


# NOTICE OF ANNUAL GENERAL MEETING



Friday, 3 November 2023

9.00am WST

Level 3, 33 Richardson St  
West Perth WA 6005



**LUNNON  
METALS**

ABN 82 600 008 848 | ASX:LM8







# LUNNON METALS LIMITED

ABN 82 600 008 848

## NOTICE OF ANNUAL GENERAL MEETING

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**TIME:** 9.00am (WST)

**DATE:** Friday, 3 November 2023

**PLACE:** The Park Business Centre  
45 Ventnor Avenue, West Perth, Western Australia

### IMPORTANT NOTES

#### ***General***

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

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 8 6424 8848 or [info@lunnonmetals.com.au](mailto:info@lunnonmetals.com.au)



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## IMPORTANT INFORMATION

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### **Time and place of meeting**

Notice is given that the Annual General Meeting of the Shareholders will be held at 9.00am (WST) on Friday, 3 November 2023 at The Park Business Centre, 45 Ventnor Avenue, West Perth, Western Australia.

### **Your vote is important**

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

### **Poll**

Shareholders are advised that all Resolutions to be considered at the Meeting will be put to a poll, in accordance with the provisions of the Company's Constitution.

### **Voting eligibility**

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 5.00pm (WST) on 1 November 2023.

### **Voting in person (or by attorney)**

To vote in person, attend the Meeting at the time, date and place set out above. Attorneys should bring with them an original or certified copy of the Power of Attorney under which they have been authorised to attend and vote at the Meeting.

### **Voting by a corporation**

A Shareholder that is a corporation may appoint an individual to act as its representative and vote in person at the Meeting. The appointment must comply with the requirements of section 250D of the Corporations Act. The representative should bring to the Meeting evidence of his or her appointment, including any authority under which it is signed.



## Voting by proxy

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

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

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

To be effective, proxies must be received by **9.00am (WST)** on **1 November 2023**. Proxies lodged after this time will be invalid.

How to lodge a proxy vote

You can submit your proxy appointment using one of the following methods:

**Online:** <https://investor.automic.com.au/#/loginsah> or by scanning the QR code on the Proxy Form. Use the Company code "LM8" and your Holder Number (shown at the top of the Proxy Voting Form). Once logged in, click "Meetings".

**Post:** Automic, GPO Box 5193, Sydney NSW 2001

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

**Fax:** +61 2 8583 3040

Written questions

Shareholders are encouraged to submit written questions in advance of the Meeting.

Questions should relate to matters that are relevant to the business of the Meeting or the Company's operations.

The Chair will seek to address as many of the more frequently raised and relevant written questions as possible during the course of the Meeting. Please note that individual responses will not be sent to Shareholders.

Written questions must be submitted by **5.00pm (WST)** on **Monday, 30 October 2023**.

Questions can be submitted by:

**Email:** [info@lunnonmetals.com.au](mailto:info@lunnonmetals.com.au); or

**Post:** Lunnon Metals Limited, PO Box 470, West Perth WA 6872



## BUSINESS OF THE MEETING

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### AGENDA

#### Financial Statements and Reports

**To receive and consider the annual financial report, directors' report, and auditor's report for the Company and its controlled entities for the year ended 30 June 2023.**

#### Resolution 1 – Adoption of the Remuneration Report

To consider, and if thought fit, to pass the following resolution as a **non-binding resolution**:

*“That, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report for the year ended 30 June 2023 as set out in the 2023 Annual Report.”*

**Note:** A voting exclusion statement applies to this Resolution, as set out below.

The vote on this Resolution is advisory only and does not bind the Directors or the Company. Shareholders are encouraged to read the Explanatory Statement for further details on the consequences of voting on this Resolution.

#### Resolution 2 – Re-election of Mr Liam Twigger

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

*“That for the purposes of clause 14.2 of the Constitution, Listing Rule 14.4 and for all other purposes, Mr Liam Twigger, a Director, retires by rotation, and being eligible, is re-elected as a Director.”*

#### Resolution 3 – Re-election of Mr Ashley McDonald

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

*“That for the purposes of clause 14.2 of the Constitution, Listing Rule 14.4 and for all other purposes, Mr Ashley McDonald, a Director, retires by rotation, and being eligible, is re-elected as a Director.”*

#### Resolution 4 – Approval to Issue Shares to Gold Fields

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

*“That for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 1,111,112 Shares (at an issue price of \$0.90 each) to St Ives Gold Mining Company Pty Limited (a wholly owned subsidiary of Gold Fields Limited), on the terms and conditions set out in the Explanatory Statement.”*

**Note:** A voting exclusion statement applies to this Resolution, as set out below.



## Resolution 5 – Ratification of Prior Issue of Shares

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

*“That for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 18,888,888 Shares (at an issue price of \$0.90 each) on 28 August 2023 to sophisticated and professional investors, on the terms and conditions set out in the Explanatory Statement.”*

**Note:** A voting exclusion statement applies to this Resolution, as set out below.

## Resolution 6 – Approval of 10% Placement Facility – Listing Rule 7.1A

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

*“That, for the purpose of Listing Rule 7.1A and all other purposes, Shareholders approve the issue of Equity Securities up to 10% of the issued capital of the Company (at the time of the issue) calculated in accordance with Listing Rule 7.1A.2 and on the terms and conditions set out in the Explanatory Statement.”*

**Note:** A voting exclusion statement applies to this Resolution, as set out below.

## Voting Exclusion Statements

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**Resolution 1:** The Company will disregard any votes cast on Resolution 1 by or on behalf of a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report, or their Closely Related Parties. However, the Company need not disregard a vote if:

- (a) it is cast by a person as a proxy appointed by writing that specifies how the proxy is to vote on the proposed Resolution or the proxy is the Chair of the Meeting and the appointment of the Chair as proxy does not specify the way the proxy is to vote on the resolution and expressly authorises the Chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel; and
- (b) it is not cast on behalf of a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report, or their Closely Related Parties.

Further, a Restricted Voter who is appointed as a proxy will not vote on the Resolution unless:

- (a) the appointment specifies the way the proxy is to vote on the Resolution; or
- (b) the proxy is the Chair of the Meeting and the appointment expressly authorises the Chair to exercise the proxy even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel. Shareholders should note that the Chair intends to vote any undirected proxies in favour of the Resolution.

Shareholders may also choose to direct the Chair to vote against the Resolution or to abstain from voting.

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



**Resolution 4:** The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the entity) or any associate of those persons. However, this does not apply to a vote cast in favour of the Resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on Resolution 4, in accordance with the directions given to the proxy or attorney to vote on that Resolution in that way; or
- (b) the Chair of the Meeting as proxy or attorney for a person who is entitled to vote on Resolution 4, in accordance with a direction given to the Chair to vote on that 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 4; and
  - (ii) the holder votes on Resolution 4 in accordance with directions given by the beneficiary to the holder to vote in that way.

**Resolution 5:** The Company will disregard any votes cast in favour of Resolution 5 by or on behalf of a person who participated in the issue or an Associate of that person or those persons. However, this does not apply to a vote cast in favour of Resolution 5 by:

- (d) a person as proxy or attorney for a person who is entitled to vote on Resolution 5, in accordance with the directions given to the proxy or attorney to vote on that Resolution in that way; or
- (e) the Chair of the Meeting as proxy or attorney for a person who is entitled to vote on Resolution 5, in accordance with a direction given to the Chair to vote on that Resolution as the Chair decides; or
- (f) 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 5; and
  - (ii) the holder votes on Resolution 5 in accordance with directions given by the beneficiary to the holder to vote in that way.





**Resolution 6:** The Company will disregard any votes cast in favour of Resolution 6 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 of ordinary securities in the entity); or
- (b) an Associate of those persons.

However, this does not apply to a vote cast in favour of the Resolution 6 by:

- (a) a person as proxy or attorney for a person who is entitled to vote on Resolution 6, in accordance with the 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 Resolution 6, in accordance with a direction given to the Chair to vote on Resolution 6 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 6; and
  - (ii) the holder votes on Resolution 6 in accordance with directions given by the beneficiary to the holder to vote in that way.

## OTHER BUSINESS

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To deal with any other business which may be brought forward in accordance with the Constitution and the Corporations Act.

### BY ORDER OF THE BOARD

**Hayden Bartrop**  
**Company Secretary**

**27 September 2023**



## EXPLANATORY STATEMENT

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This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions which are the subject of the business of the Meeting.

### Financial Statements and Reports

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In accordance with the Constitution, the business of the Annual General Meeting will include receipt and consideration of the 2023 Annual Report of the Company for the financial year ended 30 June 2023 together with the declaration of the Directors, the Directors' Report, the Remuneration Report and the Auditor's Report.

There is no requirement for shareholders to approve these reports. The Chair will allow a reasonable time for shareholders to ask questions about or make comments on 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, the accounting policies adopted by the Company and the independence of the auditor in relation to the conduct of the audit.

The Chair will also allow a reasonable opportunity for the Auditor or their representative to answer any written questions submitted to the Auditor under section 250PA of the Corporations Act.

The Company will not provide a hard copy of the Company's Annual Report to Shareholders unless specifically requested to do so. The Company's Annual Report is available on its website at <https://lunnonmetals.com.au/company-reports/>.

### Resolution 1 – Adoption of the Remuneration Report

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The Remuneration Report for the Company is set out in the Company's 2023 Annual Report. The Remuneration Report outlines the Company's remuneration framework and the remuneration outcomes for the financial year the subject of the Remuneration Report for the Board and Key Management Personnel.

The Chair will allow a reasonable opportunity for Shareholders to ask questions about, or make comments on, the Remuneration Report at the Meeting.

Under the Corporations Act if, at two consecutive annual general meetings, at least 25% of the votes cast on a Remuneration Report resolution are voted against adoption of the Remuneration Report, then a further resolution (**Spill Resolution**) may be required to be considered at the second annual general meeting as to whether a further meeting be convened to put certain Directors to re-election. The Directors to be put to re-election are those Directors, other than the Managing Director, who were Directors when the resolution to make the Directors' Report was passed.

The Remuneration Report for the financial year ended 30 June 2022 did not receive a vote of more than 25% against its adoption at the Company's last general meeting held on 15 November 2022. Accordingly, if at least 25% of the votes cast on this Resolution are against adoption of the Remuneration Report, it will not result in the Company putting a Spill Resolution to Shareholders.

Note that a voting exclusion applies to this Resolution in the terms set out in the Notice. Shareholders are urged to carefully read the Proxy Form and provide a direction to the proxy on how to vote on this Resolution.



## **Resolution 2 – Re-Election of Mr Liam Twigger as a Director**

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Clause 14.2 of the Constitution requires that at the Company's annual general meeting in every year, one-third of the Directors for the time being, or, if their number is not a multiple of 3, then the number nearest one-third (rounded upwards in case of doubt), shall retire from office, provided always that no Director (except a Managing Director) shall hold office for a period in excess of 3 years, or until the third annual general meeting following his or her appointment, whichever is the longer, without submitting himself or herself for re-election.

Under the Constitution, the Directors to retire at an annual general meeting are those who have been longest in office since their last election, but, as between persons who became Directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by drawing lots.

A Director who retires by rotation under clause 14.2 of the Constitution is eligible for re-election. The Company currently has four Directors (excluding the Managing Director), and two are retiring under clause 14.2 of the Constitution.

If Resolution 2 is passed, Mr Liam Twigger will be re-elected and will continue to act as a Director. If Resolution 2 is not passed, Mr Liam Twigger will not be re-elected and will cease to act as a Director.

Mr Liam Twigger has been a Director of the Company for a period of approximately 2.5 years since 24 February 2021.

During the financial year, Mr Liam Twigger was the Deputy Chairman and Executive Director (and shareholder) of Argonaut Securities Pty Ltd (**Argonaut**), a licensed and independent investment banking and corporate advisory business based in Perth, Western Australia, which merged with PCF Capital Group (founded by Liam in 1999) in 2021. He holds a Graduate Diploma in Business, a Bachelor of Economics and is a Certified Practising Accountant.

Mr Liam Twigger is Chairman of SolGold Plc, a London and TSX listed resources company focussed on the discovery, definition and development of copper and gold deposits in Ecuador.

Mr Liam Twigger does not have any interest, position or relationship that might influence, or reasonably be perceived to influence, in a material respect his capacity to bring an independent judgement to bear on issues before the Board and to act in the best interests of the Company as a whole rather than in the interests of an individual security holder or other party, except in regard to any business relationship with Argonaut.

The Board considers that Mr Liam Twigger will, if elected, qualify as an independent Director.

### **Directors Recommendation**

The members of the Board, in the absence of Mr Liam Twigger, support the election of Mr Liam Twigger as a director of the Company.





## Resolution 3 – Re-Election of Mr Ashley McDonald as a Director

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Clause 14.2 of the Constitution requires that at the Company's annual general meeting in every year, one-third of the Directors for the time being, or, if their number is not a multiple of 3, then the number nearest one-third (rounded upwards in case of doubt), shall retire from office, provided always that no Director (except a Managing Director) shall hold office for a period in excess of 3 years, or until the third annual general meeting following his or her appointment, whichever is the longer, without submitting himself or herself for re-election.

Under the Constitution, the Directors to retire at an annual general meeting are those who have been longest in office since their last election, but, as between persons who became Directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by drawing lots.

A Director who retires by rotation under clause 14.2 of the Constitution is eligible for re-election. The Company currently has four Directors (excluding the Managing Director), and two are retiring under clause 14.2 of the Constitution.

If Resolution 3 is passed, Mr Ashley McDonald will be re-elected and will continue to act as a Director. If Resolution 3 is not passed, Mr Ashley McDonald will not be re-elected and will cease to act as a Director and St Ives Gold Mining Company Pty Ltd (a wholly owned subsidiary of Gold Fields Limited) (**Gold Fields**) will have the right to nominate another Director under the Sale and Purchase Deed between the Company and Gold Fields dated 19 November 2020, as Gold Fields holds a relevant interest in the Company of 10% or more.

Mr Ashley McDonald has been a Director of the Company for a period of approximately 2.5 years since 24 February 2021.

Mr Ashley McDonald is the Vice President Corporate Development with Gold Fields and has a demonstrated transactional deal history in the mining and metals industry. Skilled in Corporate Law, Mining, Minerals, Mergers & Acquisitions (**M&A**), and Corporate Governance, Mr Ashley McDonald joined Gold Fields in 2006 and prior to that was a legal advisor on the acquisition of St Ives and Agnew gold mines whilst a Senior Associate with Minter Ellison. He has a strong information technology background with a LLB BComm focused in Bachelor of Laws and a Bachelor of Commerce (Accounting) from Murdoch University.

Mr Ashley McDonald is not currently a director of any other ASX listed company.

Mr Ashley McDonald is Gold Fields' nominee Director on the Board of Directors of the Company, which is a substantial shareholder in the Company holding approximately 30.67% of the Shares (as at 27 September 2023).

The Board considers that Mr Ashley McDonald will, if elected, not qualify as an independent Director due to this relationship.

### **Directors Recommendation**

The members of the Board, in the absence of Mr Ashley McDonald, support the election of Mr Ashley McDonald as a director of the Company.



## Resolution 4 – Issue of Shares to Gold Fields

### 1.1 Background to issue of Gold Fields Shares

As announced on 17 August 2023, in connection with a two-tranche \$18 million placement (**Placement**) and targeted \$2.5 million share purchase plan (**SPP**), the Company agreed to issue Gold Fields 1,111,112 Shares at a deemed issue price of \$0.90 per Share (being the same price at which the Company undertook the Placement and SPP), subject to shareholder approval.

Tranche one of the Placement completed by the issue of a total of 18,888,888 Shares on 28 August 2023 under the Company's Listing Rule 7.1 capacity.

Resolution 4 seeks Shareholder approval for the purposes of Listing Rule 10.11 and for all other purposes to allow the Company to complete tranche two of the Placement, being the issue 1,111,112 Shares to Gold Fields at an issue price of \$0.90 per Share (**Gold Fields Shares**).

### 1.2 Listing Rule 10.11

Listing Rule 10.11 provides that unless one of the exceptions in Listing Rule 10.12 applies, the Company must not issue or agree to issue equity securities to:

- a related party (Listing Rule 10.11.1);
- a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (30%+) holder in the Company (Listing Rule 10.11.2);
- a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (10%+) holder in the Company and who has nominated a Director to the Board pursuant to a relevant agreement which gives them a right or expectation to do so (Listing Rule 10.11.3);
- an associate of a person referred to in Listing Rules 10.11.1 to 10.11.3 (Listing Rule 10.11.4); or
- a person whose relationship with the Company or a person referred to in Listing Rules 10.11.1 to 10.11.4 is such that, in ASX's opinion, the issue or agreement should be approved by Shareholders (Listing Rule 10.11.5),

unless it obtains the approval of its Shareholders.

The proposed issue of the Gold Fields Shares falls within Listing Rule 10.11.2 and does not fall within any of the exceptions in Listing Rule 10.12. It therefore requires the approval of Shareholders under Listing Rule 10.11.

The impact of passing Resolution 4 on Gold Fields' voting power in the Company is set out in the following table:

Time	Number of Shares	Voting power (non-diluted)
Before the Placement in August 2023	66,216,438	31.70%
As at the last practicable date of this Notice (27 Sept 2023)	66,216,438	30.67%
After completion of the proposed issue to Gold Fields Shares	67,327,550	31.03%*

\* Assuming that no further Shares (other than the Gold Fields Shares) are issued or Options are exercised between the date of this Notice and the date of completion of the issue of Gold Fields Shares.



### 1.3 Technical Information required by Listing Rule 14.1A

If Resolution 4 is passed, the Company will issue the Gold Fields Shares to Gold Fields in consideration for \$0.90 per Share (approximately \$1 million in total).

If Resolution 4 is not passed, the Company will not be able to proceed with the issue of Gold Fields Shares to Gold Fields and the Company will need to adjust its planned use of proceeds announced on 17 August 2023 by approximately \$1 million to account for the reduction in capital raised from the Placement.

### 1.4 Corporations Act

Section 606 of the Corporations Act prohibits a person from acquiring a Relevant Interest in the issued voting shares of a listed company if the acquisition would result in that person's (or another person's) Voting Power in the company increasing:

- (i) from 20% or below to more than 20%; or
- (ii) from a starting point that is above 20% and below 90%.

The Voting Power of a person in a company is determined in accordance with section 610 of the Corporations Act. It is aimed at grouping together and counting the percentage of all voting shares in a company that are controlled by a person and its associates (i.e. their Relevant Interests).

Section 608(1) of the Corporations Act provides that a person has a Relevant Interest in securities if that person is the holder of the securities or has power to exercise or control the exercise of a right to vote attached to the securities or has power to dispose of, or exercise control over the disposal of the securities.

Item 7 of Section 611 of the Corporations Act that it is an exception to Section 606 where the issuer's shareholders approve the issue in general meeting.

Item 9 of Section 611 of the Corporations Act provides that it is an exception to Section 606 where the acquisition is by a person where if throughout the 6 months before the acquisition that person, or any other person, has had a voting power in the company of at least 19% and as a result of the acquisition, none of the persons would have a voting power in the company more than 3 percentage points higher than they had 6 months before the acquisition.

The exception in Item 9 (rather than Item 7) of Section 611 of the Corporations Act will be relied upon for Gold Fields to receive the Gold Fields shares.

### 1.5 Information required under Listing Rule 10.13

The following further information is provided to Shareholders for the purposes of Listing Rule 10.13:

- (a) the Gold Fields Shares will be issued to St Ives Mining Company Pty Ltd ABN 44 098 386 273, a wholly owned subsidiary of Gold Fields Limited (**Gold Fields**);
- (b) Gold Fields has held more than 30% of the Shares in the Company during the 6 month period prior to the proposed issue date and therefore falls within the category of persons under Listing Rule 10.11.2;





- (c) a total of 1,111,112 fully paid ordinary shares in the Company will be issued;
- (d) the Gold Fields Shares will be issued no later than 1 month after the date of this Meeting;
- (e) the Gold Fields Shares will be issued at a deemed issue price of \$0.90 per Share, being the price at which Shares were issued to investors under the Placement and SPP announced by the Company on 17 August 2023;
- (f) the funds raised will be used for the same purpose as all other funds raised under the Placement and SPP announced by the Company on 17 August 2023, being to fund ongoing exploration at the Foster / Baker area and Silver Laker / Fisher area, technical studies and powerline execution at the Foster / Baker area and Placement and SPP offer transaction costs;
- (g) the Gold Fields Shares are not being issued under an agreement; and.
- (h) a voting exclusion statement applies to Resolution 4 as set out in this Notice.

## 1.6 Directors' recommendation

The Directors (other than Mr Ashley McDonald and Mr Liam Twigger) recommend that Shareholders vote in favour of Resolution 4. The Directors (other than Mr Ashley McDonald and Mr Liam Twigger) are not aware of any other information that would reasonably be required by the Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass Resolution 4.

Mr Ashley McDonald is Gold Field Limited's nominee director on the Company's Board. Mr Liam Twigger (who may have a potential conflict of interest in the outcome of the issue of Gold Fields Shares due to his employment with Argonaut Securities Pty Ltd, a joint lead manager of the Placement), and with the agreement of the Board has been recused from considering the issue of Gold Fields Shares and related resolutions. Accordingly, Mr McDonald and Mr Twigger decline to make a recommendation on Resolution 4.

## Resolution 5 – Ratification of issue of Placement Shares

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### 1.1 Background to Placement Shares

On 17 August 2023, the Company announced a placement to various sophisticated and professional investors to raise approximately \$18 million (before costs) at \$0.90 per Share (**Placement**), in conjunction with a Share Purchase Plan targeting to raise approximately \$2.5 million (before costs) at the same price as the Placement. The first tranche of the Placement was completed by the issue of a total of 18,888,888 Shares on 28 August 2023 under the Company's Listing Rule 7.1 capacity (**First Tranche Shares**).

The second tranche of the Placement to Gold Fields (1,111,112 Shares at \$0.90 per Share) has not completed and is subject to shareholder approval (refer to Resolution 4).

The funds raised from the Placement will fund ongoing exploration at the Foster / Baker area and Silver Laker / Fisher area, technical studies and powerline execution at the Foster / Baker area and the Placement and SPP offer transaction costs.



## 1.2 Listing Rule 7.1

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

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

The Company wishes to retain as much flexibility as possible to issue additional Equity Securities into the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1 and therefore seeks Shareholder approval to ratify the issue of First Tranche Shares under and for the purposes of Listing Rule 7.4.

## 1.3 Technical Information required by Listing Rule 14.1A

If Resolution 5 is passed, the First Tranche Shares issued under Listing Rule 7.1 will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of Equity Securities the Company can issue without Shareholder approval over the 12 month period following the date the Company issued the First Tranche Shares. In addition, the First Tranche Shares issued under Listing Rule 7.1 will not be included in calculating the Company's 10% capacity in Listing Rule 7.1A, effectively increasing the number of Equity Securities the Company can issue without Shareholder approval under that rule.

If Resolution 5 is not passed, the First Tranche Shares issued under Listing Rule 7.1 will be included in calculating the Company's 15% limit in Listing Rule 7.1, effectively decreasing the number of Equity Securities the Company can issue without Shareholder approval over the 12 month period following the date the Company issued the Placement Shares. In addition, the First Tranche Shares issued under Listing Rule 7.1 will be included in calculating the Company's additional 10% capacity in Listing Rule 7.1A, effectively decreasing the number of Equity Securities the Company can issue without Shareholder approval under that rule.

## 1.4 Information required under Listing Rule 7.5

The following further information is provided to Shareholders for the purposes of Listing Rule 7.5 in relation to the First Tranche Shares:

- (a) The Shares were issued to sophisticated and professional investors and other investors qualifying under section 708 of the Corporations Act, all of whom are unrelated to the Company. The places were selected following a bookbuild process undertaken by the joint lead managers to the Placement, Euroz Hartleys Limited and Argonaut Securities Pty Ltd.
- (b) In accordance with paragraph 7.4 of ASX Guidance Note 21, the Company confirms that no related parties of the Company, members of the Company's Key Management Personnel, substantial holders of the Company, advisers of the Company or an associate of any of these parties were issued more than 1% of the issued capital of the Company under the first tranche of the Placement.



- (c) A total of 18,888,888 First Tranche Shares were issued and the First Tranche Shares are fully paid ordinary shares in the Company and rank equally in all respects with the existing fully paid ordinary shares on issue.
- (d) The First Tranche Shares were issued on 28 August 2023.
- (e) The First Tranche Shares are fully paid ordinary shares in the Company and rank equally in all respects with the existing fully paid ordinary shares on issue.
- (f) The First Tranche Shares were issued at an issue price of \$0.90 each.
- (g) The funds raised will be used for the same purpose as all other funds raised under the Placement and SPP announced by the Company on 17 August 2023, being to fund ongoing exploration at the Foster / Baker area and Silver Laker / Fisher area, technical studies and powerline execution at the Foster / Baker area and Placement and SPP offer transaction costs.
- (h) The Placement Shares are not being issued under an agreement.
- (i) A voting exclusion statement applies to Resolution 5 as set out in this Notice.

## **Resolution 6 – Additional 10% Placement Facility – Listing Rule 7.1 A**

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### **1.1 General**

Listing Rule 7.1A provides that an Eligible Entity may seek Shareholder approval at its annual general meeting to allow it to issue Equity Securities up to 10% of its issued capital (**10% Placement Capacity**).

The Company is an Eligible Entity.

If Shareholders approve Resolution 6, the number of Equity Securities the Company may issue under the 10% Placement Capacity will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (as set out below in section 1.3 of this Resolution 6).

Resolution 6 is a special resolution. Accordingly, at least 75% of votes cast by Shareholders present and eligible to vote at the Meeting must be in favour of Resolution 6 for it to be passed.

### **1.2 Technical Information required by Listing Rule 14.1A**

If Resolution 6 is passed, the Company will be able to issue Equity Securities up to the combined 25% limit in Listing Rule 7.1 and 7.1A without any further Shareholder approval assuming Resolution 5 is also passed. There are no proposed issues by the Company under this proposed Resolution if the Resolution is passed.

If Resolution 6 is not passed then the Company will not have the availability of the additional 10% placement capacity under ASX Listing Rule 7.1A. Accordingly, if the Company intends to issue securities over and above its placement capacity under ASX Listing Rule 7.1 then Shareholder approval will be required to issue such securities.





### 1.3 Listing Rule 7.1A

Listing Rule 7.1A enables an Eligible Entity to seek shareholder approval at its annual general meeting to issue Equity Securities in addition to those under the Eligible Entity's 15% annual placement capacity under 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 (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300,000,000 or less.

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 less than \$300,000,000.

Any Equity Securities issued must be in the same class as an existing class of quoted Equity Securities. The Company currently has 1 class of quoted Equity Securities on issue, being the Shares (ASX Code: LM8).

The exact number of Equity Securities that the Company may issue under an approval under Listing Rule 7.1A will be calculated according to the following formula:

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

Where:

- A is the number of Shares on issue 12 months before the date of issue or agreement to issue:
- (i) plus the number of Shares issued in the previous 12 months under an exception in Listing Rule 7.2 other than exception 9, 16 or 17;
  - (ii) plus the number of fully paid ordinary securities issued in the previous 12 months on the conversion of convertible securities within Listing Rule 7.2 exception 9 where:
    - (A) the convertible securities were issued or agreed to be issued more than 12 months before; or
    - (B) the issue of, or agreement to issue, the convertible securities was approved, or taken under the Listing Rules to have been approved under Listing Rule 7.1 or 7.4;
  - (iii) plus the number of fully paid ordinary securities issued in the last 12 months under an agreement to issue securities within Listing Rule 7.2 exception 16 where:
    - (A) the agreement was entered into more than 12 months before; or
    - (B) the agreement or issue was approved, or taken under the Listing Rules to have been approved under Listing Rule 7.1 or 7.4;



- (iv) plus the number of any other fully paid ordinary securities issues in the previous 12 months with approval under Listing Rule 7.1;
- (v) plus the number of partly paid shares that became fully paid in the previous 12 months; and
- (vi) less the number of Shares cancelled in the previous 12 months.

D is 10%.

E is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of issue or agreement where the issue or agreement has not been subsequently approved by the holders or ordinary securities under Listing Rule 7.4.

#### 1.4 Technical information required by Listing Rule 7.1A

Pursuant to and in accordance with Listing Rule 7.3A, the information below is provided in relation to this Resolution 6:

(a) Minimum Price

The minimum price at which the Equity Securities may be issued is 75% of the volume weighted average price 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 entity and the recipient of the securities; or
- (ii) if the Equity Securities are not issued within 10 ASX trading days of the date in section (i) above, the date on which the Equity Securities are issued.

(b) Date of Issue

The Equity Securities may be issued under the 10% Placement Capacity commencing on the date of the Meeting and expiring on the first to occur of the following:

- (i) 12 months after the date of this Meeting; or
- (ii) the time and date of the Company's next annual general meeting; or
- (iii) the date of approval by Shareholders of any transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of the Company's activities) or 11.2 (disposal of the Company's main undertaking) (after which date, an approval under Listing Rule 7.1A ceases to be valid),

**(10% Placement Capacity Period).**



(c) Purpose of Issue under 10% Placement Capacity

As the Company must issue Equity Securities under the 10% Placement Capacity for cash consideration, the Company intends to use funds raised for the acquisition of new resources, assets and investments (including expenses associated with such an acquisition), continued exploration expenditure on the Company's current assets (including technical and feasibility studies, and ongoing project administration), development of the Company's current or acquired assets, and for general working capital purposes.

The Company will comply with the disclosure obligations under Listing Rules 2.7, 3.10.3 and 7.1A(4) upon issue of any Equity Securities under the 10% Placement Capacity.

(d) 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.

If Resolution 6 is approved by Shareholders and the Company issues the maximum number of Equity Securities available under the 10% Placement Capacity, the economic and voting dilution of existing Shares would be as shown in the table below.

The table below shows the dilution of existing Shareholders calculated in accordance with the formula outlined in Listing Rule 7.1A(2), on the basis of the current market price of Shares and the current number of Equity Securities on issue as at the date of this Notice.

The table also shows the voting dilution impact where the number of Shares on issue (**Variable 'A'** in the formula) changes and the economic dilution where there are changes in the issue price of Shares issued under the 10% Placement Capacity.

Number of Shares on Issue (Variable 'A' in Listing Rule 7.1A2)	Dilution			
	Issue Price (per Share)	\$0.425 50% decrease in Issue Price	\$0.850 Issue Price	\$1.275 50% increase in Issue Price
215,350,307 (Current Variable 'A')	Shares issued - 10% voting dilution	21,535,030 Shares	21,535,030 Shares	21,535,030 Shares
	Funds raised	\$9,152,388	\$18,304,776	\$27,457,163
323,025,461 (50% increase in Variable 'A')	Shares issued - 10% voting dilution	32,302,546 Shares	32,302,546 Shares	32,302,546 Shares
	Funds raised	\$13,728,582	\$27,457,164	\$41,185,746
430,700,614 (100% increase in Variable 'A')	Shares issued - 10% voting dilution	43,070,061 Shares	43,070,061 Shares	43,070,061 Shares
	Funds raised	\$18,304,776	\$36,609,552	\$54,914,328



\*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 Listing Rule 7.1.

The table above uses the following assumptions:

- (i) There are currently 215,350,307 Shares on issue.
  - (ii) The issue price set out above is the closing price of the Shares on the ASX on 7 September 2023.
  - (iii) The Company issues the maximum possible number of Equity Securities under the 10% Placement Capacity.
  - (iv) The Company has not issued any Equity Securities in the 12 months prior to the Meeting that were not issued under an exception in Listing Rule 7.2 or with approval under Listing Rule 7.1.
  - (v) 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.
  - (vi) 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 individual shareholding depending on their specific circumstances.
  - (vii) This table does not set out any dilution pursuant to approvals under Listing Rule 7.1.
  - (viii) 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%.
  - (ix) 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.
- (e) 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.
- (f) Allocation policy under the 10% Placement Capacity

The Company's allocation policy for the issue of Equity Securities under the 10% Placement Capacity will be dependent on the prevailing market conditions at the time of the proposed placement(s).



The recipients of the Equity Securities to be issued under the 10% Placement Capacity have not yet been determined. 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).
- (g) Previous allocations under Listing Rule 7.1A

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

- (h) Compliance with Listing Rules 7.1A.4

When the Company issues Equity Securities pursuant to the 10% Placement Capacity, it will give to ASX:

- (i) a list of the recipients of the Equity Securities and the number of Equity Securities issued to each (not for release to the market), in accordance with Listing Rule 7.1A.4; and
- (ii) the information required by Listing Rule 7.1A.4 for release to the market.

## 1.5 Voting Exclusion

A voting exclusion statement is included in this Notice. As at the date of this Notice, the Company has not invited any existing Shareholder to participate in an issue of Equity Securities under Listing Rule 7.1A. Therefore, no existing Shareholders will be excluded from voting on Resolution 6.





## GLOSSARY

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**\$** means Australian dollars.

**10% Placement Capacity** has the meaning given in Resolution 6, section 1.1 of the Explanatory Statement.

**ASIC** means the Australian Securities and Investments Commission.

**ASX** means ASX Limited.

**ASX Listing Rules** means the Listing Rules of ASX.

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

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

**Chair** means the chair of the Meeting.

**Closely Related Party** of a member of the Key Management Personnel means:

- A. a spouse or child of the member;
- B. a child of the member's spouse;
- C. a dependent of 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).

**Company** means Lunnon Metals Limited (ACN 600 008 848).

**Constitution** means the Company's constitution.

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

**Directors** means the current directors of the Company.

**Eligible Entity** means an entity that, at the date of the relevant general meeting:

- A. is not included in the S&P/ASX 300 Index; and
- B. has a maximum market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300,000,000 or less.



Equity Securities means:

- A. a share;
- B. a unit;
- C. an option over an issued or unissued share or unit;
- D. a right to an issued or unissued share or until
- E. an option over, or right to, a security referred to in C or D above;
- F. a convertible security;
- G. any security that ASX decides to classify as an equity security; and
- H. but not a security that ASX decides to classify as a debt security.

**Explanatory Statement** means the explanatory statement accompanying the Notice.

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

**Gold Fields** means St Ives Mining Company Pty Ltd ABN 44 098 386 273, a wholly owned subsidiary of Gold Fields Limited.

**Key Management Personnel** has the same meaning as in the accounting standards (as that term is defined in the Corporations Act) and broadly includes those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, directly or indirectly, including any director (whether executive or non-executive) of the Company or if the Company is part of a consolidated entity of an entity within the consolidated group.

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

**Placement** means the two-tranche \$18 million placement announced on 17 August 2023 at a deemed issue price of \$0.90 per Share, with tranche two of the placement (being 1,111,112 Shares to Gold Fields), subject to shareholder approval.

**Proxy Form** means the proxy form accompanying the Notice.

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

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

**Shareholder** means a holder of a Share.

**SPP** means the Share Purchase Plan announced on 17 August 2023, targeting to raise up to \$2.5 million at \$0.90 per Share issue price.

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







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