

28 October 2020

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Notice is given that the Annual General Meeting (**Meeting**) of Shareholders of **Aeris Resources Limited ABN 30 147 131 977 (Company)** will be held:

Date of Meeting: Thursday, 26 November 2020

Time of Meeting: 10:00am (Brisbane time)

Place of Meeting: Virtually (online) at <https://agmlive.link/AISAGM20>

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Dear Shareholder

### Notice of Meeting

The full Notice of Meeting which sets out the Agenda (including details of all resolutions being put to the meeting), important Voting Information and an Explanatory memorandum can be found at <https://www.aerisresources.com.au/investor-centre/#asx-announcements>.

In planning for the Meeting, the Company has focused on ensuring the safety of shareholders and its team members whilst seeking to equally maximise the opportunity for shareholder participation. Given the current restriction on gatherings and travel imposed by governments as a consequence of the COVID-19 virus, the Federal Treasurer has made a determination modifying the operation of provisions of the *Corporations Act 2001 (Cth)* and the *Corporations Regulations (2001) (Cth)* under *Corporations (Coronavirus Economic Response) Determination (No. 3) 2020 (Determination)* to allow companies who are required or permitted to hold those meetings remotely as virtual meetings, instead of in person.

As a consequence of this Determination, the Company has adopted the following approach for the Meeting:

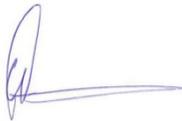
- (a) The Meeting will be held virtually (online) via an online platform, at <https://agmlive.link/AISAGM20>.
- (b) We encourage all shareholders and proxyholders to participate in the Meeting virtually via the online platform at <https://agmlive.link/AISAGM20>. To do this, shareholders and proxyholders will need a desktop or mobile/tablet device with internet access to log onto the online platform on the morning of the Meeting and provide their details (**including their Shareholder Reference Number (SRN) or Holder Identification Number (HIN) as applicable**) to be verified as a shareholder or proxyholder.
- (c) Shareholders and proxyholders will be able to log in to the online platform at least 15 minutes prior to the scheduled start time for the Meeting using the instructions set out in the Notice of Meeting and the Online Meeting Guide (which is available on the Company's website at <https://www.aerisresources.com.au/investor-centre/#asx-announcements>). We recommend logging in to our online platform at least 15 minutes prior to the scheduled start time for the Meeting.
- (d) Once the Meeting commences at 10:00am (Brisbane time), shareholders and proxyholders will be able to listen to the Chairman of the Meeting talking live and in real time.
- (e) Shareholders and proxyholders will have the ability to ask questions during the Meeting via the online platform, and to hear all of the discussion, subject to connectivity of their devices.

- (f) A detailed guide on how to participate virtually in the Meeting is set out in the Online Meeting Guide. The Online Meeting Guide explains how to ensure that the browser is compatible with the online platform, as well as a step-by-step guide to successfully log in and navigate the online platform. The Online Meeting Guide will be lodged with ASX and is available on the Company's website at <https://www.aerisresources.com.au/investor-centre/#asx-announcements>.
- (g) In addition to the above, shareholder and proxyholder participation (as relevant) is possible by shareholders completing and lodging the Proxy Form electronically at the Company's share registry at [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au) or, alternatively, returning it in the envelope provided or faxed to the Company's share registry on **+61 2 9287 0309**, so that it is received by 10:00am (Brisbane time) on Tuesday, 24 November 2020, in order to be valid. In addition to the enclosed Proxy Form, the Proxy Form is also available on the Company's website at <https://www.aerisresources.com.au/investor-centre/#asx-announcements>.
- (h) the Notice of Meeting contains information that is material in respect of the special business of the Meeting and accordingly should be read in its entirety before competing and lodging the Proxy Form.
- (i) In accordance with the Determination, each resolution considered at the Meeting will be decided on a poll.

As the situation regarding the management of COVID-19 is evolving, shareholders are encouraged to monitor the Company's website for any further updates in relation to the arrangements for the Meeting. The Company appreciates the understanding of shareholders during this difficult time. We look forward to your virtual attendance and participation at the Meeting.

Your continued support is greatly appreciated.

Yours sincerely



**Andre Labuschagne**  
**Executive Chairman**

# Notice of Annual General Meeting and Explanatory Memorandum

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Aeris Resources Limited ABN 30 147 131 977

**Date of Meeting:** Thursday, 26 November 2020  
**Time of Meeting:** 10:00am (Brisbane time)  
**Place of Meeting:** Virtually (online) at <https://agmlive.link/AISAGM20>

# Explanatory Memorandum

Dear Shareholder

Enclosed is a notice of annual general meeting (**Meeting**) of shareholders of AERIS Resources Limited (**Company** or **AERIS**) to be held at 10:00am (Brisbane time) on Thursday, 26 November 2020 virtually on an online platform at <https://agmlive.link/AISAGM20>.

The Meeting has been convened to consider Resolutions for:

- (a) the re-election of Mr Alastair Morrison as a Director of the Company;
- (b) the election of Mr Colin Moorhead as a Director of the Company;
- (c) the Adoption of an Equity Incentive Plan;
- (d) the approval to issue securities to Mr Andre Labuschagne (a director of the Company) under the Equity Incentive Plan;
- (e) approval of potential termination benefits under the Equity Incentive Scheme;  
and
- (f) approval for the re-insertion of the proportional takeover provisions.

Given the current restriction on gatherings and travel imposed by governments as a consequence of the COVID-19 virus, the Federal Treasurer has made a determination modifying the operation of provisions of the *Corporations Act 2001 (Cth)* and the *Corporations Regulations (2001) (Cth)* under *Corporations (Coronavirus Economic Response) Determination (No. 3) 2020 (Determination)* to allow companies who are required or permitted to hold those meetings remotely as virtual meetings, instead of in person.

As a consequence of this Determination, the Company has adopted the following approach for the Meeting:

- (a) The Meeting will be held virtually (online) via an online platform, at <https://agmlive.link/AISAGM20>.
- (b) We encourage all shareholders and proxyholders to participate in the Meeting virtually via the online platform at <https://agmlive.link/AISAGM20>. To do this, shareholders and proxyholders will need a desktop or mobile/tablet device with internet access to log onto the online platform on the morning of the Meeting and provide their details (**including their Shareholder Reference Number (SRN) or Holder Identification Number (HIN) as applicable**) to be verified as a shareholder or proxyholder.
- (c) Shareholders and proxyholders will be able to log in to the online platform at least 15 minutes prior to the scheduled start time for the Meeting using the instructions set out in the Notice of Meeting and the Online Meeting Guide (which is attached to this Notice of Meeting). We recommend logging in to our online platform at least 15 minutes prior to the scheduled start time for the Meeting.
- (d) Once the Meeting commences at 10:00am (Brisbane time), shareholders and proxyholders will be able to listen to the Chairman of the Meeting talking live and in real time.
- (e) Shareholders and proxyholders will have the ability to ask questions during the Meeting via the online platform, and to hear all of the discussion, subject to connectivity of their devices.
- (f) A detailed guide on how to participate virtually in the Meeting is set out in the Online Meeting Guide. The Online Meeting Guide explains how to ensure that the browser is compatible with the online platform, as well as a step-by-step guide to successfully log in and navigate the online platform. The Online Meeting Guide will be lodged with ASX and is attached to this Notice of Meeting.

## Explanatory Memorandum

- (g) In addition to the above, shareholder and proxyholder participation (as relevant) is possible by shareholders completing and lodging the Proxy Form electronically at the Company's share registry at [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au) or, alternatively, returning it in the envelope provided or faxed to the Company's share registry on **+61 2 9287 0309**, so that it is received by 10:00am (Brisbane time) on Tuesday, 24 November 2020, in order to be valid. In addition to the enclosed Proxy Form, the Proxy Form is also available on the Company's website at <https://www.aerisresources.com.au/investor-centre/#asx-announcements>.

In accordance with the Determination, each resolution considered at the Meeting will be decided on a poll.

As the situation regarding the management of COVID-19 is evolving, shareholders are encouraged to monitor the Company's website for any further updates in relation to the arrangements for the Meeting. The Company appreciates the understanding of shareholders during this difficult time. We look forward to your attendance and participation at the Meeting.

Your continued support is greatly appreciated.

Yours sincerely

A handwritten signature in blue ink, appearing to be 'A. Labuschagne', with a long horizontal stroke extending to the right.

Andre Labuschagne  
Executive Chairman

Notice is given that the Annual General Meeting of Shareholders of **Aeris Resources Limited ABN 30 147 131 977 (Company)** will be held:

Date of Meeting: Thursday, 26 November 2020

Time of Meeting: 10:00am (Brisbane time)

Place of Meeting: Virtually (online) at <https://agmlive.link/AISAGM20>.

Terms used in this Notice of Meeting are defined in Section 5 of the accompanying Explanatory Memorandum.

## Agenda

### Ordinary business

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#### Financial Report

To receive and consider the Company's Annual Report comprising the Directors' Report and Auditors' Report, Directors' Declaration, Statement of Financial Performance, Balance Sheet, Statement of Cashflows and notes to and forming part of the accounts for the Company and its controlled entities for the financial year ended 30 June 2020.

#### 1. Resolution 1 - Remuneration Report

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To consider and, if thought fit, pass the following Resolution, with or without amendment, as an advisory Resolution:

*"That, the Remuneration Report for the year ended 30 June 2020 (as set out in the Directors' Report) is adopted."*

**Note:**

The vote on this Resolution 1 is advisory only and does not bind the Directors of the Company.

**Voting Restriction pursuant to Section 250R(4) of the Corporations Act**

A vote on Resolution 1 must not be cast (in any capacity) by or on behalf of either of the following persons:

- (a) a member of the Key Management Personnel details of whose remuneration are included in the Remuneration Report;
- (b) a Closely Related Party of such a member.

However, the above persons may cast a vote on Resolution 1 if:

- (a) the person does so as a proxy; and
- (b) the vote is not cast 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; and  
either:
  - (1) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on the resolution; or
  - (2) the voter is the chair of the meeting and the appointment of the chair as proxy;
    - (A) does not specify the way the proxy is to vote on the resolution; and
    - (B) expressly authorises the chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of the Key Management Personnel for the Company or, if the Company is part of a consolidated entity, for the entity.

**Voting Intentions of Chair**

Shareholders should be aware that any undirected proxies given to the Chair will be cast by the Chair and counted in favour of the Resolution the subject of this Meeting, including Resolution 1, subject to compliance with the Corporations Act.

Further details, in relation to the ability of the Chair to vote on undirected proxies are set out in the accompanying Explanatory Memorandum.

## 2. Resolution 2 - Re-election of Mr William Edward Alastair Morrison as a Director

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To consider and, if thought fit, pass the following resolution, with or without amendment, as an Ordinary Resolution of the Company:

*“That Mr William Edward Alastair Morrison, who retires by rotation in accordance with Rule 28.6(a) of the Constitution and, being eligible, offers himself for re-election, be re-elected as a Director.”*

## 3. Resolution 3 – Election of Mr Colin Moorhead as a Director

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To consider and, if thought fit, pass the following resolution, with or without amendment, as an Ordinary Resolution of the Company:

*“That, Mr. Colin Moorhead, having been appointed as a Director on 27 July 2020, under clause 28.2(b) of the Company’s Constitution, offers himself for election as required under clause 28.3 of the Company’s Constitution and, being eligible, be elected as a Director of the Company”*

## 4. Resolution 4 – Adoption of an Equity Incentive Plan

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To consider and, if thought fit, pass the following resolution, with or without amendment, as an Ordinary Resolution of the Company:

*“That for the purposes of Listing Rule 7.2 (Exception 13(b)) and for all other purposes, approval is given for the establishment and operation of the Company’s Equity Incentive Plan, which is summarised in the attached Explanatory Memorandum, and that the issue of up to 94,850,931 securities under the Equity Incentive Plan within three (3) years from the date of this resolution be an exception to Listing Rules 7.1 and 7.1A.”*

### **Voting Exclusion Statement (pursuant to Listing Rules 7.2 (Exception 13) and 14.11)**

The Company will disregard any votes cast in favour of the resolution by or on behalf of:

- (a) a person who is eligible to participate in the Equity Incentive Plan; and
- (b) an associate of that person or those persons.

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

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

### **Voting Restriction pursuant to Section 250BD of the Corporations Act**

The Company will disregard any votes cast on this Resolution by:

- (a) any Key Management Personnel (which includes the Chair) of the Company or if the Company is part of a consolidated entity, of the entity; or
- (b) a Closely Related Party of Key Management Personnel, who is appointed as a Shareholder’s proxy and where the Shareholder does not direct in writing the way the proxy is to vote on the Resolution.

However, the Company need not disregard a vote if it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, where the Shareholder does not direct in writing the way the proxy is to vote on the Resolution, if the appointment of proxy 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 if the Company is part of a consolidated entity, of the entity.

#### **Voting Intention of Chair**

Shareholders should be aware that any undirected proxies given to the Chair will be cast by the Chair and counted in favour of the Resolutions the subject of this Meeting, including Resolution 4, subject to compliance with the Corporations Act. In exceptional circumstances, the Chair of the Meeting may change his or her voting intention on any Resolution in which case an ASX announcement will be made.

### **5. Resolution 5 – Approval for issue of Performance Rights to Mr Andre Labuschagne under the Equity Incentive Plan**

To consider and, if thought fit, pass the following resolution, as an Ordinary Resolution of the Company:

*“That, for the purposes of Listing Rules 10.14 and Sections 200B and 200E of the Corporations Act, and for all other purposes, approval is given for the grant of Performance Rights to Mr Andre Labuschagne (or his nominee), and the issue or transfer of Shares to or for the benefit of Mr Labuschagne upon the vesting and exercise of those Performance Rights, under the Equity Incentive Plan and on the terms and conditions set out in the Explanatory Memorandum”.*

#### **NOTES**

- A detailed summary of the proposed terms of the Performance Rights to be granted in accordance with Resolution 5 is contained within the Explanatory Memorandum.
- The total number of Performance Rights to be issued to Mr Labuschagne, or his nominee in accordance with Resolution 5 will be calculated in accordance with the formula set out in section 7.1 of the Explanatory Memorandum.
- The Performance Rights are intended to be issued as soon as possible following the Meeting, but in any event, no later than three (3) years after the date of the Meeting.
- The Performance Rights are being issued for nil cash consideration and no funds will be raised by the issue or exercise of the Performance Rights.

#### **Voting Exclusion Statement - Resolution 5, Listing Rules 10.14 and 10.19**

The Company will disregard any votes cast in favour of Resolutions 5 by or on behalf of:

- (a) a person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the employee incentive scheme the subject Resolution 5,;
- (b) an Associate of that person or those persons.

However, this does not apply to a vote cast in favour of Resolution 5 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 of the Resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or
- (c) holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - (1) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolutions; and
  - (2) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

#### **Voting Prohibition Statement – Resolution 5, section 250BD of the Corporations Act**

As Resolution 5 is connected directly or indirectly with the remuneration of a member of the KMP for the Company, pursuant to section 250BD of the Corporations Act, a person must not cast a vote, and the Company will disregard any votes cast on Resolution 5 by:

- any member of the KMP for the Company (or, if the Company is a consolidated entity, for the entity); or
- a Closely Related Party of such KMP (or, if the Company is a consolidated entity, for the entity),

who is appointed as a Shareholder's proxy, on the basis of that appointment, where the Shareholder does not specify in writing the way the proxy is to vote on Resolution 5.

However, the Company need not disregard a vote on Resolution 5 if it is cast by the person chairing the meeting as proxy for a person who is entitled to vote and the Shareholder expressly authorises the person chairing the meeting to exercise the proxy even if Resolution 5 are connected directly or indirectly with the remuneration of a member of the KMP for the Company, or if the Company is part of a consolidated entity, for the entity.

**Voting Intention of the Chair**

Shareholders should be aware that any undirected proxies given to the Chair will be cast by the Chair and counted in favour of the Resolutions the subject of this Meeting, including Resolution 5, subject to compliance with the Corporations Act. In exceptional circumstances, the Chair may change his/her voting intention on any Resolution, in which case an ASX announcement will be made. Further details, in relation to the ability of the Chair to vote on undirected proxies are set out in the accompanying proxy form.

## 6. Resolution 6 – Approval of potential termination benefits

To consider and, if thought fit, pass the following resolution, as an Ordinary Resolution of the Company:

*“That for the purposes of sections 200B and 200E of the Corporations Act, ASX Listing Rule 10.19 and for all other purposes, approval is given for giving of benefits described in the Explanatory Memorandum to any person who from time to time is or has been a member of the Key Management Personnel or holds or has held a managerial or executive office in the Company or a related body corporate, in connection with that person ceasing to hold that managerial or executive office. This approval applies for benefits given in the period prior to the conclusion of the third annual general meeting of the Company after the date on which this Resolution 6 is passed.”*

The Company will disregard any votes cast in favour of either Resolution 6 by or on behalf of any person or entity who, at the date of the Meeting, is a Relevant Executive or an associate of that person or entity, as well as an officer of the Company or any of its child entities who is entitled to participate in a termination benefit;.

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

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

In addition, certain restrictions apply to Key Management Personnel (and their Closely Related Parties) when they are voting as proxy on resolutions connected directly or indirectly with the remuneration of one or more members of the Key Management Personnel. A vote may not be cast on either Resolution 6 by Key Management Personnel (or their Closely Related Parties) as proxy unless the vote is cast:

- as proxy for a person entitled to vote on that resolution who has specified the way the proxy is required to vote on the relevant resolution on the Proxy Form; or
- by the Chair as proxy for a person entitled to vote on that resolution, and in accordance with an express authorisation on the Proxy Form to exercise the proxy even though the relevant resolution is connected with the remuneration of the Key Management Personnel.

If you do not wish the Chair of the Meeting to vote in favour of either Resolution 6 as your proxy, it is important that you complete the voting directions in respect of those items in the Proxy Form.

**Voting Intention of Chair**

Shareholders should be aware that any undirected proxies given to the Chair will be cast by the Chair and counted in favour of the Resolutions the subject of this Meeting, including Resolution

6. subject to compliance with the Corporations Act. In exceptional circumstances, the Chair of the Meeting may change his or her voting intention on any Resolution in which case an ASX announcement will be made.

## Special Business

### 7. Resolution 7 – Approval Proportional Takeover Provisions

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To consider and, if thought fit, pass, with or without amendment, the following resolution as a Special Resolution of the Company:

*“That, in accordance with section 648G of the Corporations Act the proportional takeover provisions in clause 15.8 of the Company’s Constitution be renewed for a period of 3 years with immediate effect from this Resolution 7 being passes.”*

## General Business

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To consider any other business as may be lawfully put forward in accordance with the Constitution of the Company.

**By order of the board**



Mr Robert Brainsbury  
Company Secretary  
28 October 2020

## **1. Introduction**

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This Explanatory Memorandum is provided to Shareholders of Aeris Resources Limited ABN 30 147 131 977 (Company) to explain the resolutions to be put to Shareholders at the Annual General Meeting to be held virtually (online) at <https://agmlive.link/AISAGM20> at 10:00am on Thursday, 26 November 2020 (Brisbane time).

The purpose of this Explanatory Memorandum is to provide Shareholders with information that is reasonably required by Shareholders to decide how to vote upon the Resolutions. The Company's Notice of Annual General Meeting and this Explanatory Memorandum should be read in their entirety and in conjunction with each other.

Subject to the abstentions noted below, the Directors unanimously recommend that Shareholders vote in favour of all Resolutions. The Chairman of the Meeting intends to vote all available undirected proxies in favour of each resolution.

The Directors recommend that Shareholders read the accompanying Notice of Meeting and this Explanatory Memorandum in full before making any decision in relation to the Resolutions.

Resolution 1 relating to the Remuneration Report, is an advisory resolution and does not bind the Directors or the Company. Resolutions 2 to 5 are ordinary resolutions, which requires that a simple majority of votes cast by Shareholders present and entitled to vote on the resolution must be in favour of the Resolution.

Resolution 6 is a special resolution, which requires at least 75% of the total votes cast by Shareholders present and entitled to vote on the resolution must be in favour of the Resolution. Terms used in this Explanatory Memorandum are defined in Section 5.

## **2. Consider the Company's Annual Report**

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The Company's Annual Report comprising the Directors' Report and Auditors' Report, Directors' Declaration, Statement of Financial Performance, Balance Sheet, Statement of Cashflows and notes to and forming part of the accounts for the Company and its controlled entities for the financial year ended 30 June 2020 were released to ASX Limited on 27 August 2020.

The Company's Annual Report is placed before the Shareholders for discussion.

No voting is required for this item.

## **3. Resolution 1 - Remuneration Report**

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### **3.1 Remuneration Report**

In accordance with Section 250R of the Corporations Act, the Board has submitted its Remuneration Report to Shareholders for consideration and adoption by way of a non-binding advisory Resolution.

The Remuneration Report is set out in the Directors' Report section of the Annual Report for the period ending 30 June 2020.

The Report:

- explains the Board's policy for determining the nature and amount of remuneration of executive Directors and senior executives of the Company;
- explains the relationship between the Board's remuneration policy and the Company's performance;
- sets out remuneration details for each Director and the most highly remunerated senior executives of the Company; and
- details and explains any performance conditions applicable to the remuneration of executive Directors and senior executives of the Company.

A reasonable opportunity will be provided for the Shareholders to ask questions about, or make comments on, the Remuneration Report at the Meeting.

### 3.2 **Recommendation**

The Directors abstain, in the interests of corporate governance, from making a recommendation in relation to Resolution 1. A vote on this Resolution is advisory only and does not bind the Directors or the Company.

### 3.3 **Voting restrictions on Key Management Personnel and their Closely Related Parties and their proxies**

Members of the Key Management Personnel and their Closely Related Parties (Restricted Voters) and proxies of Restricted Voters are restricted from voting on a resolution which is connected directly or indirectly with the remuneration of a member of the Key Management Personnel (**Voting Restriction**).

Key Management Personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity. The Company will disregard any votes cast in favour of the Resolution by any restricted voters.

The Voting Restriction applies to Resolution 1. However, it does not apply where:

the member of the Key Management Personnel is appointed in writing (by a Shareholder who is not a Restricted Voter) as a proxy where the appointment specifies the way the proxy is to vote on the resolution; or

the Chair is appointed in writing (by a Shareholder who is not a Restricted Voter) as a proxy where the appointment 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 for the Company or, if the Company is part of a consolidated entity, for the entity.

Shareholders should be aware that any undirected proxies given to the Chair will be cast by the Chair and counted in favour of the resolutions the subject of this Meeting, including Resolution 1, subject to compliance with the Corporations Act. In exceptional circumstances, the Chair may change their voting intention on any resolution, in which case an ASX announcement will be made.

The Proxy Form attached to this Notice has been prepared on this basis.

## 4. **Resolution 2 – Re-election of Mr William Edward Alastair Morrison as a Director**

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ASX Listing Rule 14.5 provides that an entity which has directors must hold an election of directors at each annual general meeting.

The Company's Constitution sets out the requirements for determining which directors are to retire by rotation at an annual general meeting.

Mr Morrison retires by rotation in accordance with Rule 28.6(a) of the Company's Constitution and, being eligible, offers himself for re-election as a Director.

Under Rule 28.6 of the Company's Constitution, one-third of Directors are required to retire at each general meeting (excluding Directors seeking election at the meeting for the first time, or the Managing Director).

Mr Morrison was appointed as a director of the Company on 10 December 2010 and was last re-elected as a director at the 22 November 2017 AGM. Mr Morrison retires in

accordance with the Company's Constitution and Listing Rule 14.4 and, being eligible, offers himself for re-election as a Director.

Mr Morrison is a non-executive Director. Mr Morrison is a highly experienced international banker who has worked in private equity for over 30 years in the UK and Asia and has broad experience in growing companies across a range of industrial sectors. He was founding Managing Director of Standard Chartered Private Equity and was with Standard Chartered Bank from April 2002 until March 2014. Prior to joining Standard Chartered Bank he spent 20 years at 3i Group, the leading European private equity house, where he was Director for 3i Asia Pacific. He co-founded 3i's Asia Pacific operations in 1997, having previously run an investment team in London focusing on buy-outs and expansion financing. Mr Morrison is both a member of the Audit Committee and the Remuneration Committee.

The Directors (with Mr Morrison abstaining) recommend that you vote in favour of this Ordinary Resolution.

Shareholders should be aware that any undirected proxies given to the Chair will be cast by the Chair and counted in favour of the resolutions the subject of this Meeting, including this Resolution 2, subject to compliance with the Corporations Act. In exceptional circumstances, the Chair may change their voting intention on any resolution, in which case an ASX announcement will be made.

## **5. Election of Mr Colin Moorhead as a Director**

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Mr Moorhead was appointed as a Director of Aeris on 27 July 2020 as an addition to the Board.

ASX Listing Rule 14.4 provides that a director appointed as an addition to the board must not hold office (without re-election) past the next annual general meeting of the entity. If Shareholders do not approve the election of Mr. Moorhead, then he will cease to be a Director of the Company at the conclusion of the AGM.

Prior to Mr Moorhead's appointment, the Company completed several background and screening checks in relation to Mr. Moorhead's character's experience and qualifications, criminal history, bankruptcy, with no adverse findings.

The Board also considered whether Mr. Moorhead had any interest, position or relationship that may interfere with his independence as a Director, having regard to the relevant factors as set out in the ASX Corporate Governance Council Principles & Recommendations (4th edition) (**ASX Principles**). The Board considers that Mr. Moorhead (if elected), will continue to be an Independent Director.

Mr Moorhead is an experienced industry executive with a demonstrated track record of over three decades building value in mining companies through innovation, discovery, project development and safe, efficient operations. Colin has extensive experience in development and financing significant mining projects internationally. He also has experience with global mining operations as well as experience in successful mergers & acquisitions.

A geologist by training, Colin is known for strong leadership, strategy and execution that saw him rise through the ranks from a graduate with BHP in 1987 to an executive level manager responsible for global exploration and resource development at Newcrest Mining from 2008 to 2015, a period of significant growth for the company. Colin has significant relevant experience as CEO of emerging Indonesian listed producer PT Merdeka Copper Gold, where he built and led the team that constructed and commissioned the highly successful Tujuh Bukit Gold Mine. Colin is a Fellow and immediate Past President of AUSIMM, a graduate of AICD and Harvard Business School Advanced Management Program (AMP). Mr Moorhead is also a director of Xanadu Mines Limited (ASX:XAN).

Prior to submitting himself for election, Mr. Moorhead has confirmed that he would continue to have sufficient time to properly fulfil his duties and responsibilities to the Company.

The Board supports the election of Mr. Moorhead as he will contribute to the Board, significant experience in the areas of operations & execution, copper & gold exploration, industry relationships and health, safety, environment and community.

For the reasons set out above, the Directors, with Mr. Moorhead abstaining, unanimously recommend Shareholders vote in favour of Resolution 3.

Shareholders should be aware that any undirected proxies given to the Chair will be cast by the Chair and counted in favour of the resolutions the subject of this Meeting, including this Resolution 3, subject to compliance with the Corporations Act. In exceptional circumstances, the Chair may change their voting intention on any resolution, in which case an ASX announcement will be made.

## **6. Resolution 4 – Adoption of Equity Incentive Plan**

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### **6.1 Background**

Resolution 4 seeks approval by Shareholders for the adoption of an employee incentive plan called the Aeris Equity Incentive Plan under Exception 13 of Listing Rule 7.2 so that any issue of securities under the Equity Incentive Plan over the next 3 years is disregarded when determining the Company's capacity to issue equity securities under Listing Rule 7.1 and 7.1A (if applicable).

The Equity Incentive Plan is designed to provide an incentive to the Company's employees and executive Directors (but not non-executive Directors) to achieve the long term objectives of the Company and to attract employees of experience and ability. The Company notes that there have been no equity incentives issued to management in the last 5 years.

### **6.2 ASX Listing Rule 7.1**

Listing Rule 7.1 provides that a listed company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12-month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12-month period.

### **6.3 ASX Listing Rule 7.2 (Exception 13)**

Listing Rule 7.2 (Exception 13(b)) sets out an exception to Listing Rule 7.1 which provides that issues under an employee incentive scheme are exempt for a period of 3 years from the date on which shareholders approve the issue of securities under the scheme as an exception to Listing Rule 7.1, provided the Notice of Meeting complies with certain requirements.

If Resolution 4 is passed, the Company will be able to issue Equity Securities under the Equity Incentive Plan to eligible participants over a period of 3 years without impacting on the Company's ability to issue up to 15% of its total ordinary securities without Shareholder approval in any 12-month period.

If Resolution 4 is not passed, the issue of Equity Securities under the Equity Incentive Plan will be included in calculating Aeris' 15% limit under ASX Listing Rule 7.1, effectively decreasing the number of Equity Securities it can issue without shareholder approval over the 12-month period following the issue of the Equity Securities.

For the purposes of Exception 13(b) of Listing Rule 7.2, the Company advises that:

- (a) a summary of the terms and conditions of the Equity Incentive Plan is set out in Schedule 1 below;

- (b) the Company has not previously issued any Equity Securities pursuant to the Equity Incentive Plan.
- (c) it is proposed that a maximum number of Equity Securities to be issued under the Equity Incentive Plan following Shareholder approval will not exceed 94,850,931. The maximum number is not intended to be a prediction of the actual number of Equity Securities to be issued under the Equity Incentive Plan, simply a ceiling for the purposes of Exception 13(b) of Listing Rule 7.2; and
- (d) a voting exclusion statement is included in the Notice in relation to this Resolution.

The objective of the Equity Incentive Plan is to attract, motivate and retain key employees and it is considered by the Directors that the adoption of the Equity Incentive Plan and the future issue of Equity Securities under the Equity Incentive Plan will provide selected employees with the opportunity to participate in the future growth of the Company. It is intended the Equity Incentive Plan will align the interests of employees with Shareholders thus allowing the employee to consider themselves an owner of the business and enhance his or her commitment to Shareholder return.

Executive Directors of the Company are entitled to participate in the Equity Incentive Plan. Any future issues of Equity Securities under the Equity Incentive Plan to a related party or a person whose relation with the Company or the related party is, in ASX's opinion, such that approval should be obtained will require additional Shareholder approval under ASX Listing Rule 10.14 at the relevant time. For completeness it is noted that pursuant to Resolution 5 the Company is seeking approval under ASX Listing Rule 10.14 for the issue of Performance Rights to Mr Labuschagne, a Executive Director, which are being issued under the Equity Incentive Plan.

A summary of the key terms and conditions of the Equity Incentive Plan is set out in Schedule 1 below. In addition, a copy of the Equity Incentive Plan is available for review by Shareholders at the registered office of the Company until the date of the Meeting. A copy of the Equity Incentive Plan can also be sent to Shareholders upon request to the Company Secretary by email to [info@aerisresources.com.au](mailto:info@aerisresources.com.au). Shareholders are invited to contact the Company if they have any queries or concerns.

The Directors abstain, in the interests of corporate governance, from making a recommendation in relation to Resolution 4.

## **7. Resolution 5 – Approval for issue of Performance Rights to Mr Andre Labuschagne under the Equity Incentive Plan**

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### **7.1 Background**

The Company has recently undertaken an extensive review of, and has implemented an updated policy in respect of, board, executive and employee remuneration. The purpose of the policy is to establish clear and guiding principles for decisions by the Company around employee, executive and director remuneration and to ensure fair, competitive and appropriate pay for the markets in which the Company operates. The Company's goal is to ensure that the mix and balance of remuneration is appropriate to attract, motivate and retain high calibre directors, senior executives and key management personnel, utilising a policy that is consistent with the Company's business strategy and contemporary corporate governance standards.

As part of this review, the Directors have resolved to refer to Shareholders for approval the proposed grant Performance Rights to Mr Labuschagne on the terms set out in this Explanatory memorandum (the **Performance Rights**) under the Equity Incentive Plan.

The terms of the Performance Rights are set out in more detail below.

Approval for the issue of the Performance Rights is sought in accordance with the provisions of Listing Rules 10.14. As approval is being sought under Listing Rule 10.14, approval will not be required under Listing Rules 7.1 or 10.11.

The maximum number of Performance Rights that may be granted to Mr Labuschagne is calculated by dividing \$525,000 (being 75% of Mr Labuschagne's fixed remuneration) by the volume weighted average price (**VWAP**) of the Shares over the 5 trading days prior to the date of this Meeting.

To give Shareholders a better understanding of the potential number of Performance Rights that Mr Labuschagne could receive, the Company has calculated the VWAP of the shares of the Company over the 5 trading days prior to 13 October 2020, being \$0.06 (**Theoretical VWAP**). Based on the Theoretical VWAP, the number of Performance Rights that the Company would grant to Mr Labuschagne would be 8,750,000 (being 75% of Mr Labuschagne's fixed remuneration divided by the Theoretical VWAP).

The Board considers it highly desirable for Shareholders that the interests of Mr Labuschagne as Executive Chairman are directly aligned to the interests of other shareholders through the grant of Awards under the Equity Incentive Plan. The Board believes that part of the rewards for Mr Labuschagne's services to the Company should be performance-based and at risk and should involve equity interests in the Company. This approach is consistent with best practice in executive remuneration and corporate governance. In structuring the terms of the long term incentives to Mr Labuschagne, the Board has considered market practice among comparable companies listed on the ASX.

## 7.2 Performance Rights Terms

The proposed grant of Performance Rights to Mr Labuschagne will be pursuant to the terms of the Equity Incentive Plan which is summarised in Schedule 1 and also subject to the specific terms set out below:

<p><b>Nature of Award</b></p>	<ul style="list-style-type: none"> <li>• The Awards proposed to be offered to Mr Labuschagne are Performance Rights.</li> <li>• Each Performance Right constitutes a right to receive one Share, subject to the terms and conditions of the Equity Incentive Plan.</li> <li>• A Performance Right which has vested will be automatically exercised, unless Mr Labuschagne is not permitted to exercise Performance Rights under the Company's Securities Trading Policy, in which case the exercise will occur on the first subsequent day that the Mr Labuschagne is permitted to exercise such Performance Rights in accordance with the Company's Security Trading Policy.</li> <li>• The exercise of a Performance Right may be fulfilled by the Company either issuing, allocating or causing a Share to be transferred to Mr Labuschagne, or the Board may determine to settle the Performance Right with a cash equivalent amount.</li> <li>• The Performance Rights will expire five years after their issue date.</li> </ul>
<p><b>Vesting Conditions</b></p>	<ul style="list-style-type: none"> <li>• The Performance Rights will be divided into four equal tranches and subject to the following vesting conditions (<b>Vesting Conditions</b>):</li> <li>• <b>Tranche 1 (Relative TSR Awards)</b> - 25% of the Performance Rights will vest: <ul style="list-style-type: none"> <li>○ subject to the satisfaction of a performance condition relating to the Company's total shareholder return performance relative to a group of peer companies (as selected by the Board) for the period 1 July 2020 to 30 June 2023 inclusive (<b>Tranche 1 Performance Period</b>); and</li> <li>○ provided that Mr Labuschagne remains continuously employed or engaged by a member of the Group at all times</li> </ul> </li> </ul>

from the date of grant of the Performance Rights to the end of the Tranche 1 Performance Period.

- TSR is a method for calculating the return shareholders would earn if they held a notional number of shares over a period of time measured against a relevant Peer Group based on agreed VWAP at the relative measure points. The relevant peer group includes:
  - Aurelia Metals Limited (ASX:AMI)
  - Red 5 Limited (ASX:RED)
  - Red River Resources Limited (ASX:RVR)
  - Metals X Limited (ASX:MLX)
  - Dacian Gold Limited (ASX:DCN)
  - Pantoro Ltd (ASX:PNR)
- The number of Tranche 1 Performance Rights which vest will be determined in accordance with the below table.

Relative TSR ranking against comparator group	Level of vesting
Equal to or above 75 <sup>th</sup> percentile	100%
Above the 50 <sup>th</sup> percentile and below the 75 <sup>th</sup> percentile	Pro rata vesting on a straight line basis between 50% to 100%
At the 50 <sup>th</sup> percentile	50%
Less than the 50 <sup>th</sup> percentile	Nil

- **Tranche 2 (Share Price Increase)** – 25% of the Performance Rights will vest:
  - subject to the satisfaction of the company Share Price related performance condition for the period 1 July 2020 to 30 June 2023 (**Tranche 2 Performance Period**); and
  - provided that Mr Labuschagne remains continuously employed or engaged by a member of the Group at all times from the date of grant of the Performance Rights to the end of the Tranche 2 Performance Period.
- The number of Tranche 2 Performance Rights which vest will be determined in accordance with the below table.

Share Price Increase	Level of vesting
Greater than 50%	100%
Greater than 30% and up to 50%	Pro rata vesting between 75% and 100%
Between 10% and up to 30%	Pro rata vesting between 50% and 75%
Less than 10%	Nil

- The Share Price will be measured by comparing agreed VWAP at grant date to agreed VWAP at vesting date.

- **Tranche 3 (Gold Ounces Reserve Increase) – 25% of the Performance Rights will vest:**
  - subject to the satisfaction of the company Gold reserves increase related performance condition for the period 1 July 2020 to 30 June 2023 (**Tranche 3 Performance Period**); and
  - provided that Mr Labuschagne remains continuously employed or engaged by a member of the Group at all times from the date of grant of the Performance Rights to the end of the Tranche 3 Performance Period.

- The number of Tranche 3 Performance Rights which vest will be determined in accordance with the below table.

Gold Ore Reserve Growth	Level of vesting
Depletion replacement plus greater than 10% increase or greater	100%
Between Depletion replaced & up to and including 10% increase	Pro rata vesting between 50% and 100%
Depletion Replaced	50%
Negative Growth	Nil

- Gold Ore Reserve Growth will be measured through comparison of the Annual JORC compliant Reserves & Resource Statement over the relevant Performance Period.

- **Tranche 4 (Copper Tonnes Reserve Increase) - 25% of the Performance Rights will vest:**
  - subject to the satisfaction of the company Copper reserves increase related performance condition for the period 1 July 2020 to 30 June 2023 (**Tranche 4 Performance Period**); and
  - provided that Mr Labuschagne remains continuously employed or engaged by a member of the Group at all times from the date of grant of the Performance Rights to the end of the Tranche 3 Performance Period.

- The number of Tranche 4 Performance Rights which vest will be determined in accordance with the below table.

Copper Ore Reserve Growth	Level of vesting
Depletion replacement plus greater than 10% increase or greater	100%
Between Depletion replaced & up to and including 10% increase	Pro rata vesting between 50% and 100%
Depletion Replaced	50%
Negative Growth	Nil

- Copper Ore Reserve Growth will be measured through comparison of the Annual JORC compliant Reserves & Resource Statement over the relevant Performance Period.

<b>Vesting and Exercise</b>	<ul style="list-style-type: none"> <li>• <b>(Vesting)</b> The Performance Rights will vest on the date the Vesting Condition has been satisfied.</li> <li>• <b>(Consideration)</b> The Performance Rights will be issued for no consideration and no consideration will be payable upon the conversion of the Performance Rights into Shares.</li> <li>• <b>(Ranking)</b> All Shares issued upon the vesting and exercise of Performance Rights will upon issue rank pari passu in all respects with other Shares.</li> <li>• <b>(Listing of shares on ASX)</b> The Company will not apply for quotation of the Performance Rights on ASX. However, the Company will apply for quotation of all Shares issued pursuant to the vesting of Performance Rights on ASX within the period required by ASX.</li> </ul>
<b>Rights attaching to Performance Rights</b>	<ul style="list-style-type: none"> <li>• <b>(Participation in New Issues)</b> There are no participating rights inherent in the Performance Rights and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Performance Rights without exercising the Performance Rights.</li> <li>• <b>(Reorganisation)</b> If, at any time, the issued capital of the Company is reorganised (including subdivision, consolidation, reduction, return or cancellation of such issued capital), all rights of a holder will be adjusted to comply with the Corporations Act, the ASX Listing Rules and applicable laws at the time of the reorganisation.</li> <li>• <b>(Dividend and Voting Rights):</b> A Performance Right does not confer on the holder an entitlement to notice of, or to vote or attend at, a meeting of Shareholders of the Company or receive dividends declared by the Company.</li> <li>• <b>(Change in exercise price of number of underlying securities)</b> Subject to compliance with the ASX Listing Rules, the Performance Rights do not confer the right to a change in exercise price or in the number of underlying Shares over which the Performance Rights can be exercised.</li> </ul>

### 7.3 Listing Rule 10.14

The Company is proposing to issue the Performance Rights.

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

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

unless it obtains the approval of its Shareholders.

The issue of the Performance Rights falls within Listing Rule 10.14.1 above and therefore requires the approval of Aeris' Shareholders under Listing Rule 10.14.

Resolution 5 seeks the required Shareholder approval to issue the Performance Rights under and for the purposes of Listing Rule 10.14.

If Resolution 5 is passed, the Company will be able to proceed with the issue of the Performance Rights and Mr Labuschagne will be remunerated accordingly based on the achievement of the criteria set out above. If approval is given for the abovementioned issue of the Performance Rights to Mr Labuschagne under ASX Listing Rule 10.14, further approval is not required (and will not be sought) under ASX Listing Rule 7.1 for this issue of the abovementioned Performance Rights nor any resulting Shares following the vesting of those Performance Rights.

If Resolution 5 is not passed, the Company will not be able to proceed with the issue of the Performance Rights and the Company may need to consider other forms of performance-based remuneration in that regard.

For the purposes of Listing Rule 10.15, the Company advises as follows:

- (a) **(Listing Rule 10.15.1)** Mr Labuschagne (or his respective nominees) are to be the recipients of the Performance Rights.
- (b) **(Listing Rule 10.15.2)** Mr Labuschagne as a Director falls within the category stipulated by Listing Rule 10.14.1. In the event the Performance Rights are issued to a nominee of Mr Labuschagne, that person will fall within the category stipulated by Listing Rule 10.14.2.
- (c) **(Listing Rule 10.15.3)** The maximum number of Performance Rights to be issued to Mr Labuschagne is to be calculated in accordance with the formula set out in section 7.1 above.
- (d) **(Listing Rule 10.15.4)** Mr Labuschagne's fixed remuneration (exclusive of superannuation) for FY21 is \$700,000 and Mr Labuschagne is also entitled to short term incentives of up to 50% of his base salary (at the discretion of the board) and which are based upon the achievement of performance targets to be set by the Board. Shareholders are referred to the Company's FY20 Remuneration Report for further details of Mr Labuschagne's remuneration.
- (e) **(Listing Rule 10.15.5)** No Equity Securities have previously been issued to any Director under the Equity Incentive Plan.
- (f) **(Listing Rule 10.15.6)** A summary of the material terms of the Performance Rights is set out above.
  - (1) As noted above, the Company attributes a value of \$525,000 (being 75% of Mr Labuschagne's fixed remuneration) to the Performance Rights to be issued to Mr Labuschagne. The maximum number of Performance Rights that may be granted to Mr Labuschagne is calculated by dividing that value by the VWAP over the 5 trading days prior to the date of this AGM.
  - (2) The Company has chosen to grant the Performance Rights under the Equity Incentive Plan because they create share price alignment between executives and ordinary shareholders but do not provide executives with the full benefits of share ownership (such as dividend and voting rights) unless and until the Performance Rights vest.
  - (3) The Company believes that the grant of the Performance Rights provides a cost-effective and efficient incentive as opposed to alternative forms of incentives (e.g. cash bonuses).
- (g) **(Listing Rule 10.15.7)** The Performance Rights are intended to be granted as soon as possible following the meeting, but in any event, within three (3) years of the date of the Meeting.

- (h) **(Listing Rule 10.15.8)** The Performance Rights are being issued for nil cash consideration and no exercise price will be applicable to each Performance Right
- (i) **(Listing Rule 10.15.9)** A summary of the material terms of the Equity Incentive Plan is set out at Schedule 1 and specific terms of the Performance Rights to be issued are set out in section 7.2 above.
- (j) **(Listing Rule 10.15.10)** No funds are being raised by the grant or exercise of the Performance Rights. Accordingly, no loans of any description will be provided to Mr Labuschagne in relation to the Performance Rights.
- (k) **(Listing Rule 10.15.11)** Details of any Equity Securities issued under the Equity Incentive Plan will be published in the Company's Annual Report relating to the period in which they were issued, along with a statement that approval for the issue was obtained under Listing Rule 10.14.
  - (1) Details of any securities issued to Mr Labuschagne under the Equity Incentive Plan will be published in the annual report of the Company for the period in which they were issued, along with a statement that approval for the issue was obtained under ASX Listing Rule 10.14
  - (2) Any additional Directors covered by Listing Rule 10.14 who will become entitled to participate in an issue of securities under the Equity Incentive Plan after Resolution 5 is approved (should it be approved) and who are not named in this Notice will not participate until approval is obtained under Listing Rule 10.14.
- (l) **(Listing Rule 10.15.12)** a voting exclusion statement for Resolution 5 is contained in the Notice of Meeting above.

In accordance with Listing Rule 7.2, as approval is being sought under Listing Rule 10.14, approval is not required to be obtained under Listing Rule 7.1.

#### 7.4 Chapter 2E of the Corporations Act

Chapter 2E of the Corporations Act regulates the provision of financial benefits to related parties by a public company. Section 208 of the Corporations Act prohibits a public company giving a financial benefit to a related party unless one of a number of exceptions apply.

A "financial benefit" is defined in the Corporations Act in broad terms and the grant of equity incentives by a public company.

Under the Corporations Act, a director of a company is a related party of that company. As Mr Labuschagne is a recipient under the Equity Incentive Plan and an Executive Director, financial benefits will be given by the Company when the Performance Rights are granted to Mr Labuschagne.

Section 211 of the Corporations Act provides an exception to the prohibition in section 208 of the Corporations Act where the financial benefit is given to a related party as an officer of the Company and to give the remuneration would be reasonable given the circumstances of the Company and the related party's circumstances (including the responsibilities involved in the office or employment) (Reasonable Remuneration Exemption).

It is the view of the Directors that the proposed grant of Performance Rights to Mr Labuschagne (as contemplated in Resolution 5) falls within the Reasonable Remuneration Exemption given the circumstances of the Company and the position held by Mr Labuschagne. The Company considers that the issue of Performance Rights with vesting conditions is a market standard way to incentivise and reward executives such as Mr Labuschagne and is consistent with remuneration for roles in similar organisations.

## 7.5 Section 200B and 200E of the Corporations Act

The Corporations Act restricts the benefits that can be given to persons who hold a “managerial or executive office” (as defined in the Corporations Act) on leaving their employment with the Company or any of its related bodies corporate.

Under Sections 200B and 200E of the Corporations Act, a company may only give a person a benefit in connection with them ceasing to hold a managerial or executive office if the benefit is approved by shareholders or an exemption applies.

The term “benefit” has a wide meaning and may include benefits resulting from the Board exercising certain discretions under the terms of Mr Labuschagne’s Performance Rights, including the discretion to determine the accelerated vesting or automatic vesting of Performance Rights in certain circumstances (as summarised in the explanatory memorandum in relation to Resolutions 4 and 5).

Save as set out in this Explanatory Memorandum, the Directors are not aware of any other information that will be reasonably required by Shareholders to make a decision in relation to benefits contemplated by Resolution 5.

## 8. Resolution 6 – Approval of potential termination benefits

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### 8.1 Part 2D.2 of the Corporations Act and Listing Rule 10.19

#### *Part 2D.2 of the Corporations Act*

Part 2D.2 of the Corporations Act restricts the benefits that can be given to individuals who hold, or have held in the last three years, a managerial or executive office or position (as defined in the Corporations Act) with the Company and its related bodies corporate.

Under section 200B of the Corporations Act, the Company may only give a person a “benefit” in connection with their retirement from their managerial or executive office or position, in the Company or a related body corporate if it is approved by Shareholders or an exemption applies.

#### *Listing Rule 10.19*

Listing Rule 10.19 provides that, without the approval of ordinary Shareholders, an entity must ensure that no officer of the entity or any of its child entities will be, or may be, entitled to termination benefits if the value of those benefits and the termination benefits that are or may become payable to all officers together exceed 5% of the equity interests of the entity as set out in the latest accounts given to ASX under the Listing Rules (**5% Threshold**).

#### *What is the Company seeking approval for?*

The Company is therefore seeking Shareholder approval for the exercise of the Board’s discretion in respect of any potential termination benefit that may be provided to any past, current, or future individuals who hold a managerial or executive position or office (as that term is defined in the Corporations Act) or its related bodies corporate, or any current or future employees who are (or become) Key Management Personnel, and either hold that role at the time of their termination, or were in the role within the three years prior to their termination (**Relevant Executive**), including in respect of any future participant in the Equity Incentive Plan.

Depending upon the value of the termination benefits (as described below), and the equity interests of the Company at the time such benefits may crystallise, it is uncertain if the value of the termination benefits would exceed this 5% threshold. Shareholder approval is being sought under ASX Listing Rule 10.19 in order to give the Company maximum flexibility, in case the value of the termination benefits exceeds this 5% threshold.

If Shareholder approval is obtained, the Board may exercise its discretion to provide a current or future Relevant Executive with a termination benefit in connection with that person ceasing to be an officer or holding a managerial or executive office in the Company which exceeds the 5% Threshold under ASX Listing Rule 10.19.

If Shareholder approval is not obtained, the Relevant Executive will be precluded from receiving any termination benefit with a value in excess of the 5% Threshold.

If Shareholder approval is obtained, this will not guarantee that a Relevant Executive will receive any of the termination benefits described below. The Company is conscious of the need to strike an appropriate balance between ensuring fair treatment of Key Management Personnel on retirement from office and avoiding excessive termination payouts.

The Board has proposed this Resolution so as to provide the Company the ability to discharge its obligations to ceasing employees that may otherwise be restricted by the termination benefits of the Corporations Act.

Specifically, the Company is seeking Shareholder approval for any potential termination benefits that may be provided to a Relevant Executive (including as a result of the exercise of Board discretion or automatic or accelerated vesting), including:

- (a) the accelerated vesting of Awards (including any existing securities on issue in accordance with their terms and any issued under the Equity Incentive Plan (as described below);
- (b) payment of any death and disablement benefits to which a Relevant Executive is contractually entitled upon cessation of their employment; and
- (c) payment of additional termination benefits to a Relevant Executive, including payments under an employment contract (such payments in lieu of notice and redundancy payments) and other entitlements or benefits (such as leave benefits, insured benefits, superannuation and other forms of retirement savings, relocation costs, customary payments made in foreign jurisdictions, modest retirement gifts and the retention of Company property, such as phones), up to a maximum of 12 months' base salary (based on the salary of the Relevant Executive at the time their employment ceases)

The Company is committed to transparency in communicating its remuneration arrangements to Shareholders. To enable Shareholders to meaningfully assess whether to approve this Resolution, the summary below outlines the key categories of potential termination benefits that may become payable to Relevant Executives.

"Benefit" is defined broadly in the Corporations Act to include most forms of valuable consideration. Termination Benefits under the Corporations Act include a range of payments or benefits given in connection with a person ceasing to hold an office or position of employment including termination payments or other benefits such as an accelerated or automatic vesting of share-based payments at or due to retirement.

There is an exception to the prohibition on the provision of benefits where the value of the benefits do not exceed one year's fixed pay (as calculated in accordance with the Corporations Act). In addition, there are certain benefits which are excluded from the definition of "benefit" under the Corporations Act and which do not require Shareholder approval. These include:

- (a) certain types of "deferred bonuses"
- (b) a payment from a defined benefits superannuation scheme that was in existence when Regulation 2D.2 of the Corporations Regulations 2001 (Cth) commenced;
- (c) genuine accrued benefits that are payable;
- (d) a payment made under a requirement imposed by a law of another country;

- (e) a reasonable payment that is made:
  - (1) in accordance with a policy of the company or body that applies to all employees; and
  - (2) as a result of a genuine redundancy; and
  - (3) having regard to the length of a person's service in an office or position;
- (f) a payment from a prescribed superannuation fund due to death or incapacity.

#### *Summary of the Company's benefits*

This summary is not intended to provide an exhaustive list of every benefit that could become payable to a Relevant Executive in every potential termination scenario. Part of the reason the Company is seeking Shareholder approval is to preserve a degree of flexibility for the Company to tailor the termination arrangements for Relevant Executives having regard to their circumstances and the cessation of their employment and within the parameters imposed by:

- (a) the Company's remuneration philosophy and policy, as set out in the Remuneration Report;
- (b) the Relevant Executive's employment contract;
- (c) the terms of any Awards granted to the Relevant Executives including under the Company's Equity Incentive Plan (the subject of Resolution 4); and
- (d) prevailing market practice and governance expectations at the time the Relevant Executive retires from office or position.

The amount and value of these benefits or entitlements that may be provided cannot be ascertained in advance. This is because various matters, events and circumstances are will or are likely to affect the calculation of the amount and value, including:

- (a) the amount of the Relevant Executive's remuneration at the time of termination;
- (b) the exercise of any discretion by the Board in seeking to make any determination that a payment is to be made; and
- (c) the number of terms of any equity incentive that may be affected by accelerated vesting.

#### *Equity Incentive Plan and Acceleration Benefit*

Details of the Equity Incentive Plan is summarised at Schedule 1 below.

Under clause 15 of the Equity Incentive Plan, if a Change of Control Event (as defined in the Equity Incentive Plan) occurs then all of the Participant's unexercised and unvested Awards will automatically and immediately vest.

Under clause 9 of the Equity Incentive Plan, unless the Participant's Invitation provides otherwise, if a Participant becomes a Good Leaver, all of their unexercised and unvested Awards will automatically and immediately vest and the Participant may retain those awards.

The accelerated vesting of Awards (including the Performance Rights) as described above is considered a "benefit" (the value of that benefit being the **Acceleration Benefit**) for the purposes of Part 2D.2 of the Corporations Act. When combined with the Participant's other termination benefits under their employment or other arrangements with the Company (**Other Benefits**), the Acceleration Benefit may, in some circumstances, result in the total benefit payable exceeding the limit permitted where there is no shareholder approval under the Corporations Act.

In addition to the above, certain existing equity incentives already on issue in the Company contain similar Acceleration Benefits.

Consequently, to the extent that the value of the Acceleration Benefit arising upon the retirement from office or employment of a Relevant Executive may be beyond the benefit permitted to be given by the Company without Shareholder approval, Shareholder approval is now sought in accordance with section 200B and 200E of the Corporations Act under Resolution 6.

#### *Value of the Acceleration Benefit*

For the purposes of section 200E of the Corporations Act and for all other purposes the following information is provided:

- (a) the value of the Acceleration Benefit cannot be determined as at the date of this Explanatory Memorandum;
- (b) the Company would calculate the value of the Acceleration Benefit as being equal to the total value of the number of Awards that vest, where the value of a vested Award is determined as being equal to the closing market price of a share on the ASX on the ASX trading day before the date of the calculation;
- (c) matters, events and circumstances which are likely to affect the value of the Acceleration Benefit payable to a Participant include:
  - (1) the number of Awards held by the Participant at the time the Acceleration Benefit is provided; and
  - (2) the Company's share price at the time the Acceleration Benefit is provided.

#### *Employment contract Benefits*

Notice of termination is a contractual entitlement provided for in each Relevant Executive's employment contract. The required notice period differs for each of the key executives and includes the requirement to provide written notice of three or six months to terminate their employment.

The Company has discretion to make a payment in lieu of all or part of the notice period.

Payment in lieu of notice will only be made in appropriate circumstances.

Where a Relevant Executive is terminated for cause, the Company may terminate their employment immediately without notice or any payment in lieu of notice.

The amount of the payment in lieu of notice (if any) will be calculated on the Relevant Executive's fixed pay (as at the termination date) for any part of the notice period the Relevant Executive is not required to continue to be employed by the Company. The amount of these payments can only be determined once notice is given. Accordingly, the amount of any payment in lieu of notice cannot be ascertained as at the date of this Notice of Meeting as neither the period nor the particular Relevant Executive's fixed pay at the termination date are currently known. However, in all cases, the notice period will not exceed the contractual periods described above.

Key matters, events or circumstances which will, or are likely to affect the calculation of the payment in lieu of notice include:

- (a) the Relevant Executive's fixed pay at the time of termination;
- (b) the length of the notice period for which payment is being made;
- (c) the exercise of any discretion by the Board in paying any discretionary element of the termination payment;

- (d) who gave the notice of termination and the Relevant Executive's future employment plans – for instance, a Relevant Executive who presents a business risk by working through their notice period will most likely receive payment in lieu of notice; and
- (e) whether the Company's operational requirements at the time notice is given require the executive to work through part or all of their notice period.

*Leave, insurance, superannuation and other forms of retirement saving*

On retirement from office or employment, Relevant Executives may be paid accrued leave, insurance, superannuation and other forms of retirement saving entitlements. These benefits would not generally be considered "termination benefits" under the Corporations Act and no Shareholder approval would normally be required to make these payments. However, to the extent that any of these benefits would constitute a termination payment under the Corporations Act, the approval sought will operate to allow for the provision of the benefit to Relevant Executives on retirement of office or employment.

## 8.2 Voting Exclusion Statement

A voting exclusion statement is included in the Notice in relation to this Resolution.

## 9. Resolution 7 - Approval of Proportional Takeover Provisions

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### 9.1 Introduction

The Company's Constitution contains proportional takeover approval provisions under Rule 15.8 of the Company's Constitution which came into effect upon the adoption of the Company's Constitution on 1 November 2010.

Under section 648G of the Corporations Act, the provisions must be renewed every 3 years or they will cease to have effect. As the provisions under Rule 15.8 of the Company's Constitution have not been subsequently renewed by Shareholders, they have expired. Accordingly, the Board is seeking shareholder approval to reinsert the proportional takeover approval provisions into the Company's Constitution.

The provisions are identical to those originally included in the Constitution and are set out for completeness in Schedule 2.

Accordingly, if Resolution 7 is approved, the proportional takeover approval provisions will have effect for 3 years from the date the Resolution is passed.

In accordance with the Corporations Act, the Company provides the following information to shareholders when considering the inclusion of the proportional takeover approval provisions the Company's constitution.

### 9.2 What is a proportional takeover bid, and why do we need the proportional takeover approval provisions?

A proportional takeover bid includes the bidder offering to buy a proportion only of each Shareholder's Shares in the Company. This means that control of the Company may pass without Members having the chance to sell all their Shares to the bidder. It also means the bidder may take control of the Company without paying an adequate amount for gaining control.

In order to deal with this possibility, the Company may provide in its constitution that:

- (a) in the event of a proportional takeover bid being made for Shares in the Company, Members are required to vote by ordinary resolution and collectively decide whether to accept or reject the offer; and

- (b) the majority decision of the Company's Members will be binding on all individual members.

The Directors consider that Members should be able to vote on whether a proportional takeover bid ought to proceed given such a bid might otherwise allow control of the Company to change without Members being given the opportunity to dispose of all of their shares for a satisfactory control premium. The Directors also believe that the right to vote on a proportional takeover bid may avoid Members feeling pressure to accept the bid even if they do not want it to succeed.

### 9.3 **What is the effect of the proportional takeover approval provisions?**

If a proportional takeover bid is made, the Directors must ensure that Members vote on a resolution to approve the bid not less than 15 days before the bid period closes.

The vote is decided on a simple majority. Each person who, as at the end of the day on which the first offer under the bid was made, held bid class securities, is entitled to vote. However, the bidder and its associates are not allowed to vote.

If this resolution is not passed, transfers which would have resulted from the acceptance of a bid will not be registered and the bid will be taken to have been withdrawn. If the bid is approved (or taken to have been approved), the transfers must be registered if they comply with the Corporations Act and the Company's Constitution.

The bid will be taken to have been approved if the resolution is not voted on within the deadline specified under the Corporations Act.

The proportional takeover approval provisions do not apply to full takeover bids, and only apply for 3 years after the date they are adopted as part of the Company's Constitution. As noted above, the provisions may be renewed or reinserted upon the expiry of the initial 3-year period, but only by a special resolution passed by Shareholders.

### 9.4 **Potential advantages and disadvantages**

The re-insertion of the proportional takeover provisions approval will allow the Directors to ascertain Members' views on a proportional takeover bid, it does not otherwise offer any advantage or disadvantage to the Directors who remain free to make their own recommendation as to whether the bid should be accepted.

The proportional takeover approval provisions set out 15.8 of the Company's Constitution will ensure that all Members have an opportunity to study a proportional bid proposal and vote on the bid at a general meeting. This is likely to ensure a potential bidder structures its offer in a way which is attractive to a majority of Members, including by using appropriate pricing. Similarly, knowing the view of the majority of Members may help individual Members assess the likely outcome of the proportional takeover when determining whether to accept or reject the offer.

However, it is also possible that the inclusion of such provisions in the Constitution may discourage proportional takeover bids and may reduce any speculative element in the market price of the Company's shares arising from the possibility of a takeover offer being made. The inclusion of the provisions may also be considered to constitute an unwarranted additional restriction of the ability of members to freely deal with their Shares.

The Board considers that the potential advantages for Members of the proportional takeover approval provisions outweigh the potential disadvantages.

### 9.5 **Existing proposals**

As at the date on which this statement was prepared, no Director is aware of any proposal by any person to acquire, or to increase the extent of, a substantial interest in the Company.

9.6 **Recommendation of Directors**

Directors consider that it is in the interest of Shareholders to have the right to vote on a proportional takeover bid and therefore recommend that Shareholders adopt the proportional takeover provisions by voting in favour of Resolution 7

The Chair intends to vote all available proxies in favour of Resolution 7.

## 10. Interpretation

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The following terms used in the Notice of Meeting and the Explanatory Memorandum are defined as follows:

**ASX** means the ASX Limited ACN 008 624 691.

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

**Chair** means the person chairing the Meeting.

**Closely Related Party** (as defined in the Corporations Act) of a member of the Key Management Personnel for an entity means:

- (a) a spouse or child of the member; or
- (b) a child of the member's spouse; or
- (c) a dependant of the member or of the member's spouse; or
- (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 dealings with the entity; or
- (e) a company the member controls; or
- (f) a person prescribed by the regulations for the purposes of this paragraph.

**Company** means Aeris Resources Limited ABN 30 147 131 977.

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

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

**Directors** means the directors of the Company from time to time.

**Explanatory Memorandum** means the explanatory statement accompanying this Notice.

**Key Management Personnel** has the definition given in the accounting standards as those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly and indirectly, including any director (whether executive or otherwise) of that entity.

**Meeting** means the Annual General Meeting of the Company to be held on Thursday, 26 November 2020.

**Notice of Meeting** or **Notice** means the notice of meeting giving notice to shareholders of the Meeting, accompanying this Explanatory Memorandum.

**Ordinary Resolution** means a resolution passed by more than 50% of the votes at a general meeting of shareholders.

**Remuneration Report** means the section of the Directors' Report in the 2020 Annual Report dealing with the remuneration of the Company's Directors, Company Secretary and senior executives described as 'Remuneration Report'.

**Resolution** means a resolution to be proposed at the Meeting.

**Shares** means ordinary fully paid shares in the issued capital of the Company.

**Shareholder** means a shareholder of the Company.

## Schedule 1 – Terms and Conditions of Equity Incentive Plan

<b>Summary of the Equity Incentive Plan</b>	
<b>Approval</b>	The Equity Incentive Plan was approved by the Board on 20 October 2020.
<b>Types of securities</b>	<p>The Equity Incentive Plan provides the Company with the ability to grant options or performance rights (each an Award).</p> <p>An Award is an entitlement to receive a Share upon satisfaction of the applicable vesting or exercise conditions, the exercise (or deemed exercise) of the Award and the payment of an exercise price (if applicable).</p>
<b>Grants and eligibility</b>	<p>Awards may be granted under the Equity Incentive Plan to eligible participants from time to time in the absolute discretion of the Board.</p> <p>Eligible participants will include employees (including executive directors) of the Company and its subsidiaries, as selected by the Board from time to time. The Company expects, but is not obliged, to make offers in accordance with the requirements of ASIC 14/1000.</p> <p>If the Board permits, participants will be able to nominate another party (Nominated Affiliate) to receive their grant of Awards under the Equity Incentive Plan.</p>
<b>Issue price</b>	No payment is required for a grant of Awards unless the Board determines otherwise.
<b>Vesting &amp; Exercise of Awards</b>	<p>Awards will vest if and to the extent that any applicable performance, service and other vesting conditions specified at the time of the grant (collectively the Vesting Conditions) are satisfied or waived and the Company has given the participant a vesting notice.</p> <p>Awards will be exercisable if and to the extent that any applicable exercise conditions specified at the time of the grant (collectively the Exercise Conditions) are satisfied or waived and the Company has given the participant a confirmation notice. If no Exercise Conditions apply to a grant of Awards, a vesting notice will be deemed to also be a confirmation notice.</p>
<b>Exercise price</b>	As a condition of the grant of Awards, the Board may require a participant to pay an exercise price to exercise those Awards.
<b>Issue, allocation or acquisition of Shares</b>	<p>Shares to be delivered to participants upon the exercise of vested Awards may be issued by the Company, acquired on or off market and transferred, and/or allocated within an employee share trust.</p> <p>The Company may, but is not obliged to, limit the manner in which it delivers Shares to a participant that has exercised an Award. For example, to obtain the benefit of Listing Rule 10.16, the Company may limit itself to only sourcing Shares on-market to fulfil particular vested Awards.</p>
<b>Equity or cash settlement</b>	The Equity Incentive Plan has the flexibility for vested Awards to be settled in either Shares or cash. Cash settlement will only be available if the Company sets out in the terms and conditions of an invitation to participate in the Equity Incentive Plan that cash settlement is available.
<b>Expiry Date</b>	Awards will be issued with an expiry date. If no date is specified, the expiry date will be the business day prior to the 15-year anniversary of the date of grant.
<b>Restriction on the size of the Equity Incentive Plan</b>	<p>The Equity Incentive Plan restricts the grant of Awards by the Company being if:</p> <ul style="list-style-type: none"> <li>the number of Shares that had previously been issued, allocated or transferred under the Equity Incentive Plan; and</li> </ul>

	<ul style="list-style-type: none"> <li>the number of Shares that would be issued, allocated or transferred where all outstanding Awards granted under the Equity Incentive Plan at the relevant time to result in the issue, allocation or transfer of Shares,</li> </ul> <p>would exceed 5% of the entire issued share capital of the Company at the relevant time.</p>
<b>Terms and conditions</b>	The Board has the absolute discretion to determine the terms and conditions (including in relation to vesting, exercise, forfeiture, disposal and pricing) on which it will make offers under the Equity Incentive Plan and it may set different terms and conditions for different participants in the Equity Incentive Plan.
<b>Voting &amp; dividend rights</b>	Awards will not carry any voting or dividend rights and participants will not, by virtue of holding an Award, be entitled to participate in a rights issue undertaken by the Company.
<b>Quotation</b>	Awards will not be quoted on ASX. The Company will apply in accordance with the Listing Rules for official quotation of any Shares issued to a participant under the Equity Incentive Plan.
<b>Change of Control Event</b>	<p>If a Change of Control Event in relation to the Company occurs or is likely to occur (as determined by the Board):</p> <ul style="list-style-type: none"> <li>all of a participant's unvested Awards will automatically vest; and</li> <li>the Board may in its absolute discretion determine the manner in which any or all of a participant's Awards (including Awards which vest as a result of the occurrence or likely occurrence of the relevant Change of Control Event) will be dealt with.</li> </ul> <p>If, as a result of a Change of Control Event, the Company has or will become a wholly owned subsidiary of another entity listed on an internationally recognised stock exchange, the Board may (but is not obliged to) determine that any or all of a participant's vested but unexercised Awards, be exchanged for awards issued by the new head company with equivalent value (and so far as if legally practicable) and the same rights.</p> <p>A Change of Control Event includes, without limitation, any of the following events provided it occurs after the commencement of the Equity Incentive Plan:</p> <ul style="list-style-type: none"> <li>where there is a change in the control of the Company;</li> <li>where a person and their associates become the owner or the holder of a relevant interest in more than 50% of the issued share capital of the Company;</li> <li>where a takeover bid is made, the takeover bid becomes unconditional and the bidder (together with its associates) then has a relevant interest in more than 50% of the issued capital of the Company;</li> <li>there is a sale of all or substantially all of the business and assets of the Group;</li> <li>a resolution is passed for the voluntary winding-up of the Company or an order is made for the compulsory winding up of the Company; or</li> <li>any other event determined by the Board in good faith to constitute a "Change of Control Event" for the purposes of the Equity Incentive Plan,</li> </ul> <p>but does not include any internal reorganisation of the structure, business and/or assets of the Company's group.</p>
<b>Employee Share Trust</b>	The Company may operate an employee share trust in conjunction with the Equity Incentive Plan. Participants that have Shares held in an employee share trust on an allocated basis are entitled to dividends paid

	on those Shares and to instruct the trustee how to exercise votes attaching to those Shares.
<b>No transfer and no hedging</b>	<p>Subject to applicable laws and the Listing Rules, without the prior approval of the Board:</p> <ul style="list-style-type: none"> <li>• Awards may not be sold, assigned, transferred, encumbered or otherwise dealt with other than in accordance with the Rules and the relevant Invitation; and</li> <li>• participants may not enter into any arrangement which hedges or otherwise affects the participant's economic exposure to the Awards granted to them under the Equity Incentive Plan.</li> </ul>
<b>Other terms</b>	The Equity Incentive Plan contains customary and usual terms having regard to Australian law and the ASX Listing Rules for dealing with the administration, variation and termination of the Equity Incentive Plan (including in relation to the treatment of Awards in the event of a reorganisation of the Company's share capital structure or a bonus share issue).

### 15.8 Approval required for proportional takeover bid

- (a) In this rule:
- Approving Resolution** means a resolution of Eligible Shareholders approving a Bid.
- Approving Resolution Deadline** or **Deadline** means the day which is the 14th day before the last day of the bid period for a Bid.
- Bid** means offers for Securities made under a proportional takeover bid within the meaning of the Corporations Act.
- Eligible Shareholder** means a person (other than the bidder or an associate of the bidder) who, as at the end of the day on which the first offer under a Bid was made, held Securities in the class of Securities to which the Bid relates.
- (b) If a Bid is made:
- (i) the registration of a transfer giving effect to a takeover contract for the Bid is prohibited unless and until an Approving Resolution is passed in accordance with the provisions of this Constitution;
  - (ii) all Eligible Shareholders are entitled to vote on an Approving Resolution;
  - (iii) the Approving Resolution must be voted on in either of the following ways as determined by the Directors:
    - (A) at a meeting of Eligible Shareholders; or
    - (B) by means of a postal ballot; and
  - (iv) an Approving Resolution that has been voted on is taken to have been passed if the proportion that the number of votes in favour of the resolution bears to the total number of votes on the resolution is greater than 50%, and otherwise is taken to have been rejected.
- (c) If the Board determines that the Approving Resolution is to be voted on at a meeting of Eligible Shareholders, the provisions of this Constitution that apply to a general meeting of the Members will apply to the meeting of Eligible Shareholders with any necessary modifications.
- (d) If the Board determines that the Approving Resolution is to be voted on by postal ballot:
- (i) the Board must procure the dispatch to the Eligible Shareholders of:
    - (A) a notice proposing the Approving Resolution;
    - (B) a ballot paper for the purpose of voting on the Approving Resolution;
    - (C) a statement setting out details of the Bid; and
    - (D) a memorandum explaining the postal ballot procedure that is to govern voting in respect of the Approving Resolution;
  - (ii) a vote recorded on a ballot paper will not be counted, for the purposes of determining whether or not the Approving Resolution is passed, unless the ballot paper is:

- (A) completed and signed by the Eligible Shareholder or the Eligible Shareholder's attorney, duly authorised in writing, or if the Eligible Shareholder is a body corporate in a manner permitted by the Corporations Act, or under the hand of its attorney so authorised; and
  - (B) received at the registered office of the Company on or before the time and the date specified for its return in the notice proposing the Approving Resolution, such date to be not less than 18 days before the end of the period during which offers under the Bid remain open; and
- (iii) on the date specified for the return of ballot papers in the notice proposing the Approving Resolution or the Business Day following that date, the Directors will arrange for the ballot papers returned to be counted to determine whether the Approving Resolution has been passed or not. On completion of counting, the Board will declare the results of the ballot and the Approving Resolution will accordingly be treated as having been voted on upon the date of the declaration.
- (e) To be effective, an Approving Resolution in relation to a Bid must be passed before the Approving Resolution Deadline.
  - (f) If offers are made under a Bid for a class of Securities, the Directors must do all that is practicable to ensure that an Approving Resolution is voted on before the Approving Resolution Deadline.
  - (g) If an Approving Resolution is voted on in accordance with this rule before the Approving Resolution Deadline, a Director or a Secretary must, on or before the deadline, give the bidder and ASX notice stating that an Approving Resolution has been voted on and whether it was passed or rejected.
  - (h) If no Approving Resolution has been voted on in accordance with this rule as at the end of the day before the Approving Resolution Deadline, an Approving Resolution is taken, for the purposes of this rule, to have been passed in accordance with those provisions.
  - (i) If an Approving Resolution is voted on in accordance with this rule before the Approving Resolution Deadline and is rejected:
    - (i) despite any other provisions of the Corporations Act dealing with the withdrawal of unaccepted offers:
      - (A) all offers under the Bid that have not been accepted as at the end of the Deadline; and
      - (B) all offers under the Bid that have been accepted, and from whose acceptance binding contracts have not resulted, as at the end of the Deadline,
- are taken to be withdrawn at the end of the Deadline;
- (ii) as soon as practicable after the Deadline, the bidder must return to each person who has accepted an offer under the Bid any documents that the person sent the bidder with the acceptance of the offer;
  - (iii) the bidder:
    - (A) is entitled to rescind; and
    - (B) must rescind as soon as practicable after the Deadline, each binding takeover contract for the Bid; and
  - (iv) a person who has accepted an offer made under the Bid is entitled to rescind the takeover contract between such person and the bidder.

- (j) This **rule 15.8** ceases to apply at the end of three years after the date of adoption or last renewal of this **rule 15.8**.

## Virtual Attendance at the General Meeting

Due to health concerns and the current government-imposed restrictions on public gatherings arising from the COVID-19 pandemic, shareholder will not be able to attend the Meeting in person.

The Federal Treasurer has made a determination modifying, among other matters, the operation of provisions of the *Corporations Act 2001 (Cth)* and the *Corporations Regulations (2001) (Cth)* under *Corporations (Coronavirus Economic Response) Determination (No. 3) 2020 (Determination)* to allow companies who are required or permitted to hold meetings to hold those meetings remotely as virtual meetings, instead of in person.

As a consequence of this Determination, the Meeting will be held virtually (online) via an online platform at <https://agmlive.link/AISAGM20>

To attend the meeting virtually, shareholders and proxyholders will need a desktop or mobile/tablet device with internet access to log onto the online platform on the morning of the Meeting and provide their details (**including your Shareholder Reference Number (SRN) or Holder Identification Number (HIN)**) to be verified as a shareholder or proxyholder.

Shareholders and proxyholders will be able to log in to the online platform at least 15 minutes prior to the schedule start time for the Meeting using the instructions set out in the Notice of Meeting and the Online Meeting Guide (which is attached to this Notice of Meeting). We recommend logging in to our online platform at least 15 minutes prior to the scheduled start time for the Meeting.

Once the Meeting commences at 10:00am (Brisbane time), shareholders and proxyholders will be able to listen to the Chairman of the Meeting talking live and in real time.

Shareholders and proxyholders will have the ability to ask questions during the Meeting via the online platform, and to hear all of the discussion, subject to connectivity of their devices.

A detailed guide on how to participate virtually in the Meeting is set out in the Online Meeting Guide. The Online Meeting Guide explains how to ensure that the browser is compatible with the online platform, as well as a step-by-step guide to successfully log in and navigate the online platform. The Online Meeting Guide will be lodged with ASX and is attached to this Notice of Meeting.

In addition to the above, shareholder and proxyholder participation (as relevant) is possible by shareholders completing and lodging the Proxy Form electronically at the Company's share registry at [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au) or, alternatively, returning it in the envelope provided or faxed to the Company's share registry on **+61 2 9287 0309**, so that it is received by 10:00am (Brisbane time) on Tuesday, 22 November 2020, in order to be valid. In addition to the enclosed Proxy Form, the Proxy Form is also available on the Company's website at <https://www.aerisresources.com.au/investor-centre/#asx-announcements>.

Discussion will take place on all resolutions to be considered at the Meeting. Shareholders will have a reasonable opportunity to ask questions in respect of the resolutions put forward at the Meeting during the Meeting via the online platform.

### All Resolutions will be determined by poll

In accordance with the Determination, each resolution considered at the Meeting will be decided on a poll.

### Voting via online platform – During the Meeting

Shareholders participating in the Meeting via the online platform will be able to vote directly at any time between the start of the Meeting at 10:00am (Brisbane time) and the closure of voting as announced by the Chairman during the Meeting.

## **Proxy, representative and voting entitlement instructions**

### **Proxies and representatives**

Shareholders are entitled to appoint a proxy to attend and vote on their behalf. Where a shareholder is entitled to cast two or more votes at the meeting, they may appoint two proxies. Where more than one proxy is appointed, each proxy may be appointed to represent a specific proportion or number of votes the shareholder may exercise. If the appointment does not specify the proportion or number of votes each proxy may exercise, each proxy may exercise half of the votes. The proxy may, but need not, be a shareholder of the Company.

Shareholders who are a body corporate are able to appoint representatives to attend and vote at the meeting under section 250D of the Corporations Act.

The proxy form must be signed by the shareholder or his/her attorney duly authorised in writing or, if the shareholder is a corporation, in a manner permitted by the Corporations Act.

The proxy form (and the power of attorney or other authority, if any, under which the proxy form is signed) or a copy or facsimile which appears on its face to be an authentic copy of the proxy form (and the power of attorney or other authority) must be received at the Share Registry of the Company **to the address listed below**, not less than 48 hours before the time for holding the meeting (being no later than 10:00am (Brisbane time) on Tuesday, 24 November 2020), or adjourned meeting as the case may be, at which the individual named in the proxy form proposes to vote.

#### **By Delivery:**

Link Market Services Limited  
1A Homebush Bay Drive  
Rhodes NSW 2138

#### **By Mail:**

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

#### **By Fax:**

+61 2 9287 0309

#### **Online:**

[www.linkmarketservices.com.au](http://www.linkmarketservices.com.au)

If a representative of the corporation is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission. A form of the certificate may be obtained from the Company's share registry.

To be valid, a Proxy Form must be received by the Company in the manner stipulated above. The Company reserves the right to declare invalid any proxy not received in this manner.

**IMPORTANT:** If you appoint the Chairman of the Meeting as your proxy, or the Chairman of the Meeting becomes your proxy by default, and you do not direct your proxy how to vote on Resolutions 1, 4, 5 and 6, then by submitting the Proxy Form, you will be expressly authorising the Chairman of the Meeting to exercise your proxy on the relevant resolution, even though the resolutions are connected, directly or indirectly, with the remuneration of the KMP.

### **Voting at the Meeting**

Voting on each of the proposed resolutions at this Meeting will be conducted by a poll, rather than on a show of hands.

A proxy form is attached to this Notice.

## **Voting entitlement**

In accordance with Regulation 7.11.37 of the Corporations Regulations 2001 (Cth), for the purposes of determining voting entitlements at the Meeting, Shares will be taken to be held by the persons who are registered as holding the Shares at 7.00pm (Sydney time) on Tuesday, 24 November 2020. Accordingly, transactions registered after that time will be disregarded in determining entitlements to attend and vote at the Meeting.

If more than one joint holder of shares is present at the AGM (whether personally, by proxy or by attorney or by representative) and tenders a vote, only the vote of the joint holder whose name appears first on the register is counted.

## **Signing instructions**

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

- Individual:                      Where the holding is in one name, the holder must sign.
- Joint Holding:                    Where the holding is in more than one name, all of the security holders should sign.
- Power of Attorney:            To sign under Power of Attorney, you must have already lodged this document with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.
- Companies:                      Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act) does not have a Company Secretary, a Sole Director can also sign alone.

Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary.



**LODGE YOUR VOTE**

**ONLINE**  
www.linkmarketservices.com.au

**BY MAIL**  
Aeris Resources Limited  
C/- Link Market Services Limited  
Locked Bag A14  
Sydney South NSW 1235 Australia

**BY FAX**  
+61 2 9287 0309

**BY HAND**  
Link Market Services Limited  
1A Homebush Bay Drive, Rhodes NSW 2138

**ALL ENQUIRIES TO**  
Telephone: 1300 554 474 Overseas: +61 1300 554 474



**X999999999999**

**PROXY FORM**

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

**APPOINT A PROXY**

the Chairman of the Meeting (mark box)

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

Name

Email

**STEP 1**

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the Annual General Meeting of the Company to be held at **10:00am (Brisbane time) on Thursday, 26 November 2020** (the Meeting) and at any postponement or adjournment of the Meeting.

The Meeting will be conducted as a virtual meeting and you can participate by logging in online at <https://agmlive.link/AISAGM20> (refer to details in the Annual General Meeting Online Guide).

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

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

**VOTING DIRECTIONS**

**Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting.**

**Please read the voting instructions overleaf before marking any boxes with an .**

**STEP 2**

**Resolutions**

	For	Against	Abstain*		For	Against	Abstain*
1 Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	5 Approval for issue of Performance Rights to Mr Andre Labuschagne under the Equity Incentive Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Re-election of Mr William Edward Alastair Morrison as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	6 Approval of potential termination benefits	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Election of Mr Colin Moorhead as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	7 Approval Proportional Takeover Provisions	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Adoption of an Equity Incentive Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				

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

**SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED**

Shareholder 1 (Individual)  Joint Shareholder 2 (Individual)  Joint Shareholder 3 (Individual)   
Sole Director and Sole Company Secretary  Director/Company Secretary (Delete one)  Director

**STEP 3**

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



## HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

### YOUR NAME AND ADDRESS

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

### APPOINTMENT OF PROXY

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

### DEFAULT TO CHAIRMAN OF THE MEETING

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

### VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

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

### APPOINTMENT OF A SECOND PROXY

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

To appoint a second proxy you must:

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

### SIGNING INSTRUCTIONS

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

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

**Joint Holding:** where the holding is in more than one name, all shareholders must sign.

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

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

### CORPORATE REPRESENTATIVES

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

### LODGEMENT OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **10:00am (Brisbane Time) on Tuesday, 24 November 2020**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

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



#### ONLINE

[www.linkmarketservices.com.au](http://www.linkmarketservices.com.au)

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" - Securityholder Reference Number (SRN) or Holder Identification Number (HIN).



#### BY MAIL

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



#### BY FAX

+61 2 9287 0309



#### BY HAND

delivering it to Link Market Services Limited\*  
1A Homebush Bay Drive  
Rhodes NSW 2138

\* During business hours (Monday to Friday, 9:00am–5:00pm)

# Virtual Meeting Online Guide

## Before you begin

Ensure your browser is compatible. Check your current browser by going to the website: **[whatismybrowser.com](http://whatismybrowser.com)**

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Supported browsers are:

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

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

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

**Please make sure you have this information before proceeding.**

# Virtual Meeting Online Guide



## Step 1

Open your web browser and go to <https://agmlive.link/AISAGM20> and select the relevant meeting.

## Step 2

Log in to the portal using your full name, mobile number, email address, and company name (if applicable).

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

- On the left – a live video webcast of the Meeting
- On the right – the presentation slides that will be addressed during the Meeting
- At the bottom – buttons for 'Get a Voting Card', 'Ask a Question' and a list of company documents to download

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

## 1. Get a Voting Card

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

This will bring up a box which looks like this.

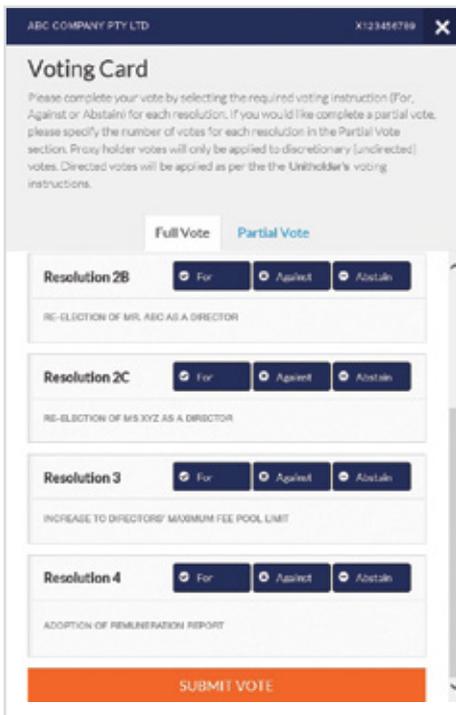
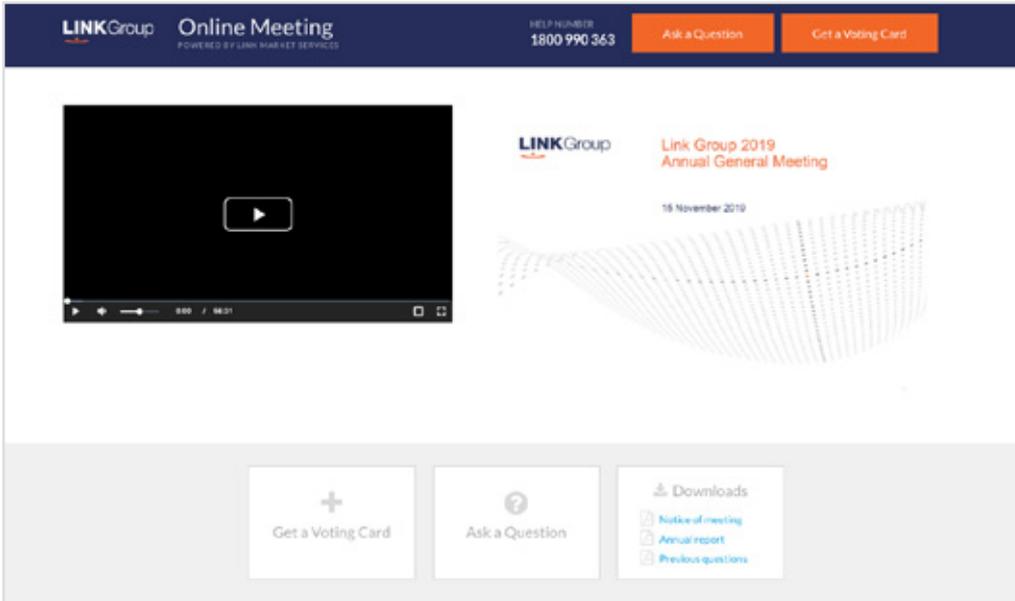
A screenshot of the "Voting Card" registration form. The form is titled "Voting Card" and includes a sub-header "Please provide your Shareholder or Proxy details". It is divided into two sections: "SHAREHOLDER DETAILS" and "PROXY DETAILS". The "SHAREHOLDER DETAILS" section has fields for "Shareholder Number" and "Post Code", with a note "Outside Australia" and an orange button "SUBMIT DETAILS AND VOTE". The "PROXY DETAILS" section has a field for "Proxy Number" and an orange button "SUBMIT DETAILS AND VOTE". A central "OR" button separates the two sections.

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

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

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

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



## Full Votes

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

## Partial Votes

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

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

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

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

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

Once voting has been closed all voting cards will automatically be submitted and cannot be changed.

At the conclusion of the Meeting a red bar with a countdown timer will appear at the top of the Webcast and Slide windows advising the remaining voting time. Please make any changes and submit your voting cards.

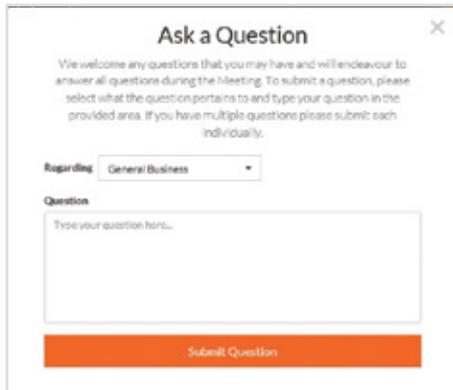
## 2. How to ask a question

**Note:** Only securityholders are eligible to ask questions.

You will only be able to ask a question after you have registered to vote. To ask a question, click on the 'Ask a Question' button either at the top or bottom of the webpage.

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



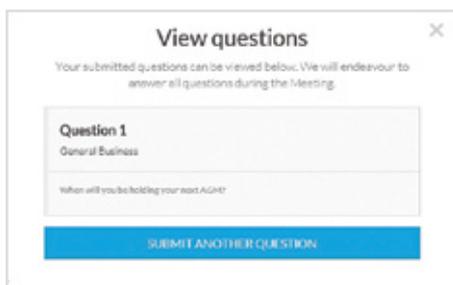
In the '**Regarding**' section click on the drop down arrow and select the category/resolution for your question.

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

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

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

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



## 3. Downloads

View relevant documentation in the Downloads section.

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## Voting closing

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

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

At the close of the meeting any votes you have placed will automatically be submitted.

## Contact us

### Australia

T 1300 554 474

E [info@linkmarketservices.com.au](mailto:info@linkmarketservices.com.au)

### New Zealand

T +64 9 375 5998

E [enquiries@linkmarketservices.co.nz](mailto:enquiries@linkmarketservices.co.nz)