

31 May 2023

Dear Shareholder

ASTRAL RESOURCES NL – NOTICE OF GENERAL MEETING

Astral Resources NL (ASX: AAR) (the **Company**) advises that a General Meeting of Shareholders (**Meeting**) will be held on Friday, 30 June 2023 at 11.30am (AWST) at Suite 2, 6 Lyall Street, South Perth Western Australia 6151.

In accordance with 110D of the *Corporations Act 2001* (Cth), the Company will not be dispatching physical copies of the Notice of Meeting (unless a shareholder has elected to receive documents in hard copy in accordance with the timeframe specified in section 110E(8) of the *Corporations Act 2001* (Cth)).

A copy of the Meeting materials can be viewed and downloaded online as follows:

- (a) You can access the Meeting materials online at the Company's website: www.astralresources.com/asx-announcements/
- (b) A complete copy of the Meeting materials has been posted to the Company's ASX Market announcements page at www.asx.com.au under the Company's ASX code "AAR"; or
- (c) If you have provided an email address and have elected to receive electronic communications from the Company, you will receive an email to your nominated email address with a link to an electronic copy of the Meeting materials and the voting instruction form.

A copy of your Proxy Form is enclosed for convenience.

The Company intends to hold a physical meeting. The Company will notify any changes to this by way of an announcement on ASX and the details will also be made available on our website.

The Meeting materials are important and should be read in their entirety. If you are in doubt as to the course of action you should follow, you should consult your stock broker, investment advisor, accountant, solicitor or other professional adviser.

Yours sincerely



Brendon Morton

Company Secretary



ASTRAL RESOURCES NL

ACN 009 159 077

NOTICE OF GENERAL MEETING

A General Meeting of Astral Resources NL will be held at Suite 2, 6 Lyall Street, South Perth WA 6151 on Friday, 30 June 2023 at 11:30am (AWST)

Shareholders are encouraged to submit any questions in advance of the Meeting by emailing the questions to meetings@astralresources.com.au by no later than 11:30am (AWST) on Wednesday, 28 June 2023.

Shareholders are also strongly encouraged to lodge their completed Proxy Forms in accordance with the instructions in this Notice. Proxy Forms for the meeting should be lodged before 11:30am (AWST) on Wednesday, 28 June 2023.

If the above arrangements with respect to the Meeting change, Shareholders will be updated via the ASX Market Announcements Platform and on the Company's website at www.astralresources.com.au.

This Notice and the accompanying Explanatory Memorandum should be read in full. If Shareholders are in doubt as to how they should vote, they should seek advice from their stockbroker, investment advisor, accountant, solicitor or other professional adviser prior to voting.

Should you wish to discuss any matter please do not hesitate to contact the Company by telephone on +61 8 9382 8822

ASTRAL RESOURCES NL

ACN 009 159 077

NOTICE OF GENERAL MEETING

TIME AND PLACE OF MEETING

Notice is hereby given that a general meeting of shareholders of Astral Resources NL (**Company**) will be held at Suite 2, 6 Lyall Street, South Perth WA 6151 on Friday, 30 June 2023 at 11:30am (AWST) (**Meeting**).

This Notice is being made available to Shareholders electronically and can be viewed and downloaded online from the Company's website www.astralresources.com.au.

Instructions on how to attend the Meeting and vote are in the Explanatory Memorandum. The Explanatory Memorandum and the Proxy Form form part of this Notice.

The Company advises that a poll will be conducted for all Resolutions.

Terms and abbreviations used in this Notice and the Explanatory Memorandum will, unless the context requires otherwise, have the meaning given to them in Schedule 1.

YOUR VOTE IS IMPORTANT

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

VOTING ELIGIBILITY

The Directors have determined pursuant to regulations 7.11.37 and 7.11.38 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the Meeting are those who are registered as Shareholders on Wednesday, 28 June 2023 at 11:30am (AWST).

AGENDA

1 RESOLUTION 1 – RATIFICATION OF PLACEMENT SHARES

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

"That, pursuant to and in accordance with Listing Rule 7.4 and for all other purposes, Shareholders ratify and approve the prior issue of 46,111,113 Shares pursuant to the Placement, on the terms and conditions in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who participated in the Placement or an associate of that person (or those persons).

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

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

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

2 RESOLUTION 2 – ISSUE OF SHARES TO MR MARC DUCLER UNDER THE PLACEMENT

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

"That, pursuant to and in accordance with Listing Rule 10.11 and for all other purposes, Shareholders authorise and approve the issue of 694,444 Shares to Mr Marc Ducler (and/or his nominee(s)) pursuant to the Placement, on the terms and conditions in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of Mr Marc Ducler (and/or his nominee(s)) and any other person who will obtain a material benefit as a result of the proposed issue of Shares (except a benefit solely by reason of being a holder of 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 this Resolution by:

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

3 RESOLUTION 3 – ISSUE OF SHARES TO MR JUSTIN OSBORNE UNDER THE PLACEMENT

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

"That, pursuant to and in accordance with Listing Rule 10.11 and for all other purposes, Shareholders authorise and approve the issue of 138,888 Shares to Mr Justin Osborne (and/or his nominee(s)) pursuant to the Placement, on the terms and conditions in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of Mr Justin Osborne (and/or his nominee(s)) and any other person who will obtain a material benefit as a result of the proposed issue of Shares (except a benefit solely by reason of being a holder of 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 this Resolution by:

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

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

4 RESOLUTION 4 – ISSUE OF SHARES TO MR DAVID VARCOE UNDER THE PLACEMENT

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

"That, pursuant to and in accordance with Listing Rule 10.11 and for all other purposes, Shareholders authorise and approve the issue of 277,777 Shares to Mr David Varcoe (and/or his nominee(s)) pursuant to the Placement, on the terms and conditions in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of Mr David Varcoe (and/or his nominee(s)) and any other person who will obtain a material benefit as a result of the proposed issue of Shares (except a benefit solely by reason of being a holder of 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 this Resolution by:

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

5 RESOLUTION 5 – RENEWAL OF EMPLOYEE INCENTIVE PLAN

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

*"That, pursuant to and in accordance with Listing Rule 7.2, exception 13(b) and for all other purposes, Shareholders authorise and approve the renewal of the Company's "Employee Incentive Plan" (**Plan**), on the terms and conditions in the Explanatory Memorandum."*

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 Plan or an associate of that person (or those persons).

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

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

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

Voting Prohibition

In accordance with section 250BD of the Corporations Act, a vote on this Resolution must not be cast by a person appointed as a proxy, where that person is either a member of the Key Management Personnel or a Closely Related Party of such member.

However, a vote may be cast by such person if the vote is not cast on behalf of a person who is otherwise excluded from voting, and:

- (a) the person is appointed as a proxy and the appointment specifies how the proxy is to vote; or
- (b) the person appointed as proxy is the Chairperson and the appointment does not specify how the Chairperson is to vote but expressly authorises the Chairperson to exercise the proxy even if the Resolution is connected with the remuneration of a member of the Key Management Personnel.

Dated: 31 May 2023

By order of the Board

Brendon Morton

Company Secretary

ASTRAL RESOURCES NL

ACN 009 159 077

EXPLANATORY MEMORANDUM

1 INTRODUCTION

This Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be conducted at the Meeting to be held at Suite 2, 6 Lyall Street, South Perth WA 6151 on Friday, 30 June 2023 at 11:30am (AWST).

This Explanatory Memorandum forms part of the Notice which should be read in its entirety. This Explanatory Memorandum contains the terms and conditions on which the Resolutions will be voted.

This Explanatory Memorandum includes the following information to assist Shareholders in deciding how to vote on the Resolutions:

Section 2:	Action to be taken by Shareholders
Section 3:	Background
Section 4:	Resolution 1 – Ratification of Placement Shares
Section 5:	Resolutions 2, 3 and 4 – Issue of Shares to Directors (and/or their nominee(s)) under the Placement
Section 6:	Resolution 5 – Renewal of Employee Incentive Plan
Schedule 1:	Definitions
Schedule 2:	Summary of Employee Incentive Plan

A Proxy Form is attached to the Notice.

2 ACTION TO BE TAKEN BY SHAREHOLDERS

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

The Company advises that a poll will be conducted for all Resolutions.

2.1 Proxies

The Proxy Form accompanying the Notice may be used by Shareholders if they wish to appoint a representative (a 'proxy') to vote in their place. All Shareholders are invited and encouraged to attend the Meeting or, if they are unable to attend in person, sign and return the Proxy Form to the Company in accordance with the instructions thereon. Returning the Proxy Form will not preclude a Shareholder from attending and voting at the Meeting in person.

Please note that:

- (a) a member of the Company entitled to attend and vote at the Meeting is entitled to appoint a proxy;
- (b) a proxy need not be a member of the Company; and
- (c) a member of the Company entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise. Where the proportion or number is not specified, each proxy may exercise half of the votes.

To vote by proxy:

- (a) Your voting instruction may be lodged online at <https://investor.automic.com.au/#/loginsh> by following the instructions below:

Login to the Automic website using the holding details as shown as the Proxy Form. Click on 'Meetings – Vote'. To use the online lodgement facility, Shareholders will need their holder number (Securityholder Reference Number (SRN) or Holder Identification Number (HIN)) as shown on the front of the Proxy Form; or

- (b) Please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

Proxy Forms must be received by the Company no later than 11:30am (AWST) on Wednesday, 28 June 2023, being at least 48 hours before the Meeting. Proxy Forms received later than this time will be invalid.

The Proxy Form provides further details on appointing proxies and lodging Proxy Forms.

2.2 Attendance at the Meeting

The Company encourages all Shareholders to vote by directed proxy. Proxy forms for the meeting should be lodged before 11:30am (AWST) on Wednesday, 28 June 2023.

Shareholders are encouraged to submit any questions in advance of the Meeting by emailing the questions to meetings@astralresources.com.au by no later than 11:30am (AWST) on Wednesday, 28 June 2023.

If the above arrangements with respect to the Meeting change, Shareholders will be updated via the ASX Market Announcements Platform and on the Company's website at <https://astralresources.com.au/>.

3 BACKGROUND

3.1 Background to the Placement

On 28 April 2023, the Company announced that it had received firm commitments for a placement of approximately 47,222,222 new Shares to raise approximately \$3.4 million (before costs) at \$0.072 per Share (**Placement**).

Pursuant to the Placement, 46,111,113 Shares were issued to sophisticated and professional investors on 8 May 2023 (utilising part of the Company's placement capacity pursuant to Listing Rule 7.1).

Subject to Shareholder approval, a further 1,111,109 Shares will be issued to certain Directors of the Company (and/or their nominee(s)) under the Placement.

Morgans Corporate Limited acted as lead manager to the Placement (**Lead Manager**).

Refer to the Company's ASX announcements on, and after, 28 April 2023 for further details of the Placement.

Resolutions 1 to 4 (inclusive) seek Shareholders' approval for the issue of Shares pursuant to the Placement:

- (a) Resolution 1 seeks Shareholder approval for the ratification of Shares issued under the Placement;
- (b) Resolution 2 seeks Shareholder approval for Mr Marc Ducler (and/or his nominee(s)) to participate in the Placement;
- (c) Resolution 3 seeks Shareholder approval for Mr Justin Osborne (and/or his nominee(s)) to participate in the Placement; and
- (d) Resolution 4 seeks Shareholder approval for Mr David Varcoe (and/or his nominee(s)) to participate in the Placement.

3.2 Indicative Use of Funds

The proceeds raised from the Placement will primarily be used to advance resource definition drilling and technical and feasibility studies at the Company's 100% owned Mandilla and Feysville Gold Projects, located near Kalgoorlie, Western Australia. The Company's planned activities include:

- (a) completion of the current diamond drilling (**DD**) and reverse circulation (**RC**) drilling at the Mandilla Gold Project;
- (b) completion of the next Mineral Resource Update for the Mandilla Gold Project, which is currently scheduled for mid-2023;
- (c) additional RC drilling and DD including:
 - (i) additional in-fill and extensional drilling at the Theia deposit;
 - (ii) drilling to test the bedrock mineralisation at Eos;
 - (iii) resource definition drilling at the Hestia deposit; and
 - (iv) further exploration and resource definition drilling at the Feysville Gold Project;
- (d) advancement of technical and feasibility studies for the Mandilla Gold Project; and
- (e) general working capital and corporate costs requirements.

The Company's Board reserves the right to reallocate funds for alternative purposes, as may be deemed necessary by the Board.

4 RESOLUTION 1 – RATIFICATION OF PLACEMENT SHARES

4.1 Background

Resolution 1 seeks Shareholder ratification and approval pursuant to and in accordance with Listing Rule 7.4 (and for all other purposes) of the issue of 46,111,113 Shares to sophisticated and professional investors at an issue price of \$0.072 per Share under the Placement (other than the Shares proposed to be issued to the relevant Directors (and/or their nominee(s)) pursuant to Resolutions 2, 3 and 4) (**Placement Shares**).

Refer to Section 3.1 for further details on the Placement.

Resolution 1 is an ordinary resolution.

The Chairperson intends to exercise all available proxies in favour of Resolution 1.

4.2 Listing Rule 7.1

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

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

The Company wishes to retain as much flexibility as possible to issue additional Equity Securities into the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1. To this end, Resolution 1 seeks Shareholder ratification and approval for the Placement Shares under and for the purposes of Listing Rule 7.4 (and for all other purposes).

If Resolution 1 is passed, the issue of the Placement Shares will be excluded in calculating the Company's 15% Placement Capacity in Listing Rule 7.1, effectively increasing the number of Equity Securities it can issue without Shareholder approval over the 12 month period following the issue of the Placement Shares.

If Resolution 1 is not passed, the Placement Shares will be included in calculating the Company's 15% Placement 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 of the Placement Shares.

4.3 Specific information required by Listing Rule 7.5

The following information in relation to Resolution 1 is provided to Shareholders for the purposes of Listing Rule 7.5:

- (a) The Placement Shares were issued to professional and sophisticated investors. None of the participants in the Placement were related parties, a member of the Key Management Personnel, a substantial shareholder, an adviser of the Company or an associate of any of those persons, other than Mr Brendon Morton, the Company Secretary, who subscribed for 138,888 Placement Shares, and the Shares proposed to be issued to the relevant Directors (and/or their nominee(s)), which will be issued if Resolutions 2, 3 and 4 are passed.
- (b) 46,111,113 Shares were issued.
- (c) The Placement Shares are fully paid ordinary shares in the capital of the Company and rank equally in all respects with the Company's existing Shares on issue.
- (d) The Placement Shares were issued at an issue price of \$0.072 per Share, raising a total of \$3,320,000 (before costs).
- (e) The Placement Shares were issued on 8 May 2023.
- (f) Funds raised from the issue of the Placement Shares will be used as detailed in Section 3.2.
- (g) A voting exclusion statement is included in the Notice for Resolution 1.

4.4 Board recommendation

The Board recommends that Shareholders vote in favour of Resolution 1.

5 RESOLUTIONS 2, 3 AND 4 – ISSUE OF SHARES TO DIRECTORS UNDER THE PLACEMENT

5.1 Background

Resolutions 2, 3 and 4 seek Shareholder approval pursuant to and in accordance with Listing Rule 10.11 (and for all other purposes) to issue (in aggregate) 1,111,109 Shares to the Directors, being Messrs Ducler, Osborne and Varcoe (and/or their nominee(s)) under the Placement (**Director Shares**). The Director Shares will be offered at the same issue price as the Shares under the Placement (being \$0.072 per Share), to raise approximately \$80,000 (before costs).

The Company is proposing to issue:

- (a) 694,444 Shares to Mr Marc Ducler (and/or his nominee(s)) pursuant to Resolution 2;
- (b) 138,888 Shares to Mr Justin Osborne (and/or his nominee(s)) pursuant to Resolution 3; and
- (c) 277,777 Shares to Mr David Varcoe (and/or his nominee(s)) pursuant to Resolution 4.

Refer to Section 3.1 for further details on the Placement.

In accordance with Listing Rule 10.11, Shareholder approval is required for the issue of Shares to a related party. Messrs Ducler, Osborne and Varcoe are each Directors and therefore are related parties of the Company.

The issues of the Director Shares do not fall within any of the exceptions to Listing Rule 10.11 and is conditional upon Shareholder approval (which is being sought pursuant to Resolutions 2, 3 and 4) in accordance with Listing Rule 10.11.1.

Resolutions 2, 3 and 4 are ordinary resolutions.

The Chairperson intends to exercise all available proxies in favour of Resolutions 2, 3 and 4.

If approval is obtained under Listing Rule 10.11, in accordance with Listing Rule 7.2 (exception 14), separate approval is not required under Listing Rule 7.1.

To the extent Resolution 2, 3 or 4 is passed, the Company will be able to proceed with the issue of the relevant Director Shares to the relevant Director (and/or his nominee(s)) without using any of the Company's 15% Placement Capacity. In addition, the issue of the relevant Director Shares will be excluded from the calculation of the number of Equity Securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

To the extent Resolution 2, 3 or 4 is not passed, the Company will not be able to proceed with the issue of the relevant Director Shares to the relevant Director (and/or his nominee(s)), and the Company will not be able to raise funds from issuing Director Shares to that Director and may seek to raise them from alternate investors.

5.2 **Specific information required by Listing Rule 10.13**

The following information in relation to Resolutions 2, 3 and 4 is provided to Shareholders for the purposes of Listing Rule 10.13:

- (a) The Director Shares under the Placement will be issued to:
 - (i) Mr Marc Ducler (and/or his nominee(s)) pursuant to Resolution 2;
 - (ii) Mr Justin Osborne (and/or his nominee(s)) pursuant to Resolution 3; and
 - (iii) Mr David Varcoe (and/or his nominee(s)) pursuant to Resolution 4.
- (b) Messrs Ducler, Osborne and Varcoe fall within Listing Rule 10.11.1 as they are Directors and therefore related parties of the Company.
- (c) The maximum number of Director Shares to be issued to:
 - (i) Mr Marc Ducler (and/or his nominee(s)) is 694,444 Director Shares pursuant to Resolution 2;
 - (ii) Mr Justin Osborne (and/or his nominee(s)) is 138,888 Director Shares pursuant to Resolution 3; and
 - (iii) Mr David Varcoe (and/or his nominee(s)) is 277,777 Director Shares pursuant to Resolution 4.
- (d) The Director Shares will be fully paid ordinary shares in the capital of the Company and rank equally in all respects with the Company's existing Shares on issue.
- (e) The Director 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).
- (f) The Director Shares will have an issue price of \$0.072 per Share. The amount raised from the Director Shares to be issued to:
 - (i) Mr Marc Ducler (and/or his nominee(s)) is approximately \$50,000 pursuant to Resolution 2;
 - (ii) Mr Justin Osborne (and/or his nominee(s)) is approximately \$10,000 pursuant to Resolution 3;
 - (iii) Mr David Varcoe (and/or his nominee(s)) is approximately \$20,000 pursuant to Resolution 4.
- (g) Funds raised from the issue of the Director Shares to Messrs Ducler, Osborne and Varcoe (and/or their nominee(s)) will be used as detailed in Section 3.2.
- (h) A voting exclusion statement is included in the Notice for Resolutions 2, 3 and 4.

- (i) Other than the information above and otherwise detailed in the Notice, the Company believes that there is no other information that would be reasonably required by Shareholders to pass Resolutions 2, 3 and 4.

5.3 Directors' recommendation

The Board (excluding Mr Ducler, due to his personal interest in Resolution 2) recommends that Shareholders vote in favour of Resolution 2.

The Board (excluding Mr Osborne, due to his personal interest in Resolution 3) recommends that Shareholders vote in favour of Resolution 3.

The Board (excluding Mr Varcoe, due to his personal interest in Resolution 4) recommends that Shareholders vote in favour of Resolution 4.

6 RESOLUTION 5 – RENEWAL OF EMPLOYEE INCENTIVE PLAN

6.1 General

The employee and officer incentive plan known as the Astral Resources NL Employee Incentive Plan (**Plan**) enables the Company to grant Performance Rights, Options and Shares upon the exercise or conversion of those Performance Rights and Options (**Employee Incentives**) to be issued to eligible Directors, employees and contractors of the Company (**Eligible Employees**).

The Plan was last approved at the 2020 general meeting of the Company and, for the purposes of Listing Rule 7.2 (exception 13), is due to be renewed in 2023. Shareholders approved a maximum of 51,863,616 Employee Incentives to be issued under the Plan at the 2020 general meeting of the Company.

The material terms of the Plan are summarised in Schedule 2. Additionally, a copy of the Plan is available for review by Shareholders at the registered office of the Company until the date of the Meeting. A copy of the Plan can also be sent to Shareholders upon request to the Company secretary. Shareholders are invited to contact the Company if they have any queries or concerns.

Resolution 5 seeks Shareholder approval, pursuant to Listing Rule 7.2, Exception 13(b), to renew the Plan and to enable the Options and Performance Rights (and Shares upon exercise or conversion of those Performance Rights or Options) issued to Eligible Employees under the Plan to be exempted from Listing Rule 7.1 for a period of three years from the date on which Resolution 5 is passed.

No Directors will receive securities pursuant to Resolution 5. For the avoidance of doubt, the Company must seek separate Shareholder approval under Listing Rule 10.14 in respect of any future issues of Employee Incentives under the Plan to a Director or any other related party or person whose relationship with the Company or the related party is, in ASX's opinion, such that approval should be obtained.

The Plan is intended to assist the Company to attract and retain key staff, whether employees or contractors. The Board believes that grants made to Eligible Employees under the Plan will provide a powerful tool to underpin the Company's employment and engagement strategy, and that the Plan will:

- (a) enable the Company to incentivise and retain existing Key Management Personnel and other eligible employees and contractors needed to achieve the Company's business objectives;
- (b) enable the Company to recruit, incentivise and retain additional Key Management Personnel, and other eligible employees and contractors, needed to achieve the Company's business objectives;
- (c) link the reward of key staff with the achievement of strategic goals and the long-term performance of the Company;
- (d) align the financial interest of participants of the Plan with those of Shareholders; and
- (e) provide incentives to participants under the Plan to focus on superior performance that creates Shareholder value.

Resolution 5 is an ordinary resolution.

The Chairperson intends to exercise all available proxies in favour of Resolution 5.

6.2 Listing Rule 7.1 and Listing Rule 7.2, exception 13

A summary of Listing Rule 7.1 is detailed in Section 4.2.

Listing Rule 7.1 provides that a company must not (subject to specified exceptions), without the approval of shareholders, issue or agree to issue during any 12 month period any Equity Securities, or other securities with rights to convert to equity (such as an Option or Performance Right), if the number of those securities exceeds 15% of the number of ordinary securities on issue at the commencement of that 12 month period.

Listing Rule 7.2, exception 13 provides an exception to Listing Rule 7.1. The effect of Shareholder approval under Listing Rule 7.2, exception 13 is that any issues of Employee Incentives under the Plan are treated as having been made with the approval of Shareholders for the purposes of Listing Rule 7.1. Approval under Listing Rule 7.2, Exception 13(b) lasts for a period of three years.

If Resolution 5 is passed, the Company will be able to issue Employee Incentives to Eligible Employees under the Plan without using up any of the Company's 15% Placement Capacity. However, the Company will be required to seek Shareholder approval for the issue of any Employee Incentives issued under the Plan to eligible Directors pursuant to Listing Rule 10.14.

If Resolution 5 is not passed, the Company may still issue Employee Incentives to Eligible Employees under the Plan but any issue will reduce, to that extent, the Company's 15% Placement Capacity for 12 months following the issue. However, the Company will be required to seek Shareholder approval for the issue of any Employee Incentives issued under the Plan to eligible Directors pursuant to Listing Rule 10.14.

6.3 Specific information required by Listing Rule 7.2

The following information in relation to Resolution 5 is provided to Shareholders for the purposes of Listing Rule 7.2, exception 13:

- (a) The material terms of the Plan are summarised in Schedule 2.
- (b) Since the adoption of the Plan in 2020, a total of 25,764,727 Employee Incentives have been issued under the Plan.
- (c) The maximum number of Employee Incentives the Company may issue under the Plan following Shareholder approval is 71,869,194, being no more than 10% of the total number of Shares on issue at the date of the Notice.
- (d) A voting exclusion statement is included in the Notice for Resolution 5.

6.4 Board Recommendation

The Board is excluded from voting on Resolution 5 pursuant to the Listing Rules as Directors are eligible to participate under the Plan. However, the Board recommends that Shareholders vote in favour of Resolution 5 for the reasons set out in Section 6.1 above.

Schedule 1 – Definitions

In the Notice and this Explanatory Memorandum, words importing the singular include the plural and vice versa.

\$ means Australian Dollars.

15% Placement Capacity has the meaning given in Section 4.2.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited (ACN 008 624 691) and, where the context permits, the Australian Securities Exchange operated by ASX.

AWST means Australian Western Standard Time, being the time in Perth, Western Australia.

Board means the board of directors of the Company.

Chairperson means the person appointed to chair the Meeting, or any part of the Meeting, convened by the Notice.

Closely Related Party means:

- (a) a spouse or child of the member; or
- (b) any other person within the definition of the term in section 9 of the Corporations Act.

Company means Astral Resources NL (ACN 009 159 077).

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

Director means a director of the Company.

Director Shares has the meaning given in Section 5.1.

Eligible Employees has the meaning given in Section 6.1.

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

Employee Incentives has the meaning given in Section 6.1.

Explanatory Memorandum means this explanatory memorandum which forms part of the Notice.

Key Management Personnel means persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of the Company.

Lead Manager means Morgans Corporate Limited (ACN 010 539 607).

Listing Rules means the listing rules of ASX.

Meeting has the meaning in the introductory paragraph of the Notice.

Notice means the notice of meeting which comprises of the notice, agenda, Explanatory Memorandum and Proxy Form.

Option means an option to acquire a Share.

Performance Right means a right to acquire a Share.

Placement has the meaning given in Section 3.1.

Placement Shares has the meaning given in Section 4.1.

Plan has the meaning given in Section 6.1, as summarised in Schedule 2.

Proxy Form means the proxy form attached to the Notice.

Resolution means a resolution contained in the Notice.

Schedule means a schedule to this Explanatory Memorandum.

Section means a section of this Explanatory Memorandum.

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

Shareholder means a shareholder of the Company.

Schedule 2 - Summary of Employee Incentive Plan

A summary of the key terms of the Plan is set out below. A copy of the Plan can be obtained by contacting the Company.

1 Eligible Employees

- (a) The eligible participants under the Plan are:
 - (i) Directors (including non-executive Directors) and Employees who are declared by the Board in its sole and absolute discretion to be eligible to receive grants of Employee Incentives under the Plan; or
 - (ii) any other person who is declared by the Board in its sole and absolute discretion to be eligible to receive grants of Employee Incentives under the Plan
- (b) **"Employee"** means an employee, consultant or contractor of the Company or any subsidiary company.
- (c) **"Participant"** means an Eligible Employee who has been offered Employee Incentives and who has returned a corresponding Application to the Company, which has been accepted.
- (d) In accordance with the Listing Rules, prior Shareholder approval will be required before any Director or other related party of the Company can participate in the Plan and be granted Options or Performance Rights.

2 Limits on Entitlement

- (a) An Offer of Options or Performance Rights may only be made under the Plan if the number of Shares that may be acquired on exercise of Options or Performance Rights when aggregated with the number of Shares which would be issued if all outstanding Options and Performance Rights were exercised and the number of Shares issued pursuant to the Plan or any other Group employee incentive scheme during the previous three (3) years does not exceed 10% of the total number of Shares on issue at the time of the proposed issue.
- (b) The maximum allocation and allocated pool may be increased by Board resolution, provided such an increase complies with the Listing Rules.

3 Individual Limits

The Plan does not set out a maximum number of Employee Incentives that may be issued under the Plan to any one person or company.

4 Participation

- (a) The Board may from time to time in its sole and absolute discretion determine that an Eligible Employee may participate in the Plan.
- (b) Following determination that an Eligible Employee may participate in the Plan, the Board may at any time, and from time to time, make an Offer to the Eligible Employee.

5 Offer and Conditions

- (a) The manner, form, content, timing and frequency of Offers will be as determined by the Board in its sole and absolute discretion.
- (b) An Offer must be set out in an Offer Letter delivered to a Participant. The Offer Letter may specify (as determined by the Board):
 - (i) the number of Options or Performance Rights;
 - (ii) the conditions on the Offer (Offer Conditions);
 - (iii) the Grant Date;

- (iv) the Performance Criteria (if any);
 - (v) the Vesting Conditions (if any);
 - (vi) the Exercise Price and Exercise Period (in the case of Options);
 - (vii) the Performance Period (if applicable); and
 - (viii) the Expiry Date and Term (if applicable).
- (c) An Offer must be accompanied by an Application, the terms and conditions of the relevant Employee Incentives and a copy of the Plan.

6 Consideration Payable

Options and Performance Rights will be issued for nil consideration, other than the services performed by the recipient (or person nominating the recipient) under the terms of their employment or contract with the Company.

7 Employee Share Trust

The Board may in its sole and absolute discretion use an employee share trust or other mechanism for the purposes of holding Shares for Participants under the Plan and delivering Shares to Participants upon exercise of the Options or the vesting of a Performance Right.

8 Cashless Exercise

Under the Plan, a Participant may elect to pay the exercise price for each Option by setting off the total exercise price against the number of Shares which they are entitled to receive upon exercise (**Cashless Exercise Facility**). By using the Cashless Exercise Facility, the Participant will receive Shares to the value of the surplus after the exercise price has been set off.

9 Lapse of Options and Performance Rights

Subject to the Board's discretion, Options and Performance Rights shall automatically be cancelled for no consideration where:

- (a) the Participant ceases to hold employment or office with the Company or Group member;
- (b) the Participant is determined to have engaged in Fraudulent or Dishonest Conduct (detailed below);
- (c) the applicable Performance Criteria and/or Vesting Conditions are not achieved by the relevant time;
- (d) the Board determines, in its reasonable opinion, that the applicable Performance Criteria and/or Vesting Conditions have not been met or cannot be met within the relevant time;
- (e) the Expiry Date has passed;
- (f) the Board determines that the Participant has brought the Group into disrepute or acted to the interest of the Company or Group;
- (g) the Participant has elected to surrender the Employee Incentive; or
- (h) the Offer Letter provides for the cancellation of the Employee Incentive in any other circumstances.

10 Fraudulent or Dishonest Conduct

Where, in the opinion of the Board, a Participant or former Participant has engaged in Fraudulent or Dishonest Conduct the Board may deem all Employee Incentives held by the Participant or former Participant to be automatically be forfeited. Fraudulent or Dishonest Conduct means a Participant or former Participant:

- (a) acts fraudulently or dishonestly;

- (b) wilfully breaches his or her duties to the Company or any member of the Group; or
- (c) has, by any act or omission, in the opinion of the Board (determined in its absolute discretion):
 - (i) brought the Company, the Group, its business or reputation into disrepute; or
 - (ii) is contrary to the interest of the Company or the Group.
- (d) commits any material breach of the provisions of any employment contract entered into by the Participant with any member of the Group;
- (e) commits any material breach of any of the policies of the Group or procedures or any laws, rules or regulations applicable to the Company or Group;
- (f) commits any material breach of any of the policies of the Group or procedures or any laws, rules or regulations applicable to the Company or Group;
- (g) is subject to allegations, has been accused of, charged with or convicted of fraudulent or dishonest conduct in the performance of the Participant's (or former Participant's) duties, which in the reasonable opinion of the relevant directors of the Group effects the Participant's suitability for employment with that member of the Group, or brings the Participant or the relevant member of the Group into disrepute or is contrary to the interests of the Company or the Group;
- (h) is subject to allegations, has been accused of, charged with or convicted of any criminal offence which involves fraud or dishonesty or any other criminal offence which Board determines (in its absolute discretion) is of a serious nature;
- (i) has committed any wrongful or negligent act or omission which has caused any member of the Group substantial liability;
- (j) has become disqualified from managing corporations in accordance with Part 2D.6 of the Corporations Act or has committed any act that, pursuant to the Corporations Act, may result in the Participant being banned from managing a corporation;
- (k) has committed serious or gross misconduct, wilful disobedience or any other conduct justifying termination of employment without notice;
- (l) has wilfully or negligently failed to perform their duties under any employment contract entered into by the Participant with any member of the Group;
- (m) has engaged in a transaction which involves a conflict of interest to their employment with the Company resulting in the Participant or former Participant obtaining a personal benefit;
- (n) acting in a manner that could reasonably be seen as being inconsistent with the culture and values of the Company or the Group; or
- (o) committing any other act that the Board determines in its absolute discretion to constitute fraudulent or dishonest by the Participant or former Participant.

11 Change of Control

- (a) A Participant may exercise any or all of their Options which have not lapsed (regardless of whether the Vesting Conditions have been satisfied) and all Performance Rights which have not yet vested or lapsed shall automatically and immediately vest (regardless of whether the Vesting Conditions have been satisfied), if any of the following change of control events occurs:
 - (i) the Company announces that its Shareholders have at a Court convened meeting of Shareholders voted in favour, by the necessary majority, of a proposed scheme of arrangement (excluding a merger by way of scheme of arrangement for the purposes of a corporate restructure (including change of domicile, or any reconstruction, consolidation, sub-division, reduction or return) of the issued capital of the Company) and the Court, by order, approves the scheme of arrangement;
 - (ii) a Takeover Bid:

- (A) is announced;
 - (B) has become unconditional; and
 - (C) the person making the Takeover Bid has a Relevant Interest in 50% or more of the issued Shares;
- (iii) any person acquires a Relevant Interest in 50.1% or more of the issued Shares by any other means; or
- (iv) the Company announces that a sale or transfer (in one transaction or a series of transaction) of the whole (or substantially the whole) of the undertaking and business of the Company has been completed.
- (b) If the Board has procured an offer for all holders of Options on like terms (having regard to the nature and value of the Options) to the terms proposed under the Change in Control Event and the Board has specified (in its absolute discretion) a period during which the holders of Options may elect to accept the offer and, if the holder has not so elected at the end of that offer period, the Options, if not exercised within 10 days of the end of that offer period, shall expire.

12 Contravention of Rules

The Board may at any time, in its sole and absolute discretion, take any action it deems reasonably necessary in relation to any Employee Incentives if it determines or reasonably believes a Participant, or a Former Participant who retains their Employee Incentives, has breached the Plan or the terms of issue of those Employee Incentives, including but not limited to refusing to issue any Shares.

13 Amendments

- (a) The Board may at any time amend the Rules or the terms and conditions upon which any Employee Incentives have been issued under the Plan.
- (b) No amendment to the Rules or to Employee Incentives may be made if the amendment, in the opinion of the Board, materially reduces the rights of any Participant in respect of Employee Incentives granted to them prior to the date of the amendment, other than:
 - (i) an amendment introduced primarily:
 - (A) for the purposes of complying with or conforming to present or future legislation governing or regulating the Plan or like plans;
 - (B) to correct any manifest error or mistake;
 - (C) for the purpose of complying with the Applicable Laws; and/or
 - (D) to take into consideration possible adverse taxation implications in respect of the Plan including changes to applicable taxation legislation or the interpretation of that legislation by a court of competent jurisdiction or any rulings from taxation authorities administering such legislation; or
 - (ii) an amendment agreed to in writing by the Participant(s).

Proxy Voting Form

If you are attending the meeting
in person, please bring this with you
for Shareholder registration.

Holder Number:

Your proxy voting instruction must be received by **11:30am (AWST) on Wednesday, 28 June 2023**, being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

SUBMIT YOUR PROXY

Complete the form overleaf in accordance with the instructions set out below.

YOUR NAME AND ADDRESS

The name and address shown above is as it appears on the Company's share register. If this information is incorrect, and you have an Issuer Sponsored holding, you can update your address through the investor portal: <https://investor.automic.com.au/#/home> Shareholders sponsored by a broker should advise their broker of any changes.

STEP 1 – APPOINT A PROXY

If you wish to appoint someone other than the Chairperson of the Meeting as your proxy, please write the name of that Individual or body corporate. A proxy need not be a Shareholder of the Company. Otherwise if you leave this box blank, the Chairperson of the Meeting will be appointed as your proxy by default.

DEFAULT TO THE CHAIRPERSON OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairperson of the Meeting, who is required to vote these proxies as directed. Any undirected proxies that default to the Chairperson of the Meeting will be voted according to the instructions set out in this Proxy Voting Form, including where the Resolutions are connected directly or indirectly with the remuneration of Key Management Personnel.

STEP 2 - VOTES ON ITEMS OF BUSINESS

You may direct your proxy how to vote by marking one of the boxes opposite each item of business. All your shares 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 shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, 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.

APPOINTMENT OF SECOND PROXY

You may appoint up to two proxies. If you appoint two proxies, you should complete two separate Proxy Voting Forms and specify the percentage or number each proxy may exercise. If you do not specify a percentage or number, each proxy may exercise half the votes. You must return both Proxy Voting Forms together. If you require an additional Proxy Voting Form, contact Automic Registry Services.

SIGNING INSTRUCTIONS

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

Joint holding: Where the holding is in more than one name, all Shareholders should sign.

Power of attorney: If you have not already lodged the power of attorney with the share registry, please attach a certified photocopy of the power of attorney to this Proxy Voting Form when you return it.

Companies: To be signed in accordance with your Constitution. Please sign in the appropriate box which indicates the office held by you.

Email Address: Please provide your email address in the space provided.

By providing your email address, you elect to receive all communications despatched by the Company electronically (where legally permissible) such as a Notice of Meeting, Proxy Voting Form and Annual Report via email.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate 'Appointment of Corporate Representative' should be produced prior to admission. A form may be obtained from the Company's share registry online at <https://automic.com.au>.

Lodging your Proxy Voting Form:

Online:

Use your computer or smartphone to appoint a proxy at
<https://investor.automic.com.au/#/login>

or scan the QR code below using your smartphone

Login & Click on 'Meetings'. Use the Holder Number as shown at the top of this Proxy Voting Form.



BY MAIL:

Automic
GPO Box 5193
Sydney NSW 2001

IN PERSON:

Automic
Level 5, 126 Phillip Street
Sydney NSW 2000

BY EMAIL:

meetings@automicgroup.com.au

BY FACSIMILE:

+61 2 8583 3040

All enquiries to Automic:

WEBSITE: <https://automicgroup.com.au/>

PHONE: 1300 288 664 (Within Australia)
+61 2 9698 5414 (Overseas)

AUTOMIC

Appoint the Chairperson of the Meeting (Chairperson) OR if you are not appointing the Chairperson of the Meeting as your proxy, please write in the box provided below the name of the person or body corporate you are appointing as your proxy or failing the person so named or, if no person is named, the Chairperson, or the Chairperson's nominee, to vote in accordance with the following directions, or, if no directions have been given, and subject to the relevant laws as the proxy sees fit and at any adjournment thereof.

[illegible]

Where I/we have appointed the Chairperson as my/our proxy (or where the Chairperson becomes my/our proxy by default), I/we expressly authorise the Chairperson to exercise my/our proxy on Resolution 5 (except where I/we have indicated a different voting intention below) even though Resolution 5 is connected directly or indirectly with the remuneration of a member of the Key Management Personnel, which includes the Chairperson.

Resolutions		For	Against	Abstain
1.	Ratification of Placement Shares	☐	☐	☐
2.	Issue of Shares to Mr Marc Ducler under the Placement	☐	☐	☐
3.	Issue of Shares to Mr Justin Osborne under the Placement	☐	☐	☐
4.	Issue of Shares to Mr David Varcoe under the Placement	☐	☐	☐
5.	Renewal of Employee Incentive Plan	☐	☐	☐

AAR

Individual or Securityholder 1	Securityholder 2	Securityholder 3
Sole Director and Sole Company Secretary	Director	Director / Company Secretary
Contact Name:		
Email Address:		
Contact Daytime Telephone		Date (DD/MM/YY)

By providing your email address, you elect to receive all of your communications despatched by the Company electronically (where legally permissible).

By providing your email address, you elect to receive all of your communications despatched by the Company electronically (where legally permissible).