 of the *Corporations Regulations 2001* (Cth), Shares will be taken to be held by the persons who are registered as holding the Shares at 4pm (Perth time) on Wednesday, 27 November 2024. Accordingly, transactions registered after that time will be disregarded in determining entitlements to attend and vote at the Meeting.

## 17. Interpretation

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**Additional Placement Securities** means the issue of Equity Securities of up to 10% of the issued capital of the Company (at the time of issue) over a 12 month period from the date of the Meeting and calculated in accordance with the formula prescribed in Listing Rule 7.1A.2, the subject of Resolution 16.

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

**AGM** means annual general meeting.

**Annual Report** means the annual report for the Company released to the ASX on 18 September 2024.

**Associate** has the meaning given to that term in the Corporations Act.

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

**Atlantic Lithium Limited Rights Plan** or **Rights Plan** means the equity incentive scheme adopted at the 2023 AGM, the key terms of which are summarised in Schedule 1.

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

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

# Explanatory Memorandum

**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 Atlantic Lithium Limited ACN 127 215 132.

**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.

**Director Performance Rights** means the 3,772,866 Performance Rights proposed to be offered and issued to the Proposed PR Recipients under the Rights Plan, pursuant to Resolutions 8 to 10 (inclusive).

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

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

**Group** means the Company and its subsidiaries.

**Initial Placement Shares** means 9,442,378 Shares issued at \$0.23 per Share to non-related parties of the Company, being the Tranche 1 Recipients, pursuant to the first tranche of a placement announced by the Company to ASX on Friday 25 October 2024.

**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** means the annual general meeting to be held at HopgoodGanim Lawyers, Allendale Square, Level 27/77 St Georges Terrace, Perth WA 6000 on Friday, 29 November 2024 at 4:00pm (Perth time).

**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.

**Performance Rights** means a Right which is subject to performance related vesting conditions.

# Explanatory Memorandum

**Proposed Placement Recipients** means Neil Herbert and Keith Muller or their respective nominees.

**Proposed PR Recipients** means Neil Herbert, Keith Muller and Amanda Harsas or their respective nominees

**Rights** means a right to the value of a Share (less any applicable exercise price) which may be settled in the form of cash or a Share, issued under the Rights Plan.

**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 30 June 2024.

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

**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.

**Trading Day** has the meaning given to that term in the Listing Rules.

**Tranche 1 Recipients** means the non-related parties of the Company issued the Initial Placement Shares, pursuant to the first tranche of a placement announced by the Company to ASX on Friday 25 October 2024.

**VWAP** means the volume weighted average closing price on the ASX.

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Any inquiries in relation to the Resolutions or the Explanatory Memorandum should be directed to the Company Secretary at [info@atlanticlithium.com.au](mailto:info@atlanticlithium.com.au).

# Explanatory Memorandum

## Schedule 1 – Summary of the terms of the Directors Performance Rights

Aspect	Details												
<b>Instrument</b>	If Resolutions 8 to 10 are approved, the Proposed PR Recipients (also referred to as Participants throughout Schedule 1) will be invited to apply for the Director Performance Rights. These are Rights that vest when performance-based Vesting Conditions are met. Each Director Performance Right is an entitlement, upon vesting and exercise, to the value of a Share, which may be settled in the form of a Share, Restricted Share or cash at the sole discretion of the Board in accordance with the terms of the Rights Plan.												
<b>Number of Rights and Measurement Periods</b>	<p>The number of Director Performance Rights (being the FY27 Performance Rights as described in section 10.3 of the Notice of AGM) to be granted to the Proposed PR Recipients and their respective measurement period is as follows:</p> <table> <tr> <th rowspan="3">Director</th><th>FY27 Performance Rights</th></tr> <tr> <th>Measurement Period</th></tr> <tr> <th>31 July 2024 to 30 July 2027</th></tr> <tr> <td>Neil Herbert</td><td>1,680,640</td></tr> <tr> <td>Keith Muller</td><td>1,086,128</td></tr> <tr> <td>Amanda Harsas</td><td>1,006,098</td></tr> <tr> <td><b>Total Performance Rights</b></td><td><b>3,772,866</b></td></tr> </table>	Director	FY27 Performance Rights	Measurement Period	31 July 2024 to 30 July 2027	Neil Herbert	1,680,640	Keith Muller	1,086,128	Amanda Harsas	1,006,098	<b>Total Performance Rights</b>	<b>3,772,866</b>
Director	FY27 Performance Rights												
	Measurement Period												
	31 July 2024 to 30 July 2027												
Neil Herbert	1,680,640												
Keith Muller	1,086,128												
Amanda Harsas	1,006,098												
<b>Total Performance Rights</b>	<b>3,772,866</b>												
<b>Performance Vesting Conditions</b>	<p>The Director Performance Rights will be granted subject to two performance measures, with:</p> <ul style="list-style-type: none"> <li>(a) 66.7% being subject to a vesting condition based on the Company's absolute Total Shareholder Return (<b>TSR</b>) (equivalent to the change in Share Price, plus dividends declared assumed to be reinvested) (<b>TSR Condition</b>); and</li> <li>(b) 33.3% of the Director Performance Rights having an operational condition (<b>Operational Condition</b>).</li> </ul> <p><b>Total Shareholder Return Performance Vesting Condition</b></p> <p>66.7% of the Director Performance Rights will be tested for vesting based on assessment of the achievement of the absolute TSR of the Company over the Measurement Period as set out in the table below. At the end of the measurement period the Director Performance Rights TSR Condition will be assessed and will vest on a scale of threshold / target / stretch. This correlates to 25% / 50% / 100% of the Director Performance Rights vesting as set out in the table below. No Director Performance Rights will vest below threshold and pro rata vesting will occur between threshold and target, and target and stretch.</p>												



# Explanatory Memorandum

	Performance level	Absolute TSR CAGR (compound annual growth rate) over Measurement Period	% of Maximum Vesting
	Stretch and above	15%	100%
		>10% & <15%	Pro-rata
	Target	10%	50%
		>5% & <10%	Pro-rata
	Threshold	5%	25%
	Below Threshold	<5%	0%
	<b>Operational Performance Vesting Condition</b>  At the end of the measurement period the Director Performance Rights granted with an Operational Condition will be assessed as met/not met and will vest in full if the condition is met. No Director Performance Rights granted with an Operational Condition will vest if the Operational Condition is not met.  The operational performance vesting condition for the FY27 Director Performance Rights is a Decision to Mine is made at the Ewoyaa Lithium Project.		
<b>Expiry Date</b>	The end of the applicable Measurement Period, being no later than 30 July 2027 ( <b>Expiry Date</b> ). If the Performance Vesting Conditions are not met within the applicable Measurement Period (as determined by the Board as noted below), the relevant Director Performance Rights will immediately lapse.		
<b>Exercise Period</b>	If the Director Performance Rights are vested (or deemed to have vested) prior to the Expiry Date, each vested Director Performance Right can be exercised 15 years from the Grant Date and if not exercised within that period, the vested Director Performance Right will lapse.		
<b>Cost of Rights</b>	No amount is payable by the Proposed PR Recipients for Director Performance Rights.		
<b>Vesting of Performance Rights</b>	Following the end of the Measurement Period, the Board will determine for all Performance Rights which have not previously lapsed or vested, and taking into consideration the performance measures which the Performance Rights are subject to, the extent to which the Performance Rights have vested, if at all, and notify Participant in a Vesting Notice.  Prior to the end of a Measurement Period the Board may determine that some or all of the Performance Rights held by a Participant will vest or lapse. When such a determination is made the Board will notify Participants in a Vesting Notice.		
<b>Board discretion</b>	The Board has discretion to modify the vesting outcomes, if it deems it appropriate to do so in accordance with the Rights Plan having regard to the circumstances at the time (including in the event the outcome would result in an inappropriate outcome).		

# Explanatory Memorandum

<b>Exercise</b>	<p>Vested Rights may be exercised at any time between the Vesting Date and the end of the Exercise Period applicable to such Rights, by the Participant submitting an Exercise Notice.</p> <p>On exercise of Vested Rights the Board will determine in its absolute discretion whether to settle the Exercised Rights Value in whole Shares (including Restricted Shares) with any residual being forfeited, a cash payment to the Participant or a combination of whole Shares and a cash payment to the Participant.</p> <p>To the extent that the Exercised Rights Value is to be delivered in Shares, the Board will arrange for such Shares to be obtained and subsequently transferred to Participants or held by a trustee for their benefit. The Company will arrange such Shares to be quoted on the ASX.</p> <p>Any portion of the value of the Exercised Rights Value that is to be delivered in the form of cash will be paid through payroll with PAYG tax being deducted (as well as any other deductions that may be applicable or required by law).</p>
<b>Disposal Restrictions</b>	<p>Rights may not be disposed of or otherwise dealt with at any time, except by force of law. Rights may be exercised once they vest.</p> <p>Shares may not be sold or disposed of in any way until their sale would not breach:</p> <ul style="list-style-type: none"> <li>(a) the Company's share trading policy; or</li> <li>(b) Division 3 of Part 7.10 of the Corporations Act, to do with insider trading.</li> </ul>
<b>Treatment on termination</b>	<p>The Director Performance Rights are granted on the basis that vested Performance Rights remain on foot on cessation of employment.</p> <p>Director Performance Rights for which the first year of the Measurement Period has not been completed will be forfeited pro-rata in the percentage that the remainder of the year bears upon the full year, unless otherwise determined by the Board.</p> <p>Director Performance Rights for which the first year of the Measurement Period has been completed will generally not be forfeited, unless the cessation of employment relates to termination for cause, or another clause of the Rights Plan allows for Board discretion to trigger forfeiture or lapsing of the Director Performance Rights.</p>
<b>Dividend or voting rights</b>	<p>The Director Performance Rights do not confer on the holder an entitlement to vote (except as otherwise required by law) or receive dividends.</p> <p>Vested Director Performance Rights attract an entitlement to a Dividend Equivalent payment from time to time in accordance with the terms of the Rights Plan.</p> <p>A Dividend Equivalent is an amount equal to the sum of cash dividends and franking credits per Share multiplied by the number of Vested Rights held by a Participant at the time when a cash dividend is paid by the Company to its Shareholders.</p>

# Explanatory Memorandum

<b>Delisting</b>	<p>In the event the Board determines that the Company will be subject to a de-listing, the Vesting Conditions specified in an Invitation for Rights will cease to apply and:</p> <p>(a) unvested Rights subject to a nil Exercise Price will vest in accordance with the application of the following formula to each unvested Tranche as at a date determined by the Board (Effective Date), noting that negative results will be taken to be nil and vesting cannot exceed 100%:</p> $\text{Number of Rights in Tranche to Vest} = \text{Unvested Rights in Tranche} \times \frac{\% \text{ of First Year of Measurement Period Elapsed}}{\frac{(\text{Share Price at the Effective Date} - \text{Share price at Measurement Period Commencement Date})}{\text{Share price at Measurement Period Commencement Date}}}$ <p>(b) any remaining unvested Rights will vest to the extent, if any, determined by the Board having regard to performance over the Measurement Period prior to the Effective Date;</p> <p>(c) any unvested Rights that remain following (a) and (b) will lapse, unless the Board determines that Participants may continue to hold unvested Rights following the Effective Date; and</p> <p>(d) any Disposal Restriction Period will be lifted, including the removal of any Company initiated CHES holding lock.</p>
<b>Change in Control</b>	<p>In the event the Board determines that the Company will be imminently become the subject of a Change in Control without delisting, the Board may make adjustments to:</p> <p>(a) Vesting Conditions,</p> <p>(b) Measurement Period,</p> <p>(c) Exercise Restriction Period,</p> <p>(d) Disposal Restriction Period, and</p> <p>(e) Automatic exercise of Rights,</p> <p>in respect of any Rights previously issued and in accordance with the Listing Rules, as necessary to ensure that the plan will operate as intended following the Change in Control.</p> <p>Under the Rights Plan, <b>Change in Control</b> means when the Board advises Participants that one or more persons acting in concert have acquired or are likely to imminently acquire “control” of the Company as defined in section 50AA of the Corporations Act.</p>
<b>Major Return of Capital to Shareholders or Demerger</b>	<p>In the event that the Board forms the view that a major part of the Company's assets or operations will imminently cease to be owned by the Group due to an intention to sell or separately list those assets or operations, or in the event of a major return of capital to Shareholders, the Board will determine the treatment of all vested and unvested Rights held by Participants including but not limited to vesting, lapsing and removal of the Exercise Restriction Period and Disposal Restriction Period, and the automatic exercise of Vested Rights on a specific date.</p>

# Explanatory Memorandum

	For the avoidance of doubt, a Director Performance Right is not subject to return of capital entitlements, nor entitlement to any surplus profit or assets of the entity upon a winding up, except as required by law.
<b>Board Discretion to Prevent Inappropriate Benefits, Malus and Clawback</b>	<p>The Board has sole discretion to determine that some or all Rights held by a Participant that are unvested Rights or Vested Rights subject to an Exercise Restriction Period, will lapse on a specified date if allowing the Rights to be retained or exercised by the Participant would, in the opinion of the Board, result in an inappropriate benefit to the Participant. Such circumstances include but are not limited to:</p> <ul style="list-style-type: none"> <li>(a) if the Board forms the view that a Participant has breached accepted codes of conduct i.e. misconduct has been identified;</li> <li>(b) if a Participant engages in any activities or communications that, in the opinion of the Board, may cause harm to the operations or reputation of the Company or the Board, including bringing the Company into disrepute;</li> <li>(c) if the Board determines that a Participant or Participants took actions that caused harm or are expected to cause harm to the Company's stakeholders;</li> <li>(d) if the Board forms the view that a Participant or Participants have taken excessive risks or have contributed to or may benefit from unacceptable cultures within the Company;</li> <li>(e) if the Board forms the view that Participants have exposed employees, the broader community or environment to excessive risks, including risks to health and safety;</li> <li>(f) if a Participant becomes the employee of a competitor or provides services to a competitor, either directly or indirectly, as determined by the Board and unless otherwise determined by the Board;</li> <li>(g) if there has been a material misstatement in the Company's financial reports, which once resolved, indicates that a larger number of Rights previously vested than should have, in light of the corrected information; and</li> </ul> <p>if the Participant is terminated for cause.</p>
<b>Bonus Issues, Rights Issues and Capital Reorganisation</b>	<p>In cases of bonus share issues by the Company the number of Rights held by a Participant shall be increased by the same number as the number of bonus shares that would have been received by the Participants had the Rights been fully paid ordinary shares in the Company, except in the case that the bonus share issue is in lieu of a dividend payment, in which case no adjustment will apply.</p> <p>In the case of general rights issues to Shareholders there will be no adjustment to the Rights.</p> <p>In the case of an issue of rights other than to Shareholders there will be no adjustment to the Rights.</p> <p>In the case of other capital reconstructions, the Board may make such adjustments to the Rights as it considers appropriate with a view to ensuring that holders of Rights are neither advantaged nor disadvantaged.</p>

# Explanatory Memorandum

<b>Quotation</b>	Rights will not be quoted on the ASX. The Company will apply for official quotation of any Shares issued under the Rights Plan, in accordance with the ASX Listing Rules.
<b>Constitution and Listing Rules</b>	The Rights Plan rules are subject to the Constitution, the Listing Rules and any other Applicable Law (as that term is defined in the Rights Plan) in force from time to time.



# ATLANTIC LITHIUM

Atlantic Lithium Limited  
ACN 127 215 132

## Need assistance?



**Phone:**

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



**Online:**

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

A11

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

## Atlantic Lithium Limited Annual General Meeting

The Atlantic Lithium Limited Annual General Meeting will be held on Friday, 29 November 2024 at 2:00pm (Perth time). You are encouraged to participate in the meeting using the following options:



### MAKE YOUR VOTE COUNT

To lodge a proxy, access the Notice of Meeting and other meeting documentation visit [www.investorvote.com.au](http://www.investorvote.com.au) and use the below information:



**Control Number: 999999**

**SRN/HIN: I9999999999**

**PIN: 99999**

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

For your proxy appointment to be effective it must be received by 2:00pm (Perth time) on Wednesday, 27 November 2024.



### ATTENDING THE MEETING IN PERSON

The meeting will be held at:  
HopgoodGanim Lawyers, Allendale Square, Level 27, 77 St Georges Terrace, Perth WA 6000

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.



Atlantic Lithium Limited  
ACN 127 215 132

A11

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SAMPLEVILLE VIC 3030

## Need assistance?



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



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



## YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **2:00pm (Perth time) on Wednesday, 27 November 2024.**

# 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:

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### Online:

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

Your secure access information is



**Control Number: 999999**  
**SRN/HIN: I999999999**  
**PIN: 99999**

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

### By Mail:

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

### By Fax:

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



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

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.

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

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



I 9999999999

I ND

■ **Proxy Form**

Please mark ☒ to indicate your directions

**Step 1**

**Appoint a Proxy to Vote on Your Behalf**

**XX**

I/we being a member/s of Atlantic Lithium Limited hereby appoint

☐ the Chair of the Meeting

OR

**PLEASE NOTE:** Leave this box blank if you have selected the Chair 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 Chair 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 Atlantic Lithium Limited to be held at HopgoodGanim Lawyers, Allendale Square, Level 27, 77 St Georges Terrace, Perth WA 6000 on Friday, 29 November 2024 at 2:00pm (Perth time) and at any adjournment or postponement of that meeting.

**Chair authorised to exercise undirected proxies on remuneration related resolutions:** Where I/we have appointed the Chair of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chair to exercise my/our proxy on Resolutions 1, 8, 9, 10 and 17 (except where I/we have indicated a different voting intention in step 2) even though Resolutions 1, 8, 9, 10 and 17 are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chair.

**Important Note:** If the Chair of the Meeting is (or becomes) your proxy you can direct the Chair to vote for or against or abstain from voting on Resolutions 1, 8, 9, 10 and 17 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.

Ordinary business			For	Against	Abstain				For	Against	Abstain
1.	Remuneration Report		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	11.	Issue of Placement Shares to Assore International Holdings Limited		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2.	Election of Jonathan Henry as a Director		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	12.	Approval for the issue of Placement Shares to Neil Herbert under Listing Rule 10.11		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.	Election of Edward Koranteng as a Director		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	13.	Approval for the issue of Placement Shares to Keith Muller under Listing Rule 10.11		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.	Re-election of Kieran Daly as a Director		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	14.	Approval for the issue of Placement Shares to Edward Koranteng under Listing Rule 10.11		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5.	Re-election of Amanda Harsas as a Director		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	15.	Ratification of the issue of the Initial Placement Shares		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6.	Authority to issue shares for cash		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<b>Special business</b>			For	Against	Abstain
7.	Authority to issue shares for non-cash consideration purposes		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	16.	Approval to issue an additional 10% of the issued capital of the Company over a 12 month period pursuant to Listing Rule 7.1A		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8.	Issue of Performance Rights to Neil Herbert under the Rights Plan		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	17.	Spill Resolution – Conditional Resolution		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9.	Issue of Performance Rights to Keith Muller under the Rights Plan		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>						
10.	Issue of Performance Rights to Amanda Harsas under the Rights Plan		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>						

The Chair of the Meeting intends to vote undirected proxies in favour of Resolutions 1-16 and AGAINST Resolution 17. In exceptional circumstances, the Chair of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

**Step 3**

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

Individual or Securityholder 1

Sole Director & Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

/ /

Date

Update your communication details (Optional)

Mobile Number

Email Address

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