

14 October 2022

Dear Shareholders,

On behalf of the Directors of Sheffield Resources Limited (**Sheffield** or the **Company**), I am pleased to invite you to participate in the Annual General Meeting (**AGM** or **Meeting**) of Sheffield. The AGM will be held via our online platform using the link below and shareholders wishing to attend in person may also be able to do so at The Quest Kings Park, 54 Kings Park Road West Perth, WA 6005.

Please note the AGM will be held at **3.00pm on Tuesday, 22 November 2022 (WST)**.

Shareholders will be able to participate in our AGM by:

- joining the AGM in real time via our online platform at <https://meetings.linkgroup.com/SFX22> or by attending in person at The Quest Kings Park, 54 Kings Park Road West Perth, WA 6005;
- asking questions of the Board and our external auditor before the AGM, by lodging questions online at info@sheffieldresources.com.au; and
- voting on the resolutions to be considered at the AGM either by lodging the Proxy Form or lodging your proxy online 48 hours prior to the AGM or by voting online during the AGM,

or by a combination of these steps.

If you wish to attend the Meeting virtually, we recommend logging onto our online platform at least 15 minutes prior to the scheduled start time for the Meeting using the following instructions:

To log in:

1. Enter <https://meetings.linkgroup.com/SFX22> into a web browser on a computer, mobile or other online device.
2. Enter your unique access details:
 - **Shareholders** will need their Securityholder Reference Number (SRN) or Holder Identification Number (HIN), which is printed at the top of the Proxy Form (or your holding statement) and registered postcode.
 - **Proxyholders** will need their proxy code which Link Market Services will provide via an email within 24 hours prior to the Meeting.

Further information regarding virtual attendance at the Meeting (including how to vote and ask questions virtually and orally during the Meeting) is available in the Virtual Meeting Online Guide, which is located at www.sheffieldresources.com.au.

In accordance with the *Treasury Laws Amendment (2021 Measures No. 1) Act 2021* (Cth), the Company will not be dispatching physical copies of the Notice of Meeting (**Notice**) unless specifically requested to do so. Instead, to review and download the Notice and Virtual Annual General Meeting Online Guide, please visit:

<http://www.sheffieldresources.com.au/irm/content/asx-announcements1.aspx?RID=398>

A complete copy of the Notice has also been posted to the Company's ASX Market announcements page at www.asx.com.au under the Company's ASX code "**SFX**".

Should you wish to receive a hard copy of the Notice, please contact the Company Secretary at info@sheffieldresources.com.au or by telephone on (08) 6555 8777.

The Notice explains in detail the items of business you will be asked to consider at the AGM. You should carefully read the Notice and Explanatory Statement before deciding how to vote on the resolutions.

A copy of your Proxy Form is enclosed. Proxy votes may be lodged by no later than 48 hours before the Meeting by any of the methods set out on page 4 of the Notice.

You are also encouraged to submit any questions you may have in advance of the Meeting. Questions may be submitted to the Company online at www.linkmarketservices.com.au at least 48 hours prior to the Meeting.

On behalf of the Board, I would like to thank you for your continued support.

Yours sincerely



Bruce Griffin
Executive Chair
Sheffield Resources Limited

SHEFFIELD RESOURCES LIMITED

ACN 125 811 083

NOTICE OF ANNUAL GENERAL MEETING

TIME: 3.00pm (WST)

DATE: 22 November 2022

PLACE: The Annual General Meeting of the Company will be held by way of hybrid meeting as follows:

In person: The Quest Kings Park, 54 Kings Park Road,
West Perth, Western Australia 6005

Virtual meeting link: <https://meetings.linkgroup.com/SFX22>

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 accountant, solicitor or other professional adviser 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 6555 8777.

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IMPORTANT INFORMATION

Time and place of Meeting

Notice is given that a meeting of the Shareholders will be held at The Quest Kings Park, 54 Kings Park Road, West Perth, Western Australia 6005 and will also be held virtually via an online platform at <https://meetings.linkgroup.com/SFX22> on 22 November 2022 at 3.00pm (WST) (**Meeting**). Please note Shareholders may attend the Meeting in person.

Your vote is important

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

Voting eligibility

The Directors have determined that pursuant to Regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the Meeting are those persons who are registered Shareholders at 3:00pm (WST) on 20 November 2022.

Voting by poll

All Resolutions will be decided on a poll (rather than a show of hands) using proxy instructions received in advance of the Meeting. The poll will be conducted based on votes submitted by proxy and at the Meeting by Shareholders who will attend virtually in accordance with the instructions below.

Voting by proxy

To vote by proxy, please complete and sign the enclosed Proxy Form and return the Proxy Form by the time and in accordance with the instructions set out on that form.

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

- each Shareholder that is entitled to vote at the Meeting has a right to appoint a proxy to attend and vote at the Meeting;
- the proxy need not be a Shareholder of the Company and can be an individual or a body corporate; and
- a Shareholder who is 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. If the Shareholder appoints two proxies and the appointment does not specify the proportion or number of the Shareholder's votes, then in accordance with section 249X of the Corporations Act, each proxy may exercise one-half of the votes.

Sections 250BB and 250BC of the Corporations Act also apply to voting by proxy. Shareholders and their proxies should be aware of these provisions of the Corporations Act. Generally, these sections provide that:

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

Further details on sections 250BB and 250BC of the Corporations Act are set out below.

Proxy vote if appointment specifies way to vote

Section 250BB(1) of the Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, if it does:

- the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (ie. 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 chair of the meeting at which the resolution is voted on, the proxy must vote on a poll, and must vote that way (ie. as directed); and
- if the proxy is not the chair, the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (ie. as directed).

Transfer of non-chair proxy to chair in certain circumstances

Section 250BC of the Corporations Act provides that, if:

- an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of a company's members; and
- the appointed proxy is not the chair of the meeting; and
- at the meeting, a poll is duly demanded on the resolution; and
- either of the following applies:
 - the proxy is not recorded as attending the meeting; or
 - the proxy does not vote on the resolution,

the chair of the meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the meeting.

Proxies on Resolutions 1, 4, 5, and 6

If you appoint the Chairman as your proxy (or the Chairman is appointed by default) and you do not complete any of the boxes "For", "Against" or "Abstain" opposite Resolutions 1, 4, 5, and 6 on the Proxy Form, you will be expressly authorising the Chairman to vote on Resolutions 1, 4, 5, and 6 in accordance with the Chairman's stated voting intention, even though those Resolutions are connected directly or indirectly with the remuneration of a member of KMP. The Chairman intends to vote (where appropriately authorised) all available undirected proxies in favour of all Resolutions.

If you appoint the Chairman as your proxy and wish to direct him how to vote, you can do so by marking the box for Resolutions 1, 4, 5, and 6 (ie. by directing him to vote "For", "Against" or "Abstain").

If you appoint a member of KMP (other than the Chairman), or any Closely Related Party of a member of KMP as your proxy, you must direct that person how to vote on Resolutions 1, 4, 5, and 6 if you want your Shares to be voted on those Resolutions. If you appoint a member of KMP, or any Closely Related Party of a member of KMP, and you do not direct them how to vote on Resolutions 1, 4, 5, and 6, such a person must not cast your votes on those Resolutions and your votes will not be counted in calculating the required majority if a poll is called on those Resolutions.

Lodgement of proxy documents

For an appointment of a proxy for the Meeting to be effective:

- the proxy's appointment; and
- if the appointment is signed by the appointor's attorney – the authority under which the appointment was signed (ie. a power of attorney) or a certified copy of it,

must be received by the Company at least 48 hours before the start of the Meeting (ie. by 3.00pm (WST) on 20 November 2022). **Proxy appointments received after this time will be invalid for the Meeting.**

The following methods are specified for the purposes of receipt of proxies

By Post

Sheffield Resources Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235
Australia

Online

www.linkmarketservices.com.au.

Select 'Investor Login' and enter Sheffield Resources Limited or the ASX code (SFX) in the Issuer name field, your Security Reference Number (SRN) or Holder Identification Number (HIN) (which is shown on the front of your Proxy Form), postcode complete the security process and click 'Login'. Select the 'Voting' tab and then follow the prompts. You will be taken to have signed your Proxy Form if you lodge it in accordance with the instructions given on the website.

By Mobile Device

Our voting website is designed specifically for voting online. You can now lodge your proxy by scanning the QR code as shown on the Proxy Form or enter the voting link www.linkmarketservices.com.au into your mobile device. Log in using the Holder Identifier and postcode for your shareholding.

To scan the QR code you will need a QR code reader application which can be downloaded for free on your mobile device.

In Person*

Link Market Services Limited
Parramatta Square
Level 22, Tower 6
10 Darcy Street
Parramatta NSW 2150

***during business hours Monday to Friday (9:00am - 5:00pm) and subject to public health orders and restrictions**

By Facsimile

(within Australia) (02) 9287 0309
(outside Australia) (+612) 9287 0309

Remote attendance and voting online

The Meeting will be accessible to all Shareholders, proxyholders, attorneys and authorised corporate representatives via a live webinar, which will allow those persons to:

- hear the Meeting discussion and view the presentation slides;
- submit written questions while the Meeting is progressing; and
- vote during the Meeting.

If you wish to attend the Meeting virtually, enter <https://meetings.linkgroup.com/SFX22> into a web browser on your computer or online device:

- Shareholders will need their Shareholder Reference Number (SRN) or Holder Identification Number (HIN) printed at the top of the Proxy Form (or holding statement) and registered postcode; and
- proxyholders will need their proxy code which Link Market Services will provide via email within 24 hours prior to the Meeting.

We recommend logging into the online platform at least 15 minutes prior to the scheduled start time for the Meeting.

Once logged into the online meeting platform, you will be able to ask questions and vote online during the Meeting.

Online voting will be open once logged in until the time at which the Chairman announces voting closure. You may still attend the Meeting virtually if you have completed a Proxy Form, but the person you have appointed as proxy will cast your vote on your behalf if you do not choose to revoke your proxy.

Further information regarding virtual attendance at the Meeting (including how to vote and ask questions virtually during the Meeting) is available in the virtual Meeting Online Guide, which is located at www.sheffieldresources.com.au.

Shareholders are also encouraged to submit any questions in advance of the Meeting to the Company. Questions must be submitted in writing to the Company by email at info@sheffieldresources.com.au at least 48 hours prior to the Meeting.

Shareholders will also have the opportunity to submit written questions during the Meeting in respect to the formal items of business, however it would be preferable for them to be submitted to the Company in advance of the Meeting. In order to ask a question during the Meeting, please follow the instructions from the Chairman.

The Chairman will attempt to respond to the questions during the Meeting. Shareholders are limited to a maximum of two questions each (including any submitted in advance of the Meeting).

Bodies corporate

A Shareholder which is a body corporate, may appoint an individual as its representative to exercise any of the powers the body may exercise at meetings of a company's members. The appointment must comply with section 250D of the Corporations Act. The appointment may be a standing one. Unless the appointment states otherwise, the representative may exercise all of the powers that the appointing body could exercise at a meeting or in voting on a resolution. The representative should bring to the Meeting evidence of his or her appointment, including any authority under which the appointment is signed, unless it has previously been given to the Company.

Shareholders can download and fill out the 'Appointment of Corporate Representation' form from Link Market Services Limited's website – www.linkmarketservices.com.au. Hover over 'Resources' and click on 'Forms' and then select 'Holding Management'.

DEFINED TERMS

Capitalised terms in this Notice of Meeting and Explanatory Statement are defined in the "Glossary" Section.

BUSINESS OF THE MEETING

AGENDA

1. FINANCIAL STATEMENTS AND REPORTS

To receive and consider the annual financial report of the Company for the financial year ended 30 June 2022 together with the declaration of the Directors, the Director's Report (which includes the Remuneration Report) and the Auditor's Report.

Note: There is no requirement for Shareholders to approve these reports.

2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

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

"That, for the purpose of section 250R(2) of the Corporations Act and for all other purposes, the Remuneration Report as contained in the Company's Annual Report for the financial year ended 30 June 2022 be adopted."

Note: The vote on this Resolution is advisory only and does not bind the Directors or the Company. Shareholders should note that the Chairman intends to vote any undirected proxies in favour of the Resolution.

Voting prohibition statement

The Company will disregard any votes cast on Resolution 1 in any capacity by or on behalf of either:

- (a) a member of KMP of the Company, details of whose remuneration are included in the Remuneration Report; or
- (b) a Closely Related Party of such a member,

unless it is cast by:

- (c) a person as a proxy for a person entitled to vote on Resolution 1 appointed by writing that specifies the way the proxy is to vote on Resolution 1; or
- (d) the Chairman as proxy for a person entitled to vote on Resolution 1 and the proxy appointment:
 - (i) does not specify the way the proxy is to vote on Resolution 1; and
 - (ii) expressly authorises the Chairman to exercise the proxy even though Resolution 1 is connected directly or indirectly with the remuneration of a member of the KMP.

3. RESOLUTION 2 – ELECTION OF DIRECTOR – VANESSA KICKETT

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

“That, Vanessa Kickett, who ceases to hold office in accordance with clause 13.4 of the Constitution and, being eligible, offers herself for election, be elected as a Director.”

4. RESOLUTION 3 – RE-ELECTION OF DIRECTOR – JOHN RICHARDS

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

“That, John Richards, who retires as a Director in accordance with clause 13.2 of the Constitution, and being eligible for re-election, be re-elected as a Director.”

5. RESOLUTION 4 – ISSUE OF PERFORMANCE RIGHTS AND OPTIONS TO BRUCE GRIFFIN

To consider and, if thought fit, to pass, with or without amendment, each as a **separate ordinary resolution**:

“That, the issue of:

- (a) up to 194,118 Performance Rights to Bruce Griffin (or his nominee) and the acquisition of Shares by Bruce Griffin (or his nominee) upon the vesting and exercise of any such Performance Rights, in accordance with the Company's Performance Rights Plan, is approved for the purposes of sections 200B and 200E of the Corporations Act, ASX Listing Rule 10.14 and for all other purposes; and*
- (b) up to 310,588 Options to Bruce Griffin (or his nominee) and the acquisition of Shares by Bruce Griffin (or his nominee) upon the vesting and exercise of any such Options, is approved for the purposes of sections 200B and 200E of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes,*

on the terms and conditions set out in the Explanatory Statement.”

Voting exclusion statement

In respect of Resolution 4(a), the Company will disregard any votes cast in favour of this Resolution by or on behalf of a person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the Plan, or any of their respective associates.

In respect of Resolution 4(b), the Company will disregard any votes cast in favour of this Resolution by or on behalf of the person who is to receive the securities in question and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of Shares).

However, the Company need not disregard a vote cast in favour of Resolutions 4(a) or 4(b) if it is cast by:

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

The Company will disregard any votes cast on Resolutions 4(a) or 4(b) in any capacity by or on behalf of either:

- (a) a member of KMP of the Company, details of whose remuneration are included in the Remuneration Report; or
- (b) a Closely Related Party of such a member,

unless it is cast by:

- (c) a person as a proxy for a person entitled to vote on the Resolution appointed by writing that specifies the way the proxy is to vote on the Resolution; or
- (d) the Chairman as proxy for a person entitled to vote on the Resolution and the proxy appointment:
 - (i) does not specify the way the proxy is to vote on the Resolution; and
 - (ii) expressly authorises the Chairman to exercise the proxy even though the Resolution is connected directly or indirectly with the remuneration of a member of the KMP.

Further, in accordance with section 200E(2A) of the Corporations Act, a vote on the Resolution must not be cast (in any capacity) by or on behalf of Bruce Griffin (and his nominees) or any of their respective associates. However, a vote may be cast by such a person if:

- (a) the person is appointed as proxy by writing that specifies the way the proxy is to vote on the Resolution; and
- (b) it is not cast on behalf of Bruce Griffin (or his nominees) or an associate of those persons.

6. RESOLUTION 5 – ISSUE OF PERFORMANCE RIGHTS AND OPTIONS TO MARK DI SILVIO

To consider and, if thought fit, to pass, with or without amendment, each as a **separate ordinary resolution**:

“That, the issue of:

- (a) up to 182,824 Performance Rights to Mark Di Silvio (or his nominee) and the acquisition of Shares by Mark Di Silvio (or his nominee) upon the vesting and exercise of any such Performance Rights, in accordance with the Company's Performance Rights Plan, is approved for the purposes of sections 200B and 200E of the Corporations Act and for all other purposes; and*
- (b) up to 274,235 Options to Mark Di Silvio (or his nominee) and the acquisition of Shares by Mark Di Silvio (or his nominee) upon the vesting and exercise of any such Options, is approved for the purposes of sections 200B and 200E of the Corporations Act and for all other purposes,*

on the terms and conditions set out in the Explanatory Statement.”

Voting prohibition statement

The Company will disregard any votes cast on Resolutions 5(a) or 5(b) in any capacity by or on behalf of either:

- (a) a member of KMP of the Company, details of whose remuneration are included in the Remuneration Report; or
- (b) a Closely Related Party of such a member,

unless it is cast by:

- (c) a person as a proxy for a person entitled to vote on the Resolution appointed by writing that specifies the way the proxy is to vote on the Resolution; or
- (d) the Chairman as proxy for a person entitled to vote on the Resolution and the proxy appointment:
 - (i) does not specify the way the proxy is to vote on the Resolution; and
 - (ii) expressly authorises the Chairman to exercise the proxy even though the Resolution is connected directly or indirectly with the remuneration of a member of the KMP.

Further, in accordance with section 200E(2A) of the Corporations Act, a vote on the Resolution must not be cast (in any capacity) by or on behalf of Mark Di Silvio (and his nominees) or any of their respective associates. However, a vote may be cast by such a person if:

- (e) the person is appointed as proxy by writing that specifies the way the proxy is to vote on the Resolution; and
- (f) it is not cast on behalf of Mark Di Silvio (or his nominees) or an associate of those persons.

7. RESOLUTION 6 – ISSUE OF OPTIONS TO DIRECTOR - VANESSA KICKETT

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

“That, for the purpose of ASX Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of 480,000 Options (exercisable at \$0.84 each on or before 30 November 2026) to Vanessa Kickett (or her nominee) on the terms and conditions set out in the Explanatory Statement.”

Voting exclusion statement

The Company will disregard any votes cast in favour of this Resolution by or on behalf of the person who is to receive the securities in question and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of Shares).

However, the Company need not disregard a vote cast in favour of this Resolution if it is cast by:

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

The Company will disregard any votes cast on Resolution 6 in any capacity by or on behalf of either:

- (a) a member of KMP of the Company, details of whose remuneration are included in the Remuneration Report; or
- (b) a Closely Related Party of such a member,

unless it is cast by:

- (c) a person as a proxy for a person entitled to vote on Resolution 6 appointed by writing that specifies the way the proxy is to vote on Resolution 6; or
- (d) the Chairman as proxy for a person entitled to vote on Resolution 6 and the proxy appointment:
 - (i) does not specify the way the proxy is to vote on Resolution 6; and

- (ii) expressly authorises the Chairman to exercise the proxy even though Resolution 6 is connected directly or indirectly with the remuneration of a member of the KMP.

8. RESOLUTION 7 – APPROVAL OF 10% PLACEMENT CAPACITY

Subject to the Company being an Eligible Entity as at the date of the Meeting, to consider and, if thought fit, to pass, with or without amendment, the following resolution as a **special resolution**:

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

Voting exclusion statement

The Company will disregard any votes cast in favour of Resolution 7 by or on behalf of:

- (a) if at the date of the Meeting, the Company is proposing to make an issue of equity securities under Listing Rule 7.1A.2, any person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company); and
- (b) any person who is an associate of those persons.

However, the Company need not disregard a vote cast in favour of this Resolution if it is cast by:

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

9. RESOLUTION 8 – AMENDMENT TO THE CONSTITUTION

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

“That, the amendment to the Constitution by the inclusion of new clause 11.9, as set out in the Explanatory Memorandum, is approved under and for the purposes of section 136(2) of the Corporations Act and for all other purposes, with effect from the close of the Meeting.”

Dated: 14 October 2022

By order of the Board



**BRUCE GRIFFIN
EXECUTIVE CHAIR**

EXPLANATORY STATEMENT

This Explanatory Statement provides information about the items of business to be considered at the Meeting.

This Explanatory Statement should be read in conjunction with the Notice of Meeting and Proxy Form.

10. FINANCIAL STATEMENTS AND REPORTS

The business of the Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 30 June 2022 together with the declaration of the Directors, the Directors' Report (which includes the Remuneration Report) and the Auditor's Report.

There is no requirement for Shareholders to approve these reports. However, the Chairman will allow a reasonable opportunity for Shareholders to ask questions or make comments about those reports and the management of the Company. Shareholders will also be given a reasonable opportunity to ask the Auditor questions about the conduct of the audit and the preparation and content of the Auditor's Report.

In addition to taking questions at the Annual General Meeting, written questions to the Chairman about the management of the Company, or to the Auditor about the:

- (a) preparation and content of the Auditor's Report;
- (b) conduct of the audit;
- (c) accounting policies adopted by the Company in relation to the preparation of the financial statements; and
- (d) independence of the Auditor in relation to the conduct of the audit,

may be submitted no later than five Business Days before the date of the Annual General Meeting to the Company Secretary (that is, by 3.00pm (WST) on 15 November 2022).

The Company will not provide a hard copy of the Annual Report to Shareholders unless specifically requested to do so. The Annual Report is available on its website at <http://www.sheffieldresources.com.au>.

11. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

11.1 General

Pursuant to the Corporations Act, the Directors have included the Remuneration Report in their Directors' Report for the year ended 30 June 2022. The Remuneration Report is set out in the Annual Report. Shareholders can view the Annual Report on the Company's website at <http://www.sheffieldresources.com.au>.

The Corporations Act requires that at a listed company's annual general meeting, a resolution that the remuneration report be adopted must be put to shareholders at that meeting. However, such a resolution is advisory only and does not bind the relevant company or its directors. The Company has put Resolution 1 to a vote to satisfy such requirements.

By way of summary, the Remuneration Report:

- explains the Company's remuneration policy and the process for determining the remuneration of the Directors and executive officers;
- addresses the relationship between the Company's remuneration policy and the Company's performance; and
- sets out remuneration details for each Director and each of the Company's executives and group executives named in the Remuneration Report for the financial year ended 30 June 2022.

There will be a reasonable opportunity for members to comment on and ask questions about the Remuneration Report at the Meeting.

Note that a voting exclusion applies to Resolution 1 on the terms set out in the Notice. If you choose to appoint a proxy for the Meeting, you are encouraged to direct your proxy how to vote on Resolution 1 by marking either "For", "Against" or "Abstain" on the Proxy Form.

11.2 Voting consequences

A company is required to put to its shareholders a resolution proposing the calling of another meeting of shareholders to consider the appointment of directors of the company (**Spill Resolution**) if, at consecutive annual general meetings, at least 25% of the votes cast on a remuneration report resolution are voted against the adoption of the remuneration report and at the first of those annual general meetings a Spill Resolution was not put to vote. If required, the Spill Resolution must be put to vote at the second of those annual general meetings.

If more than 50% of votes cast are in favour of the Spill Resolution, the company must convene a shareholder meeting within 90 days of the second annual general meeting (**Spill Meeting**).

All of the directors of the company who were in office when the directors' report (as included in the company's annual financial report for the most recent financial year) was approved, other than the managing director, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting.

Following the Spill Meeting, those persons whose election or re-election as directors of the company is approved will be the directors of the company.

11.3 Previous voting results

At the Company's previous 2020 and 2021 annual general meetings, the votes cast against the remuneration report considered at those annual general meetings were greater than 25%. Accordingly, a Spill Resolution was put to Shareholders at the Company's 2021 annual general meeting.

At the Company's 2021 Annual General Meeting, the Spill Resolution was not passed, with a 72.9% voting against the resolution. Accordingly, no Spill Meeting was called.

The Company has addressed matters raised by Shareholders in relation to which a "second strike" was received by the Company at the 2021 Annual General Meeting. It is noted that the Company received advice from two proxy advisers in 2021 recommending that Shareholders vote IN FAVOUR of the Remuneration

Report in 2021, noting that remuneration practices of the Company were consistent with market practice.

The Remuneration Committee engaged independent remuneration consultants during the 2021 financial year to address remuneration matters, having reviewed and developed the Company's Performance Rights Plan approved by Shareholders at the 2020 Annual General Meeting.

Changes to Board composition since the 2020 Annual General Meeting have resulted in the proportion of non-executive directors sitting on the Board that are also independent directors increasing to 100%, and during the course of this year, the Board sought to diversify and continue its strategy of appointing experienced board members with the non-executive director appointment of Mrs Vanessa Kickett with effect on 1 January 2022.

12. RESOLUTION 2 – ELECTION OF DIRECTOR – VANESSA KICKETT

12.1 General

Resolution 2 seeks approval for the election of Mrs Vanessa Kickett as a Director, with effect from the end of the Meeting.

Clause 13.4 of the Constitution provides that the Directors may at any time appoint a person to be a Director, either to fill a casual vacancy, or as an addition to the existing Directors, but so that the total number of Directors does not at any time exceed the maximum number specified by the Constitution. Any Director so appointed holds office only until the next following annual general meeting and is then eligible for re-election but shall not be taken into account in determining the Directors who are to retire by rotation (if any) at that meeting.

Mrs Vanessa Kickett was appointed as an independent non-executive Director with effect on 1 January 2022. The Board has conducted appropriate checks into Mrs Kickett's background and experience.

12.2 Qualifications and material directorships

Mrs Kickett has extensive experience and involvement with Aboriginal engagement, native title and heritage matters throughout Western Australia. A member of the Whadjuk Noongar community, Mrs Kickett is currently the Deputy Chief Executive Officer of the South West Aboriginal Land and Sea Council, responsible for the recent implementation and operation of the South West (Western Australia) native title settlement. Mrs Kickett has also held a variety of roles in the public sector, leading the development of heritage and native title policy and frameworks on behalf of the Water Corporation in Western Australia.

12.3 Independence

The Board considers Mrs Kickett to be an independent Director.

12.4 Board recommendation on Resolution 2

The Directors (other than Mrs Kickett, whose election is the subject of Resolution 2) recommends that Shareholders vote in favour of Resolution 2.

13. RESOLUTION 3 – RE-ELECTION OF DIRECTOR – JOHN RICHARDS

13.1 General

Pursuant to clause 13.2 of the Constitution, Mr John Richards, being a Director, retires by way of rotation and, being eligible, offers himself for re-election as a Director.

In accordance with clause 13.2 of the Constitution, Mr Richards, who has served as a Director since 2 August 2019 and was last re-elected on 15 December 2020, retires by rotation at the Meeting and, being eligible, seeks re-election.

13.2 Qualifications and material directorships

Mr Richards is an economist with more than 35 years' experience in the resources industry. He holds a Bachelor of Economics (Hons) from the University of Queensland and a Diploma from the Securities Institute of Australia. During this time, he has held strategy and business development positions within mining companies as well as in investment banks and private equity groups. He has been involved in a wide range of mining M&A transactions in multiple jurisdictions.

Mr Richards has previously held positions including Group Executive - Strategy and Business Development at Normandy Mining Limited, Head of Mining and Metals Advisory (Australia) at Standard Bank, Managing Director at Buka Minerals Limited and Operating Partner at Global Natural Resources Investments.

Mr Richards joined the board of Northern Star Resources Limited and Sandfire Resources Limited in 2021 as a non-executive director.

13.3 Independence

The Board considers Mr Richards to be a lead independent Director.

13.4 Board recommendation on Resolution 3

The Directors (other than Mr Richards, whose election is the subject of Resolution 3) recommends that Shareholders vote in favour of Resolution 3.

14. RESOLUTIONS 4 & 5 – ISSUE OF PERFORMANCE RIGHTS AND OPTIONS TO BRUCE GRIFFIN & MARK DI SILVIO

14.1 Background

Shareholder approval is sought for the issue of:

- (a) up to 194,118 Performance Rights to Bruce Griffin (or his nominee) and the acquisition of Shares by Bruce Griffin (or his nominee) upon the vesting and exercise of any such Performance Rights, in accordance with the Company's Performance Rights Plan (the subject of Resolution 4(a)). These Performance Rights are proposed to be issued to Mr Griffin (or his nominee) as a short term incentive under his remuneration package and are subject to the **STI Performance Hurdles** (as set out and defined below);
- (b) up to 310,588 Options to Bruce Griffin (or his nominee) and the acquisition of Shares by Bruce Griffin (or his nominee) upon the vesting and exercise of any such Options (the subject of Resolution 4(b)). These Options are subject to the **Market Performance Hurdle** (as set out and defined below);

- (c) up to 182,824 Performance Rights to Mark Di Silvio (or his nominee) and the acquisition of Shares by Mark Di Silvio (or his nominee) upon the vesting and exercise of any such Performance Rights, in accordance with the Company's Performance Rights Plan (the subject of Resolution 5(a)). These Performance Rights are proposed to be issued to Mr Di Silvio (or his nominee) as a short term incentive under his remuneration package and are subject to the **STI Performance Hurdles** (as set out and defined below); and
- (d) up to 274,235 Options to Mark Di Silvio (or his nominee) and the acquisition of Shares by Mark Di Silvio (or his nominee) upon the vesting and exercise of any such Options (the subject of Resolution 5(b)) These Options are subject to the **Market Performance Hurdle** (as set out and defined below).

14.2 Purpose and aim of the Performance Rights and Options Plan

During the previous 2021 financial year, a remuneration and incentives plan was designed for Directors and key management personnel with the assistance of independent remuneration consultants in order to appropriately drive and reward short term performance and facilitate long term value creation for Shareholders. Among other things, the plan consists of short-term incentive (**STI**) measures.

The maximum possible incentive opportunity, subject to satisfaction of performance hurdles, is expressed as a percentage of annual total fixed remuneration (**TFR**) and is summarised in Table 1 below:

Table 1: KEY MANAGEMENT PERSONNEL – Total Incentive Opportunity (Annual)					
	Annual TFR (\$)	Total Incentive	Long Term Incentive	Short Term Incentive	Market Based Incentive
Bruce Griffin	330,000	150%	60%	50%	40%
Mark Di Silvio	388,500	120%	50%	40%	30%
					
PERFORMANCE HURDLE TERMS & CONDITIONS			NO AWARD PROPOSED	STI PERFORMANCE HURDLE (Refer Table 2)	MARKET PERFORMANCE HURDLE (Refer Table 3)

The primary aim of the proposed issue of Performance Rights and Options to Mr Griffin and Mr Di Silvio is to incentivise Mr Griffin and Mr Di Silvio to align executive performance with the interests of all Shareholders, targeting the following deliverables:

- (a) the achievement of key construction milestones within the Thunderbird Mineral Sands Project (**Project Schedule**), measured against performance as first announced by the Company to ASX on 24 March 2022 in relation to targeted first production from the Thunderbird Mineral Sands Project, measured at 30 June 2023;
- (b) the achievement of construction expenditure milestones within the Thunderbird Mineral Sands Project (**Project Budget**), measured against planned expenditure as first announced by the Company to the ASX on 24 March 2022 in relation to targeted construction expenditure, measured at 30 June 2023;

- (c) achieving superior Company share price growth relative to the S&P/ASX300 Materials Index across a 3 year time horizon.

The Performance Rights are proposed to be issued under the Plan.

In addition to the above, the purpose of the Plan is to:

- (a) assist in the reward, retention and motivation of those persons who are eligible to be granted Performance Rights under the Plan (each such person being an **Eligible Participant**);
- (b) link the reward of Eligible Participants to performance and the creation of Shareholder value;
- (c) align the interests of Eligible Participants more closely with the interests of Shareholders by providing an opportunity for Eligible Participants to receive Shares;
- (d) provide Eligible Participants with the opportunity to share in any future growth in value of the Company; and
- (e) provide greater incentive for Eligible Participants to focus on the Company's longer term goals.

The material terms of the Plan are summarised in Schedule 2.

The Options are proposed to be issued outside of the Plan. The material terms of the Options are summarised in Schedule 3.

The specific Performance Hurdles (as noted in Table 1) that will apply to the Performance Rights and Options to be issued to Mr Griffin and Mr Di Silvio are described below.

14.3 Terms of Performance Rights and Performance Hurdles

A Performance Right as provided for by the Plan, is a right to be issued or transferred a Share (or paid a cash payment), upon and subject to the terms of the Plan and the terms of any applicable offer to an Eligible Participant, which may be subject to Vesting Conditions that include meeting any specified performance hurdles (**Performance Hurdles**).

The below Performance Hurdles are further qualified by the following factors:

- health, safety, environmental and governance objectives being applied such that in the event of a fatality or other catastrophic event, the Board would not award a STI cash or equity bonus for the period;
- satisfactory individual performance by the executive, whereby the executive must achieve a Personal Scorecard target of 50% or greater to be eligible for the award; and
- the executive must be employed during the entire period to be eligible for the award (unless the Board exercises its discretion to vest the Performance Rights under a 'good leaver' exception contained in the Plan).

STI Performance Hurdles

Performance Rights proposed to be issued to Mr Griffin (or his nominee) and Mr Di Silvio (or his nominee) respectively, as further detailed in paragraph 14.1, as a short term incentive under their remuneration packages, are subject to the following performance hurdles (**STI Performance Hurdles**):

TABLE 2: SHORT TERM INCENTIVE PLAN – 2023 FINANCIAL YEAR PERFORMANCE MEASURES

Tranche	Weighting	Performance Hurdle	Target	Measure
1	50%	The achievement of key construction milestones within the Thunderbird Mineral Sands Project (Project Schedule), measured against performance as first announced by the Company to ASX on 24 March 2022 in relation to targeted first production from the Thunderbird Mineral Sands Project, measured at 30 June 2023.	Stretch (100%)	1 month ahead of Project Schedule
			Target (75%)	On Project Schedule
			Threshold (0%)	2 months behind Project Schedule
2	50%	The achievement of construction expenditure milestones within the Thunderbird Mineral Sands Project (Project Budget), measured against planned expenditure as first announced by the Company to the ASX on 24 March 2022 in relation to targeted construction expenditure, measured at 30 June 2023.	Stretch (100%)	5% under Project Budget
			Target (75%)	On Project Budget
			Threshold (0%)	10% over Project Budget

Illustrative Example – STI Performance Hurdles

The following illustrative examples provide an indicative result of an award to a KMP based upon defined STI Performance Hurdle outcomes:

Mr Griffin is awarded 194,118 Performance Rights under the Plan. Based upon the Bankable Feasibility Study as disclosed to the ASX on 24 March 2022, construction of the Thunderbird Mineral Sands Project is scheduled to be completed during Q1 2024, one month ahead of schedule. No change is expected to the Project Budget compared to the plan.

Based upon the above illustrative example, 169,853 Performance Rights would vest in favour of Mr Griffin based upon the following calculation and as a result of the illustrative example:

Weighting	Maximum Quantity	Illustrative Performance Outcome	Table 2 Performance Hurdle Satisfied?	Outcome Quantity
50%	97,059	Project construction 1 month ahead of schedule	Yes – 100% stretch target achieved	97,059
50%	97,059	No change to Project Budget	Partially – 75% Target achieved	72,794
100%	194,118			169,853

14.4 Terms of Options and Market Performance Hurdle

The Options proposed to be issued to Mr Griffin (or his nominee) and Mr Di Silvio (or his nominee) respectively, as further detailed in paragraph 14.1, are subject to the following Compound Annual Growth Rate (**CAGR**) performance hurdle (**Market Performance Hurdle**):

Table 3: REWARD PLAN – Market Performance Hurdle & Criteria		
Performance Hurdle	Target	Measure
The percentage CAGR calculated in respect of the Company's Share price less the percentage CAGR calculated in respect of the S&P/ASX 300 Materials Index, calculated for the period commencing on 1 July 2022 and ending on 30 June 2025	Stretch (100%)	10% CAGR
	Target (75%)	5% CAGR
	Threshold (0%)	0% CAGR

Illustrative Example – Market Performance Hurdle

Mr Griffin is awarded 310,588 Options under the Plan. The CAGR of the Company's share price for the 3 years ending 30 June 2025 is calculated to be 8%, whilst for the same consecutive 3 year period, the CAGR of the S&P/ASX 300 Materials Index is 3%.

Based upon the above illustrative example, 232,941 Options would vest in favour of Mr Griffin based upon the following calculation and as a result of the illustrative example:

Weighting	Maximum Quantity	Illustrative Performance Outcome	Table 5 Performance Hurdle Satisfied?	Outcome Quantity
100%	310,588	The percentage CAGR calculated in respect of the Company's Share price less the percentage CAGR calculated in respect of the S&P/ASX 300 Materials Index, calculated for the period commencing on 1 July 2022 and ending on 30 June 2025	Partially. 5% superior performance above S&P/ASX 300 Materials Index result of 3 %, results in a pro rata award of 75% of maximum number of Options that may be awarded.	232,941

Other terms of Options

The Options that are proposed to be issued to Mr Griffin and Mr Di Silvio and which are the subject of Resolutions 4(b) and 5(b), are otherwise to be issued on the terms set out in Schedule 3.

14.5 Listing Rule 10.14 - Issue of Performance Rights to Bruce Griffin

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

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

unless it obtains the approval of its shareholders.

The proposed issue of the Performance Rights falls within Listing Rule 10.14.1 (or Listing Rule 10.14.2 if Mr Griffin elects for the Performance Rights to be granted to his nominee) and therefore requires the approval of Shareholders under Listing Rule 10.14.

As Shareholder approval is sought under Listing Rule 10.14, approval under Listing Rule 7.1 or 10.11 is not required.

If Resolution 4(a) is passed, the Company will be able to proceed with the issue of the Performance Rights to Mr Griffin and Mr Griffin will be compensated accordingly based on the achievement of the Performance Hurdles set out above.

If Resolution 4(a) is not passed, the Company will not be able to proceed with the issue of the Performance Rights to Mr Griffin and the Company will be required to negotiate and agree other satisfactory forms of compensation with Mr Griffin.

14.6 Specific information required by Listing Rule 10.15 - issue of Performance Rights to Bruce Griffin

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

- (a) the Performance Rights will be issued under the Plan to Mr Bruce Griffin (or his nominee);
- (b) Mr Griffin is a related party of the Company by virtue of being a Director and falls into the category stipulated by Listing Rule 10.14.1. In the event the Performance Rights are issued to a nominee of Mr Griffin, that person will fall into the category stipulated by Listing Rule 10.14.2;
- (c) 194,118 Performance Rights are proposed to be issued to Mr Griffin (or his nominee) under the Plan;
- (d) the current total compensation package payable to Mr Griffin as at the date of this Notice is set out below:
 - (i) a monthly retainer of \$27,500;
 - (ii) the proposed issue of 194,118 Performance Rights and 310,588 Options;
- (e) Mr Griffin has previously been issued securities 1,636,364 Performance Rights on 26 November 2021 and expiring on 31 October 2026 under the Plan. The average acquisition price paid by Mr Griffin for these securities was nil.

Mr Griffin has also previously been issued securities 227,273 Options on 26 November 2021, each of which expire on 31 October 2026 under the Plan. The average acquisition price paid by Mr Griffin for these securities was nil. Of this amount, on 9 August 2022, 159,091 Options lapsed and were incapable of exercise, with a further 68,182 vesting and remaining unexercised as at the date of this Notice.

- (f) the Performance Rights will be issued on the terms and conditions set out in Section 14.3. The Board considers that Performance Rights, rather than Shares, are an appropriate form of incentive on the basis that:
 - (i) the Performance Rights retain and reward Mr Griffin for the achievement of non-financial, business objectives;
 - (ii) Shareholders can readily ascertain and understand the Performance Hurdles which are required to be satisfied for the Performance Rights to vest and the number of Shares to which they relate (i.e. each Performance Right is a right to be issued one Share upon the satisfaction of the relevant Performance Hurdles); and

- (iii) Mr Griffin will only obtain the value of the Performance Rights and exercise the Performance Rights into Shares upon satisfaction of the relevant Performance Hurdles; and
 - (iv) Performance Rights are simple to understand (i.e. each Performance Right is a right to one Share), likely to be highly valued by executives (and therefore retentive and incentivising) and are designed to attract, retain and reward quality executives for successfully delivering long objectives of the Company, including successful project delivery.
- (g) the Company has commissioned and prepared an independent valuation of the proposed Performance Rights to Mr Griffin, the details have been set out in Schedule 4. In summary, it concludes that the value of the Performance Rights proposed to be granted to Mr Griffin is \$82,500.
 - (h) the Performance Rights will be issued no later than three years after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules);
 - (i) the Performance Rights will have an issue price of nil as they will be issued as part of Mr Griffin's remuneration package;
 - (j) a summary of the material terms of the Plan is set out in Schedule 2;
 - (k) no loan will be provided to Mr Griffin in relation to the issue of the Performance Rights;
 - (l) details of any securities issued under the Plan will be published in the annual report of the Company relating to a period in which they were issued, along with a statement that approval for the issue was obtained under Listing Rule 10.14. Any additional persons covered by Listing Rule 10.14 who become entitled to participate in the Plan after Resolution 4(a) is approved and who were not named in the Notice will not participate until approval is obtained under that rule; and
 - (m) a voting exclusion statement is included in the Notice.

14.7 ASX Listing Rule 10.11 - issue of Options to Bruce Griffin

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

- (a) a related party (ASX Listing Rule 10.11.1);
- (b) a person who is, or was at any time in the 6 months before the issue or agreement, a substantial holder (30%+) in the company (ASX Listing Rule 10.11.2);
- (c) a person who is, or was at any time in the 6 months before the issue or agreement, a substantial holder (10%+) in the company and who has nominated a director to the board of the company pursuant to a relevant agreement which gives them a right or expectation to do so (ASX Listing Rule 10.11.3);
- (d) an associate of a person referred to in ASX Listing Rules 10.11.1 to 10.11.3 (ASX Listing Rule 10.11.4); or

- (e) a person whose relation with the company or a person referred to in ASX Listing Rule 10.11.1 or 10.11.4 is such that, in ASX's opinion, the issue or agreement should be approved by its shareholders (ASX Listing Rule 10.11.5),

unless it obtains the approval of its shareholders.

The proposed issue of Options to Mr Griffin (or his nominee) under Resolution 4(b) falls within ASX Listing Rule 10.11.1 and does not fall within any of the exceptions in ASX Listing Rule 10.12. It therefore requires the approval of Shareholders under ASX Listing Rule 10.11.

Resolution 4(b) seeks the required Shareholder approval to the proposed issue of Options under and for the purposes of ASX Listing Rule 10.11.

If Resolution 4(b) is passed, the Company will be able to proceed with the issue of the Options to Mr Griffin (or his nominee) and Mr Griffin will be remunerated accordingly.

If Resolution 4(b) is not passed, the Company will not be able to proceed with the issue of the Options to Mr Griffin (or his nominee) and the Company may need to consider other forms of incentive remuneration, including by the payment of cash.

As Shareholder approval is sought under ASX Listing Rule 10.11, approval under ASX Listing Rule 7.1 is not required. Accordingly, the issue of Options will not be included under the Company's 15% annual placement capacity pursuant to ASX Listing Rule 7.1.

14.8 Specific information required by ASX Listing Rule 10.13 - Issue of Options to Bruce Griffin

Under and for the purposes of ASX Listing Rule 10.13, the following information is provided in relation to the proposed issue of Options to Mr Griffin under Resolution 5(b):

- (a) a maximum of 310,588 Options will be issued to Mr Griffin (or his nominee), a Director of the Company;
- (b) Mr Griffin is a related party of the Company by virtue of being a Director and falls into the category stipulated by ASX Listing Rule 10.11.1. In the event the Options are issued to a nominee of Mr Griffin, that person will fall into the category stipulated by ASX Listing Rule 10.11.4;
- (c) the Options will be issued with an exercise price of \$0.425 each and an expiry date of 5.00pm (WST) on the date which is five (5) years after the date of their issue and otherwise on the terms set out in Schedule 3.
- (d) the Options 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 ASX Listing Rules);
- (e) the current total compensation package payable to Mr Griffin as at the date of this Notice is set out paragraph 14.6(d);
- (f) The current indicative value of the Options proposed to be granted to Mr Griffin is equal to \$61,807 utilising the Black and Scholes pricing model. The valuation of the Options has been prepared using the following assumptions:

Variable	Input
Share price	\$0.425
Exercise price	\$0.425
Risk Free Interest Rate	3.33%
Volatility	70%
Time (years to expiry)	5 years

- (g) the Options will be issued for nil cash consideration as they will be issued as part of Mr Griffin's remuneration package, and therefore no funds will be raised as a result of the issue. Funds raised upon any exercise of the Options are intended to be used for general working capital purposes;
- (h) the Options are not being issued under any agreement; and
- (i) a voting exclusion statement is included in the Notice.

14.9 Sections 200B and 200E of the Corporations Act

The Corporations Act broadly provides that the Company may only give a person a benefit in connection with their ceasing to hold a "managerial or executive office" in the Company or its related bodies corporate if such benefit is approved by Shareholders or an exemption applies (for example, where the benefit together with other benefits does not exceed the payment limits set out in the Corporations Act).

The term "benefit" in this context is broad and may include the accelerated vesting and exercise of Performance Rights and Options. The Plan provides that the Board has the discretion to determine that the Vesting Conditions attached to some or all of the Performance Rights are waived and such Performance Rights vest and become capable of exercise early in certain specified "Special Circumstances", which include (among other things) upon the retirement, redundancy, death or total or permanent disability of Mr Griffin and Mr Di Silvio.

The terms of the Options also provide that the Board has the discretion to determine that the Market Performance Hurdle attached to some or all of the Options are waived and such Options vest and become capable of exercise early in certain specified "special circumstances", being upon the retirement, redundancy, death or total or permanent disability of Mr Griffin and Mr Di Silvio.

In addition, the Plan provides that the Vesting Conditions attached to Performance Rights will be deemed to be automatically waived in the circumstances where a Change of Control occurs, such that all Performance Rights will vest and become capable of exercise.

The terms of Options also provide that the Market Performance Hurdle attached to the Options may be waived in the circumstances where a Change of Control occurs, such that all Options will vest and become capable of exercise.

If the Board were to exercise its discretion to waive the Vesting Conditions or Market Performance Hurdle applying to some or all of the Performance Rights or Options and make such Performance Rights or Options vest and become capable of exercise early in the circumstances where a holder that holds a managerial or

executive office (or did hold such an office in the previous three years) ceases employment (by retirement redundancy, death or total or permanent disability), this may amount to the giving of a termination benefit requiring Shareholder approval in accordance with the Corporations Act. Accordingly, Shareholder approval is also being sought for any such benefit which Mr Griffin and Mr Di Silvio may receive if Board exercises such discretion and the vesting and exercise of their Performance Rights and Options is accelerated.

If Shareholders approve Resolution 4:

- (a) the maximum number of Performance Rights that may vest and be exercised on the cessation of Mr Griffin's consulting arrangement will be 194,118; and
- (b) the maximum number of Options that may vest and be exercised on the cessation of Mr Griffin's consulting arrangement will be 310,588.

If Shareholders approve Resolution 5:

- (a) the maximum number of Performance Rights that may vest and be exercised on the cessation of Mr Di Silvio's employment will be 182,824; and
- (b) the maximum number of Options that may vest and be exercised on the cessation of Mr Di Silvio's employment will be 274,235.

For Performance Rights and Options, the value of the benefit given upon accelerated vesting and exercise will depend on the price of the Company's shares at the time of vesting and exercise, and the number of Performance Rights and Options that vest and are exercised. Apart from the future price of Shares being unknown, a number of factors could impact the number of Performance Rights and Options which vest and become capable of exercise on cessation of Mr Griffin's consulting arrangement and Mr Di Silvio's employment with the Company. Accordingly, the value of the benefit given upon accelerated vesting and exercise cannot be calculated at the present time. The following matters will or may affect (as the case may be) the value of the benefit, as they will or may affect (as the case may be) the number of Performance Rights and Options which vest and become capable of exercise on cessation of the abovementioned consulting arrangement and employment with the Company:

- (a) the number of unvested Performance Rights and Options held by Mr Griffin (or his nominee) or Mr Di Silvio (or his nominee) prior to the cessation of such arrangements;
- (b) the timing and reasons for cessation of such arrangements; and
- (c) the exercise of the Board's discretion at the relevant time.

14.10 Chapter 2E of the Corporations Act

In accordance with Chapter 2E of the Corporations Act, in order to give a financial benefit to a related party, the Company must:

- (a) obtain Shareholder approval in the manner set out in section 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The issue of the Performance Rights and Options constitutes giving a financial benefit and Mr Griffin is a related party of the Company by virtue of being a Director.

It is the view of Mr John Richards, Mrs Vanessa Kickett, Mr Ian MacIver and Mr Gordon Cowe (the Directors without a material personal interest in Resolution 4) that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue of the Performance Rights and Options due to the exception in section 210 of the Corporations Act as the agreement to issue the Performance Rights and Options, reached as part of the remuneration package for Mr Griffin, is on arm's length terms and reasonable given the Company's circumstances.

14.11 Board recommendation

The Board (other than Mr Griffin given his interest in the outcome of Resolution 4) has considered the corporate governance issues relevant to executive compensation arrangements, including the ASX Corporate Governance Council's "*Principles of Good Corporate Governance and Best Practice Recommendations*" and has formed the view that the issue of the Performance Rights and Options to Mr Griffin and Mr Di Silvio on the terms and conditions set out in this Explanatory Statement are reasonable, that the value and quantum of the Performance Rights and Options are not excessive nor unusual for a company of the Company's size in light of recent market practice of compensation for officers in similar positions and Mr Griffin's and Mr Di Silvio's importance to the ongoing business operations of the Company.

The Directors (other than Mr Griffin given his interest in the outcome of Resolution 4) recommend that Shareholders vote in favour of Resolution 4.

The Directors recommend that Shareholders vote in favour of Resolution 5.

15. RESOLUTION 6 – ISSUE OF OPTIONS TO DIRECTOR - VANESSA KICKETT

15.1 Background

Resolution 6 seeks Shareholder approval pursuant to ASX Listing Rule 10.11 for the issue of 480,000 Options (exercisable at \$0.84 each on or before 30 November 2026) to Mrs Vanessa Kickett (or her nominee).

The proposed issue of Options will encourage Mrs Kickett to have a greater involvement in the achievement of the Company's objectives and to provide an incentive to strive to that end by participating in the future growth and prosperity of the Company through Share ownership. Under the Company's current circumstances, the Directors consider (in the absence of Mrs Kickett) that the incentives intended for Mrs Kickett represented by the issue of these Options are a cost effective and efficient means for the Company to provide a reward and an incentive, as opposed to alternative forms of incentive, such as the payment of additional cash compensation.

The number and terms of Options to be issued to Mrs Kickett (or her nominee) has been determined based upon a consideration of:

- (a) the remuneration of Mrs Kickett relative to applicable market standards;

- (b) the extensive experience and reputation of Mrs Kickett within the mineral resources sector;
- (c) the Directors' wish to ensure that the remuneration offered is competitive with market standards and/or practice. The Directors (in the absence of Mrs Kickett) have considered the proposed number of Options to be issued and will ensure that Mrs Kickett' overall remuneration is in line with market practice; and
- (d) incentives to attract and ensure continuity of service of Mrs Kickett, while maintaining the Company's cash reserves. The Company does not consider that there are any significant opportunity costs to the Company or benefits foregone by the Company in issuing the Options upon the terms proposed.

The valuation of the Options has been prepared using the following assumptions:

Variable	Input
Share price	\$0.425
Exercise price	\$0.84
Risk Free Interest Rate	3.43%
Volatility	70%
Time (years to expiry)	4 years

The quantity of Options was determined by applying a ratio of the base annual fee payable to Mrs Kickett over the 4 year exercise term of the Options, divided by the Share price of \$0.425 per Share (being the closing market price on 15 September 2022). The current indicative value of the Options proposed to be granted to Mrs Kickett is equal to \$78,240 utilising the Black and Scholes pricing model.

15.2 ASX Listing Rule 10.11

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

- (a) a related party (ASX Listing Rule 10.11.1);
- (b) a person who is, or was at any time in the 6 months before the issue or agreement, a substantial holder (30%+) in the company (ASX Listing Rule 10.11.2);
- (c) a person who is, or was at any time in the 6 months before the issue or agreement, a substantial holder (10%+) in the company and who has nominated a director to the board of the company pursuant to a relevant agreement which gives them a right or expectation to do so (ASX Listing Rule 10.11.3);
- (d) an associate of a person referred to in ASX Listing Rules 10.11.1 to 10.11.3 (ASX Listing Rule 10.11.4); or

- (e) a person whose relation with the company or a person referred to in ASX Listing Rule 10.11.1 or 10.11.4 is such that, in ASX's opinion, the issue or agreement should be approved by its shareholders (ASX Listing Rule 10.11.5),

unless it obtains the approval of its shareholders.

The proposed issue of Options to Mrs Kickett (or her nominee) falls within ASX Listing Rule 10.11.1 and does not fall within any of the exceptions in ASX Listing Rule 10.12. It therefore requires the approval of Shareholders under ASX Listing Rule 10.11.

Resolution 6 seeks the required Shareholder approval to the proposed issue of Options under and for the purposes of ASX Listing Rule 10.11.

If Resolution 6 is passed, the Company will be able to proceed with the issue of the Options to Mrs Kickett (or her nominee) and Mrs Kickett will be remunerated accordingly.

If Resolution 6 is not passed, the Company will not be able to proceed with the issue of the Options to Mrs Kickett (or her nominee) and the Company may need to consider other forms of incentive remuneration, including by the payment of cash.

As Shareholder approval is sought under ASX Listing Rule 10.11, approval under ASX Listing Rule 7.1 is not required. Accordingly, the issue of Options will not be included under the Company's 15% annual placement capacity pursuant to ASX Listing Rule 7.1.

15.3 Specific information required by ASX Listing Rule 10.13

Under and for the purposes of ASX Listing Rule 10.13, the following information is provided in relation to the proposed issue of Options:

- (a) a maximum of 480,000 Options will be issued to Mrs Kickett (or her nominee), a Director of the Company;
- (b) Mrs Kickett is a related party of the Company by virtue of being a Director and falls into the category stipulated by ASX Listing Rule 10.11.1. In the event the Options are issued to a nominee of Mrs Kickett, that person will fall into the category stipulated by ASX Listing Rule 10.11.4;
- (c) the Options will be issued with an exercise price of \$0.84 each and an expiry date of 30 November 2026, and otherwise on the terms set out in Schedule 1.
- (d) the current total remuneration package for Mrs Kickett as at the date of this Notice is set out below:

Remuneration (per annum)	Mrs Vanessa Kickett
Director Fee	\$80,000
Superannuation	\$8,400
TOTAL	\$88,400

A valuation of the Options is contained in paragraph 15.1.

- (e) the Options 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 ASX Listing Rules);
- (f) the Options will be issued for nil cash consideration as they will be issued as part of Mrs Kickett's remuneration package, and therefore no funds will be raised as a result of the issue. Funds raised upon any exercise of the Options are intended to be used for general working capital purposes;
- (g) the Options are not being issued under any agreement; and
- (h) a voting exclusion statement is included in the Notice.

15.4 Chapter 2E of the Corporations Act

In accordance with Chapter 2E of the Corporations Act, in order to give a financial benefit to a related party, the Company must:

- (a) obtain Shareholder approval in the manner set out in section 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The Directors (other than Mrs Kickett, who has a material personal interest in the outcome of Resolution 6) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue of the Options as the agreement to grant the Options, reached as part of the remuneration package for Mrs Kickett, is considered reasonable remuneration in the circumstances and was negotiated on arm's length terms.

15.5 Board recommendation

The Directors (other than Mrs Kickett who has a material personal interest in the outcome of the Resolution 6) recommends that Shareholders vote in favour of Resolution 6.

16. RESOLUTION 7 – APPROVAL OF 10% PLACEMENT CAPACITY

16.1 General

ASX Listing Rule 7.1A provides that an Eligible Entity (as defined below) may seek shareholder approval by special resolution passed at an annual general meeting to have the capacity to issue up to that number of Equity Securities (as defined below) equal to 10% of its issued capital as calculated in accordance with the formula in ASX Listing Rule 7.1A.2 (**10% Placement Capacity**) without using that entity's existing 15% annual placement capacity under ASX Listing Rule 7.1.

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

- (a) is not included in the S&P/ASX 300 Index; and
- (b) has a maximum market capitalisation of \$300,000,000.

As at the date of this Notice, the Company is an Eligible Entity as it is not included in the S&P/ASX 300 Index and has a current market capitalisation of \$147.3 million (based on the number of Shares on issue and the closing price of Shares on ASX on 15 September 2022). However, the Company will only be permitted to seek approval for the 10% Placement Capacity if it remains an Eligible Entity at the date of the Meeting. Accordingly, if the Company is not an Eligible Entity at the date of the Meeting, Resolution 7 will not be put to, and voted on at, the Meeting.

An **Equity Security** is a share, a unit in a trust, a right to a share or unit in a trust or Option, an option over an issued or unissued security, a convertible security, or, any security that ASX decides to classify as an equity security, but not a security ASX decides to classify as a debt security.

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

As at the date of this Notice, the Company currently has one class of quoted Equity Securities on issue, being the Shares (**ASX Code: SFX**).

Subject to the Company being an Eligible Entity and Resolution 7 being put to the Meeting, if Shareholders approve Resolution 7, the number of Equity Securities the Company may issue under the 10% Placement Capacity will be determined in accordance with the formula prescribed in ASX Listing Rule 7.1A.2.

If Resolution 7 is passed, the Company will be able to issue equity securities up to the combined 25% limit in ASX Listing Rules 7.1 and 7.1A without any further shareholder approval.

If Resolution 7 is not passed, the Company will not be able to access the additional 10% Placement Capacity to issue equity securities without shareholder approval provided for in ASX Listing Rule 7.1A and will remain subject to the 15% limit on issuing equity securities without shareholder approval set out in ASX Listing Rule 7.1.

Resolution 7 is a special resolution. 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 7 for it to be passed.

16.2 Technical information required by ASX Listing Rule 7.3A

Pursuant to and in accordance with ASX Listing Rule 7.3A, the information below is provided in relation to this Resolution 7:

(a) Period for which mandate is valid

An approval under ASX Listing Rule 7.1A commences on the date of the annual general meeting at which the approval is obtained and expires on the first to occur of the following:

- (i) the date that is 12 months after the date of the annual general meeting at which the approval is obtained;
- (ii) the time and date of the entity's next annual general meeting; and
- (iii) the time and date of the approval by holders of the Eligible Entity's ordinary securities of a transaction under Listing Rule 11.1.2 or Listing Rule 11.2.

(b) Minimum price

The minimum price at which the Equity Securities may be issued is 75% of the VWAP of Equity Securities in that class, calculated over the 15 ASX trading days on which trades in that class were recorded immediately before:

- (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 ASX trading days of the date in paragraph (i), the date on which the Equity Securities are issued.

(c) Risk of voting dilution

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

Number of Shares on Issue (Variable 'A' in ASX Listing Rule 7.1A2)	Dilution			
	Issue Price (per Share)	\$0.2125 50% decrease in Issue Price	\$0.425 Issue Price	\$0.6375 50% increase in Issue Price
346,587,555 (Current Variable 'A')	Shares issued - 10% voting dilution	34,658,756 Shares	34,658,756 Shares	34,658,756 Shares
	Funds raised	\$7,364,986	\$14,729,971	\$22,094,957
519,881,333 (50% increase in Variable 'A')	Shares issued - 10% voting dilution	51,988,133 Shares	51,988,133 Shares	51,988,133 Shares
	Funds raised	\$11,047,478	\$22,094,957	\$33,142,435
693,175,110 (100% increase in Variable 'A')	Shares issued - 10% voting dilution	69,317,511 Shares	69,317,511 Shares	69,317,511 Shares
	Funds raised	\$14,729,971	\$29,459,942	\$44,189,913

The table above shows the potential dilution of Shareholders calculated in accordance with the formula in ASX Listing Rule 7.1A.2 (assuming Resolution 7 is passed by Shareholders), on the basis of the market price of Shares and the number of Shares on issue as at 15 September 2022.

The table assumes differing numbers of Shares on issue (ie variable "A" in the above formula) and issue prices for Shares over three scenarios, but in each scenario it is assumed that the Company issues the maximum number of Shares available under the 10% Placement Capacity. For example:

- Variable 'A' differs across each scenario. Scenario 1 assumes there is no change to the number of Shares on issue. Scenarios 2 and 3 then assume an increase of 50% and 100% (respectively) to the number of Shares on issue.
- Within each scenario, three different issue prices for the Shares are assumed. One of the issue prices is the closing price on 15 September 2022 (being the last practicable trading day prior to the date of this Notice). The other two issue prices then assume a 50% decrease to that closing Share price and a 100% increase to that price.

Note:

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

The table above uses the following assumptions:

1. The number of Shares on issue is 346,587,555, which was the number of Shares the Company had on issue as at 15 September 2022.
2. The issue price set out above is the closing price of the Shares on the ASX on 15 September 2022
3. The Company issues the maximum possible number of Equity Securities under the 10% Placement Capacity.
4. The Company has not issued any Equity Securities in the 12 months prior to the Meeting that were not issued under an exception in ASX Listing Rule 7.2 or with approval under ASX Listing Rule 7.1.
5. The issue of Equity Securities under the 10% Placement Capacity consists only of Shares. It is assumed that no Options are exercised into Shares before the date of issue of the Equity Securities.
6. The calculations above do not show the dilution that any one particular Shareholder will be subject to. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.
7. This table does not set out any dilution pursuant to approvals under ASX Listing Rule 7.1.
8. 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%.
9. The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Capacity, based on that Shareholder's holding at the date of the Meeting.

Shareholders should note that there is a risk that:

- (i) the market price for the Company's Shares may be significantly lower on the issue date than on the date of the Meeting; and
- (ii) the Shares may be issued at a price that is at a discount to the market price for those Shares on the date of issue,

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

(d) Purpose of issue under 10% Placement Capacity

The Company may issue Equity Securities under the 10% Placement Capacity for the purpose of cash consideration in which case the Company intends to use funds raised for the development of the Thunderbird Mineral Sands Project, continued exploration expenditure and/or general working capital.

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

(e) Allocation policy under the 10% Placement Capacity

The identity of the recipients of the Equity Securities to be issued under the 10% Placement Capacity will be determined on a case-by-case basis at the time of issue and in the Company's discretion. However, the recipients of Equity Securities could consist of current Shareholders or new investors (or both), none of whom will be related parties of the Company.

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

- (i) the purpose of the issue;
- (ii) alternative methods for raising funds available to the Company at that time, including, but not limited to, an entitlement issue or other offer where existing Shareholders may participate;
- (iii) the effect of the issue of the Equity Securities on the control of the Company;
- (iv) the circumstances of the Company, including, but not limited to, the financial position and solvency of the Company;
- (v) prevailing market conditions; and
- (vi) advice from corporate, financial and broking advisers (if applicable).

(f) Previous approval under ASX 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 25 November 2021 (**Previous Approval**).

As at the date of this Notice, the Company has not issued any Equity Securities pursuant to the Previous Approval.

For the purposes of ASX Listing Rule 7.3A.6(a), the Company notes that, as at the date of this Notice, the Company has issued or agreed to issue Shares and performance rights during the following period preceding the date of the Meeting, being on and from 25 November 2021 to 22 November 2022.

(g) Compliance with ASX Listing Rule 7.1A.4

When the Company issues Equity Securities pursuant to the 10% Placement Capacity, it must:

- (i) state in its announcement of the proposed issue under Listing Rule 3.10.3 or in its application for quotation of the securities under Listing Rule 2.7 that the securities are being issued under Listing Rule 7.1A; and
- (ii) give to ASX immediately after the issue a list of names of the persons to whom the Company issued the equity securities and the number of equity securities issued to each. This list is not for release to the market.

16.3 Board recommendation on Resolution 7

The Directors recommend that members vote in favour of Resolution 7.

17. RESOLUTION 8 – AMENDMENT TO THE CONSTITUTION

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

Resolution 8 seeks the approval of Shareholders to modify the Company's constitution by the inclusion of new clause 11.9, as set out in Section 17.2 below.

A copy of the amended constitution is available for review by Shareholders at the registered office of the Company. A copy of the amended constitution can also be sent to Shareholders upon request to the Company Secretary.

17.1 Amendment to Corporations Act 2001 (Cth)

The enactment of the *Corporations Amendment (Meetings and Documents) Act 2022* (Cth) has made permanent amendments to the *Corporations Act* to allow companies (and registered schemes) to sign and provide general meeting related documents electronically, and to use virtual meeting technology to hold general meetings (ie. hybrid meetings and wholly virtually meetings).

From 1 April 2022, companies (and registered schemes) can only hold wholly virtual meetings only if:

- (a) required or permitted by its constitution under section 249R(c); or
- (b) it is allowed to do so under a determination made by ASIC under s 253TA.

The Constitution does not currently allow for a virtual only meeting of Shareholders to be held.

17.2 Amendment to the Constitution - new clause 11.9

The Company is seeking to modify the Constitution by the inclusion of new clause 11.9, to allow meetings to be held virtually in accordance with section 249(R) of the Corporations Act.

The Company wishes to include the following new clause 11.9 in the Constitution:

"The Company may hold a meeting of Shareholders:

- (i) at one or more physical venues;*

- (ii) *at one or more physical venues and using virtual meeting technology; or*
- (iii) *using virtual meeting technology only.*

A meeting of Shareholders can be held using technology that gives the Shareholders as a whole a reasonable opportunity to participate without being physically present in the same place."

17.3 Recommendation of the Board

Resolution 8 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).

The Board recommends that Shareholders vote in favour of Resolution 8.

18. ENQUIRIES

Shareholders are requested to contact Sheffield's Company Secretary on (+ 61 8) 6555 8777 if they have any queries in respect of the matters set out in this Notice.

GLOSSARY

\$ means Australian dollars.

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

Annual Report means the annual report of the Company for the year ended 30 June 2022.

Auditor means the Company's auditor from time to time.

Auditor's Report means the report of the Auditor contained in the Annual Report.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by ASX Limited, as the context requires.

ASX Listing Rules or **Listing Rules** means the listing rules of ASX.

Board means the current board of directors of the Company.

Business Day means a day on which banks are open for business in Perth, Western Australia, other than a Saturday, Sunday or public holiday in Perth, Western Australia.

Chairman means the chairman of the Meeting.

Change of Control means:

- (a) a bona fide takeover bid is declared unconditional and the bidder has acquired a relevant interest in at least 50.1% of the Company's issued Shares;
- (b) a Court approves, under section 411(4)(b) of the Corporations Act, a proposed compromise or arrangement for the purposes of, or in connection with, a scheme for the reconstruction of the Company or its amalgamation with any other company or companies; or
- (c) in any other case, a person obtains voting power in the Company which the Board (which for the avoidance of doubt will comprise those Directors immediately prior to the person acquiring that voting power) determines, acting in good faith and in accordance with their fiduciary duties, is sufficient to control the composition of the Board.

Closely Related Party of a member of the KMP means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent of the member or the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the *Corporations Regulations 2001* (Cth) for the purposes of the definition of 'closely related party' in the Corporations Act.

Company or **Sheffield** means Sheffield Resources Limited (ACN 125 811 083).

Constitution means the Company's constitution.

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

Directors means the current directors of the Company.

Directors' Report means the report of the Directors contained in the Annual Report.

Eligible Entity has the meaning given in paragraph 16.1.

Explanatory Statement means the explanatory statement accompanying the Notice.

Equity Security has the meaning given in paragraph 16.1.

KMP has the meaning as given to the term "key management personnel" in the Corporations Act, which includes those persons having authority and responsibility for planning, directing and controlling the activities of a company, or if the company is part of a consolidated entity, of the consolidated entity, either directly or indirectly, including any director (whether executive or otherwise) of the company, or if the company is part of a consolidated entity, of an entity within the consolidated group.

KMS means Kimberley Mineral Sands Pty Ltd.

Market Performance Hurdle has the meaning given in paragraph 14.4.

Meeting means the Annual General Meeting convened by the Notice.

Notice or **Notice of Meeting** means this notice of meeting including the Explanatory Statement and the Proxy Form.

Option means an option to acquire a Share.

Optionholder means a holder of an Option.

Performance Hurdle has the meaning given in paragraph 14.3.

Performance Right means a right to be issued or transferred a Share (or paid a cash payment), upon and subject to the terms of Plan and any offer made to an eligible participant under the Plan.

Performance Rights Plan means Plan.

Personal Scorecard means the individual's performance and contribution in achieving and attaining health & safety, financial management, continuous improvement and other organisational targets throughout the course of a twelve month period.

Plan means the Company's employee incentive scheme titled "Performance Rights Plan" that was approved by Shareholders on 15 December 2020.

Proxy Form means the proxy form accompanying the Notice.

Remuneration Report means the remuneration report set out in the Annual Report.

Resolution means a resolution set out in the Notice.

S&P/ASX 300 Index means the S&P/ASX 300 Index as published by Standard & Poors from time to time.

Section means a section of the Explanatory Statement.

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

Shareholder means a registered holder of a Share.

Spill Meeting has the meaning given in paragraph 11.2.

Spill Resolution has the meaning given in paragraph 11.2.

STI Performance Hurdles has the meaning given in paragraph 14.3.

Thunderbird Minerals Sands Project means the Thunderbird Mineral Sands Project in the Kimberley region of Western Australia.

Vesting Conditions means any Performance Hurdles and other conditions to the vesting of a Performance Right.

VWAP means volume weighted average price.

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

- (a) Each Option gives the Optionholder the right to subscribe for one Share.
- (b) Each Option will expire at 4.00pm (WST) on 30 November 2026 (**Expiry Date**). Any Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
- (c) Subject to paragraph (k), the amount payable upon exercise of each Option is \$0.84 (**Exercise Price**).
- (d) The Options held by each Optionholder may be exercised in whole or in part, and if exercised in part, multiples of 1,000 must be exercised on each occasion.
- (e) An Optionholder may exercise their Options by lodging with the Company, before the Expiry Date:
 - (i) a written notice of exercise of Options specifying the number of Options being exercised; and
 - (ii) a cheque or electronic funds transfer for the Exercise Price for the number of Options being exercised; (**Exercise Notice**).
- (f) An Exercise Notice is only effective when the Company has received the full amount of the Exercise Price in cleared funds.
- (g) Within 10 Business Days of receipt of the Exercise Notice accompanied by the Exercise Price, the Company will allot the number of Shares required under these terms and conditions in respect of the number of Options specified in the Exercise Notice.
- (h) Subject to the ASX Listing Rules, all applicable laws and any restriction or escrow arrangements, the Options may be transferred at any time prior to the Expiry Date.
- (i) All Shares allotted upon the exercise of Options will upon allotment rank pari passu in all respects with other Shares then on issue.
- (j) The Company will not apply for quotation of the Options on ASX. If admitted to the official list of ASX at the time, the Company will apply for quotation of all Shares allotted pursuant to the exercise of Options on ASX within 10 Business Days after the date of allotment of those Shares.
- (k) If at any time the issued capital of the Company is reconstructed or reorganised, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction or reorganisation.
- (l) There are no participating rights or entitlements inherent in the Options and Optionholders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least 7 Business Days after the issue is announced. This will give Optionholders the opportunity to exercise their Options prior to the date for determining entitlements to participate in any such issue.
- (m) Subject to paragraph (k), an Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

The following is a summary of the key terms and conditions of the Performance Rights Plan:

- (a) **Eligibility:** Participants in the Performance Rights Plan may be:
- (i) a Director (whether executive or non-executive) of the Company or any associate Group Company;
 - (ii) a full or part time employee of any Group Company;
 - (iii) a casual employee or contractor of a Group Company to the extent permitted by ASIC Class Order 14/1000 as amended or replaced (**Class Order**); or
 - (iv) a prospective participant, being a person to whom the offer is made but who can only accept the offer if an arrangement has been entered into that will result in the person becoming a participant under subparagraphs (i), (ii), or (iii) above,
- who is declared by the Board to be eligible to receive grants of Performance Rights under the Performance Rights Plan (**Eligible Participants**).
- (b) **Offers:** The Board may, from time to time, at its absolute discretion, make an offer to grant Performance Rights to an Eligible Participant under the Performance Rights Plan and on such additional terms and conditions as the Board determines.
- (c) **Plan limit:** The Company must have reasonable grounds to believe, when making an offer, that the number of Shares to be received on exercise of Performance Rights offered under an offer, when aggregated with the number of Shares issued or that may be issued as a result of offers made in reliance on the Class Order at any time during the previous 3 year period under an employee incentive scheme covered by the Class Order or an ASIC exempt arrangement of a similar kind to an employee incentive scheme, will not exceed 5% of the total number of Shares on issue at the date of the offer.
- (d) **Consideration:** Performance Rights granted under the Performance Rights Plan will be issued for nil cash consideration.
- (e) **Performance Rights:** Each Performance Right, once vested, entitles the holder, on exercise, to the issue of one fully paid ordinary share in the capital of the Company (**Share**).
- (f) **Not transferrable:** Performance Rights are only transferrable with the prior written consent of the Board of the Company or by force of law upon death to the participant's legal personal representative or upon bankruptcy to the participant's trustee in bankruptcy.
- (g) **Vesting Conditions:** The Board will determine the vesting conditions (if any) that must be satisfied before a Performance Right vests, and the date by which a vesting condition must be satisfied (**Vesting Condition**). Vesting Conditions include a **STI Performance Hurdle** as described at Section 14.3.
- (h) **Vesting:** A Performance Right will vest where Vesting Conditions are satisfied or where, despite Vesting Conditions not being satisfied, the Board (in its absolute discretion) resolves that unvested Performance Rights have vested as a result of:

- (i) the participant ceasing to be an Eligible Participant due to certain special circumstances (eg due to death, severe financial hardship, total and permanent disability, retirement or redundancy) as set out in the Plan; or
 - (ii) the Company undergoing a Change of Control; or
 - (iii) the Company being wound up.
- (i) **Conversion of vested Performance Right:** Unless the Board decides otherwise or the Performance Right has lapsed, any vested Performance Right may be exercised by the Eligible Participant within 12 months from vesting, following which the Company will issue the participant with the applicable number of Shares.
- (j) **Shares:** Shares resulting from the vesting of the Performance Rights shall, from the date of issue, rank on equal terms with all other Shares on issue.
- (k) **Sale Restrictions:** The Board may, in its discretion, determine at any time up until exercise of Performance Rights, that a restriction period will apply to some or all of the Shares issued to an Eligible Participant (or their eligible nominee) on exercise of those Performance Rights (**Restriction Period**).
- (l) **Quotation of Shares:** If Shares of the same class as those issued under the Performance Rights Plan are quoted on the ASX, the Company will, subject to the ASX Listing Rules, apply to the ASX for those Shares to be quoted on ASX within 10 Business Days of the later of the date the Shares are issued and the date any Restriction Period applying to the Shares ends.
- (m) **Lapse of a Performance Right:** Subject to the terms of an Offer otherwise providing, a Performance Right will lapse upon the earlier to occur of:
- (i) an unauthorised dealing in, or hedging of, the Performance Right;
 - (ii) a Vesting Condition in relation to the Performance Right not being satisfied by the due date, or becoming incapable of satisfaction, as determined by the Board in its absolute discretion;
 - (iii) a vested Performance Right is not converted within 12 months of becoming vested;
 - (iv) a participant (or, where the participant is a nominee of the Eligible Participant, that Eligible Participant) ceases to be an Eligible Participant, unless the Board exercises its discretion to vest the Performance Right under a good leaver exception;
 - (v) the Board deems that a Performance Right lapses due to fraud, dishonesty or other improper behaviour of the holder/Eligible Participant;
 - (vi) the Company undergoes a change in control or winding up, and the Board does not exercise its discretion to vest the Performance Right;
 - (vii) the expiry date of the Performance Right; and
 - (viii) the five (5) year anniversary of the date of grant of the Performance Right.
- (n) **No Participation Rights:** There are no participating rights or entitlements inherent in the Performance Rights and participants will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Performance Rights without exercising the Performance Right.

- (o) **No Change:** A Performance Right does not confer the right to a change in the number of underlying Shares over which the Performance Right can be exercised.
- (p) **Reorganisation:** If, at any time, the issued capital of the Company is reorganised (including consolidation, subdivision, reduction or return), all rights of a holder of a Performance Right are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reorganisation.
- (q) **Inconsistency with Offer:** Notwithstanding any other provision in the Plan, to the extent that any covenant or provision contained in an offer document is inconsistent with any covenant or provision under the Plan, the deemed covenant or provision under the offer document shall prevail.

- (a) Each Option gives the Optionholder the right to subscribe for one Share.
- (b) Each Option will expire at 5.00pm (WST) on the date which is five (5) years after the date of their issue (**Expiry Date**). Any Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
- (c) The Options held by each Optionholder may be exercised in whole or in part, and if exercised in part, multiples of 1,000 must be exercised on each occasion.
- (d) An Option will vest upon the **Market Performance Hurdle** being satisfied or where, despite the Market Performance Hurdle not being satisfied, the Board (in its absolute discretion) resolves that unvested Options have vested as a result of the Optionholder ceasing to be:
 - (i) a Director (whether executive or non-executive) of the Company or any associate Group Company; or
 - (ii) a full or part time employee of any Group Company,due to:
 - (iii) certain special circumstances (being due to death, severe financial hardship, total and permanent disability, retirement or redundancy); or
 - (iv) the Company undergoing a Change of Control; or
 - (v) the Company being wound up.
- (e) Subject to the Option vesting (in accordance with these terms), an Optionholder may exercise their Options by lodging with the Company, before the Expiry Date:
 - (i) a written notice of exercise of Options specifying the number of Options being exercised; and
 - (ii) a cheque or electronic funds transfer for the Exercise Price for the number of Options being exercised; (**Exercise Notice**).
- (f) Subject to paragraph (n), the amount payable upon exercise of each Option is \$0.425 (**Exercise Price**).
- (g) An Option will lapse upon the earlier to occur of:
 - (i) the Market Performance Hurdle in relation to the Option not being satisfied by the due date, or becoming incapable of satisfaction, as determined by the Board in its absolute discretion; and
 - (ii) the Expiry Date of the Option.
- (h) An Exercise Notice is only effective when the Company has received the full amount of the Exercise Price in cleared funds.
- (i) Within 10 Business Days of receipt of the Exercise Notice accompanied by the Exercise Price, the Company will allot the number of Shares required under these terms and conditions in respect of the number of Options specified in the Exercise Notice.
- (j) Subject to the ASX Listing Rules, all applicable laws and any restriction or escrow arrangements, the Options may be transferred at any time prior to the Expiry Date.

- (k) All Shares allotted upon the exercise of Options will upon allotment rank pari passu in all respects with other Shares then on issue.
- (l) The Company will not apply for quotation of the Options on ASX. If admitted to the official list of ASX at the time, the Company will apply for quotation of all Shares allotted pursuant to the exercise of Options on ASX within 10 Business Days after the date of allotment of those Shares.
- (m) If at any time the issued capital of the Company is reconstructed or reorganised, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction or reorganisation.
- (n) There are no participating rights or entitlements inherent in the Options and Optionholders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least 7 Business Days after the issue is announced. This will give Optionholders the opportunity to exercise their Options prior to the date for determining entitlements to participate in any such issue.
- (o) Subject to paragraph (n), an Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

SCHEDULE 4**VALUATION - PERFORMANCE RIGHTS - BRUCE GRIFFIN**

The value of the Performance Rights is measured at grant date and was estimated via the market price of the Company's shares as at the grant date less the present value of expected future dividends that will not be received on the Performance Rights during the vesting period.

Input	Values at Valuation Date
Share price at grant date	\$0.425
Exercise price	Nil
Term	5 years
Present value of expected future dividends	Nil
Number of Performance Rights	194,118
Valuation	\$82,500

LODGE YOUR VOTE

	ONLINE www.linkmarketservices.com.au
	BY POST Sheffield Resources Limited C/- Link Market Services Limited Locked Bag A14 Sydney South NSW 1235 Australia
	BY FACSIMILE (within Australia) (02) 9287 0309 (outside Australia) +61 2 9287 0309
	IN PERSON* Link Market Services Limited Parramatta Square, Level 22, Tower 6, 10 Darcy Street, Parramatta NSW 2150
	BY MOBILE PHONE You can lodge your proxy by scanning the QR code at the back of this Proxy Form or enter the voting link www.linkmarketservices.com.au into your mobile device.
	ALL ENQUIRIES TO Telephone: 1300 554 474 Overseas: +61 1300 554 474

* During business hours (Monday to Friday, 9:00am–5:00pm) and subject to public health orders and restrictions.

LODGE MENT OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **3:00pm (WST) on Sunday, 20 November 2022**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Proxy Forms may be lodged using the reply paid envelope or:

 ONLINE https://investorcentre.linkgroup.com Login to the Link website using the holding details as shown on the Proxy Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" - Securityholder Reference Number (SRN) or Holder Identification Number (HIN).	 BY MOBILE DEVICE Our voting website is designed specifically for voting online. You can now lodge your proxy by scanning the QR code adjacent or enter the voting link https://investorcentre.linkgroup.com into your mobile device. Log in using the Holder Identifier and postcode for your shareholding. To scan the code you will need a QR code reader application which can be downloaded for free on your mobile device.	QR Code 
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HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

YOUR NAME AND ADDRESS

This is your name and address as it appears on the Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

APPOINTMENT OF PROXY

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name of that individual or body corporate in Step 1. A proxy need not be a shareholder of the Company.

DEFAULT TO CHAIRMAN OF THE MEETING

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

VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

You may direct your proxy how to vote by placing a mark in 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 A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company's share registry or you may copy this form and return them both together.

To appoint a second proxy you must:

- on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- return both forms together.

SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided:

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, either shareholder may sign.

Power of Attorney: to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

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

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting virtually the appropriate "Certificate of Appointment of Corporate Representative" must be received at registrars@linkmarketservices.com.au prior to admission in accordance with the Notice of Annual General Meeting. A form of the certificate may be obtained from the Company's share registry or online at www.linkmarketservices.com.au.

NAME SURNAME
 ADDRESS LINE 1
 ADDRESS LINE 2
 ADDRESS LINE 3
 ADDRESS LINE 4
 ADDRESS LINE 5
 ADDRESS LINE 6



X99999999999

PROXY FORM

I/We being a member(s) of Sheffield Resources Limited and entitled to attend and vote hereby appoint:

APPOINT A PROXY



the Chairman of the Meeting (mark box)

OR if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name and email of the person or body corporate you are appointing as your proxy. An email will be sent to your appointed proxy with details on how to access the virtual meeting.

Name

Email

STEP 1

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the Annual General Meeting of the Company to be held at **The Quest Kings Park, 54 Kings Park Road, West Perth, Western Australia 6005** and will also be held virtually via an online platform at <https://meetings.linkgroup.com/SFX22> on **Tuesday, 22 November 2022 at 3.00pm (WST) (the Meeting)** and at any postponement or adjournment of the Meeting. Please note Shareholders may attend the Meeting in person.

Important for Resolutions 1, 4, 5 and 6: If the Chairman of the Meeting is your proxy, either by appointment or by default, and you have not completed any of the boxes "For", "Against" or "Abstain" opposite Resolutions 1, 4, 5, and 6 below, you expressly authorise the Chairman of the Meeting to exercise the proxy in respect of Resolutions 1, 4, 5 and 6, even though the Resolutions are connected directly or indirectly with the remuneration of a member of the Company's Key Management Personnel (KMP).

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.

VOTING DIRECTIONS

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting. Please read the voting instructions overleaf before marking any boxes with an

Resolutions

	For	Against	Abstain*		For	Against	Abstain*
1 Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	7 Approval of 10% Placement Capacity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Election of Director – Vanessa Kickett	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	8 Amendment to the Constitution	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Re-Election of Director – John Richards	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
4a Issue of Performance Rights to Bruce Griffin	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
4b Issue of Options to Bruce Griffin	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
5a Issue of Performance Rights to Mark Di Silvio	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
5b Issue of Options to Mark Di Silvio	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
6 Issue of Options to Director – Vanessa Kickett	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				



* If you mark the Abstain box for a particular Item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

STEP 2

SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Joint Shareholder 2 (Individual)

Joint Shareholder 3 (Individual)

Sole Director and Sole Company Secretary

Director/Company Secretary (Delete one)

Director

STEP 3

This form should be signed by the shareholder. If a joint holding, either shareholder may sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).

SFX PRX2201N



Virtual Meeting Online Guide

Before you begin

Ensure your browser is compatible. Check your current browser by going to the website: **whatismybrowser.com**

Supported browsers are:

- Chrome – Version 44 & 45 and after
- Firefox – 40.0.2 and after
- Safari – OS X v10.9 & OS X v10.10 and after
- Internet Explorer – 11 and up
- Edge – 92.0 and up

To attend and vote you must have your securityholder number and postcode.

Appointed Proxy: Your proxy number will be provided by Link before the meeting.

Please make sure you have this information before proceeding.

Virtual Meeting Online Guide

Step 1

Open your web browser and go to <https://meetings.linkgroup.com/SFX22>

Step 2

Log in to the portal using your full name, mobile number, email address, and participant type.

Please read and accept the terms and conditions before clicking on the blue **'Register and Watch Meeting'** button.

- On the left – a live webcast of the Meeting starts automatically once the meeting has commenced. If the webcast does not start automatically please press the play button and ensure the audio on your computer or device is turned on.
- On the right – the presentation slides that will be addressed during the Meeting
- At the bottom – buttons for 'Get a Voting Card', 'Ask a Question' and a list of company documents to download

Note: If you close your browser, your session will expire and you will need to re-register. If using the same email address, you can request a link to be emailed to you to log back in.

1. Get a Voting Card

To register to vote – click on the 'Get a Voting Card' button.

This will bring up a box which looks like this.

If you are an individual or joint securityholder you will need to register and provide validation by entering your securityholder number and postcode.

If you are an appointed Proxy, please enter the Proxy Number issued by Link in the PROXY DETAILS section. Then click the **'SUBMIT DETAILS AND VOTE'** button.

Once you have registered, your voting card will appear with all of the resolutions to be voted on by securityholders at the Meeting (as set out in the Notice of Meeting). You may need to use the scroll bar on the right hand side of the voting card to view all resolutions.

Securityholders and proxies can either submit a Full Vote or Partial Vote.



+

Get a Voting Card

?

Ask a Question

Downloads

- Speakers Bio's
- Sustainability Report
- Notice of meeting
- Online Guide
- Annual Report

JOHN SAMPLE
*****0014

Voting Card

Please complete your vote by selecting the required voting instruction (For, Against or Abstain) for each resolution. If you would like to complete a partial vote, please specify the number of votes for each resolution in the Partial Vote section. Proxy holder votes will only be applied to discretionary (undirected) votes. Directed votes will be applied as per the shareholder's voting instructions.

Full Vote
Partial Vote

Resolution 1 For Against Abstain

GENERAL BUSINESS

SUBMIT VOTE

Full Votes

To submit a full vote on a resolution ensure you are in the **'Full Vote'** tab. Place your vote by clicking on the **'For'**, **'Against'**, or **'Abstain'** voting buttons.

Partial Votes

To submit a partial vote on a resolution ensure you are in the **'Partial Vote'** tab. You can enter the number of votes (for any or all) resolution/s. The total amount of votes that you are entitled to vote for will be listed under each resolution. When you enter the number of votes it will automatically tally how many votes you have left.

Note: If you are submitting a partial vote and do not use all of your entitled votes, the un-voted portion will be submitted as No Instruction and therefore will not be counted.

Once you have finished voting on the resolutions scroll down to the bottom of the box and click on the **'Submit Vote'** or **'Submit Partial Vote'** button.

Note: You can close your voting card without submitting your vote at any time while voting remains open. Any votes you have already made will be saved for the next time you open up the voting card. The voting card will appear on the bottom left corner of the webpage. The message **'Not yet submitted'** will appear at the bottom of the page.

You can edit your voting card at any point while voting is open by clicking on **'Edit Card'**. This will reopen the voting card with any previous votes made.

At the conclusion of the Meeting a red bar with a countdown timer will appear at the top of the Webcast and Slide windows advising the remaining voting time. Please make any changes and submit your voting cards. Once voting has been closed all submitted voting cards cannot be changed.

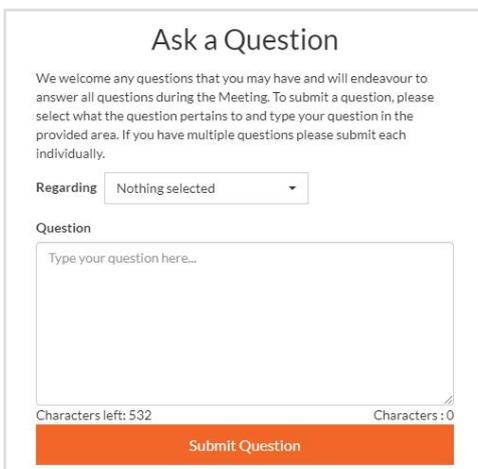
Virtual Meeting Online Guide continued

2. How to ask a question

Note: Only verified Securityholders, Proxyholders and Corporate Representatives are eligible to ask questions.

If you have yet to obtain a voting card, you will be prompted to enter your security holder number or proxy details before you can ask a question. To ask a question, click on the 'Ask a Question' button either at the top or bottom of the webpage.

The 'Ask a Question' box will then pop up with two sections for completion.



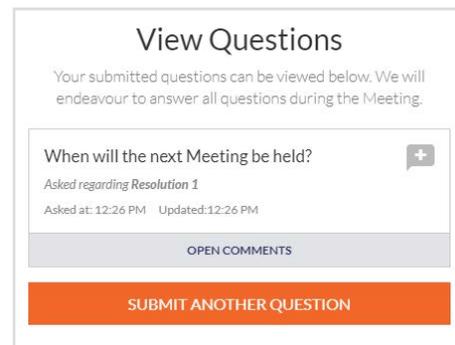
In the 'Regarding' section click on the drop down arrow and select the category/resolution for your question.

Click in the 'Question' section and type your question and click on 'Submit'.

A 'View Questions' box will appear where you can view your questions at any point. Only you can see the questions you have asked.

If your question has been answered and you would like to exercise your right of reply, you can submit another question.

Note that not all questions are guaranteed to be answered during the Meeting, but we will do our best to address your concerns.



3. Downloads

View relevant documentation in the Downloads section.

4. Voting closing

Voting will end 5 minutes after the close of the Meeting.

At the conclusion of the Meeting a red bar with a countdown timer will appear at the top of the Webcast and Slide screens advising the remaining voting time. If you have not submitted your vote, you should do so now.

Contact us

Australia

T +61 1800 990 363

E info@linkmarketservices.com.au