



21 October 2022

Dear Shareholder

**EQ Resources Limited – Annual General Meeting of Shareholders, 23 November 2022**

Notice is hereby given that the Annual General Meeting of Shareholders of EQ Resources Limited (**Company**) will be as a virtual meeting via a webinar conferencing facility at 3:00pm (AEST) on Wednesday, 23 November 2022 (“Annual General Meeting”, “AGM” or “Meeting”).

In accordance with recent amendments to the *Corporations Act 2001*, the Company is sending this notification letter instead of dispatching physical copies of the Notice of Meeting. The Notice of Meeting and accompanying explanatory statement (Meeting Materials) are being made available to shareholders electronically. This means that:

- You can access the Meeting Materials online at the Company’s website <https://eqresources.com.au/site/invest-in-us/asx-announcements> or at the Company’s share registry’s website (<https://investor.automic.com.au/#/loginsah>) through Investor Centre.
- A complete copy of the Meeting Materials has been posted to the Company’s ASX Market announcements page at [www.asx.com.au](http://www.asx.com.au) under the Company’s ASX code “EQR”.
- If you have provided an email address and have elected to receive electronic communications from the Company, you will receive an email to your nominated email address with a link to an electronic copy of the Meeting Materials and the voting instruction form.

If you would like to receive electronic communications from the Company in the future, please update your communication elections online at <https://investor.automic.com.au/>. If you have not yet registered, you will need your shareholder information including SRN/HIN details.

If you are unable to access the Meeting Materials online please contact our share registry Link Market Services Limited on <https://investor.automic.com.au> or by phone on +61 2 9698 5414 (International) or 1300 288 664 (within Australia) between 9:00am and 5:00pm (AEDT) Monday to Friday, to obtain a copy.

As noted above, the Meeting will be held as a virtual meeting via a webinar conferencing facility. Details of how to register to attend the Meeting are contained in the Meeting Materials. The Company strongly recommends to Shareholders to lodge a directed proxy as soon as possible in advance of the meeting even if they are planning to attend the meeting online.

Yours sincerely,

A handwritten signature in black ink that reads 'Patricia Vanni'.

Patricia Vanni  
Company Secretary  
**EQ Resources Limited**



*resourcing the new economy for a better tomorrow*

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**EQ RESOURCES LIMITED**  
**ABN 77 115 009 106**

# **Notice of Annual General Meeting**

## **Explanatory Statement and Proxy Form**

Date of Meeting:  
**Wednesday, 23 November 2022**

Time of Meeting:  
**3:00pm AEDT**

Location of Meeting:  
**Held virtually via Webinar conferencing facility**

*This Notice of General Meeting and Explanatory Statement 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 advisor without delay.*

# EQ RESOURCES LIMITED

ABN 77 115 009 106

Registered office: Level 4, 100 Albert Road, South Melbourne, VIC 3205

Notice is hereby given that a meeting (**Meeting**) of Shareholders of EQ Resources Limited (**the Company**) will be held virtually by a video-conferencing facility on Wednesday 23 November 2022 at 3:00pm (AEDT) ("**Annual General Meeting**", "**AGM**" or "**Meeting**").

## Virtual Attendance

Shareholders are encouraged to submit their proxies as early as possible, and in any event, prior to the cut-off date for proxy voting as set out in this Notice. To lodge your proxy, please follow the directions on your personalised proxy form which will be delivered to you by email or post (depending on your communication preferences). Shareholders attending the AGM virtually will be able to ask questions and the Company has made provision for Shareholders who register their attendance before the start of the meeting to also cast their votes on the proposed resolutions at the AGM. The virtual meeting can be attended using the following details:

**When:** 23 November 2022 at 3:00pm (AEDT)

**Topic:** EQ Resources Limited General Meeting

**Register in advance for this webinar:**

[https://us02web.zoom.us/webinar/register/WN\\_I9pFFYvSR9-gmmcjw5vdA](https://us02web.zoom.us/webinar/register/WN_I9pFFYvSR9-gmmcjw5vdA)

After registering, you will receive a confirmation email containing information about joining the meeting. As noted previously, the Company strongly recommends its shareholders to lodge a directed proxy as soon as possible in advance of the meeting even if they are planning to attend the meeting online. The Company will conduct a poll on each resolution presented at the meeting. The Company will accept questions during the meeting either by submitting a question through the Q&A box located on screen or by raising the hand function also located on screen at which point the Company will allow your question verbally.

The Company is happy to accept and answer questions submitted prior to the meeting by email to [patricia.vanni@vistra.com](mailto:patricia.vanni@vistra.com). The Company will address relevant questions during the meeting or by written response after the Meeting (subject to the discretion of the Company not to respond to unreasonable and/or offensive questions).

Any shareholders who wish to attend the AGM online should therefore monitor the Company's website and its ASX announcements for any updates about the AGM. If it becomes necessary or appropriate to make alternative arrangements for the holding or conducting of the meeting, the Company will make further information available through the ASX website at [asx.com.au](http://asx.com.au) (ASX: EQR) and on its website <https://www.eqresources.com.au/site/content/>.

# AGENDA

The Explanatory Statement and proxy form which accompany and form part of this Notice, include defined terms and describe in more detail the matters to be considered. Please consider this Notice, the Explanatory Statement and the proxy form in their entirety.

## ORDINARY BUSINESS

### Receipt and consideration of Accounts & Reports

To receive and consider the 2022 Annual Report of the Company and its controlled entities for the year ended 30 June 2022, which includes the Financial Report, the Directors' Report and the Auditor's Report.

*Note: Except as set out in Resolution 1, there is no requirement for shareholders to approve these reports. Accordingly, no resolution will be put to shareholders on this item of business.*

### Resolution 1: Adoption of Remuneration Report

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

*"That for the purpose of Section 250R(2) of the Corporations Act and for all other purposes, the Remuneration Report (included in the Directors' report) for the financial year ended 30 June 2022 be adopted."*

*The voting exclusions applied to this Resolution are set out in the Note 6.*

### Resolution 2: Re-Election of Mr Stephen Layton as a Director of the Company

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

*"That, for the purposes of Rule 17.5 of the Constitution and for all other purposes, Mr Stephen Layton, who retires by rotation in accordance with the Constitution of the Company and who, being eligible, offers himself for re-election, be re-elected as a Director of the Company."*

*A voting exclusion does not apply to this Resolution.*

## SPECIAL BUSINESS

### Resolution 3: Approval of 10% Placement Facility

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

*"That, under and for the purposes of Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of Equity Securities up to the equivalent of 10% of the company's fully paid ordinary issued capital (at the time of the issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions in the Explanatory Statement."*

*The voting exclusions applied to this Resolution are set out in the Note 6.*

By the order of the Board



**Patricia Vanni**  
Company Secretary  
21 October 2022

## Notes

1. **Entire Notice:** The details of the resolutions contained in the Explanatory Statement accompanying this Notice of Meeting should be read together with, and form part of, this Notice of Meeting.
2. **Record Date:** The Company has determined that for the purposes of the General Meeting, shares will be taken to be held by the persons who are registered as holding the shares at 7pm on the date 48 hours before the date of the General Meeting. Only those persons will be entitled to vote at the General Meeting and transfers registered after that time will be disregarded in determining entitlements to attend and vote at the General Meeting.
3. **Proxies**
  - a. Votes at the General Meeting may be given personally or by proxy, attorney or representative.
  - b. Each shareholder has a right to appoint one or two proxies.
  - c. A proxy need not be a shareholder of the Company.
  - d. If a shareholder is a company, it must execute under its common seal or otherwise in accordance with its constitution or the Corporations Act.
  - e. Where a shareholder is entitled to cast two or more votes, the shareholder may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise.
  - f. If a shareholder appoints two proxies, and the appointment does not specify the proportion or number of the shareholder's votes, each proxy may exercise half of the votes. If a shareholder appoints two proxies, neither proxy may vote on a show of hands.
  - g. A proxy must be signed by the shareholder or his or her attorney who has not received any notice of revocation of the authority.
  - h. To be effective, Proxy Forms must be received by the Company's share registry Automic Pty Ltd, no later than 48 hours before the commencement of the General Meeting, i.e. no later than Monday 21 November 2022 at 3:00pm (AEDT). Any proxy received after that time will not be valid for the scheduled meeting.
    - (i) By post to Automic Pty Ltd, 477 Collins Street Melbourne Victoria 3000
    - (ii) In person to Automic Pty Ltd, 477 Collins Street Melbourne Victoria 3000
    - (iii) By fax to 1800 783 447 (within Australia) or +61 9473 2555 (outside Australia)
    - (iv) Online by going to [www.automicgroup.com.au](http://www.automicgroup.com.au) or by scanning the QR code found on the enclosed proxy form with your mobile device
    - (v) For Intermediary Online subscribers only (custodians) please visit [www.intermediaryonline.com](http://www.intermediaryonline.com) to submit your voting intentions

## 4. Corporate Representative

Any corporate shareholder who has appointed a person to act as its corporate representative at the General Meeting should provide that person with a certificate or letter executed in accordance with the Corporations Act authorising him or her to act as that company's representative. The authority may be sent to the Company and/or registry in advance of the General Meeting or handed in at the General Meeting when registering as a corporate representative.

## 5. How the Chair will vote Undirected Proxies

Subject to the restrictions set out in Note 6 below, the Chair of the General Meeting will vote undirected proxies in favour of all the proposed resolutions.

## 6. Voting Exclusion Statement:

### Resolution 1

In accordance with sections 250R(4) and 250BD(1) of the Corporations Act, a vote must not be cast (in any capacity, including as a proxy), and the Company will disregard any votes purported to be cast, on this resolution by, or on behalf of, a member of the Key Management Personnel, details of whose remuneration are included in the remuneration report, or a Closely Related Party of such a member (**KMP voter**), unless the KMP voter is casting a vote on this resolution on behalf of a person who is not a KMP voter (including as a proxy) and either:

- (a) the KMP voter is appointed as a proxy by writing that specifies the way the proxy is to vote on the resolution; or
- (b) the KMP voter is the Chair of the meeting and the appointment of the Chair as proxy:
  - (i) does not specify the way the proxy is to vote on the resolution; and
  - (ii) expressly authorises the Chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the key management personnel for the Company or the consolidated entity.

If you appoint the Chair as your proxy and you do not direct the Chair how to vote, you will be expressly authorising the Chair to exercise the proxy even if the relevant resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel for the Company.

If the Chair of the Meeting is appointed as a proxy for a person who is permitted to vote on Resolution 1, the Chair will vote any proxies which do not indicate on their Proxy Form the way the Chair must vote, in favour of Resolution 1. In exceptional circumstances, the Chair may change his or her voting intention on the Resolution, in which case an ASX announcement will be made. Shareholders may also choose to direct the Chair to vote against the Resolution or to abstain from voting.

If you purport to cast a vote other than as permitted above, that vote will be disregarded by the Company (as indicated above) and you may be liable for breaching the voting restrictions that apply to you under the Corporations Act.

A further restriction also applies to Key Management Personnel and their closely related parties voting undirected proxies on these resolutions – see Restriction on KMPs voting undirected proxies below.

## **Resolution 2**

There is no voting exclusion on this resolution.

## **Resolution 3**

As at the date of dispatch of this Notice, the Company is not proposing to make an issue of Equity Securities under Listing Rule 7.1A.2 and, therefore, a voting exclusion statement is not required by Listing Rule 7.3A.7.

However, if, between the date of dispatch of this Notice and the date of the Meeting, the Company proposes to make an issue of Equity Securities under Listing Rule 7.1A.2, the Company will disregard votes cast in favour of Resolution 3 by or on behalf of:

- (a) 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 or ordinary securities in the Company); or
- (b) an associate of that person or those persons.

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

- (a) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- (b) the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or
- (c) a holder acting solely in a nominee, trustee, 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 Resolution 3; and
  - (ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

## **7. Enquiries**

Shareholders are invited to contact the Company Secretary, Melanie Leydin on +61(3) 9692 7222 if they have any queries in respect of the matters set out in this Notice.

# EXPLANATORY STATEMENT

## Purpose of Information

This Explanatory Statement (“Statement”) accompanies and forms part of the Company’s Notice of Annual General Meeting (“Notice”) for the 2022 Annual General Meeting (“Meeting”) will be held virtually via a video-conferencing facility at 3.00pm (AEDT) on Wednesday, 23 November 2022.

The Notice incorporates, and should be read together, with this Statement.

## Receipt and consideration of Accounts & Reports

A copy of the Annual Report for the financial year ended 30 June 2022 (which incorporates the Company’s financial report, reports of the Directors (including the Remuneration Report) and the auditors) is not enclosed as there is no longer a requirement for the Company to incur the printing and distribution cost associated with doing so for all Shareholders. You may obtain a copy free of charge in hard copy form by contacting the Company by phone at +61 3 9692 7222, and you may request that this occurs on a standing basis for future years.

Alternatively, you may access the Annual Report at the Company’s website [www.egresources.com.au](http://www.egresources.com.au) or via the Company’s announcement platform on ASX. Except as set out in Resolution 1, no resolution is required on these reports.

Shareholders will have the opportunity to ask questions about or make comments on, the 2022 Annual Report and the management of the Company. The auditor will be invited to attend, to answer questions about the audit of the Company’s 2022 Annual Financial Statements.

## ORDINARY BUSINESS

### Resolution 1: Adoption of Remuneration Report

#### *Background*

Section 250R (2) of the Corporations Act requires that a resolution to adopt the Remuneration Report must be put to the vote at the Annual General Meeting. The vote on this Resolution is advisory only and does not bind the Directors or the Company.

The Remuneration Report is set out in the Directors’ Report in the Company’s 2022 Annual Report. The Remuneration Report sets out the Company’s remuneration arrangements for the Directors and senior management of the Company.

In accordance with Section 250SA of the Corporations Act, Shareholders will be provided with a reasonable opportunity to ask questions concerning, or make comments on, the Remuneration Report at the Annual General Meeting.

In accordance with Division 9 of Part 2G.2 of the Corporations Act, if twenty five (25%) per cent or more of votes that are cast are voted against the adoption of the Remuneration Report at two consecutive Annual General Meetings, Shareholders will be required to vote at the second of those Annual General Meetings on a resolution (a “spill resolution”) that another meeting be held within 90 days at which all of the Company’s Directors (other than the Managing Director) must go up for re-election.

It is noted that at the Company’s last Annual General Meeting, the votes cast against the Remuneration Report represented less than twenty-five (25%) per cent of the total votes cast on that resolution and accordingly, a spill resolution will not under any circumstances be required for the Meeting.

The Directors will consider the outcome of the vote and comments made by Shareholders on the Remuneration Report at the Meeting when reviewing the Company’s remuneration policies.

#### *Directors Recommendation*

Noting that each Director has a personal interest in their own remuneration from the Company (as such interests are described in the Remuneration Report) and, as described in the voting exclusions on this resolution (set out in the Notice of AGM), that each Director (or any Closely Related Party of a Director) is excluded from voting their shares on this resolution, the Directors unanimously recommend that Shareholders vote in favour of Resolution 1 to adopt the

Remuneration Report.

### ***Voting Exclusions***

A voting exclusion statement for this resolution is set out in Note 6 above.

## **Resolution 2: Re-Election of Mr Stephen Layton as a Director of the Company**

### **Background**

The Constitution of the Company requires that at each annual general meeting one third of the Directors (except for the managing director), or, if their number is not three or a multiple of three, then the number nearest but not exceeding one-third, shall retire from office by rotation. The Directors to retire in every year shall be those who have been longest in office since their last election but as between person who became Directors on the same day shall (unless they otherwise agree between themselves) be determined by lot.

Mr Stephen Layton was appointed as Non-executive Director on 14 November 2017, elected on 29 November 2018 and re-elected on 18 November 2019 and has over 35 years' experience in equity capital markets in the UK and Australia. Mr Layton has held both principal and director roles in his extensive career and has a depth of knowledge in capital raisings, ASX listings and corporate advisory matters. Mr Layton is currently also a non-executive director on ASX-listed Mithril Resources Limited and has previously been a non-executive director on ASX-listed company, New Age Exploration Limited.

The Company considers Mr Layton an independent director for all purposes.

### ***Directors Recommendation***

The Board (with Mr Layton abstaining), recommends that shareholders vote in favour of the re-election of Mr Layton. The Chairman of the meeting intends to vote undirected proxies in favour of Mr Layton's re-election.

### ***Voting Exclusions***

A voting exclusion does not apply to this Resolution.

## **SPECIAL BUSINESS**

### **Resolution 3: Approval of 10% Placement Facility**

#### **Background**

Listing Rule 7.1A enables eligible entities to issue Equity Securities up to the equivalent of 10% of the company's fully paid ordinary issued capital through placements over a 12-month period after the Annual General Meeting ("**10% Placement Facility**"). The 10% Placement Facility is in addition to the Company's 15% placement capacity under Listing Rule 7.1.

An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. The Company is an eligible entity.

Resolution 3 seeks Shareholder approval by way of a special resolution to have the ability, if required, to issue Equity Securities under the 10% Placement Facility. The effect of Resolution 3 will be to allow the Company to issue Equity Securities under Listing Rule 7.1A during the 10% Placement Period without any further Shareholder approval, in addition to the Company's 15% placement capacity under Listing Rule 7.1.

If Shareholders approve Resolution 3, the number of Equity Securities permitted to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (see below).

If Resolution 3 is not passed, the Company will not be able to access the additional 10% capacity to issue equity securities without Shareholder approval provided for in Listing Rule 7.1A and will remain subject to the 15% limit on issuing equity securities without Shareholder approval set out in Listing Rule 7.1.

Resolution 3 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholder's present and eligible to vote at this Meeting (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

## Description of Listing Rule 7.1A

### (a) Shareholder approval

The ability to issue Equity Securities under the 10% Placement Facility is subject to Shareholder approval by way of a special resolution at an Annual General Meeting. This means it requires approval of 75% of the votes cast by Shareholder's present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

### (b) Equity Securities

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

The Company, as at the date of the Notice, has on issue one class of quoted Equity Securities, only Fully Paid Ordinary Shares.

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

Listing Rule 7.1A.2 provides those eligible entities which have obtained Shareholder approval at an Annual General Meeting may issue or agree to issue, during the 12-month period after the date of the Annual General Meeting, a number of Equity Securities calculated in accordance with the following formula:

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

- A** is the number of shares on issue at the commencement of the "relevant period" (which, for the Company, is the 12 month period immediately preceding the date of the issue or agreement):
- (A) plus the number of fully paid shares issued in the relevant period under an exception in Listing Rule 7.2, other than exception 9, 16 or 17;
  - (B) plus the number of fully paid shares issued in the relevant period on the conversion of convertible securities within rule 7.2 exception 9 where:
    - (i) the convertible securities were issued or agreed to be issued before the commencement of the relevant period; or
    - (ii) the issue of, or agreement to issue, the convertible securities was approved, or taken under the Listing Rules to have been approved, under rule 7.1 or rule 7.4;
  - (C) plus the number of fully paid shares issued in the relevant period under an agreement to issue securities within rule 7.2 exception 16 where:
    - (i) the agreement was entered into before the commencement of the relevant period; or
    - (ii) the agreement or issue was approved, or taken under the Listing Rules to have been approved, under rule 7.1 or rule 7.4;
  - (D) plus the number of fully paid shares issued in the relevant period with approval under Listing Rules 7.1 or 7.4;
  - (E) plus the number of partly paid shares that became fully paid in the relevant period;
  - (F) less the number of fully paid shares cancelled in the relevant period.

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

**D** is 10%

**E** is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the relevant period where the issue or agreement has not been subsequently approved by Shareholders under Listing Rule 7.1 or 7.4.

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

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

The actual number of Equity Securities that the Company will have capacity to issue under Listing Rule 7.1A will be

calculated at the date of issue of the Equity Securities in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer above).

(e) *Nature of consideration for issue and Minimum Issue Price*

The Equity Securities issued under Listing Rule 7.1A must be issued for a cash consideration per security which must be not less than 75% of the VWAP of Equity Securities in the same class calculated over the 15 trading days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed by the Company and the recipient of the securities; or
- (ii) if the Equity Securities are not issued within 10 trading days of the date in paragraph (i) above, the date on which the Equity Securities are issued.

(f) *10% Placement Period*

Shareholder approval of the 10% Placement Facility under 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 Company's next annual general meeting; and
- (iii) the time and date of the approval by Shareholders of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking).

**(10% Placement Period).**

**Specific information required by Listing Rule 7.3A**

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

- (a) If Resolution 3 is approved by Shareholders, the period for which the Shareholder approval of the 10% Placement Facility under Listing Rule 7.1A will be valid commences on the date of the Annual General Meeting at which the approval is obtained, being 23 November 2022, 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, being 23 November 2023;
  - (ii) the time and date of the Company's next annual general meeting;
  - (iii) the time and date of the approval by Shareholders of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking).
- (b) The Equity Securities will be issued at an issue price of not less than 75% of the VWAP for the Company's Equity Securities in the same class calculated over the 15 trading days on which trades in that class were recorded immediately before:
  - (i) the date on which the price at which the Equity Securities are to be issued is agreed by the Company and the recipient of the securities; or
  - (ii) if the Equity Securities are not issued within 10 trading days of the date in paragraph (i) above, the date on which the Equity Securities are issued.
- (c) The purposes for which the funds raised by an issue of Equity Securities under rule 7.1A.2 may be used by the Company include:
  - (i) consideration for the acquisition(s) of new assets and investments, including the expenses associated with such acquisition(s); and
  - (ii) continued expenditure on the Company's current business and/or general working capital.
- (d) If this Resolution is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Facility, the existing Shareholders' voting power in the Company will be diluted as shown in the below table. Shareholders may also be exposed to economic risk and voting dilution, including the following:
  - (i) the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date of the Annual General Meeting; and

- (ii) the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date.

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

The below table shows the dilution of existing Shareholders on the basis of the market price of Shares as at 8 September 2022 (**Current Share Price**) and the current number of ordinary securities for variable "A" calculated in accordance with the formula in Listing Rule 7.1A.(2) as at the date of this Notice.

The table also shows:

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

Variable 'A' in Listing Rule 7.1A.2		Assumed Issue Prices, based on:		
		50% decrease in Current Share Price: \$0.025	Current Share Price: \$0.049	100% increase in Current Share Price: \$0.098
Current Variable A 1,334,186,938 Shares	10% Voting Dilution	134,418,694 Shares		
	Funds raised	\$3,293,258	\$6,586,516	\$13,173,032
50% increase in current Variable A 2,016,280,407 Shares	10% Voting Dilution	201,628,041 Shares		
	Funds raised	\$4,939,887	\$9,879,774	\$19,759,548
100% increase in current Variable A 2,688,373,876 Shares	10% Voting Dilution	268,837,388 Shares		
	Funds raised	\$6,586,516	\$13,173,032	\$26,346,064

The table has been prepared on the following assumptions:

- The Company issues the maximum number of Equity Securities available under the 10% Placement Facility.
- No Options are exercised into Shares before the date of the issue of the Equity Securities.
- 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%.
- The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on that Shareholder's holding at the date of the Annual General Meeting.
- The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.
- The issue of Equity Securities under the 10% Placement Facility consists only of Shares. If the issue of Equity Securities includes Quoted Options, it is assumed that those Quoted Options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.
- The Current Share Price is \$0.049 (4.9 cents), being the closing price of the Shares on ASX on 8 September 2022.

- (e) The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility. The identity of the allottees of Equity Securities will be determined on a case-by-case basis having regard to the factors including but not limited to the following:

- (i) the methods of raising funds that are available to the Company, including but not limited to, rights issue or other issue in which existing security holders can participate;
- (ii) the effect of the issue of the Equity Securities on the control of the Company;
- (iii) the financial situation and solvency of the Company; and
- (iv) advice from corporate, financial and broking advisers (if applicable).

The allottees under the 10% Placement Facility have not been determined as at the date of this Notice but may include existing substantial Shareholders, subject to compliance with Listing Rule 10.11, and/or new Shareholders who are not related parties or associates of a related party of the Company.

- (f) The Company:
  - (i) has not issued, nor agreed to issue, any Equity Securities under Rule 7.1A.2 in the 12-month period preceding the date of the Meeting; and
  - (ii) had not agreed, before the 12-month period referred to in the preceding paragraph, to issue any Equity Securities under rule 7.1A.2 where such securities remain unissued as at the date of the Meeting.

#### ***Board Recommendation***

The Board believes that this Resolution is in the best interests of the Company and unanimously recommends that Shareholders vote in favour of this Resolution.

#### ***Voting Exclusions***

A voting exclusion statement for this resolution is set out in Note 6 above.

## GLOSSARY

The following terms have the following meanings in this Explanatory Statement:

“\$” means Australian Dollars;

“**10% Placement Facility**” has the meaning as defined in the Explanatory Statement for Resolution 3;

“**10% Placement Period**” has the meaning as defined in the Explanatory Statement for Resolution 3;

“**Annual Report**” means the Directors’ Report, the Financial Report, and Auditor’s Report, in respect to the year ended 30 June 2022;

“**ASX**” means ASX Limited ABN 77 115 009 106 or the Australian Securities Exchange, as the context requires;

“**Auditor’s Report**” means the auditor’s report on the Financial Report;

“**AEDT**” means Australian Eastern Daylight Time.

“**Board**” means the Directors acting as the board of Directors of the Company or a committee appointed by such board of Directors;

“**Chairman**” means the person appointed to chair the Meeting of the Company convened by the Notice;

“**Closely Related Party**” of a member of Key Management Personnel has the meaning given in section 9 of the Corporations Act;

“**Company**” means EQ Resources Limited ACN 115 009 106;

“**Constitution**” means the constitution of the Company as at the date of the Meeting;

“**Corporations Act**” means the Corporations Act 2001 (Cth);

“**Director**” means a Director of the Company;

“**Directors Report**” means the annual directors’ report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities;

“**Explanatory Statement**” means the explanatory statement which forms part of this Notice;

“**Financial Report**” means the annual financial report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities;

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

“**Listing Rules**” means the Listing Rules of the ASX;

“**Meeting**” has the meaning given in the introductory paragraph of the Notice;

“**Notice**” means this Notice of Meeting including the Explanatory Statement;

“**Proxy Form**” means the proxy form attached to the Notice;

“**Quoted Options**” means options issued by the Company that are quoted on the ASX;

“**Remuneration Report**” means the remuneration report which forms part of the Directors’ Report of the Company for the financial year ended 30 June 2022 and which is set out in the 2022 Annual Report.

“**Resolution**” means a resolution referred to in the Notice;

“**Section**” means a section of the Explanatory Statement;

“**Share**” means a fully paid ordinary share in the capital of the Company;

“**Shareholder**” means shareholder of the Company;

“**Trading Day**” means a day determined by ASX to be a trading day in accordance with the Listing Rules; and

“**VWAP**” means volume weighted average market price as defined in Listing Rule 19.12.



EQ RESOURCES LIMITED | ABN 77 115 009 106

# Proxy Voting Form

If you are attending the virtual Meeting please retain this Proxy Voting Form for online Securityholder registration.

Holder Number:

Your proxy voting instruction must be received by **3.00pm (AEDT) on Monday, 21 November 2022**, being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

## SUBMIT YOUR PROXY

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

### YOUR NAME AND ADDRESS

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

### STEP 1 – APPOINT A PROXY

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

### DEFAULT TO THE CHAIR OF THE MEETING

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

### STEP 2 - VOTES ON ITEMS OF BUSINESS

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

### APPOINTMENT OF SECOND PROXY

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

### SIGNING INSTRUCTIONS

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

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

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

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

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

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

### CORPORATE REPRESENTATIVES

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

### Lodging your Proxy Voting Form:

#### Online:

Use your computer or smartphone to appoint a proxy at

<https://investor.automic.com.au/#/login>

or scan the QR code below using your smartphone

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



#### BY MAIL:

Automic  
GPO Box 5193  
Sydney NSW 2001

#### IN PERSON:

Automic  
Level 5, 126 Phillip Street  
Sydney NSW 2000

#### BY EMAIL:

[meetings@automicgroup.com.au](mailto:meetings@automicgroup.com.au)

#### BY FACSIMILE:

+61 2 8583 3040

All enquiries to Automic:

#### PHONE:

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



