

# Notice of General Meeting

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Astro Resources NL ACN 007 090 904

Date of Meeting: Thursday, 29 April 2021

Time of Meeting: 10:30 am (AEST)

Place of Meeting: The General Meeting will be made accessible to Shareholders via a live webcast, which will include the facility for Shareholders to ask questions in relation to the business of the meeting. You can participate by logging in online at <http://agmlive.link/aro21>.

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

*Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 414 752 804.*

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## IMPORTANT INFORMATION

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### Time and place of Meeting

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Notice is given that the Meeting will be held at 10:30 am (AEST) on Thursday, 29 April 2021.

It is proposed to hold the Meeting as a live webcast to Shareholders. The Chair will be located at the offices of Vince Fayad & Associates, at Suite 6, Level 5, 189 Kent Street Sydney NSW 2000.

All resolutions will be decided based on proxy votes which must be received by 10.30 am (AEST) on Tuesday, 27 April 2021.

Instructions on how to join the webcast are as follows:

The Meeting will be made accessible to Shareholders via a live webcast, which will include the facility for Shareholders to ask questions in relation to the business of the Meeting. You can participate by logging in online at <http://agmlive.link/aro21>.

### Your vote is important

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

### Defined terms

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Capitalised terms used in this Notice of Meeting have the meaning given in the Glossary.

### Voting eligibility

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The Directors have determined pursuant to Regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 7:00 pm (AEST) on Tuesday, 27 April 2021.

### Voting in person

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As mentioned above, there will be no voting in person at the Meeting.

### Voting by proxy

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In accordance with Rule 14.10 of the Constitution, the Chair has determined that voting on all resolutions at the Meeting will be conducted by poll. Voting will be by way of proxy instruction received in advance of the Meeting.

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

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

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

Shareholders and their proxies should be aware that:

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

Further details on these matters are set out below.

### ***Proxy vote if appointment specifies way to vote***

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

- the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (i.e. as directed); and
- if the proxy has 2 or more appointments that specify different ways to vote on the resolution, the proxy must not vote on a show of hands; and
- if the proxy is the chair of the meeting at which the resolution is voted on, the proxy must vote on a poll, and must vote that way (i.e. as directed); and
- if the proxy is not the chair, the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (i.e. as directed).

### ***Transfer of non-chair proxy to chair in certain circumstances***

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

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

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

### ***Chair's intentions in relation to undirected proxies***

The Chair intends to vote undirected proxies in favour of all Resolutions.

### **Required Majority**

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Each of the Resolutions proposed in this Notice of Meeting are ordinary resolutions and will be passed if, in each case, more than 50% of the votes cast by Shareholders entitled to vote on each resolution are cast in favour of the relevant Resolution.

## BUSINESS OF THE MEETING

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### AGENDA

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#### 1. RESOLUTION 1 – APPROVAL OF PRIOR ISSUE OF SHARES TO SOPHISTICATED AND PROFESSIONAL INVESTORS UNDER THE TRANCHE 1 PLACEMENT UNDER ASX LISTING RULE 7.1

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

*“That, for the purposes of ASX Listing Rule 7.4, and for all other purposes, the previous issue of 199,353,952 Shares at \$0.004 per Share to sophisticated and professional investors under the placement announced on 24 February 2021 (**Tranche 1 Placement**), as described in the Explanatory Statement accompanying this Notice of Meeting be ratified and approved.”*

**Voting Exclusion:** The Company will disregard any votes cast in favour of this Resolution by or on behalf of a person who participated in the Tranche 1 Placement, or who is a counterparty to the agreement being approved, or any associates of those persons. However, this does not apply to a vote cast in favour of this Resolution by:

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

#### 2. RESOLUTION 2 – APPROVAL OF PRIOR ISSUE OF SHARES TO SOPHISTICATED AND PROFESSIONAL INVESTORS UNDER THE TRANCHE 1 PLACEMENT UNDER ASX LISTING RULE 7.1A

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

*“That, for the purposes of ASX Listing Rule 7.4, and for all other purposes, the previous issue of 299,569,301 Shares at \$0.004 per Share to sophisticated and professional investors under the placement announced on 24 February 2021 (**Tranche 1 Placement**), as described in the Explanatory Statement accompanying this Notice of Meeting be ratified and approved.”*

**Voting Exclusion:** The Company will disregard any votes cast in favour of this Resolution by or on behalf of a person who participated in the Tranche 1 Placement, or who is a counterparty to the agreement being approved, or any associates of those persons. However, this does not apply to a vote cast in favour of this Resolution by:

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

### **3. RESOLUTION 3 – APPROVAL OF PRIOR ISSUE OF OPTIONS TO MELBOURNE CAPITAL LIMITED AND ITS NOMINEES UNDER THE TRANCHE 1 PLACEMENT UNDER ASX LISTING RULE 7.1**

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

*“That, for the purposes of ASX Listing Rule 7.4, and for all other purposes, the previous issue of 250,000,000 Options (each exercisable on 21 April 2022 at \$0.01) (**Broker Options**) to Melbourne Capital Limited (ACN 055 638 438) (**MCL**) (and its nominees) for the provision of corporate advisory services in relation to the Tranche 1 Placement as specified in, and on the terms set out in, the Explanatory Statement accompanying this Notice of Meeting be ratified and approved.”*

**Voting Exclusion:** The Company will disregard any votes cast in favour of this Resolution by or on behalf of Melbourne Capital Limited and its nominees as specified in the Explanatory Statement, or by or on behalf of a person who is a counterparty to the agreement being approved or any associates of those persons. However, this does not apply to a vote cast in favour of this Resolution by:

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

### **4. RESOLUTION 4 – APPROVAL OF ISSUE OF ATTACHING OPTIONS UNDER THE TRANCHE 1 PLACEMENT TO PROFESSIONAL AND SOPHISTICATED INVESTORS UNDER ASX LISTING RULE 7.1**

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

*“That, for the purposes of ASX Listing Rule 7.1, and for all other purposes, approval is given for the issue of up to 498,923,253 attaching options for no additional consideration at grant (each exercisable on 21 April 2022 at \$0.01) for every Share (**Tranche 1 Placement Options**) issued to sophisticated and professional investors under the Tranche 1 Placement, as described in the Explanatory Statement accompanying this Notice of Meeting.”*

**Voting Exclusion:** The Company will disregard any votes cast in favour of this Resolution by or on behalf of any person who is entitled to participate in the Tranche 1 Placement, or any person who will obtain a material benefit as a result of the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in Company), or any associates of those persons. However, this does not apply to a vote cast in favour of this Resolution by:

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

## **5. RESOLUTION 5 – APPROVAL OF ISSUE OF SHARES WITH ATTACHING OPTIONS TO PROFESSIONAL AND SOPHISTICATED INVESTORS UNDER THE TRANCHE 2 PLACEMENT UNDER ASX LISTING RULE 7.1**

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

*“That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the issue of up to 249,576,748 Shares (**Tranche 2 Shares**) with 1 attaching option for no additional consideration at grant (exercisable on 21 April 2022 at \$0.01) for every Share (**Tranche 2 Placement Options**) issued to sophisticated and professional investors under the Tranche 2 Placement, on the terms set out in the Explanatory Statement accompanying this Notice of Meeting.”*

**Voting Exclusion:** The Company will disregard any votes cast in favour of this Resolution by or on behalf of any person who is entitled to participate in the Tranche 2 Placement, or any person who will obtain a material benefit as a result of the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in Company), or any associates of those persons. However, this does not apply to a vote cast in favour of this Resolution by:

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

**6. RESOLUTION 6 – APPROVAL OF ISSUE OF SHARES TO MELBOURNE CAPITAL LIMITED AND/OR ITS NOMINEES UNDER TRANCHE 2 PLACEMENT UNDER ASX LISTING RULE 7.1**

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

*“That, for the purposes of Listing Rule 7.1 and for all other purposes, subject to approval being given under Resolution 5, approval is given to issue up to 20,000,000 Shares at \$0.004 per Share to Melbourne Capital Limited (and/or its nominees) (**Broker Shares**) for the provision of corporate advisory services in relation to the Tranche 2 Placement as specified in, and on the terms set out in, the Explanatory Statement accompanying this Notice of Meeting.”*

**Voting Exclusion:** The Company will disregard any votes cast in favour of this Resolution by or on behalf of Melbourne Capital Limited or any of its nominees as specified in the Explanatory Statement, or any person who will obtain a material benefit as a result of the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in Company) or any associates of those persons. However, this does not apply to a vote cast in favour of this Resolution by:

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

**Dated: 16 March 2021**

**By order of the Board**

**Vince Fayad**  
**Company Secretary and Executive Director**

## EXPLANATORY STATEMENT

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This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders in deciding whether or not to vote in favour of the Resolutions.

### 1. RESOLUTIONS 1, 2 AND 3 (INCLUSIVE) – APPROVAL OF PRIOR ISSUE OF SHARES AND OPTIONS UNDER TRANCHE 1 PLACEMENT

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#### 1.1 Background

The Company is seeking shareholder approval to refresh the Company's 15% Placement Capacity (defined below) in relation to the following capital raising.

On 24 February 2021, the Company announced that it was undertaking a placement of Shares to sophisticated and professional investors at an issue price of \$0.004 per Share to raise up to \$2,994,000 million (prior to the costs of issue) (**Placement**). The Placement is being conducted in two tranches:

##### (a) Tranche 1

- i) an initial placement of 498,923,253 Shares (**Tranche 1 Shares**) at an issue price of \$0.004, together with (subject to shareholder approval being given under Resolution 4), one attaching option for no additional consideration at grant (exercisable on 21 April 2022 at \$0.01) for every Tranche 1 Share issued (**Tranche 1 Placement Option**) to sophisticated and professional investors; and
- ii) the issue of 250,000,000 Options to Melbourne Capital Limited (and its nominees) (exercisable on 21 April 2022 at \$0.01) (**Broker Options**),

which was completed on 8 March 2021 (**Tranche 1 Placement**).

##### (b) Tranche 2

Subject to shareholder approval being obtained at this Meeting:

- i) a further placement of approximately 249,576,748 additional Shares at an issue price of \$0.004 (**Tranche 2 Shares**) together with one attaching option for no additional consideration at grant (exercisable on 21 April 2022 at \$0.01) for every Tranche 2 Placement Share issued (**Tranche 2 Placement Option**) to sophisticated and professional investors, which, subject to shareholder approval being obtained pursuant to Resolution 5, is anticipated to complete on 30 April 2021; and
- ii) subject to completion of the issue of Tranche 2 Shares and Tranche 2 Placement Options, 20,000,000 Shares to Melbourne Capital Limited (and/or its nominees),

(**Tranche 2 Placement**).

The Tranche 1 Shares (excluding the Tranche 1 Placement Options) represent 17% of the Company's current share capital. The Tranche 2 Shares (if issued) will represent approximately 8% of the Company's current share capital.

Resolutions 1, 2 and 3 are seeking subsequent approval from Shareholders to the issue of the Tranche 1 Shares and Tranche 1 Broker Options pursuant to ASX Listing Rule 7.4.

Assuming all the proposed security issues are approved, the proposed capital structure of the Company will be as follows:



	Number of shares	%
Issued Capital prior to the Placement	2,995,693,012	79.58%
Tranche 1	498,923,253	13.25%
Tranche 2	249,576,748	6.63%
Broker Shares	20,000,000	0.53%
<b>Total Shares on issue</b>	<b>3,764,193,013</b>	<b>100.00%</b>

Below are the substantial shareholders of the Company immediately before and after the security issues:

Substantial Holders	No of shares pre Placement	Tranche 1 or Tranche 2 Placement Shares	Total	% in the Company prior to the Placement	% in the Company post the Placement
HPG Urban Developments Pty Ltd and HPG Development Holdings	583,348,857	166,000,000	749,348,857	19.47%	19.91%
Mining Investments Limited (a company registered in Dubai, UAE)	399,097,094	0	399,097,094	13.32%	10.60%

## 1.2 Purpose of Approval

In general terms, Listing Rule 7.1 provides that a listed company must not issue or agree to issue Equity Securities that total more than 15% of its fully paid ordinary shares in any 12-month period without the approval of its shareholders (**15% Placement Capacity**), subject to certain exceptions.

Listing Rule 7.1A permits Eligible Entities which have obtained shareholder approval by special resolution, to issue Equity Securities up to an additional 10% of its issued capital. Such approval commences on the date of the annual general meeting at which the approval is obtained and expires on the first to occur of the date that is 12 months after the annual general meeting where approval is obtained or the time of the next annual general meeting (unless holders of the Eligible Entities approve a transaction under Listing Rule 11.1.2 or 11.2) (**Additional 10% Capacity**). The Additional 10% Capacity is in addition to the Company's 15% placement capacity under Listing Rule 7.1. The Company who is an Eligible Entity previously obtained approval from its shareholders at its annual general meeting held on 27 November 2020. An Eligible Entity means an entity which is not included in the S&P/ASX 300 Index and which has a capitalisation of \$300 million or less.

199,353,952 Tranche 1 Shares and 250,000,000 Broker Options were issued under the Company's 15% Placement Capacity in accordance with Listing Rule 7.1. 299,569,301 Tranche 1 Shares were issued under Listing Rule 7.1A.

Other than exception 17, which, applies to the conditional issue of the attaching Options to the Tranche 1 Shares (see section 2.2), the Tranche 1 Placement does not fit within any of the exceptions to Listing Rule 7.1 or Listing Rule 7.1A. As it has not yet been approved by the Company's Shareholders, it effectively uses up part of the 15% Placement Capacity and the Additional 10% Capacity, reducing the Company's capacity to issue further Equity Securities without Shareholder approval under Listing Rule 7.1 and Listing Rule 7.1A for the 12-month period following the relevant issue date or until approval is sought at the annual general meeting for Additional 10% Capacity.

Listing Rule 7.4 provides that an issue by a listed company of Equity Securities made without shareholder approval under Listing Rule 7.1 or Listing Rule 7.1A is treated as having been made with approval for the purposes of Listing Rule 7.1 and Listing Rule 7.1A if the issue did not breach Listing Rule 7.1 or listing Rule 7.1A and the company's shareholders subsequently approve it.

The Company is seeking Shareholder approval under Listing Rule 7.4 to:

- the issue of 199,353,952 Tranche 1 Placement Shares under Resolution 1; and
- the issue of 250,000,000 Broker Options under Resolution 3,

so as to refresh its 15% Placement Capacity.

The Company is also seeking Shareholder approval under Listing Rule 7.4 to the issue of 299,569,301 Tranche 1 Shares so as to refresh its Additional 10% Capacity.

If the approval is given by Shareholders, the Company will be able to maintain flexibility to issue Equity Securities up to the 15% Placement Capacity and the Additional 10% Capacity and take advantage of any opportunities that may arise in the next 12 months.

### **1.3 Resolution 1 - Approval of Prior Issue of Shares to professional and sophisticated investors under the Tranche 1 Placement under ASX Listing Rule 7.1 - Technical information required by Listing Rule 7.5**

The following information in respect of the Tranche 1 Placement is provided in accordance with Listing Rule 7.5:

- (a) Number of securities issued:** The total number of securities issued under the Tranche 1 Placement within the 15% Placement Capacity was 199,353,952 Shares.
- (b) Date upon which the securities were issued:** The relevant Tranche 1 Placement Shares were issued on 5 March 2021.
- (c) Issue price of securities:** \$0.004 per Share.
- (d) Terms of the securities:** The relevant Tranche 1 Shares are fully paid ordinary shares in the Company and rank equally with the Company's existing shares on issue. The Company applied for official quotation of the Tranche 1 Shares on 8 March 2021. The offer of any Tranche 1 Placement Options under Tranche 1 Placement is conditional upon the issue of the relevant Tranche 1 Shares that those Options attach to. All Shares that are issued on exercise of the Tranche 1 Placement Options will rank equally with the Shares on issue at that time. Further details of the terms under which the Tranche 1 Placement Options will be issued is set out in Schedule 1.
- (e) Names of the persons to whom the Company issued the securities:** The Tranche 1 Shares were issued to a group of sophisticated and professional investors (**Tranche 1 Investors**). None of the Tranche 1 Investors are related parties of the Company or members of the Key Management Personnel, or an associate of such persons. Details of the participation by the Company's substantial holders in the Tranche 1 Placement are set out in section 1.1.

- (f) **Purpose of the issue, including use or intended use of funds raised:** The Company intends to use the funds raised through the Tranche 1 Placement and Tranche 2 Placement towards the following:
- i) a drilling program at the Company's Nevada Gold Project in the United States;
  - ii) continuing exploratory works and undertaking a pre-feasibility study at the Company's Governor Broome Project; and
  - iii) the drilling and pitting programs at its Lower Smoke Creek Diamond Project.

Full details of the intended use of funds are set out in the Company's ASX announcements dated 22 February 2021 and 24 February 2021.

- (g) **Summary of any other material terms of the agreement:** The relevant Tranche 1 Shares were issued to parties who have each warranted that it is a Sophisticated Investor and were subject to the issue of a Cleansing Notice by the Company (which was issued on 8 March 2021).

If Resolution 1 is passed by Shareholders, the 199,353,952 Shares issued under the Tranche 1 Placement will be excluded in calculating the Company's 15% Placement Capacity in Listing Rule 7.1, effectively increasing the number of Equity Securities it can issue without Shareholder approval over the 12-month period following the date of issue of the relevant Tranche 1 Shares.

If Resolution 1 is not passed by Shareholders, the 199,353,952 Shares issued under the Tranche 1 Placement will be included in calculating the Company's 15% Placement Capacity in Listing Rule 7.1, effectively decreasing the number of Equity Securities it can issue without Shareholder approval over the 12-month period following the date of issue of the relevant Tranche 1 Shares.

#### **1.4 Resolution 2 - Approval of Prior Issue of Shares to sophisticated and professional investors under the Tranche 1 Placement under ASX Listing Rule 7.1A - Technical information required by Listing Rule 7.5**

The following information in respect of the Tranche 1 Placement is provided in accordance with Listing Rule 7.5:

- (a) **Number of securities issued:** The total number of securities issued under the Tranche 1 Placement within the Company's Additional 10% Capacity was 299,569,301 Shares.
- (b) **Date upon which the securities were issued:** The relevant Tranche 1 Placement Shares were issued on 5 March 2021.
- (c) **Issue price of securities:** \$0.004 per Share, which is not less than 80% of the volume weighted price of the Company's Shares immediately before the Tranche 1 Placement took place.
- (d) **Terms of the securities:** The relevant Tranche 1 Shares are fully paid ordinary shares in the Company and rank equally with the Company's existing shares on issue. The Company applied for official quotation of the relevant Tranche 1 Shares on 8 March 2021. The offer of any Tranche 1 Placement Options under Tranche 1 Placement is conditional upon the issue of the relevant Tranche 1 Shares that those Options attach to. All Shares that are issued on exercise of the Tranche 1 Placement Options will rank equally with the Shares on issue at that time. Further details of the terms under which the Tranche 1 Placement Options will be issued is set out in Schedule 1.

(e) **Names of the persons to whom the Company issued the securities:** The Tranche 1 Shares were issued to a group of sophisticated and professional investors (**Tranche 1 Investors**). None of the Tranche 1 Investors are related parties of the Company or members of the Key Management Personnel, or an associate of such persons. Details of the participation by the Company's substantial holders in the Tranche 1 Placement are set out in section 1.1.

(f) **Purpose of the issue, including use or intended use of funds raised:** The Company intends to use the funds raised through the Tranche 1 Placement and Tranche 2 Placement as set out in section 1.3(f) above.

Full details of the intended use of funds are set out in the Company's ASX announcements dated 22 February 2021 and 24 February 2021.

(g) **Summary of any other material terms of the agreement:** The relevant Tranche 1 Shares were issued to parties who have each warranted that it is a Sophisticated Investor and were subject to the issue of a Cleansing Notice by the Company (which was issued on 8 March 2021).

If Resolution 2 is passed by Shareholders, the 299,569,301 Shares issued under the Tranche 1 Placement will be excluded in calculating the Company's Additional 10% Capacity in Listing Rule 7.1A, effectively increasing the number of Equity Securities it can issue without Shareholder approval over the 12-month period following the date of issue of the relevant Tranche 1 Shares.

If Resolution 2 is not passed by Shareholders, the 299,569,301 Shares issued under the Tranche 1 Placement will be included in calculating the Company's Additional 10% Capacity in Listing Rule 7.1A, effectively decreasing the number of Equity Securities it can issue without Shareholder approval over the 12-month period following the date of issue of the relevant Tranche 1 Shares.

## **1.5 Resolution 3 - Approval of Prior Issue of Options to Melbourne Capital Limited and its nominees under the Tranche 1 Placement under ASX Listing Rule 7.1**

### **(a) Further Background**

As set out in section 1 of this Explanatory Statement, Resolution 3 seeks Shareholder approval to the issue of 250,000,000 Broker Options to Melbourne Capital Limited and its nominees under the Tranche 1 Placement in consideration for the provision of corporate advisory services.

Melbourne Capital Limited will also receive a brokerage fee equal to 6% of the funds raised from both the Tranche 1 Placement and the Tranche 2 Placement. Upon completion of the Tranche 2 Placement, it will also (subject to approval at this Meeting) receive 20,000,000 Broker Shares. The Company will also be liable for any GST on the consideration payable to Melbourne Capital Limited.

Each Broker Option is exercisable at \$0.01 per Broker Option on or before 21 April 2022. The Broker Options will not be listed on the ASX.

### **(b) Technical information required under Listing Rule 7.5**

The following information in respect of the issue of the Broker Options is provided for the purposes of Listing Rule 7.5:

- i) **The number and class of securities issued:** 250,000,000 Broker Options were issued.
- ii) **Date upon which the securities were issued:** The Broker Options were issued on 5 March 2021.

- iii) **Issue price of the securities:** The Broker Options were issued for nil cash consideration as they were issued to Melbourne Capital Limited and its nominees in partial consideration for arranging the Placement.
- iv) **Names of the persons to whom the Company will issue the securities:** The Broker Options were issued to Melbourne Capital Limited who has in turn passed onto various nominees a portion of the Broker Options. Below is a table setting out the amounts raised by each Broker and the allocation of the Broker Options:

<b>Name</b>	<b>Total Raised</b>	<b>%</b>	<b>Allocation of Options</b>
Zenix Nominees Pty Ltd ACN 107 391 908	\$15,027	4.70	11,740,000
Whead Pty Ltd [CJ Holdings Account] ACN 165 309 651	\$6,400	2	5,000,000
Peloton Capital Pty Ltd ACN 149 540 018	\$3,072	0.96	2,400,000
Mial Enterprises Pty Ltd [the Dashina Family A/C] ACN 155 089 311	\$5,120	1.6	4,000,000
Geonard Capital Pty Ltd ACN 603 235 178	\$5,120	1.6	4,000,000
Mr Charbel Abou Chebel	\$6,400	2	5,000,000
Mining Investments Limited (a company registered in Dubai, UAE)	\$153,000.00	48	120,000,000
Serec Pty Ltd	\$125,260.80	39.14	97,860,000

- v) **Terms of the securities:** The Broker Options were issued on the terms set out in Schedule 2. Any Shares issued on exercise of the Broker Options will be fully paid ordinary shares in the Company and will rank equally with the Company's existing shares on issue.
- vi) **Purpose of the issue, including intended use of funds raised:** The Broker Options were issued to Melbourne Capital Limited and its nominees in partial consideration for arranging the Placement. No funds will be raised from the issue.
- vii) **Summary of any other material terms of the agreement:** Other than the terms described in Schedule 2 and as disclosed in this Explanatory Statement, there are no other material terms on which the Broker Options were issued. The relevant Tranche 1 Shares were issued to parties who have each warranted that it is a Sophisticated Investor and were subject to the issue of a Cleansing Notice by the Company (which was issued on 8 March 2021).

If Resolution 3 is passed by Shareholders, the issue of the Broker Options will also be excluded in calculating the Company's 15% Placement Capacity in Listing Rule 7.1, effectively increasing the number of Equity Securities it can issue without Shareholder approval over the 12-month period following the date of issue of the Broker Options.

If Resolution 3 is not passed by Shareholders, the 250,000,000 Broker Options issued under the Tranche 1 Placement will be included in calculating the Company's 15% Placement Capacity in Listing Rule 7.1, effectively decreasing the number of Equity Securities that Company may issue without shareholder approval over the 12-month period following the date of issue of the Broker Options.

The estimated value of the Broker Options, as at 19 February 2021, using the Black and Scholes method of valuation is \$316,000 to \$380,000, with a preferred value of \$340,000. The Company commissioned an independent valuation report. The value has been determined using the following parameters:

- Term – 14 months
- Exercise price of each Broker Option – \$0.01;
- Risk free rate – 0.09% (being the current two-year Australian Government bond rate as at 8 February 2021 as the proxy to determine the risk free rate);
- Share price – \$0.004 (based on the Company's share price at the closing of 17 February 2021);
- Volatility –150% to 170%, representing the last twelve months' volatility for the Company; and
- Discount for lack of liquidity – 20%.

#### **1.6 Voting exclusions for Resolutions 1 -3**

A voting exclusion statement for each of Resolutions 1, 2 and 3 is contained in the Notice of Meeting.

#### **1.7 Board Recommendation**

The Directors unanimously recommend that Shareholders vote in favour of each of Resolutions 1, 2 and 3.

The Chair intends to vote undirected proxies in favour of Resolutions 1, 2 and 3.

## **2. RESOLUTION 4 – APPROVAL OF ISSUE OF ATTACHING OPTIONS UNDER THE TRANCHE 1 PLACEMENT TO PROFESSIONAL AND SOPHISTICATED INVESTORS UNDER LISTING RULE 7.1**

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### **2.1 Background**

Details of the Tranche 1 Placement are set out in section 1.1 of this Explanatory Statement.

Resolution 4 is seeking Shareholder approval to the proposed issue of the Tranche 1 Placement Options pursuant to ASX Listing Rule 7.1. The Options will not be listed on the ASX.

## 2.2 Purpose of Approval

In general terms, under Listing Rule 7.1, the Company must not issue or agree to issue Equity Securities which are in excess of its 15% Placement Capacity within a 12-month period without the approval of its Shareholders, subject to certain exceptions. Issues of Equity Securities made with prior shareholder approval are not included in the Company's 15% Placement Capacity. Exception 17 to Listing Rule 7.1 states that Listing Rule 7.1 does not apply where there is an agreement to issue Equity Securities that is conditional on Shareholders approving the issue under Listing Rule 7.1 before the issue is made. If a Company relies on this exception it must not issue Equity Securities without such approval.

Under the Tranche 1 Placement, the offer by the Company of the Tranche 1 Placement Options was conditional upon approval being obtained at this Meeting for the issue of those Options in reliance on exception 17 of Listing Rule 7.1.

The Company is seeking Shareholder approval to the issue of the Tranche 1 Placement Options under and for the purposes of Listing Rule 7.1.

If Resolution 4 is passed by Shareholders, the Company will be able to issue the Tranche 1 Placement Options which will attach to the Tranche 1 Shares. The Tranche 1 Placement Options will be excluded in calculating the Company's 15% Placement Capacity in Listing Rule 7.1, effectively increasing the number of Equity Securities it can issue without Shareholder approval over the 12-month period following the date of issue of the Tranche 2 Shares.

If Resolution 4 is not passed by Shareholders, the Company will not be able to proceed with the issue of the Tranche 1 Placement Options and no Tranche 1 Placement Options will attach to the Tranche 1 Shares.

## 2.3 Technical information required under Listing Rule 7.3

The following information, in respect of the proposed issue of Tranche 1 Placement Options is provided for the purposes of Listing Rule 7.3:

- (a) **The number and class of securities to be issued:** 498,923,253 Tranche 1 Placement Options.
- (b) **Date by which the securities are to be issued:** The Tranche 1 Placement Options are anticipated to be issued on or around 30 April 2021 and in any case, no later than 3 months after the date of the Meeting. The Options will not be listed on the ASX.
- (c) **Issue price of the securities:** The Tranche 1 Placement Options will be issued for no additional consideration as they are attaching to the Tranche 1 Shares but have an exercise price of \$0.01 per Option.
- (d) **Names of the persons to whom the Company will issue the securities:** The Tranche 1 Placement Options will be issued to the group of sophisticated and professional investors, comprising the Tranche 1 Investors. None of the Tranche 1 Investors are related parties of the Company or members of the Key Management Personnel, or an associate of such persons. Details of the participation by the Company's substantial holders in the Tranche 1 Placement are set out in section 1.1.

- (e) **Terms of the securities:** The Tranche 1 Placement Options will be issued on the terms set out in Schedule 1. Any Shares issued on exercise of the Placement Options will be fully paid ordinary shares in the Company and will rank equally with the Company's existing shares on issue.
- (f) **Purpose of the issue, including intended use of funds raised:** The Company intends to use the funds to be raised through the Tranche 1 Placement and Tranche 2 Placement as set out in section 1.3(f) above.

Full details of the intended use of funds are set out in the Company's ASX announcements dated 22 February 2021 and 24 February 2021.

## 2.4 Voting Exclusion

A voting exclusion statement for this Resolution 4 is contained in the Notice of Meeting.

## 2.5 Board Recommendation

The Directors unanimously recommend that Shareholders vote in favour of Resolution 4.

The Chair intends to vote undirected proxies in favour of Resolution 4.

## 3. RESOLUTION 5 – APPROVAL OF ISSUE OF SHARES WITH ATTACHING OPTIONS TO PROFESSIONAL AND SOPHISTICATED INVESTORS UNDER THE TRANCHE 2 PLACEMENT UNDER ASX LISTING RULE 7.1

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### 3.1 Background

Resolution 5 seeks Shareholder approval to the issue of 249,576,748 Shares with 1 attaching Option, for no additional consideration at grant, for every Share issued.

### 3.2 Purpose of Approval

In general terms, Listing Rule 7.1 provides that a listed company must not issue or agree to issue Equity Securities that total more than 15% of its fully paid ordinary shares in any 12-month period without the approval of its shareholders (**15% Placement Capacity**), subject to certain exceptions.

The issue of the Tranche 2 Shares and Tranche 2 Placement Options does not fit within any of the exceptions to Listing Rule 7.1 and exceeds the 15% Placement Capacity and the Additional 10% Capacity available immediately prior to this Meeting.



The Company is seeking Shareholder approval under Listing Rule 7.1 to the issue of up to 249,576,748 Tranche 2 Shares and an equivalent number, 249,576,748 of Tranche 2 Placement Options under Resolution 5 so as to refresh its 15% Placement Capacity. If Resolution 5 is not passed by the Shareholders, the Company will not be able to proceed with the Tranche 2 Placement and will not be able to raise the proposed funds under the Tranche 2 Placement.

### 3.3 Technical information required under Listing Rule 7.3

The following information in respect of the proposed issue of the Tranche 2 Shares and Tranche 2 Placement Options is provided for the purposes of Listing Rule 7.3:

- (a) **The number and class of securities to be issued:** The securities that will be issued are Tranche 2 Shares with one attaching Option for no additional consideration at grant (exercisable on 21 April 2022 at \$0.01) for every Share (**Tranche 2 Placement Options**). The maximum number of Tranche 2 Shares to be issued is 249,576,748 and the maximum number of Tranche 2 Placement Options to be issued is 249,576,748.
- (b) **Date by which the securities are to be issued:** The Tranche 2 Shares and Tranche 2 Placement Options are anticipated to be issued on or around 30 April 2021 and in any case, no later than 3 months after the date of the Meeting. The Tranche 2 Placement Options, unlike the Tranche 2 Shares, will not be listed on the ASX.
- (c) **Issue price of the securities:** The Tranche 2 Shares will be issued for \$0.004 and the Tranche 2 Placement Options will be issued at nil cash consideration with an exercise price of \$0.01.
- (d) **Names of the persons to whom the Company will issue the securities:** The Tranche 2 Shares and Tranche 2 Placement Options will be issued to a group of sophisticated and professional investors, (the **Tranche 2 Investors**). Details of the participation by the Company's substantial holders in the Tranche 2 Placement are set out in section 1.1.
- (e) **Terms of the securities:** The Tranche 2 Placement Options will be issued on the terms set out in Schedule 1. The Tranche 2 Shares and any Shares issued on exercise of the Tranche 2 Placement Options will be fully paid ordinary shares in the Company and will rank equally with the Company's existing shares on issue.
- (f) **Purpose of the issue, including intended use of funds to be raised:** The Company intends to use the funds raised through the Tranche 1 Placement and Tranche 2 Placement as set out in section 1.3(f) above.

Full details of the intended use of funds are set out in the Company's ASX announcements dated 22 February 2021 and 24 February 2021.

- (g) **Summary of any other material terms of the agreement:** Other than the terms described in Schedule 1 and as disclosed in this Explanatory Statement, there are no other material terms on which the Tranche 2 Shares and the Tranche 2 Placement Options are being issued.

### 3.4 Voting Exclusion

A voting exclusion statement for this Resolution 5 is contained in the Notice of Meeting.

### 3.5 Board Recommendation

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

The Chair intends to vote undirected proxies in favour of Resolution 5.

## 4. RESOLUTION 6 – APPROVAL OF ISSUE OF SHARES TO MELBOURNE CAPITAL LIMITED

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### 4.1 Background

Resolution 6 seeks Shareholder approval to the issue of 20,000,000 Shares at \$0.004 per Share (**Broker Shares**) to Melbourne Capital Limited (and/or their nominees) for the provision of corporate advisory services in relation to the Tranche 2 Placement.

### 4.2 Purpose of Approval

In general terms, Listing Rule 7.1 provides that a listed company must not issue or agree to issue Equity Securities that total more than 15% of its fully paid ordinary shares in any 12-month period without the approval of its shareholders (**15% Placement Capacity**), subject to certain exceptions.

The issue of the Broker Shares does not fit within any of the exceptions to Listing Rule 7.1 and exceeds the 15% Placement Capacity and the Additional 10% Capacity available immediately prior to this Meeting.

The Company is seeking Shareholder approval under Listing Rule 7.1 to the issue of up to 20,000,000 Broker Shares so as to refresh its 15% Placement Capacity.

If Resolution 6 is not passed by the Shareholders, the Company will not be able to issue the Broker Shares. In that case, the Company will need to re-negotiate the method of payment of the fees payable to Melbourne Capital Limited and/or its nominees. The fees will amount to \$80,000 based on an issue price of \$0.04 per Share and GST of \$8,000 will also be payable in cash as per the original terms of the Company's agreement with Melbourne Capital Limited.

### 4.3 Technical information required under Listing Rule 7.3

The following information in respect of the proposed issue of Broker Shares is provided for the purposes of Listing Rule 7.3:

- (a) **The number and class of securities to be issued:** The securities that will be issued are Broker Shares, and the maximum number of Shares to be issued is 20,000,000.
- (b) **Date by which the securities are to be issued:** The Shares are anticipated to be issued on or around 30 April 2021 and in any case, no later than 3 months after the date of the Meeting.
- (c) **Issue price of the securities:** The Shares will be issued for nil cash consideration, as they are being issued to Melbourne Capital Limited and/or its nominees in partial consideration for arranging the Placement.

- (d) **Names of the persons to whom the Company will issue the securities:** The Broker Options will be issued to Melbourne Capital Limited who may in turn, pass on to various nominees a portion of those Broker Options.
- (e) **Terms of the securities:** The Broker Shares will be fully paid ordinary shares in the Company and will rank equally with the Company's existing shares on issue.
- (f) **Purpose of the issue, including intended use of funds raised:** The Broker Shares are being issued to Melbourne Capital Limited and/or its nominees in partial consideration for arranging the Placement. No funds will be raised from the issue and this payment will be conditional on the completion of the Tranche 2 Placement.
- (g) **Summary of any other material terms of the agreement:** In addition to 20,000,000 Broker Shares that Melbourne Capital Limited (and/or its nominees) will receive upon completion of the Tranche 2 Placement, it (and/or its nominees) have received or will receive as consideration for arranging the Placement:
- 250,000,000 Broker Options upon the completion of the Tranche 1 Placement. The terms of the Broker Options are set out in Schedule 2. The Broker Options will not be listed on the ASX; and
  - a brokerage fee equal to 6% of the funds raised from both the Tranche 1 Placement and the Tranche 2 Placement.

The Company will be liable for any GST on the consideration payable to Melbourne Capital Limited.

Other than the terms as disclosed in this Explanatory Statement, there are no other material terms on which the Broker Shares are being issued. The Broker Shares will be issued to parties who have each warranted that it is a Sophisticated Investor and will be subject to the issue of a cleansing notice by the Company.

#### **4.4 Voting Exclusion**

A voting exclusion statement for this Resolution 6 is contained in the Notice of Meeting.

#### **4.5 Board Recommendation**

The Directors unanimously recommend that Shareholders vote in favour of Resolution 6.

The Chair intends to vote undirected proxies in favour of Resolution 6.

## GLOSSARY

**\$** means Australian dollars.

**15% Placement Capacity** has the meaning given in section 1.1 of the Explanatory Statement.

**Additional 10% Capacity** has the meaning given in section 1.2 of the Explanatory Statement.

**AEST** means Australian Eastern Standard Time as observed in Sydney, New South Wales.

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

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

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

**Broker Options** has the meaning given to that term in section 1.1 of the Explanatory Statement.

**Broker Shares** has the meaning given to it in section 4 of the Explanatory Statement.

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

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

**Company** means Astro Resources NL (ACN 007 090 904).

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

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

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

**Equity Securities** includes a Share, a right to a Share or Option, an Option, a convertible security and any security that ASX decides to classify as an Equity Security.

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

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

**Key Management Personnel** has the same meaning as in the accounting standards and broadly includes those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any director (whether executive or otherwise) of the Company.

**Listing Rule** means a listing rule in the ASX Listing Rules.

**Melbourne Capital Limited or MCL** means Melbourne Capital Limited (ACN 055638438).

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

**Option** means an option to acquire a Share.

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

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

**Share** means a fully paid ordinary share in the capital of the Company, and **Shareholding** has the corresponding meaning.

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

**Tranche 1 Placement** has the meaning given to that term in section 1.1 of the Explanatory Statement.

**Tranche 1 Placement Option** has the meaning given to that term in section 1.1 of the Explanatory Statement.

**Tranche 1 Shares** has the meaning given to that term in section 1.1 of the Explanatory Statement.

**Tranche 2 Placement** has the meaning given to that term in section 1.1 of the Explanatory Statement.

**Tranche 2 Placement Option** has the meaning given to that term in section 1.1 of the Explanatory Statement.

**Tranche 2 Shares** has the meaning given to that term in section 1.1 of the Explanatory Statement.

## **SCHEDULE 1 – TERMS AND CONDITIONS OF THE TRANCHE 1 PLACEMENT OPTIONS AND THE TRANCHE 2 PLACEMENT OPTIONS**

---

(a) **Entitlement**

Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

(b) **Exercise Price**

Subject to paragraph (i), the amount payable upon exercise of each Option will be \$0.01 (**Exercise Price**).

(c) **Expiry Date**

Each Option will expire at 5:00 pm (AEST) on 21 April 2022 (Expiry Date). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

The Options are exercisable at any time on or prior to the Expiry Date (Exercise Period).

(e) **Notice of Exercise**

The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(f) **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

(g) **Timing of issue of Shares on exercise**

Within five Business Days after the Exercise Date, the Company will:

- (i) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under (g)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(h) **Shares issued on exercise**

Shares issued on exercise of the Options rank equally with the then issued shares of the Company.

(i) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(j) **Participation in new issues**

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

(k) **Change in exercise price**

An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

(l) **Unlisted**

The Options will not be listed.

(m) **Transferability**

The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

## **SCHEDULE 2 – TERMS AND CONDITIONS OF THE BROKER OPTIONS**

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(a) **Entitlement**

Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

(b) **Exercise Price**

Subject to paragraph (i), the amount payable upon exercise of each Option will be \$0.01 (**Exercise Price**).

(c) **Expiry Date**

Each Option will expire at 5:00 pm (AEST) on 21 April 2022 (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

(e) **Notice of Exercise**

The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (Notice of Exercise) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(f) **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (Exercise Date).

(g) **Timing of issue of Shares on exercise**

Within five Business Days after the Exercise Date, the Company will:

- (i) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under (g)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.



(h) **Shares issued on exercise**

Shares issued on exercise of the Options rank equally with the then issued shares of the Company.

(i) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(j) **Participation in new issues**

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

(k) **Change in exercise price**

An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

(l) **Unlisted**

The Options are unlisted.

(m) **Transferability**

The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.


## LODGE YOUR VOTE

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

 **BY MAIL**  
Astro Resources NL  
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: +61 1300 554 474



X99999999999

## PROXY FORM

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

### APPOINT A PROXY

the Chairperson of the Meeting (mark box)

OR if you are **NOT** appointing the Chairperson 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 **10:30am on Thursday, 29 April 2021** (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/ARO21> (refer to details in the Notice of Meeting).

**Important for Resolutions 1 - 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 - 6, even though the Resolutions are connected directly or indirectly with the remuneration of a member of the Company's Key Management Personnel (**KMP**).

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


### VOTING DIRECTIONS

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

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

#### Resolutions

	For	Against	Abstain*		For	Against	Abstain*
1 APPROVAL OF PRIOR ISSUE OF SHARES TO SOPHISTICATED AND PROFESSIONAL INVESTORS UNDER THE TRANCHE 1 PLACEMENT UNDER ASX LISTING RULE 7.1	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	5 APPROVAL OF ISSUE OF SHARES WITH ATTACHING OPTIONS TO PROFESSIONAL AND SOPHISTICATED INVESTORS UNDER THE TRANCHE 2 PLACEMENT UNDER ASX LISTING RULE 7.1	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 APPROVAL OF PRIOR ISSUE OF SHARES TO SOPHISTICATED AND PROFESSIONAL INVESTORS UNDER THE TRANCHE 1 PLACEMENT UNDER ASX LISTING RULE 7.1A	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	6 APPROVAL OF ISSUE OF SHARES TO MELBOURNE CAPITAL LIMITED AND/OR ITS NOMINEES UNDER TRANCHE 2 PLACEMENT UNDER ASX LISTING RULE 7.1	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 APPROVAL OF PRIOR ISSUE OF OPTIONS TO MELBOURNE CAPITAL LIMITED AND ITS NOMINEES UNDER THE TRANCHE 1 PLACEMENT UNDER ASX LISTING RULE 7.1	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
4 APPROVAL OF ISSUE OF ATTACHING OPTIONS UNDER THE TRANCHE 1 PLACEMENT TO PROFESSIONAL AND SOPHISTICATED INVESTORS UNDER ASX LISTING RULE 7.1	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				

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

### 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

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

STEP 3

ARO PRX2101N



## 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 and 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:

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

### SIGNING INSTRUCTIONS

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

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

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

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

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

### CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting virtually the appropriate "Certificate of Appointment of Corporate Representative" must be received at [vote@linkmarketservices.com.au](mailto:vote@linkmarketservices.com.au) prior to admission in accordance with the Notice of 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 **10:30am on Tuesday, 27 April 2021**, 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 MOBILE DEVICE

Our voting website is designed specifically for voting online. You can now lodge your proxy by scanning the QR code adjacent or enter the voting link [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au) into your mobile device. Log in using the Holder Identifier and postcode for your shareholding.

#### QR Code



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



#### BY MAIL

Astro Resources NL  
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)