AUSQUEST LIMITED
ABN 35 091 542 451

28 October 2020

Dear Shareholder

Annual General Meeting – Notice and Proxy Form

Notice is hereby given that the Annual General Meeting (Meeting) of Shareholders of ("AusQuest" or "the Company")(ASX: AQD) will be held at the Heritage Room, South of Perth Yacht Club, Applecross, Western Australia on Thursday, 26 November 2020 at 10:00am (AWST).

The Board has made the decision that it will hold a physical meeting with the appropriate social gathering and physical distancing measures in place to comply with the Federal Government's and State Government's current restrictions for physical gatherings. In accordance with subsection 5(f) of the Corporations (Coronavirus Economic Response) Determination (No. 1) 2020, the Company will not be dispatching physical copies of the Notice of Meeting (NOM). Instead, a copy of the NOM is available at http://ausquest.com.au/ as well as on the ASX announcement platform.

As you have not elected to receive notices by email, a copy of your proxy form is enclosed for your convenience. Shareholders are encouraged to complete and return their Proxy Form by –

> Post or in Person to AusQuest Limited, 8 Kearns Crescent, Ardross WA 6153 or
> Email to proxy@ausquest.com.au

Your proxy voting instruction must be received by 10:00am (AWST) on 24 November 2020, being not less than 48 hours before the commencement of the Meeting. Any proxy voting instructions received after that time will not be valid for the Meeting.

Circumstances relating to COVID-19 are changing rapidly. The Company will update shareholders if changing circumstances will impact planning or the arrangements for the Meeting by way of announcement on ASX and the details will also be made available on our website at http://ausquest.com.au/.

The NOM 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, lawyer, accountant or other professional adviser. If you have any difficulties obtaining a copy of the Notice of Meeting please contact the Company on +61 (08) 9364 3866 or the Company Secretary on +61 (08) 9463 2463.

For and on behalf of the Board

Henko Vos
Company Secretary

AUSQUEST LIMITED

ABN 35 091 542 451

NOTICE OF ANNUAL GENERAL MEETING

EXPLANATORY STATEMENT AND

PROXY FORM

TIME: 10.00 am (WST)

DATE: Thursday, 26 November 2020

PLACE: Heritage Room
South of Perth Yacht Club
Applecross, Western Australia

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

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on (+61 8) 9463 2463.

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TIME AND PLACE OF MEETING AND HOW TO VOTE

VENUE

The Annual General Meeting of the Shareholders to which this Notice of Meeting relates will be held at 10.00 am (WST) on Thursday, 26 November 2020 at:

Heritage Room
South of Perth Yacht Club
Applecross, Western Australia

YOUR VOTE IS IMPORTANT

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

VOTING IN PERSON

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

VOTING BY PROXY

To vote by proxy, please complete and sign the enclosed Proxy Form and return by:

(a) post or in person to AusQuest Limited, 8 Kearns Crescent, Ardross WA 6153; or

(b) facsimile to the Company on facsimile number +61 8 9364 4892: or

(c) e-mail to the Company at proxy@ausquest.com.au

so that it is received not later than 10.00 am (WST) on Tuesday, 24 November 2020.

Proxy Forms received later than this time will be invalid.

NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Annual General Meeting of Shareholders will be held at 10.00 am (WST) on Thursday, 26 November 2020 at The Heritage Room, South of Perth Yacht Club, Applecross, Western Australia.

The Explanatory Statement to this Notice of Meeting provides additional information on matters to be considered at the Annual General Meeting. The Explanatory Statement and the Proxy Form are part of this Notice of Meeting.

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Annual General Meeting are those who are registered Shareholders of the Company at 5.00 pm (WST) on Tuesday, 24 November 2020.

Terms and abbreviations used in this Notice of Meeting and Explanatory Statement are defined in the Glossary.

AGENDA

1. ANNUAL REPORT

To receive and consider the financial report of the Company together with the reports of the directors and the auditor for the financial year ended 30 June 2020.

2. RESOLUTION 1 – ADOPTION OF THE REMUNERATION REPORT

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

"That, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, the remuneration report for the financial year ended 30 June 2020 be adopted".

Short Explanation: The Remuneration Report is in the Directors' Report section of the Company's Annual Report. Listed companies are required to put the Remuneration Report to the vote for adoption at the Company's Annual General Meeting. The vote on this resolution is advisory only and does not bind the Directors or the Company.

Voting Exclusion Statement: A vote on this resolution must not be cast (in any capacity) by or on behalf of either of the following persons:

(a) a member of the key management personnel, details of whose remuneration are included in the Remuneration Report;

(b) a closely related party of such a member.

However any of those persons may cast a vote on the resolution if:

(a) the person does so as a proxy appointed in writing that specifies how the proxy is to vote on the proposed resolution; and

(b) the vote is not cast on behalf of a person described in paragraphs (a) or (b) above.

If you appoint the Chairman of the Meeting as your proxy, the Company encourages you to direct the Chairman how to vote on this advisory Resolution. The Chairman, as one of the Key Management Personnel of the Company, is not permitted to cast any votes in respect of this advisory Resolution that arise from undirected proxies held unless the proxy expressly authorises the Chairman to do so.

3. RESOLUTION 2 – RE-ELECTION OF MR GREG HANCOCK AS A DIRECTOR

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

"That Mr Greg Hancock, a director of the Company who retires in accordance with clause 3.6 of the Constitution and ASX Listing Rule 14.4, and being eligible, offers himself for re-election, be re-elected as a director of the Company".

4. RESOLUTION 3 – ISSUE OF OPTIONS TO MR GREG HANCOCK

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

"That, for the purposes of Section 208 of the Corporations Act 2001 (Cth), Listing Rule 10.11 of the ASX Listing Rules and for all other purposes, approval is given for the Directors to allot and issue 5,000,000 Options to Mr Greg Hancock (or his nominee) on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by or on behalf of Mr Hancock (and/or his nominees) and any other person who will obtain a material benefit as a result of the issue of securities (except a benefit solely by reason of being a holder or ordinary securities in the Company) or an associate of that person or those persons. However, this does not apply to a vote cast in favour of the Resolution by:

(a) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or

(b) the Chair of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the resolution as the Chair decides; or

(c) a holder acting solely in a nominee, trustee or custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:

   (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and

   (ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

5. RESOLUTION 4 – ISSUE OF OPTIONS TO MR GRAME DREW

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

"That, for the purposes of Section 208 of the Corporations Act 2001 (Cth), Listing Rule 10.11 of the ASX Listing Rules and for all other purposes, approval is given for the Directors to allot and issue 10,000,000 Options to Mr Graeme Drew (or his nominee) on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by or on behalf of Mr Drew (and/or his nominees) and any other person who will obtain a material benefit as a result of the issue of securities (except a benefit solely by reason of being a holder or ordinary securities in the Company) or an associate of that person or those persons. However, this does not apply to a vote cast in favour of the Resolution by:

(a) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or

(b) the Chair of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the resolution as the Chair decides; or

(c) a holder acting solely in a nominee, trustee or custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:

(i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and

(ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

6. RESOLUTION 5 – ISSUE OF OPTIONS TO MR CHRISTOPHER ELLIS

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

"That, for the purposes of Section 208 of the Corporations Act 2001 (Cth), Listing Rule 10.11 of the ASX Listing Rules and for all other purposes, approval is given for the Directors to allot and issue 5,000,000 Options to Mr Christopher Ellis (or his nominee) on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by or on behalf of Mr Ellis (and/or his nominees) and any other person who will obtain a material benefit as a result of the issue of securities (except a benefit solely by reason of being a holder or ordinary securities in the Company) or an associate of that person or those persons. However, this does not apply to a vote cast in favour of the Resolution by:

(a) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or

(b) the Chair of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the resolution as the Chair decides; or

(c) a holder acting solely in a nominee, trustee or custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:

(i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and

(ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

7. RESOLUTION 6 – APPROVAL OF 10% PLACEMENT FACILITY

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

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

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by a person (and any associates of such a person) who is expected to participate in, or who will obtain a material benefit as a result of the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company). However, this does not apply to a vote cast in favour of the Resolution by:

(a) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or

(b) the Chair of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the resolution as the Chair decides; or

(c) a holder acting solely in a nominee, trustee or custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:

(i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and

(ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

8. RESOLUTION 7 – APPROVAL FOR THE RENEWAL OF THE AUSQUEST LONG TERM INCENTIVE PLAN

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

"That, for the purposes of Listing Rule 7.2 (Exception 13) and for all other purposes, the AusQuest Employment Long Term Incentive Plan ("Long Term Incentive Plan"), the terms of which are summarised in the Explanatory Statement, is approved."

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

(a) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or

(b) the Chair of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the resolution as the Chair decides; or

(c) a holder acting solely in a nominee, trustee or custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:

(i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and

(ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

9. RESOLUTION 8 – RENEWAL OF THE PROPORTIONAL TAKEOVER APPROVAL PROVISIONS IN THE CONSTITUTION

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

"That, for the purposes of sections 136 and 648D of the Corporations Act and for all other purposes, the proportional takeover approval provisions inserted into the Constitution as Rule 37 be renewed for a period of 3 years as detailed in the Explanatory Statement with effect from the close of the Meeting."

DATED: 26 OCTOBER 2020

BY ORDER OF THE BOARD
HENKO VOS
COMPANY SECRETARY

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared for the information of the Shareholders in connection with the business to be conducted at the Annual General Meeting to be held at 10:00 am (WST) on Thursday, 26 November 2020 at The Heritage Room, South of Perth Yacht Club, Applecross Western Australia.

The purpose of this Explanatory Statement is to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions in the Notice of Meeting.

1. ANNUAL REPORT

Section 317 of the Corporations Act requires the reports of the directors and of the auditors and the Annual Report, including the financial statements, to be put before the Annual General Meeting and the Constitution provides for those reports and statements to be received and considered at the Annual General Meeting. Neither the Corporations Act nor the Constitution requires a vote of Shareholders at the Annual General Meeting on the reports or statements. However, Shareholders will be given the opportunity to raise questions on the reports and the statements at the Annual General Meeting.

The Company's 2020 Annual Report is available at www.ausquest.com.au. Those shareholders that elected to receive a printed copy of the Annual Report will have received a copy with this Notice of Annual General Meeting.

2. RESOLUTION 1 – ADOPTION OF THE REMUNERATION REPORT

The Remuneration Report is in the Directors Report section of the Company's Annual Report.

By way of summary, the Remuneration Report:

(a) explains the Company's remuneration policy and the process for determining the remuneration of its Directors and executive officers;
(b) addresses the relationship between the Company's remuneration policy and the Company's performance; and
(c) sets out remuneration details for each Director and each of the Company's executives named in the Remuneration Report for the financial year ended 30 June 2020.

Section 250R(2) of the Corporations Act requires companies to put a resolution to their members that the Remuneration Report be adopted. The vote on this resolution is advisory only, however, and does not bind the Board or the Company. The Board will consider the outcome of the vote and comments made by Shareholders on the Remuneration Report at the meeting when reviewing the Company's remuneration policies.

The Chairman will give Shareholders a reasonable opportunity to ask questions about or to make comments on the Remuneration Report.

Under the Corporations Act, if 25% or more of votes that are cast are voted against the adoption of the Remuneration Report at two consecutive AGMs, Shareholders will be required to vote at the second of those AGMs on a resolution that a further meeting is held at which all of the Company's Directors (other than the Managing Director) must stand for re-election. Voting on this resolution will be determined by a poll at the meeting rather than a show of hands. Shareholders voted in favour of the Remuneration Report at the 2019 AGM.

Undirected proxies

The Chairman intends to exercise all undirected proxies in favour of Resolution 1. If the Chairman of the Meeting is appointed as your proxy and you have not specified the way the Chairman is to vote on Resolution 1, by signing and returning the Proxy Form, the Shareholder is considered to have provided the Chairman with an express authorisation to vote the proxy in accordance with the Chairman's intention.

Any undirected proxies held by any other key management personnel or any of their closely related parties will not be voted on this resolution.

Key management personnel of the Company has the same meaning as set out in the accounting standards and includes the Directors of the Company and those other persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. The Remuneration Report identifies the Company's key management personnel for the financial year to 30 June 2020. Their closely related parties are defined in the Corporations Act, and include certain members of their family, dependents and companies they control.

3. RESOLUTION 2 – RE-ELECTION OF MR GREG HANCOCK AS A DIRECTOR

ASX Listing Rule 14.4 and Clause 3.6 of the Constitution provide that a re-election of Directors must be held at each annual general meeting. The Directors to retire are to be those who have been in office for 3 years since their appointment or last re-appointment or who have been longest in office since their appointment or last re-appointment or, if the Directors have been in office for an equal length of time, by agreement. Mr Hancock retires from office in accordance with these requirements and being eligible, offers himself for re-election by shareholders as a director of the Company, with effect from the end of the meeting.

Greg has over 25 years' experience in capital markets practicing in the area of corporate finance. He maintains close links with the stockbroking and investment banking community on behalf of the Company. Mr Hancock is the Company's non-executive Chairman and has been a director of the Company since 16 September 2003.

The Board unanimously recommends that Shareholders vote in favour of the re-election of Mr Hancock as a director.

4. RESOLUTION 3, 4, AND 5 – ISSUE OF OPTIONS TO MESSRS HANCOCK, DREW, AND ELLIS

4.1 Background

These Resolutions seeks Shareholder approval for the grant of 20,000,000 Options comprising 5,000,000 Options each to Messrs Hancock and Ellis (or their nominees) and 10,000,000 Options to Mr Drew (or his nominee). Mr Hancock is the Company's Non-Executive Chairman, Mr Drew is the Managing Director and Mr Ellis is a Non-Executive Directors of the Company.

Shareholder approval is required for the purposes of Chapter 2E of the Corporations Act (section 208) and ASX Listing Rule 10.11 as Messrs Hancock, Drew and Ellis are considered Related Parties of the Company by virtue of their current positions as Directors of the Company.

4.2 Chapter 2E of the Corporations Act - Related Party Transactions

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

(a) the giving of the financial benefit falls within one of the nominated exceptions to the provisions; or
(b) prior shareholder approval is obtained to the giving of the financial benefit.

For the purposes of Chapter 2E, Messrs Hancock, Drew and Ellis are Related Parties of the Company.

This Resolution provides for the grant of Options to a Related Party, which is a financial benefit requiring Shareholder approval in the absence of a specified exception applying.

For the purpose of Chapter 2E of the Corporations Act the following information is provided.

(a) *The related party to whom the resolutions would permit the financial benefit to be give*n

The related parties under these three Resolutions are Messrs Hancock, Drew and Ellis or their nominee, who are all Directors of the Company.

(b) *The nature of the financial benefit*

The financial benefit proposed to be given is the grant 5,000,000 Options each to Messrs Hancock and Ellis (or their nominees) and 10,000,000 Options to Mr Drew (or his nominee) (20,000,000 Options in total). The Options have an expiry date of 30 November 2024 and are issued on the terms set out in Annexure A.

The Options will have an exercise price of $0.075 each.

(c) *Directors recommendation and basis of financial benefit*

The purpose of the grant of the Options is to give an incentive to Messrs Hancock, Drew and Ellis to provide dedicated and ongoing commitment and effort to the Company.

In addition, the grant of Options is also to acknowledge the continued contribution and support made by the Directors to the Company (also refer to "d" below).

Given the interest in this matter by each of the three Directors, the Board as a whole makes no recommendation on these three Resolutions.

(d) *Total remuneration package of Messrs Hancock, Drew, and Ellis*

Director	**Description**	**$**
Greg Hancock	Non-Executive Director Fee (Chairman)	-
Graeme Drew	Managing Director Salary	219,000
Christopher Ellis	Non-Executive Director Fee	-

In order to preserve the Company's cash balances, the two Non-Executive Directors (Messrs Hancock and Ellis) have waived their director fee entitlements from 1 January 2013 onwards. Mr Drew, the Company's Managing Director, also accepted a significantly reduced remuneration package from that date (which was subsequently increased to the level noted above).

Mr Hancock is currently entitled to receive $48,000 per annum (1 July 2020 to 30 June 2021) under a separate corporate advisory services agreement.

(e) *Existing relevant interests*

As at the date of this Notice, the Directors' relevant interests in the securities of the Company are as follows:

Director	**Shares**	**Listed Options at 2.5 cents, 30 Nov 2021**	**Unlisted Options at 5 cents, 30 Nov 2020**	**Total Securities**
Greg Hancock	4,586,415	-	4,000,000	8,586,415
Graeme Drew	16,942,457	3,388,491	10,000,000	30,330,948
Christopher Ellis	155,868,673	31,173,734	4,000,000	191,042,407

(f) *Dilution*

Passing the Resolution would have the effect of granting Messrs Hancock, Drew and Ellis (or their nominee) a combined total of 20,000,000 Options.

Granting the Options would have the effect of diluting the shareholding of existing Shareholders. Ordinarily an option holder's decision to exercise an option is determined by the market price of the Shares during the Option period. At the time an Option is exercised, the Shares may be valued at a higher price than the exercise price of the Option.

If the 20,000,000 Options to be granted under Resolutions 3, 4 and 5 were all exercised, the effect would be to dilute the shareholding of the existing Shareholders by 2.95% based on the total number of Shares on issue at the date of this Notice; being 677,332,681.

(g) *Trading history*

The following table gives details of the highest, lowest and the latest closing price of the Shares trading on the ASX over the last 12 months, before the date of preparing this Notice of Annual General Meeting:

	Closing price	**Date**
Highest Price	3.5 cents	11 August 2020
Lowest Price	0.8 cents	27 March 2020
Latest Price	2.6 cents	26 October 2020

(h) *Valuation of Options*

The Options to be issued to Messrs Hancock, Drew and Ellis (or their nominee) pursuant to Resolutions 3, 4, and 5 have been valued by internal management (who, it is considered, have sufficient qualifications, expertise and experience to conduct such a valuation) based on a valuation methodology using the Black Scholes Option Pricing Model, which is the most widely used and recognised model for pricing options. The acceptance of this model is due to its derivation being grounded in economic theory. The value of an option calculated by the Black Scholes Model is a function of a number of variables.

The assessment of the estimated value of the Options has been prepared applying the following assumptions:

Input	
Grant date	27 November 2020
Expiry date	30 November 2024
Spot price on grant date	2.6 cents
Exercise price	7.5 cents
Risk free rate %	0.39%
Volatility	109%
Value per Option	1.51 cents
Number of Options	20,000,000
Total value per issue for each Non-Executive Director	**$75,500**
Total value per issue for the Managing Director	**$151,000**
Total value of all Options under Resolution 3, 4 and 5	**$302,000**

The value of the 5,000,000 Options issued to each of the Non-Executive Directors, being Messrs Hancock and Ellis is $75,500 and the value of the 10,000,000 Options issue to the Managing Director, being Mr Drew is $151,000, with a total value for all 20,000,000 Options of $302,000.

Should the Options be converted, the Company will also raise additional cash funds at that time (up to $1,500,000 if all Options are converted).

(i) *Other information*

The Directors are not aware of any other information that is reasonably required by Shareholders to allow them to make a decision as to whether it is in the best interests of the Company to pass the Resolutions.

4.3 ASX Listing Rule 10.11

As Directors of the Company, Messrs Hancock, Drew and Ellis are considered Related Parties of the Company.

Accordingly, in order to grant the Options to them or their nominee, the Company must obtain Shareholder approval pursuant to ASX Listing Rule 10.11.

Approval pursuant to ASX Listing Rule 7.1 is not required in order to grant the Options as approval is being obtained under ASX Listing Rule 10.11. Shareholders should note that the grant of the Options will not be included in the 15% calculation for the purposes of ASX Listing Rule 7.1.

4.4 Specific information required by ASX Listing Rule 10.13

For the purposes of ASX Listing Rule 10.13, the following information is provided to Shareholders:

(a) The Options will be granted to Messrs Hancock (Executive Chairman), Drew (Managing Director), and Ellis (Non-Executive Director), or their nominees.

(b) By virtue of being Directors of the Company, Messrs Hancock (Executive Chairman), Drew (Managing Director), and Ellis (Non-Executive Director) are Related Parties of the Company (LR 10.11.1). Mr Ellis is also a substantial shareholder (approximately 23%) of the Company (LR 10.11.3).

(c) The maximum number of Options to be granted to each of Messrs Hancock and Ellis is 5,000,000 and the maximum number of Option to be granted to Mr Drew is 10,000,000 (combined total for all three Directors of 20,000,000).

(d) The Options are exercisable at $0.075 per Option, have an expiry date of 30 November 2024 and vest from the date of issue. Full terms of the Options are set out in Annexure A.

(e) The Options will be granted no later than one month after the date of this Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules), and it is intended that allotment will occur on the same date.

(f) The Options will be issued for $nil cash consideration. No funds will be raised from these issues. Once vested, the Options are exercisable at $0.075 per Option (funds which the Company will only receive when the Options are exercised) and are issued on the terms set out in Annexure A.

(g) The Options are being issued to Messrs Hancock, Drew and Ellis to give them an incentive to provide dedicated and ongoing commitment and effort to the Company. It also provides the Company a cost effective method to remunerate the directors 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 Related Parties. Should the Options be converted, the Company will also raise additional cash funds at that time (up to $1,500,000 if all Options are converted). The Company currently intends to use any such funds it might raise from the conversion of the Options for exploration and evaluation expenditure on tenements it possesses at that time, for business development and/or for working capital purposes.

(h) The Directors' current base remuneration per annum (including statutory superannuation at 9.5%) is as follows:

Director	Description	$
Greg Hancock	Non-Executive Director Fee (Chairman)	-
Graeme Drew	Managing Director Sala	219,000
Christopher Ellis	Non-Executive Director Fee	-

In order to preserve the Company's cash balances, the two Non-Executive Directors (Messrs Hancock and Ellis) have waived their director fee entitlements effective from 1 January 2013. Mr Drew, the Company's Managing Director, also accepted a significantly reduced remuneration package from that date (which was subsequently increased to the level noted above). Mr Hancock is currently entitled to $48,000 per annum (1 July 2020 to 30 June 2021) under a separate corporate advisory services agreement.

The Company issued unlisted options with an exercise price of $0.05 each and with an expiry date of 30 November 2020 to Messrs Hancock, Drew and Ellis following shareholder approval at the Company's Annual General Meeting held on 25 November 2015. The Company expects these options to expire unexercised on 30 November 2020 given the current share price.

(i) The terms of the proposed Options to be issued are set out in Annexure A. These are the same for each director other than the quantity as noted in section 4.4(c) above.

(j) A voting exclusion statement is included in the Notice.

The Company acknowledges that the issue of Options to Mr Hancock and Mr Ellis as Non-Executive Directors is contrary to recommendation 8.2 of the ASX Corporate Governance Principles and Recommendations. However, the Board considers the issue of the Options to be reasonable in incentivising and rewarding the Directors given neither Mr Hancock nor Mr Ellis has received any remuneration since 1 January 2013. In addition, the Company is aware of the necessity to attract and retain the highest calibre of professionals to the role of non-executive director whilst acknowledging its limited cash reserves and current size and stage of development.

What will happen if the resolution is, or is not, approved?

If Resolutions 3 to 5 (inclusive) are approved, the grant of the Options (and Shares upon vesting and converting of the Options) to Messrs Hancock, Drew and Ellis will not be included in calculating the Company's capacity to issue equity securities equivalent to 15% of the Company's ordinary securities, under Listing Rule 7.1, as these would instead be issued under Listing Rule 10.11.

If Shareholders do not approve one or more of the Resolutions to issue the Options, the proposed issue will not proceed. In that circumstance, issues may arise with the competitiveness of Messrs Hancock, Drew or Ellis' (as relevant) total remuneration package and long term incentives. The Board would then need to consider alternative remuneration arrangements which are consistent with the Company's remuneration principles, including providing an equivalent cash long term incentive, subject to the risk of forfeiture, performance conditions and performance periods.

5. RESOLUTION 6 – APPROVAL OF 10% PLACEMENT FACILITY

5.1 General

Listing Rule 7.1A enables eligible entities to issue Equity Securities up to 10% of its issued share capital through placements over a 12 month period after the annual general meeting (**10% Placement Facility**). The 10% Placement Facility is in addition to the Company's 15% placement capacity under Listing Rule 7.1.

An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of $300 million or less. The Company is an eligible entity. The Company is now seeking shareholder approval by way of a special resolution to have the ability to issue Equity Securities under the 10% Placement Facility.

The exact number of Equity Securities to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to Section 5.2(c) below).

If Resolution 6 is passed, the Company will be able to issue equity securities up to the combined 25% limit in Listing Rules 7.1 and 7.1A, without any further shareholder approval. If Resolution 6 is not passed, the Company will not be able to access the additional 10% capacity to issue equity securities to issue equity securities without shareholder approval provided for in Listing Rule 7.1A and will remain subject to the 15% limit on issuing equity securities without shareholder approval set out in Listing Rule 7.1.

The Directors of the Company believe that Resolution 6 is in the best interests of the Company because if exploration success is achieved at its Australian or Peruvian projects in particular, over the next 12 months, this resolution provides the ability for the Company to raise additional funds quickly. The Directors unanimously recommend that Shareholders vote in favour of this Resolution.

5.2 Description of Listing Rule 7.1A

(a) **Shareholder approval**

The ability to issue Equity Securities under the 10% Placement Facility is subject to shareholder approval by way of a special resolution at an annual general meeting. Accordingly, at least 75% of votes cast by Shareholders present (in person, or by proxy or representative) and eligible to vote at the Meeting must be in favour of Resolution 6 for it to be passed.

(b) **Equity Securities**

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

The Company, as at the date of the Notice, has on issue three (3) classes of Equity Securities, namely quoted Shares, quoted Options and unquoted Options.

(c) **Formula for calculating 10% Placement Facility**

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

$$(A \times D) - E$$

where

A = The number of fully paid ordinary shares on issue at the commencement of the 12 months immediately preceding the date of issue or agreement to issue:

- plus the number of fully paid ordinary securities issued in the 12 months under an exception to ASX Listing Rule 7.2 other than exception 9, 16 or 17;
- plus the number of fully paid ordinary securities issued in the relevant period on the conversion of convertible securities within ASX Listing Rule 7.2 exception 9 where:
    - the convertible securities were issued or agreed to be issued before the commencement of the relevant period; or
    - the issue of, or agreement to issue the convertible securities was approve or taken under these rules to have been approved under ASX Listing Rule 7.1 or 7.4;

- plus the number of fully paid ordinary securities issued in the relevant period under an agreement to issue securities within ASX Listing Rule 7.2 exception 16 where:
    - the agreement was entered into before the commencement of the relevant period; or
    - the agreement or issue was approved, or taken under these rules to have been approved under ASX Listing Rule 7.1 or rule 7.4;
- plus the number of any other fully paid ordinary securities that became fully paid in the relevant period
- less the number of fully paid ordinary securities cancelled in the last 12 months.

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

D = 10%

E = the number of equity securities issued or agreed to be issued under ASX Listing Rule 7.1A.2 in the last 12 months immediately preceding the date or issue of the shares where the issue or agreement has not been subsequently approved by the holders of its ordinary securities under ASX Listing Rule 7.4.

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

The ability of an entity to issue Equity Securities under Listing Rule 7.1A is in addition to the entity's 15% placement capacity under Listing Rule 7.1. At the date of this Notice, the Company has on issue 677,332,681 Shares, meaning the Company has the capacity to issue:

(i) 101,599,902 Equity Securities under Listing Rule 7.1; and

(ii) 67,733,268 Equity Securities under Listing Rule 7.1A.

The actual number of Equity Securities that the Company will have capacity to issue under Listing Rule 7.1A will be calculated at the date of issue of the Equity Securities in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to Section 5.2(c) above).

(e) **Minimum Issue Price**

The issue price of Equity 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 on which trades in that class were recorded immediately before:

(i) the date on which the price at which the Equity Securities are to be issued is agreed by the Company and the recipient of the Equity Securities; or

(ii) if the Equity Securities are not issued within 10 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.

(f) **10% Placement Period**

The 10% Placement Period is defined in section 5.4 (a) below.

5.3 Listing Rule 7.1A

The effect of Resolution 6 will be to allow the Directors to issue the Equity Securities under Listing Rule 7.1A during the 10% Placement Period without using the Company's 15% placement capacity under Listing Rule 7.1.

Resolution 6 is a special resolution and therefore requires approval of 75% of the votes cast by shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

5.4 Specific information required by Listing Rule 7.3A

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

(a) 10% Placement Period

Shareholder approval of the 10% Placement Facility under Listing Rule 7.1A is valid from the date of the annual general meeting at which the approval is obtained and expires on the earlier to occur of:

(i) the date that is 12 months after the date of the annual general meeting at which the approval is obtained;

(ii) the time and date of the Company's next annual general meeting; or

(iii) the time and date of the approval by shareholders of ordinary securities of a transaction under ASX Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking (**10% Placement Period**).

(b) Minimum Issue Price

The Equity Securities will be issued at an issue price of not less than 75% of the VWAP for the Company's Equity Securities over the 15 Trading Days on which trades in that class were recorded immediately before:

(i) the date on which the price at which the Equity Securities are to be issued is agreed by the Company and the recipient of the Equity Securities; or

(ii) if the Equity Securities are not issued within 10 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.

(c) Purpose for which the 10% Placement Facility may be implemented

The Company may seek to issue the Equity Securities for cash consideration in which case the Company intends to use the funds raised towards an acquisition of new resource assets or investments (including expenses associated with such acquisition), continued exploration and feasibility study expenditure on the Company's current assets and/or for general working capital.

The Company will comply with the disclosure obligations under Listing Rules 7.1A(4) and 3.10.5A upon issue of any Equity Securities.

(d) Risk of economic and voting dilution

If Resolution 6 is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Facility, the existing Shareholders' voting power in the Company will be diluted as shown in the below table (in the case of Unlisted Options, only if the Unlisted Options are exercised). There is a risk that:

(i) the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date of the Meeting; and

(ii) the Equity 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 of the Equity Securities.

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

The table also shows:

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

(ii) two examples of where the issue price of ordinary securities has decreased by 50% and increased by 50% as against the current market price.

Variable 'A' in Listing Rule 7.1A.2	**Dilution**			
		\$0.013 **50% decrease in Issue Price**	\$0.026 **Issue Price**	\$0.039 **50% increase in Issue Price**
Current Variable A 677,332,681 Shares	**10% Voting Dilution**	67,733,268 shares	67,733,268 shares	67,733,268 shares
	Funds raised	\$880,532	\$1,761,065	\$2,641,597
50% increase in current Variable A 677,332,681 Shares	**10% Voting Dilution**	101,599,902 shares	101,599,902 shares	101,599,902 shares
	Funds raised	\$1,320,799	\$2,641,597	\$3,962,396
100% increase in current Variable A 677,332,681 Shares	**10% Voting Dilution**	135,466,536 shares	135,466,536 shares	135,466,536 shares
	Funds raised	\$1,761,065	\$3,522,130	\$5,283,195

The table has been prepared on the following assumptions:

(i) The Company issues the maximum number of Equity Securities available under the 10% Placement Facility.
(ii) No listed or unlisted options are exercised into Shares before the date of the issue of the Equity Securities.
(iii) The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
(iv) The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on that Shareholder's holding at the date of the Meeting.
(v) The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.
(vi) The issue of Equity Securities under the 10% Placement Facility consists only of Shares. If the issue of Equity Securities includes options, it is assumed that those options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.
(vii) The issue price is \$0.026, being the closing price of the Shares on ASX on 26 October 2020.

(e) Allocation policy when the 10% Placement Facility may be implemented

The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility. The identity of the allottees of Equity Securities

will be determined on a case-by-case basis having regard to the factors including but not limited to the following:

(i) the methods of raising funds that are available to the Company, including but not limited to, rights issue or other issue in which existing security holders can participate;

(ii) the effect of the issue of the Equity Securities on the control of the Company;

(iii) the financial situation and solvency of the Company; and

(iv) advice from corporate, financial and broking advisers (if applicable).

The allottees under the 10% Placement Facility have not been determined as at the date of this Notice. However, the recipients of Equity Securities could consist of current Shareholders and/or new Shareholders (or both), none of whom will be related parties or associates of a related party of the Company.

(f) Prior Approvals under Listing Rule 7.1A

The Company previously obtained approval from its Shareholders pursuant to ASX Listing Rule 7.1A at its Annual General Meeting held on 20 November 2019. The Company has not issued or agreed to issue Equity Securities under Listing Rule 7.1A2 in the 12 months preceding the date of the Annual General Meeting.

(g) Voting Exclusions

A voting exclusion statement is included in the Notice. At the date of the Notice, the Company has not approached any particular existing Shareholder or security holder or an identifiable class of existing security holder to participate in the issue of the Equity Securities utilising this 10% Placement Facility following the 2020 Annual General Meeting. No existing Shareholder's votes will therefore be excluded under the voting.

6. RESOLUTION 7 – APPROVAL FOR THE RENEWAL OF THE AUSQUEST LONG TERM INCENTIVE PLAN

ASX Listing Rule 7.1 requires a listed company to obtain shareholder approval prior to the issue of shares, or securities convertible into shares, representing more than 15% of the issued capital of that company in any rolling 12 month period.

An exception to ASX Listing Rule 7.1 is set out in ASX Listing Rule 7.2 (Exception 13) which provides that issues under an employee incentive plan are exempt for a period of 3 years from the date on which shareholders approve the issue of securities under the plan as an exception to ASX Listing Rule 7.1. Resolution 7 seeks Shareholder refreshment approval for the Company's existing "Long Term Incentive Plan" (LTIP) as an exception to ASX Listing Rule 7.1 in accordance with ASX Listing Rule 7.2 (Exception 13).

The purpose of the LTIP is to recognise the ability and efforts of the Directors and employees of the Company who have contributed to the success of the Company, in a manner aligned with Shareholders; provide an incentive to Directors and employees to achieve the long term objectives of, and improve the performance of the Company; attract persons of experience and ability to the Company and foster and promote loyalty between the Company and its Directors and employees. Recommendation 8.2 of ASX's Corporate Governance Principles and Recommendations encourages ASX listed companies to find a balance between short term and long term performance objectives in remunerating its senior management personnel. In the Board's view, the adoption of a long term incentive scheme for senior managers and other employees is an appropriate means of meeting these long term performance objectives. The Board also considers that the retention of high quality and well-credentialed executive managers and other employees within the Company is important to the ongoing development and success of the Company's projects.

Resolution 7 seeks to refresh approval for the previously approved long term incentive plan as a long term incentive that provides the Board with the discretion to grant options or other performance rights to certain executives that will become capable of exercise after a minimum period of service and possibly subject to the satisfaction of performance hurdles, as determined by the Board. It will operate in conjunction with any other existing incentive plans of the Company as the Board considers appropriate from time to time.

In order to take advantage of the exemption from ASX Listing Rule 7.1 contained in ASX Listing Rule 7.2 (Exception 13) and allow the Company greater flexibility to issue securities as and when it deems necessary, Shareholders are requested to approve the LTIP as an exemption from ASX Listing Rule 7.1.

What will happen if the resolution is, or is not, approved?

If Shareholder approval in accordance with Listing Rule 7.2 (Exception 13) is granted, it will exempt grants under the 2020 Employee Incentive Plan from the calculation of the 15% annual limit on the grant of new securities without prior Shareholder approval, for a period of three years from the date of the passing of Resolution 7.

If Shareholder approval in accordance with Listing Rule 7.2, (Exception 13) is not granted under this Resolution 7, the Shareholder approval of the 2017 Employee Incentive Plan at the 2017 Annual General Meeting will remain in full force and effect for a period of three years from the date of the 2017 Annual General Meeting (being 22 November 2017). Accordingly, if Shareholder approval under Resolution 7 is not obtained:

- grants under the 2020 Employee Incentive Plan or the 2017 Employee Incentive Plan on or after 22 November 2020 will count towards the 15% annual limit; and
- grants under the 2017 Employee Incentive Plan before 22 November 2020 will not count towards the 15% annual limit.

If Shareholder approval is not granted under this Resolution 7, the Board may need to consider alternative remuneration arrangements which are consistent with the Company's remuneration principles, including providing an equivalent cash long term incentive subject to the risk of forfeiture, performance conditions and performance period.

For the purpose of Exception 13 of Listing Rule 7.2:

(a) A summary of the key terms of the LTIP is set out below. A copy of the full terms may be obtained from the Company and will also be available for inspection both at the Company's registered office during normal business hours prior to the Meeting and at the Meeting venue during the Meeting. In the event of any inconsistency between the terms of the LTIP and the summary set out below, the terms of the LTIP will prevail.

(b) The Company obtained shareholder approval for its current LTIP on 22 November 2017. Since then, the Company has issued 9,500,000 unlisted options with an exercise price of $0.05 each and an expiry date of 30 November 2020 under the LTIP.

(c) The maximum number of securities proposed to be issued under the 2020 LTIP within the three year period from the date of the passing of Resolution 7, is 33,866,634 securities, representing a maximum of 5.0% of the undiluted Shares in the Company as at the date of this Notice. The maximum number is not intended to be a prediction of the actual number of securities to be issued under the 2020 Employee LTIP, simply a ceiling for the purposes of Listing Rule 7.2, (Exception 13(b)).

(d) A voting exclusion statement appears in the Notice of Meeting in connection with Resolution 7.

Summary of the LTIP

The key terms of the Long Term Incentive Plan (**Plan**) are as follows:

(a) **Purpose:** The Plan allows the Board to make grants of Awards to Eligible Persons (as defined in paragraph (b) below) as part of the long term incentive component of remuneration and to more closely align the interests of Eligible Persons with those of Shareholders.

(b) **Eligibility**: The Board may in its discretion invite an Eligible Person to participate in the Plan. An **Eligible Person** may include a full or part time employee or an executive director of the Company or a group company or any other person considered eligible and so designated by the Board.

(c) **Awards**: Awards may, at the Board's discretion, be in the form of Rights or Options (**Awards**).

A **Right** is an entitlement to acquire a Share at the discretion of the Board upon satisfaction of the vesting conditions and valid exercise of the Right. An **Option** is an entitlement to acquire a Share at the discretion of the Board upon satisfaction of the vesting conditions and valid exercise of the Option, including payment of the applicable Exercise Price.

Rights and Options are granted subject to the terms and conditions of the Plan and on the terms set out in the participant's individual offer documents (**Offer Letter**).

(d) **Price**: Unless the Board determines otherwise, no consideration is payable by an Eligible Person for the grant of an Award. However, once vested, an Award may be subject to payment of an exercise price, as determined by the Board and set out in the participant's Offer Letter.

(e) **Nominee**: An Eligible Person who receives an offer in respect of Awards may renounce the offer in favour of a family member, controlled or family company, or trustee of a self managed superannuation fund of which the person is a director, as set out in ASIC Class Order CO 14/1000.

(f) **Plan limit**: The number of Shares that may be issued upon exercise of Awards under the Plan is set with regard to the limits prescribed under ASIC Class Order 14/100. These limits provide that the number of Shares to be received on exercise of the Awards the subject of an offer must not exceed 5% of the total number of issued Shares at the time of grant of the Awards when aggregated with the number of Shares issued or that may be issued as a result of offers made at any time during the previous 3 year period under an employee incentive scheme covered by ASIC CO 14/1000v or an ASIC exempt arrangement of a similar kind to an employee incentive scheme.

(g) **Entitlements**: An Award does not entitle the holder to vote at meetings of Shareholders, except as otherwise required by law, to receive dividends or have any other rights of a Shareholder prior to the issue of Shares on vesting and exercise of the Award.

(h) **Lapse**: Unvested Awards will generally lapse or be forfeited upon the earliest of:

- any expiry date applicable to the Award;
- cessation of employment, engagement or office of the participant, as described in more detail below;
- any dealing with the Award in contravention of the Plan or other event causing lapse as described in the Plan;
- the date by which vesting conditions must be satisfied, in the event of non satisfaction;
- the Board determining that any applicable vesting condition has not been met and cannot be met by the date which is 5 years from the date of grant of the Award or any other date determined by the Board and as set out in the Offer Letter (**Expiry Date**); and
- the Expiry Date.

(i) **Disposal restrictions**: Awards may not be transferred or otherwise dealt with except with the consent of the Board, by force of law upon death of a participant or in other limited circumstances.

(j) **Vesting conditions**: The vesting of Awards under the Plan may be conditional upon the satisfaction of performance and/or service conditions (**Conditions**), as determined by the Board and set out in the Offer Letter.

The Board will test the Conditions at the end of the relevant vesting period to determine if they have been satisfied and the time at which the Awards vest. The Board has the discretion to determine that an Award has vested prior to the end of the relevant vesting period.

(k) **Shares settlement**: All Shares issued under the Plan will rank equally in all respects with all existing Shares on and from the date of issue or transfer. The Company will, if listed on ASX, apply for quotation on ASX of Shares issued under the Plan.

The Company may issue new Shares or acquire Shares already on issue to satisfy the Company's obligations to issue Shares under the Plan. The Company may also operate a share trust to acquire, hold or provide Shares for the purpose of the Plan.

Subject to any applicable trading restrictions imposed by Law and the terms of the Company's Share Trading Policy, no trading restrictions apply to Shares allocated under the Plan.

If the Board determines in its discretion that it is not appropriate for tax, legal, regulatory or compliance reasons to issue or transfer Shares to a participant under the Plan, the Company may, in lieu and in final satisfaction of the Company's obligations to issue or transfer Shares, make a cash payment to the participant in accordance with the terms of the Plan.

(l) **Cessation of employment**: If a participant ceases to be employed or engaged by the Company and is not a "Bad Leaver" (as that term is defined in the Plan) then, subject to the Board's discretion to determine an alternative treatment, vested Awards will remain exercisable until they lapse in accordance with the Plan and unvested Awards will generally lapse, unless the Board determines that any unvested Awards are deemed to have vested and are exercisable.

Where a participant becomes a "Bad Leaver", then all Awards, vested or unvested, will lapse on the date of cessation of employment, engagement or office.

(m) **Adjustments**: If there is a reorganisation of capital or bonus or entitlement issue of the Company prior to Awards vesting, the Board may make any adjustment it considers appropriate to the terms of the Awards to minimise any resulting material advantage or disadvantage to a participant. Any adjustment will be made in accordance with the Listing Rules of ASX.

Where there is an issue of new Shares, a participant may not participate in the new issue until his or her Awards have vested.

(n) **Change of control**: If there is a Change of Control or other Event (as that term is defined in the Plan and includes a proposal to wind up the Company) occurs, the Board has a discretion to determine the manner in which vested and unvested Awards will be dealt with, including whether they will vest or lapse or be subject to different or varied Conditions.

If the Board does not exercise that discretion, a pro rata number of the unvested Awards will vest based on the length of the period which has elapsed at the time of the Change of Control and the extent to which the performance related Conditions have been satisfied.

(o) **Clawback**: If, in the opinion of the Board, an Award vests or does not vest as a result of fraud, dishonesty, breach of obligations, or other act or omission which the Board considers to result in long term detriment to the Company, the Board may in its discretion determine the treatment of the Awards, including that they lapse or are forfeited, to ensure that no unfair benefit is obtained by a participant.

(p) **Amendment of Plan**: The Board may at any time amend or modify the rules of the Plan and the terms of the Awards but must give notice of the changes to the participants affected. No amendment may generally be made which materially reduces the rights of any participant except to comply with the Law or the Listing Rules or in certain other limited circumstances.

(q) **Administration**: The Plan may be administered by the Board, or by any person or trustee to whom the Board delegates the exercise of any of its powers or discretions under the Plan.

The Directors are eligible to participate in the LTIP (subject to shareholder approval being obtained under Listing Rule 10.11 first) and therefore make no recommendation as to how Shareholders should vote in relation to Resolution 7. The Chairman intends to vote all available proxies in favour of Resolution 7.

6. RESOLUTION 8 – RENEWAL OF THE PROPORTIONAL TAKEOVER APPROVAL PROVISIONS IN THE CONSTITUTION

6.1 General

Under section 648D of the Corporations Act, a company may include provisions in its constitution to the effect that registration of a transfer giving effect to a takeover contract for a proportional takeover bid is prohibited unless a resolution to approve the bid is passed by shareholders in accordance with the requirements of the Corporations Act. These provisions cease to apply at the end of 3 years after they were inserted into the constitution, or last renewed by shareholders. The provisions are renewed in the same manner as that in which the constitution is altered to insert the provisions.

Shareholders approved the insertion into the Constitution of Rule 37 containing the proportional takeover approval provisions at the annual general meeting of the Company held on 22 November 2017. Resolution 8 seeks the approval of Shareholders by special resolution to renew the provisions in Rule 37 for a further 3 year period from the date of the Meeting. A copy of Rule 37 is set out in Annexure B.

6.2 Explanatory information

Section 648G of the Corporations Act requires that certain explanatory information be provided to Shareholders when considering the insertion or renewal of these proportional takeover approval provisions into a company's constitution. That information is set out below to enable Shareholders to make an informed decision on whether to approve the Resolution.

What is a proportional takeover bid
In a proportional takeover bid the bidder offers to take only a proportion of a shareholders shares in the target company. This means that control of the company may pass to the bidder without a shareholder having the chance to sell all of their shares in the target to the bidder. The bidder may acquire practical control of the target without paying a premium for that control.

In order to deal with this possibility, the Corporations Act allows the Company to introduce a special procedure into its constitution, which requires shareholders at the time of a proportional bid being made to vote whether or not to approve a proportional takeover bid. The vote of the shareholders is binding on all the shareholders including those who abstain or do not vote in favour of the ordinary resolution. The process allows the shareholders at that time to collectively decide by simple majority vote how to proceed and it may ensure that an appropriate premium is paid by the bidder offering to acquire a proportion only of each shareholder's shares in the Company.

Effect of the proportional takeover provisions
If a proportional takeover offer is made the Directors of the Company must ensure that the Shareholders of the Company at that time meet to consider whether to approve the offer by simple majority vote, no less than 14 days before the end of the bid period. The Shareholders who are eligible to vote on the ordinary resolution are those who held bid class securities at the end of the day on which the first offer was made under the takeover bid. If the ordinary resolution is not passed the bid is deemed to have been withdrawn and no prior acceptances will be valid. Transfers which would have resulted from acceptance of the bid cannot be registered by the Directors. If the ordinary resolution is passed the transfers which comply with the Constitution and the Corporations Act must be registered by the Directors.

If the Directors fail to ensure the bid is voted on, the Directors will be in breach of the Corporations Act. However if the bid is not voted on it is deemed to have been voted on and approved, no later than 14 days before the end of the bid period. The provisions proposed to be inserted in the Constitution with effect at close of the Meeting will endure for 3 years at which point they will lapse unless Shareholders renew their approval of the provisions by a special resolution.

The provisions are not relevant and do not apply to full takeover bids, where the bidder offers to acquire the whole of a shareholder's shares in the Company. No such special approval process applies to full takeover bids, where Shareholders are entitled to make their own decision as to whether to accept the bid or not.

Reason for proposing the Resolution to renew the proportional takeover provisions

The reason for proposing the Resolution is that Directors consider that Shareholders should have the opportunity to vote on inclusion of the proportional takeover approval provisions in the Constitution. If the provisions are renewed, the benefit is that Shareholders must collectively decide on whether a proportional takeover bid is permitted to succeed and whether the advantages discussed below outweigh the disadvantages in the particular circumstances of the bid, or vice versa.

Awareness of Directors of proposal to acquire or increase a substantial interest in the Company
At the date this Notice of Meeting was approved by Directors before despatch to Shareholders, no Director is aware of a proposal by a person to acquire, or to increase the extent of, a substantial interest in the Company.

Review of the advantages and disadvantages for the Directors and Shareholders for past 3 years
As there have been no proportional takeover bids made for the Company in the period since the provisions were inserted into the Constitution, there are no actual circumstances against which the Directors have had the opportunity to review the advantages or disadvantages of the proportional takeover provisions in Rule 37 of the Constitution. The Directors are not aware of any proposed bid which did not proceed during that period because of the inclusion of the provisions.

Potential advantages and disadvantages
The Directors (excluding Mr Ellis for the reason set out below) consider that the proposed provisions have no advantage or disadvantage for them other than the advantage of enabling them to formally ascertain the views of Shareholders in relation to any proportional takeover bid made. They remain free to make a recommendation in relation to whether a proportional takeover bid for the Company should be recommended or rejected.

Mr Ellis currently holds a substantial interest of approximately 23.01% in the Company. The personal impact of this Resolution is therefore greater (and more advantageous) for Mr Ellis than any of the other Directors and as such, Mr Ellis he has not made a recommendation in relation to this Resolution.

The potential advantages for Shareholders of inclusion of these provisions in the Constitution are:

- Shareholders will have the right to decide by majority vote whether a proportional takeover bid should proceed;
- The provisions may help shareholders being locked in as minority shareholders;
- The provisions may improve the bargaining power of shareholders and therefore may result in any proportional takeover bid being adequately priced;
- Knowing in advance the views of the majority of the shareholders may assist a shareholder assess the likelihood of success of the proportional takeover offer and therefore decide how to vote.

The potential disadvantages for Shareholders of the inclusion of these provisions in the Constitution are as follows:

- This may discourage a proportional takeover bid being made, which may have been the only takeover offer to be made for the Company;
- Shareholders may lose an opportunity to sell a portion of their shares in the Company at a premium; and
- The chance that a proportional takeover bid is successful may be reduced.

The Board (excluding Mr Ellis) considers that the disadvantages do not outweigh the advantages of renewing the proportional takeover approval provisions. In particular, Shareholders as a whole are able to decide by simple majority vote whether a proportional bid should be allowed to proceed.

GLOSSARY

$ means Australian dollars.

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

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited.

ASX Listing Rules means the Listing Rules of ASX.

Board means the current board of Directors of the Company.

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

Chair means to chairperson of the Meeting

Company means AusQuest Limited (ABN 35 091 542 451).

Constitution means the Company's Constitution.

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

Directors means the current Directors of the Company.

Equity Securities has the same meaning as in the Listing Rules.

Explanatory Statement means the explanatory statement accompanying the Notice of Meeting.

Long Term Incentive Plan or LTIP means the Long Term Incentive Plan of the Company used to incentivise eligible persons, as defined in the LTIP, from time to time and at the discretion of the Board.

Meeting means the general meeting of Shareholders convened under this Notice.

Notice or **Notice of Meeting** or **Notice of Annual General Meeting** means this notice of annual general meeting including the explanatory statement.

Related Party is defined in section 228 of the Corporations Act

Remuneration Report means the remuneration report in the Directors' Report section of the Company's Annual Report.

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

Rule means a rule or clause of the Constitution

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

Shareholder means a holder of a Share.

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

ANNEXURE A

TERMS AND CONDITIONS OF OPTIONS TO BE ISSUED TO DIRECTORS

1. **Nil Consideration Payable**

   No subscription or application monies will be payable for the issue of each option.

2. **Entitlement**

   Non-Executive Directors
   The Option Holder shall be issued with 5,000,000 options.

   Executive Director
   The Option Holder shall be issued with 10,000,000 options (together referred to as "Options").

   Each Option shall entitle the Option Holder (or a transferee under clause 9) to subscribe (in cash) for one (1) fully paid ordinary share ("Share") in the capital of AusQuest Ltd (ABN 35 091 542 451) ("the Company").

   All Options will have an exercise price of 7.5 cents per Option ("**Exercise Price**").

3. **Quotation**

   The Options will not be quoted on the Australia Securities Exchange ("ASX").

4. **Option Period**

   Each Option will expire at 5:00pm WST on the 30 November 2024 ("Option Expiry Date"). Subject to clauses 5, 6 and 10 hereof, each vested Option may be exercised by the Option Holder at any time prior to the Option Expiry Date and any Option not so exercised shall automatically expire.

5. **Non-Exercise Periods**

   Options may only be exercised after they have vested. The Options will vest on grant date. ("**Vested Options**").

6. **Lapsing of Options Prior to Option Expiry Date**

   The Options lapse at the end of the Option Period.

7. **Ranking of Share Issued on Exercise of Option**

   Each Share issued as a result of the exercise of an Option will, subject to the Constitution of the Company, rank in all respects equally with all of the existing Shares on issue.

8. **Notification to Option Holders**

   The Option Holder will be entitled to receive, and will be sent, all reports, accounts and notices required to be given to the members of the Company but will not be entitled to attend or vote at any meeting of the members of the Company unless he is, in addition to being an Option Holder, a member of the Company.

9. **Dealings in Options**

9.1 Save as provided in clause 9.2, the Option Holder may not sell, transfer, assign, mortgage or otherwise encumber an Option without the prior written consent of the Board (which the Board may give or not give at its discretion) and any such sale, transfer, assignment or mortgage shall be subject to any applicable law and the ASX Listing Rules.

9.2 The Option Holder may at any time transfer all of their Vested Options to:

9.2.1 his spouse;

9.2.2 a company in which the Option Holder or his spouse are shareholders; or

9.2.3 a trustee of a trust in which the Option Holder or his spouse have a beneficial interest,

and such transfer shall be subject to any applicable law and the ASX Listing Rules.

10. **Method of Exercise of an Option**

10.1 A certificate or holding statement will be issued by the Company with respect to the Options ("the Certificate").

10.2 Attached to or endorsed on the reverse side of the Certificate will be a notice that is to be completed by the Option Holder when exercising the Options ("Notice of Exercise of Options").

10.3 Vested Options may be exercised by the Option Holder delivering to the Company personally or sending by registered post to the registered office of the Company:

10.3.1 a completed Notice of Exercise of Options;

10.3.2 payment in full for the Shares being subscribed, being an amount equal to the Exercise Price multiplied by the number of Vested Options being exercised; and

10.3.3 the Certificate.

10.4 The Notice of Exercise of Options must state the number of Vested Options being exercised and the number of Shares to be issued, such number to be a multiple of 40,000, or if the total number of Vested Options held by an Option Holder is less than 40,000, then the total of all Vested Options held by the Option Holder.

10.5 The exercise of less than all of the Option Holder's Vested Options will not prevent the Option Holder from exercising the whole or part of the balance of the Option Holder's Vested Options before the Option Expiry Date in the future.

10.6 If the Option Holder exercises less than all of the Option Holder's Vested Options, the Company must cancel the Certificate and issue to the Option Holder a new certificate or holding statement with respect to the balance of the Option Holder's unexercised Options.

11. **Timing of issue of Shares on exercise**

11.1 Within 10 Business Days after the later of the following:

(i) the Exercise Date;
(ii) when excluded information in respect to the Company (as defined in section 708A(7) of the Corporations Act) (if any) ceases to be excluded information, but in any case, no later than 20 Business Days after the Exercise Date, the Company will:

(a) issue the number of Shares required under these terms and conditions in respect of the number of Director Options specified in the Notice of Exercise and for which cleared funds have been received,

(b) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and

(c) if admitted to the Official List of ASX at the time, apply for Official Quotation on ASX of Shares issued pursuant to the exercise of the Director Option.

11.2 If a notice delivered under paragraph 11.1(ii)(b) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

12. **Reconstruction**

In the event of a reconstruction (including consolidation, subdivision, reduction or return) of the issued capital of the Company, the rights of the Option Holder will be treated in the manner set out in the ASX Listing Rules and Corporations Act applicable to reconstructions at the time of the reconstruction or reorganisation.

13. **Participation in the New Share Issues**

13.1 There are no participating rights or entitlements inherent in the Options to participate in any new issues of capital which may be made or offered by the Company to its members from time to time unless and until the Options are exercised.

13.2 The Company will ensure that prior to the Option Expiry Date, the record date for the purposes of determining entitlements to any new issues of capital will be at least five (5) business days after such new issues are announced in order to afford the Option Holder an opportunity to exercise any Vested Options then held by the Option Holder.

14. **Change of Options Exercise Price or Number of Underlying Shares**

A Director Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Director Option can be exercised.

15. **Takeover**

Notwithstanding clause 5, all Options may be exercised if a takeover bid (as defined in the Corporations Act 2001) is made for the Shares.

16. **ASX Listing Rules**

The rights of the Option Holder may be changed from time to time to comply with the ASX Listing Rules applying to a reorganisation of capital at the time of the reorganisation.

ANNEXURE B

RULE 37 - TAKEOVER APPROVAL PROVISION

"**37. Takeover approval provisions**

37.1 In this Rule 37:

"**Proportional takeover bid**" has the meaning given in section 9 of the Corporations Act 2001;

"**Relevant day**" (in relation to a proportional takeover bid) means the day that is 14 days before the last day of the bid period;

Subject to the foregoing, any word the meaning of which is defined in the Corporations Act 2001 has the same meaning in this Rule 37;

Rule 37.2 is to be read subject to this Rule 37.1.

37.2 Where offers have been made under a proportional takeover bid in respect of Securities of the Company:

(a) the registration of a transfer giving effect to a takeover contract for the bid is prohibited unless and until a resolution to approve the bid is passed in accordance with the provisions of this clause;

(b) a person (other than the bidder or an associate of the bidder) who, as at the end of the day on which the first offer under the bid was made, held bid class Securities is entitled to vote on the resolution;

(c) the resolution of the persons entitled to vote on the resolution must be voted on at a meeting, convened and conducted by the Company;

(d) the resolution is taken to have been passed if the proportion that the number of votes in favour of the resolution bears to the total number of votes on the resolution is greater than one-half, and otherwise is taken to have been rejected.

37.3 The provisions that apply to a general meeting of the Company apply with such modifications as the circumstances require to a meeting that is convened pursuant to this Rule 37 and apply as if the last mentioned meeting were a general meeting of the Company.

37.4 Where offers have been made under a proportional takeover bid for a class of the Company's Securities, the directors must ensure that a resolution to approve the takeover scheme is voted on in accordance with this article before the Relevant day.

37.5 Where a resolution to approve the proportional takeover bid is voted on before the Relevant day in accordance with this clause, the Company must, on or before the Relevant day:

(a) give to the bidder; and

(b) serve on each relevant financial market – if the Company is listed,

a notice in writing stating that a resolution to approve the bid has been voted on and whether the resolution has been passed or rejected.

37.6 Where, as at the end of the day before the Relevant day, no resolution to approve the proportional takeover bid has been voted on in accordance with this Rule, a resolution to approve the bid is taken to have been passed in accordance with this Rule.

37.7. This Rule 37 ceases to have effect on the third anniversary of the date of its adoption or, if it has been renewed, the third anniversary of the date of its last renewal."

AUSQUEST LIMITED ABN 35 091 542 451 PROXY FORM

The Company Secretary
AusQuest Limited
8 Kearns Crescent
Ardross WA 6153

Ph (+61 8) 9364 3866/Fax (+61 8) 9364 4892

2020 ANNUAL GENERAL MEETING

I/We _____

being a member(s) of AusQuest Limited and entitled to attend and vote at the Annual General Meeting, hereby

Appoint _____

Name of Proxy

OR ☐ Mark this box if you wish to appoint the Chair of the Annual General Meeting as your proxy

or failing the person/body corporate so named or, if no person/body corporate is named, the Chair of the Annual General Meeting, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, as the proxy sees fit, at the Annual General Meeting of the Company to be held at 10.00am (WST), on Thursday, 26 November 2020 at The Heritage Room, South of Perth Yacht Club, Applecross, Western Australia, and at any adjournment thereof.

Important for Resolutions 1 and 3 to 5:
The Chairman of the Meeting intends to vote all available proxies in favour of Resolution 1 and 3 to 5. If the Chairman of the Meeting is your proxy or is appointed your proxy by default, unless you indicate otherwise by ticking either the 'for', 'against' or 'abstain' box in relation to Resolutions 1 and 3 to 5, you will be authorising the Chairman to vote in accordance with the Chairman's voting intentions on Resolutions 1 and 3 to 5 even if the Chairman has an interest in Resolutions 1 and 3 to 5 which is connected directly with the remuneration of Key Management Personnel.

If you appoint a proxy, the Company encourages you to direct your proxy how to vote on each item of business.

The Chair of the Meeting intends to vote all undirected proxies, which the Chairman is entitled to vote, in favour of each item of business.

Voting on Business of the General Meeting

	FOR	AGAINST	ABSTAIN
Resolution 1 – Adoption of the Remuneration Report	☐	☐	☐
Resolution 2 – Re-election of Mr Greg Hancock as a Director	☐	☐	☐
Resolution 3 – Issue of Options to Mr Greg Hancock	☐	☐	☐
Resolution 4 – Issue of Options to Mr Graeme Drew	☐	☐	☐
Resolution 5 – Issue of Options to Mr Christopher Ellis	☐	☐	☐
Resolution 6 – Approval of 10% Placement Facility	☐	☐	☐
Resolution 7 – Approval for the renewal of the AusQuest Long Term Incentive Plan	☐	☐	☐
Resolution 8 – Renewal of the Proportional Takeover Approval Provisions	☐	☐	☐

Please note: If you mark the abstain box for a particular Resolution, you are directing your proxy not to vote on that Resolution on a show of hands or on a poll and your votes will not to be counted in computing the required majority on a poll.

If two proxies are being appointed, the proportion of voting rights this proxy represents is _____%

Signed this day of 2020

By: Individuals and joint holders Companies (affix common seal if appropriate)

Signature	Director
Signature	Director/Company Secretary
Signature	Sole Director and Sole Company Secretary

AUSQUEST LIMITED (ABN 35 091 542 451) **INSTRUCTIONS FOR COMPLETING PROXY FORM**

1. A member entitled to attend and vote at an Annual General Meeting is entitled to appoint not more than two proxies to attend and vote on a poll on their behalf. The appointment of a second proxy must be done on a separate copy of the Proxy Form. Where more than one proxy is appointed, such proxy must be allocated a proportion of the member's voting rights. If a member appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half the votes. A duly appointed proxy need not be a shareholder of the Company.

2. If you wish to appoint the Chairman of the Meeting as your proxy, mark the box. If the person you wish to appoint as your proxy is someone other than the Chairman of the Meeting, please write the full name of that individual or body corporate in the space provided. If you leave both the box and this section blank, or your named proxy does not attend the meeting, the Chairman of the Meeting will be your proxy. A proxy need not be a security holder of the Company. A proxy may be an individual or a body corporate.

   If your appointment of a proxy specifies the way the proxy is to vote on a particular resolution and your appointed proxy is not the Chairman of the meeting and at the meeting a poll is duly demanded on the question that the resolution be passed, then if either your proxy is not recorded as attending the meeting (if a record of attendance is made) or your proxy does not vote on the resolution, the Chairman is taken, before voting on the resolution closes, to have been appointed as your proxy for the purposes of voting on the resolution at that meeting.

3. You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your securities will be voted in accordance with such a direction, unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of securities you wish to vote in the appropriate place. If you do not mark any of the boxes on a given item, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

   If you direct your proxy how to vote on a particular resolution, the proxy need not vote on a show of hands but if the proxy does so, the proxy must vote as directed. If the proxy has 2 or more appointments that specify different ways to vote on the resolution, the proxy must not vote on a show of hands. If the proxy is the Chairman, the proxy must vote on a poll, and must vote as directed and if the proxy is not the Chairman, the proxy need not vote on the poll, but if the proxy does so, the proxy must vote as directed. If any member of the Key Management Personnel of the Company, other than the Chairman of the Meeting, or a Closely Related Party of a member of the Key Management Personnel is your nominated proxy and you have not directed the proxy how to vote on Resolution 1 (Remuneration Report), that person will not cast any votes on Resolution 1.

4. Where a member's holding is in one name the holder must sign. Where the holding is in more than one name, all members should sign.

5. Where a Proxy Form of a corporate representative is lodged and is executed under a power of attorney, the power of attorney must be lodged in like manner as this Proxy Form.

6. Corporate members should comply with the execution requirements set out on the Proxy Form or otherwise with the provisions of Section 127 of the Corporations Act. Section 127 of the Corporations Act provides that a company may execute a document without using its common seal if the document is signed by:

   - 2 directors of the company;
   - a director and a company secretary of the company; or
   - for a proprietary company that has a sole director who is also the sole company secretary – that director.

   For the Company to rely on the assumptions set out in Section 129(5) and (6) of the Corporations Act, a document must appear to have been executed in accordance with Section 127(1) or (2). This effectively means that the status of the persons signing the document or witnessing the affixing of the seal must be set out and conform to the requirements of Section 127(1) or (2) as applicable. In particular, a person who witnesses the affixing of a common seal and who is the sole director and sole company secretary of the company must state that next to his or her signature.

7. Completion of a Proxy Form will not prevent individual members from attending the Annual General Meeting in person if they wish. Where a member completes and lodges a valid Proxy Form and attends the Annual General Meeting in person, then the proxy's authority to speak and vote for that member is suspended while the member is present at the Annual General Meeting.

8. To vote by proxy, please complete and sign the enclosed Proxy Form and return by:

   (a) post to AusQuest Limited, 8 Kearns Crescent, Ardross WA 6153; or
   (b) facsimile to the Company on facsimile number +61 8 9364 4892; or
   (c) email to the Company at proxy@ausquest.com.au

   so that it is received not later than 10.00 am (WST) on Tuesday. 24 November 2020.

   Proxy forms received later than this time will be invalid.