

# **CADOUX LIMITED**

**ACN 061 289 218**

## **NOTICE OF ANNUAL GENERAL MEETING AND EXPLANATORY STATEMENT**

**For the Annual General Meeting to be held on  
Thursday, 7 November 2024 at  
10:00am (Western Standard Time) at**

**Royal Freshwater Bay Yacht Club  
1 Hobbs Place  
Peppermint Grove, Western Australia 6011**

**Shareholders are urged to vote by lodging the Proxy Form attached to this Notice**

## **TIME AND PLACE OF ANNUAL GENERAL MEETING AND HOW TO VOTE**

### **Venue**

The Annual General Meeting of Cadoux Limited will be held at:

Royal Freshwater Bay Yacht Club  
1 Hobbs Place  
Peppermint Grove WA 6011

Commencing:  
at 10:00am (Western Standard Time)  
on Thursday, 7 November 2024.

### **How to Vote**

You may vote by attending the Meeting in person, by proxy or authorised representative.

### **Voting in Person**

To vote in person, attend the Meeting on the date and at the place set out above. The Meeting will commence at 10:00am (Western Standard Time).

### **Voting by Proxy**

To vote by proxy, please complete and sign the proxy form enclosed with this Notice as soon as possible and either deliver the proxy form by post, in person, by facsimile or by email in accordance with the instructions on the proxy form. You may also submit your proxy vote online in accordance with instructions on the proxy form.

Your proxy form must be received not later than 48 hours before the commencement of the Meeting.

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### **Voting and Proxies**

1. A Shareholder of the Company entitled to attend and vote is entitled to appoint not more than two proxies. Where more than one proxy is appointed, each proxy must be appointed to represent a specified proportion of the Shareholder's voting rights. If the Shareholder appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half of the votes. A proxy need not be a Shareholder of the Company.
2. Where a voting exclusion applies, the Company need not disregard a vote if it is cast by the person who is entitled to vote in accordance with the directions on the proxy form or it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.
3. The Chairman of the Meeting will vote undirected proxies in favour of all Resolutions.  
  
In relation to Resolutions 1, 6, 7, 8, 9 and 10 the proxy form expressly authorises the Chairman to exercise the proxy even though the Resolutions are connected directly or indirectly with the remuneration of a member of the Key Management Personnel. Any undirected proxies held by a Director, any member of the Key Management Personnel or any of their Closely Related Parties (who are not the Chairman of the Meeting) will not be voted on Resolutions 1, 6, 7, 8, 9 and 10.
4. In accordance with Regulation 7.11.37 of the Corporations Act, the Directors have set a date to determine the identity of those entitled to attend and vote at the Meeting. The date is 5 November 2024 at 4:00pm (Western Standard Time).
5. A proxy form is attached. If required it should be completed, signed and returned to the Company's registered office in accordance with the instructions on that form.

**CADOUX LIMITED**  
**ACN 061 289 218**

**NOTICE OF ANNUAL GENERAL MEETING**

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Notice is hereby given that the Annual General Meeting of the Shareholders of Cadoux Limited will be held at the Royal Freshwater Bay Yacht Club, 1 Hobbs Place, Peppermint Grove, Western Australia on Thursday, 7 November 2024 at 10:00am (WST) for the purpose of transacting the following business.

The attached Explanatory Statement is provided to supply Shareholders with information to enable Shareholders to make an informed decision regarding the Resolutions set out in this Notice. The Explanatory Statement is to be read in conjunction with this Notice.

**AGENDA**

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**Annual Financial Report**

To receive and consider the Annual Financial Report of the Company and its controlled entities together with the Directors' Report, Directors' Declaration and the Independent Audit Report for the year ended 30 June 2024.

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**Resolution 1 – Adoption of Remuneration Report**

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

*"That, for the purpose of Section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Company's Annual financial Report for the year ended 30 June 2024."*

Note: the vote on this Resolution is advisory only and does not bind the Directors or the Company.

**Voting Prohibition:** A vote on this Resolution must not be cast (in any capacity) by or on behalf of any of the following persons (the "voter"):

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

However, the voter may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:

- (a) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or
- (b) the voter is the Chair of the meeting and the appointment of the Chair as proxy:
  - (i) does not specify the way the proxy is to vote on this Resolution; and
  - (ii) expressly authorises the Chair to exercise the proxy even if this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

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**Resolution 2 – Approval for Increase in Aggregate Non-Executive Director Fee Pool**

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

*"That, pursuant to and in accordance with ASX Listing Rule 10.17, Rule 7.5(a) of the Company's Constitution and for all other purposes, the maximum total fees payable to non-executive Directors be increased by \$200,000 per annum from \$300,000 per annum to \$500,000 per annum on the terms and conditions in the Explanatory Statement."*

**Voting Exclusion:** The Company will disregard any votes cast in favour of this Resolution by or on behalf of any Director (and any Associates of a Director) regardless of the capacity in which the vote is cast or as a proxy by a person who is a member of the Company's Key Management Personnel at the date of the Meeting or their closely related parties.

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

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

**Voting Prohibition:** A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
  - (i) a member of the Key Management Personnel; or
  - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if:

- (a) the proxy is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

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### **Resolution 3 - Re-election of Director – Mr David Sargeant**

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

*"That, for the purposes of rule 7.3 of the Constitution, ASX Listing Rule 14.4 and for all other purposes, Mr David Sargeant, a Director of the Company, retires by rotation and being eligible for re-election, is re-elected as a Director of the Company."*

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### **Resolution 4 – Ratification of Prior Issue of Shares**

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 7.4 and for all other purposes, Shareholders ratify the issue of 4,000,000 Shares on the terms and conditions set out in the Explanatory Statement."*

**Voting Exclusion:** In accordance with Listing Rule 14.11, the Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who participated in the issue or is a counterparty to the agreement being approved or 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 a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and

- (ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

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#### **Resolution 5 – Approval of Additional 10% Capacity**

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

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

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#### **Resolution 6 – Approval to Issue Options to Mr Roland Hill**

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

*"That, for the purposes of Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 1,000,000 Options to Mr Roland Hill or his nominee on the terms set out in the Explanatory Statement."*

**Voting Exclusion:** In accordance with Listing Rule 14.11, the Company will disregard any votes cast in favour of the Resolution by or on behalf of Mr Roland Hill (or his nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the entity) or an associate of those persons. However, this does not apply to a vote cast in favour of the Resolution by:

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

#### **Voting Prohibition Statement:**

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
  - (i) a member of the Key Management Personnel; or
  - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if:

- (a) the proxy is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

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## Resolution 7 – Approval to Issue Options to Mr Edmund Babington

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

*"That, subject to the passing of Resolution 3, for the purposes of Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 750,000 Options to Mr Edmund Babington or his nominee on the terms set out in the Explanatory Statement."*

**Voting Exclusion:** In accordance with Listing Rule 14.11, the Company will disregard any votes cast in favour of the Resolution by or on behalf of Mr Edmund Babington (or his nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the entity) or an associate of those persons. However, this does not apply to a vote cast in favour of the Resolution by:

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

### **Voting Prohibition Statement:**

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
  - (i) a member of the Key Management Personnel; or
  - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if:

- (a) the proxy is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

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## Resolution 8 – Approval to Issue Options to Mr David Sargeant

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 10.11 and for all other purposes, approval is given for the Company to issue up to 750,000 Options to Mr David Sargeant or his nominee on the terms set out in the Explanatory Statement."*

**Voting Exclusion:** In accordance with Listing Rule 14.11, the Company will disregard any votes cast in favour of the Resolution by or on behalf of Mr David Sargeant (or his nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the entity) or an associate of those persons. However, this does not apply to a vote cast in favour of the Resolution by:

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

- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
  - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

**Voting Prohibition Statement:**

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
  - (i) a member of the Key Management Personnel; or
  - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if:

- (a) the proxy is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel

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**Resolution 9 – Approval to Issue Options to Dr Sandy Chong**

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 10.11 and for all other purposes, approval is given for the Company to issue up to 750,000 Options to Dr Sandy Chong or her nominee on the terms set out in the Explanatory Statement."*

**Voting Exclusion:** In accordance with Listing Rule 14.11, the Company will disregard any votes cast in favour of the Resolution by or on behalf of Dr Sandy Chong (or her nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the entity) or an associate of those persons. However, this does not apply to a vote cast in favour of the Resolution by:

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

**Voting Prohibition Statement:**

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
  - (i) a member of the Key Management Personnel; or
  - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if:

- (a) the proxy is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

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### **Resolution 10 – Approval to Issue Performance Rights to Mr Roland Hill**

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 10.11 and for all other purposes, approval is given for the Company to issue up to 2,000,000 Performance Rights to Mr Roland Hill or his nominee, to be issued on the terms set out in the Explanatory Statement."*

**Voting Exclusion:** In accordance with Listing Rule 14.11, the Company will disregard any votes cast in favour of the Resolution by or on behalf of Mr Roland Hill (or his nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the entity) or an associate of those persons. However, this does not apply to a vote cast in favour of the Resolution by:

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

### **Voting Prohibition Statement:**

A person appointed as proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
  - (i) a member of the Key Management Personnel for the Company; or
  - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if:

- (a) the proxy is the chair of the Meeting; and
- (b) the appointment expressly authorises the chair of the Meeting 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.

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### **By order of the Board**



Phillip MacLeod  
Company Secretary  
Dated: 2 October 2024



## **EXPLANATORY STATEMENT**

This Explanatory Statement is intended to provide Shareholders with sufficient information to assess the merits of the Resolutions contained in this Notice.

The Directors recommend that Shareholders read this Explanatory Statement in full before making any decision in relation to the Resolutions.

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### **1. FINANCIAL STATEMENTS AND REPORTS**

In accordance with the Corporations Act, the business of the Annual General Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 30 June 2024 together with the declaration of the directors, the directors' report, the remuneration report and the auditor's report.

In accordance with amendments to the Corporations Act the Company is no longer required to provide a hard copy of the Company's annual financial report to Shareholders unless a Shareholder has specifically elected to receive a printed copy. Shareholders may view the Company annual financial report on its website at [www.cadoux.com.au](http://www.cadoux.com.au).

Shareholders will be offered the following opportunities:

- (a) discuss the Annual Financial Report for the financial period ended 30 June 2024;
- (b) ask questions and make comment on the management of the Company;
- (c) ask questions about, or make comment on, the Remuneration Report;
- (d) ask the auditor questions about:
  - (i) the conduct of the audit;
  - (ii) the preparation and content of the Auditor's Report;
  - (iii) the accounting policies adopted by the Company in relation to the preparation of the financial statements; and
  - (iv) the independence of the auditor in relation to the conduct of the audit.

In addition to taking questions at the Meeting, written questions to the Chairman about the management of the Company, or to the Company's auditor about:

- (a) the content of the Auditor's Report; and
- (b) the conduct of the audit of the Financial Report,

may be submitted no later than 5 business days before the Meeting to the Company Secretary at the Company's registered office.

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### **2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT**

#### **2.1 General**

The Corporations Act requires that at a listed company's annual general meeting, a resolution that the remuneration report to be adopted must be put to the shareholders.

The remuneration report sets out the company's remuneration arrangements for the Directors and senior management of the company. The remuneration report is part of the Directors' report contained in the annual financial report of the company for a financial year.

A reasonable opportunity will be provided for discussion of the Remuneration Report at the Annual General Meeting. Shareholders should note that the vote on this Resolution is advisory only and does not bind the Company or the Directors.

## 2.2 **Voting consequences**

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

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

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

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

## 2.3 **Previous voting results**

At the Company's previous annual general meeting the votes cast against the remuneration report considered at that annual general meeting were less than 25%. Accordingly, the Spill Resolution is not relevant for this Annual General Meeting.

## 2.4 **Proxy voting restrictions**

Pursuant to the Corporations Act, if you appoint a member of the Key Management Personnel (other than the Chair) or any Closely Related Party as your proxy to vote on this Resolution 1, ***you must direct the proxy how they are to vote***. Where you do not direct such a person on how to vote on this Resolution 1, the proxy is prevented by the Corporations Act from exercising your vote and your vote will not be counted in relation to Resolution 1.

If you appoint the Chair as your proxy, and you do not direct the Chair on how to vote on this Resolution 1, then by signing and returning the proxy form you are giving express authorisation for the Chair to vote all undirected proxies **FOR Resolution 1** even though the resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

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## 3. **RESOLUTION 2 – APPROVAL FOR INCREASE IN AGGREGATE NON-EXECUTIVE DIRECTOR FEE POOL**

### 3.1 **General**

This Resolution seeks Shareholder approval for the purposes of rule 7.5(a) of the Constitution and Listing Rule 10.17 to increase the total aggregate amount of fees payable to non-executive Directors from \$300,000 to \$500,000.

Listing Rule 10.17 provides that an entity must not increase the total aggregate amount of directors' fees payable to all of its non-executive directors without the approval of holders of its ordinary securities.

Directors' fees include all fees payable by the entity or any of its child entities to a non-executive director for acting as a director of the entity or any of its child entities (including attending and participating in any board committee meetings), superannuation contributions for the benefit of a non-executive director and any fees which a non-executive director agrees to sacrifice for other benefits. It does not include reimbursement of genuine out of pocket expenses, genuine “special exertion” fees paid in accordance with an entity's constitution, or securities issued to a non-executive director under Listing Rules 10.11 or 10.14 with the approval of the holders of its ordinary securities.

Rule 7.5(a) of the Constitution provides that the Company may pay to the Non-executive Directors a maximum total amount of director's fees (excluding salaries, other employee benefits or the issue of Securities in lieu of salaries or other employee benefits or as an incentive), determined by the Company in general meeting, or until so determined, as the Directors resolve.

### 3.2 Purpose of Resolution

The maximum aggregate fees that may be provided by the Company to the non-executive Directors for their services as Directors is currently \$300,000 (**Fee Pool**) per annum.

The current Fee Pool was approved sixteen years ago by Shareholders at the Company's 2008 annual general meeting. The full details of the fees paid to the non-executive Directors of the Company during the financial year ended 30 June 2024 (**FY24**) are included in the FY24 Remuneration Report.

The proposed increase is intended to accommodate the appointment of additional suitably skilled and experienced non-executive directors for the Company as it transitions from a junior exploration company to a developer and producer of HPA and other critical minerals. The current fees for non-executive Directors is consistent with guidance from executive and director recruitment professionals.

Accordingly, the directors seek Shareholder approval to increase the total aggregate Fee Pool by \$200,000 per annum to a maximum of \$500,000 per annum.

Although an increase in the Fee Pool is being sought, it does not imply that the full amount will be used. The Fee Pool is a cap on the maximum annual fees which the Company is permitted to pay to its Directors in any one financial year. Relevantly, however, there is no legal requirement or obligation necessitating the Company actually pays fees to its Directors up to that limit in a financial year. Securities issued to a non-executive Director with the consent of Shareholders (if any) will be excluded from the Fee Pool. The Board is focused on appropriate succession planning and the increased Fee Pool will provide flexibility to appoint additional directors to the Board over time.

### 3.3 Technical information required by ASX Listing Rule 14.1A

If this Resolution is passed, the maximum aggregate amount of fees payable to the non-executive Directors will increase by \$200,000 to \$500,000.

If this Resolution is not passed, the maximum aggregate amount of fees payable to non-executive Directors will remain at \$300,000. This may inhibit the ability of the Company to remunerate, attract and retain appropriately skilled non-executive directors.

### 3.4 Specific information required by ASX Listing Rule 10.17

In accordance with the requirements of ASX Listing Rule 10.17, the following information is provided for Shareholders:

- (a) The proposed increase in the Fee Pool is \$200,000;
- (b) The maximum aggregate amount of directors' fees that may be paid to all of the Company's non-executive directors is \$500,000;
- (c) The following securities have been issued to any non-executive Director under ASX Listing Rules 10.11 or 10.14 with the approval of Shareholders within the preceding three years:

Director	Security	Number	Date
Mr Edmund Babington	Unlisted options exercisable at \$0.209 expiring 29 November 2024	750,000	28 December 2022
Mr David Sargeant	Unlisted options exercisable at \$0.209 expiring 29 November 2024	750,000	28 December 2022
Dr Sandy Chong	Unlisted options exercisable at \$0.444 expiring 16 December 2023	500,000	17 January 2022
	Unlisted options exercisable at \$0.209 expiring 29 November 2024	500,000	28 December 2022

- (d) A voting exclusion statement in respect of Resolution 2 has been included in the Notice of Annual General Meeting; and
- (e) A voting prohibition statement in respect of Resolution 2 has been included in the Notice of Annual General Meeting.

### 3.5 Directors' recommendations

Given the interest of the non-executive Directors in this Resolution, the Board makes no recommendation to Shareholders regarding this Resolution.

The Chairman of the Annual General Meeting intends to vote undirected proxies in favour of Resolution 2.

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#### 4. RESOLUTION 3 – RE-ELECTION OF DIRECTOR – MR DAVID SARGEANT

Rule 7.3 of the Constitution requires that at each annual general meeting, one-third of directors, other than a managing director, for the time being (rounded down to the nearest whole number) shall retire from office and that a Director that so retires is eligible for re-election.

Mr Sargeant, having held office without re-election since 27 November 2020 and being eligible, retires by rotation and seeks re-election.

Mr Sargeant was appointed as a director of the Company on 30 November 2009.

Mr Sargeant holds a Bachelor of Science degree in economic geology from the University of Sydney and has more than 40 years' experience as a geologist, consultant and company director. As such, he has been involved in numerous mineral exploration, ore deposit evaluation and mining development projects and is a member of AusIMM and the Geological Society of Australia.

During his career, Mr Sargeant has held a range of senior positions, including that of senior geologist with Newmont Pty Ltd and senior supervisory geologist with Esso Australia Ltd at the time of the Harbour Lights Gold Mine discovery and development. Mr Sargeant was the first chief geologist at Telfer Gold Mine during exploration, development and production at that project. In addition, he was exploration manager for the Adelaide Petroleum NL group of companies, manager of resources development for Sabminco NL and a technical director of Western Reefs Limited during the period in which that company became a successful producer at the Dalgaranga Gold Project.

Mr Sargeant successfully managed an exploration and geological consulting business for 18 years, which included the formation and management of platinum and copper-gold companies in Botswana until they were taken over during the 2005 to 2007 period by United Kingdom listed public companies. Mr Sargeant was the founding director of Empire Resources Limited, including during the period of mine development at Penny's Find Gold Mine near Kalgoorlie.

Mr Sargeant is a Non-Executive Director of the Company, and the Board considers that Mr Sargeant is an independent Director.

##### **Technical information required by Listing Rule 14.1A**

If Resolution 3 is passed, Mr Sargeant will be re-elected to the Board as an independent Director.

In the event that Resolution 3 is not passed, Mr Sargeant will not continue in this role on the Board as an independent Director. The Company may seek nominations or otherwise identify suitably qualified candidates to join the Company. As an additional consequence, this may detract from the Board and Company's ability to execute on its strategic vision.

The Directors (apart from Mr Sargeant) recommend that Shareholders vote in favour of the re-election of Mr Sargeant.

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#### 5. RESOLUTION 4 – RATIFICATION OF PRIOR ISSUE OF SHARES

##### 5.1 General

This Resolution seeks Shareholder ratification for the purposes of Listing Rule 7.4 for the issue of 4,000,000 Shares to Lubeto Pty Ltd, the nominee of the Vendor (defined below) on 8 May 2024 as part consideration for the acquisition of Minhub Operations Pty Ltd (**MOPL**).

## 5.2 Background

In May 2023 the Company announced it had entered into a binding Heads of Agreement (**HoA**) with Mr Neil O'Loughlin (**Vendor**) to acquire MOPL under a two stage Share Purchase Agreement. MOPL is developing the Minhub minerals sands processing facility in Darwin for the proposed future supply of rare earth elements. On 8 May 2024, the Company announced the first stage purchase of 50% of the issued shares in MOPL following its due diligence reviews and the completion of several key conditions precedent to the acquisition. Cadoux issued 4,000,000 Shares to the Vendor's nominee in consideration of the stage one acquisition of 50% of MOPL. The Shares were issued pursuant to the Company's capacity under Listing Rule 7.1. The issue of the Shares did not breach Listing Rule 7.1 at the time of issue.

A summary of the material terms of the HoA are set out below:

- (a) **Exclusivity** - Cadoux paid a fee of \$200,000 (**Exclusivity Fee**) in consideration for the grant by MOPL of the exclusive right to deal for the Company to undertake due diligence on MOPL and the project. The funds were to be directed by MOPL towards furthering the Minhub project and on due diligence development after consultation with Cadoux.
- (b) **Share Purchase Agreement** - At any time during the exclusivity period, Cadoux could elect to proceed to prepare a formal unconditional agreement to purchase the Shares by providing MOPL and the Vendor with a formal Share Purchase Agreement (**SPA**). The key terms of the SPA (and therefore the key terms of the transaction) are as follows:
  - (i) Cadoux is to acquire the MOPL shares through the following payments:
    - (A) On execution of the SPA, the Vendor must transfer 50% of MOPL's share capital (**First Tranche**) for a consideration of 4,000,000 Cadoux Shares (with a voluntary escrow period of 12 months). Cadoux commits to fund a minimum of \$450,000 (in addition to the Exclusivity Fee) towards funding of the feasibility study for the processing facility (**Feasibility Study**).
    - (B) At the election of Cadoux, and conditional upon completion of a successful Feasibility Study, the remaining 50% of MOPL's share capital (**Second Tranche**) may be purchased by Cadoux, on the issue of 15,000,000 Cadoux Shares (with a voluntary escrow period of 12 months) or the payment of \$2.5 million at the Vendor's discretion.
  - (ii) Cadoux agrees to co-fund up to \$1.1 million over a period of 18 months (with Arafura Rare Earths Limited paying 50% of the costs) with an additional co-funding of a provisional amount of \$500,000 for cost overruns (these requirements are subject to change).
  - (iii) If Cadoux does not elect to proceed with the Second Tranche and ceases development of the facility, Cadoux will transfer the share capital in MOPL acquired under the First Tranche back to the Vendor on a cost recovery basis.
  - (iv) MOPL will be managed by Mr. Neil O'Loughlin under a management contract to be agreed as a condition precedent.
  - (v) The SPA will include certain obligations with respect to restrictions on the sale of the shares in MOPL including, that if Cadoux ceases funding prior to completion of the Feasibility Study then Cadoux will transfer the share capital in MOPL acquired under the First Tranche back to the Vendor on a cost recovery basis, and that if Minhub is sold, merged or listed (in its own right or as part of a package) within 5 years, then an amount 15% of the transaction price less all Cadoux expenditure above \$600,000 (**Transaction Price amount**) will be paid to the Vendor if within 18 months of signing, 10% of the Transaction Price amount will be paid if within 3 years of signing or 5% of

the Transaction Price amount will be paid if within 5 years of signing (subject to certain conditions).

(vi) The Transaction and completion under the SPA is subject to satisfaction (or waiver by Cadoux) of the following key conditions precedent:

- (A) An agreement being reached with Arafura in relation to collaboration and co-funding of 50% of the Feasibility Study expenditure.
- (B) An offtake option in relation to heavy mineral concentrates on terms agreed with key suppliers.
- (C) An access agreement with the Darwin Port and a binding lease over a proposed site.
- (D) The Management Contract with Mr O'Loughlin being agreed.

### 5.3 Listing Rule 7.1

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

The issue of the Shares does not fit within any of the exceptions set out in Listing Rule 7.2 and, as it has not yet been approved by Shareholders, it effectively uses up part of the 15% limit in Listing Rules 7.1, reducing the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1 for the 12 month period following the date of issue of the Shares.

### 5.4 Listing Rule 7.4

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

The Company wishes to retain as much flexibility as possible to issue additional equity securities in the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1. Accordingly, the Company is seeking Shareholder ratification pursuant to Listing Rule 7.4 for the issue.

### 5.5 Technical information required by Listing Rule 14.1A

If Resolution 4 is passed, the Shares will be excluded in calculating the Company's 15% limit in Listing Rules 7.1, effectively increasing the number of equity securities the Company can issue without Shareholder approval over the 12-month period following the date of issue of the Shares.

If Resolutions 4 is not passed, the Shares will be included in calculating the Company's 15% limit in Listing Rules 7.1, effectively decreasing the number of equity securities the Company can issue without Shareholder approval over the 12-month period following the date of issue of the Shares.

### 5.6 Technical information required by Listing Rules 7.4 and 7.5

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to Resolution 4:

- (a) the Shares were issued to Lubeto Pty Ltd, the nominee of the Vendor;
- (b) in accordance with paragraph 7.4 of ASX Guidance Note 21, the Company confirms that the recipient and Vendor were not:

- (i) related parties of the Company, members of the Company's Key Management Personnel, substantial holders of the Company, advisers of the Company or an associate of any of these parties; and
  - (ii) issued more than 1% of the issued capital of the Company;
- (c) 4,000,000 Shares were issued pursuant to Listing Rule 7.1;
  - (d) the Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
  - (e) the Shares were issued on 8 May 2024;
  - (f) the Shares were issued at a nil issue price as consideration for 50% of the shares of MOPL at a deemed price of \$0.062 per Shares;
  - (g) a voting exclusion statement applies to this Resolution; and
  - (h) the Shares were issued under the terms of the binding HoA and subsequent SPA.

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## 6. RESOLUTION 5 – APPROVAL OF ADDITIONAL 10% CAPACITY

### 6.1 General

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

Under Listing Rule 7.1A, however, an eligible entity can seek approval from its members by way of a special resolution passed at its annual general meeting, to increase this 15% limit by an extra 10% to 25%.

An 'eligible entity' means an entity which is not included in the S&P/ASX 300 Index and which has a market capitalisation of \$300 million or less. The Company is an eligible entity for these purposes.

This Resolution seeks shareholder approval by way of special resolution for the Company to have the additional 10% capacity provided for in Listing Rule 7.1A to issue equity securities without shareholder approval.

### 6.2 Technical information required by Listing Rule 14.1A

For note, a special resolution is a resolution requiring at least 75% of votes cast by shareholders present and eligible to vote at the meeting in favour of the resolution.

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

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

### 6.3 Information for Shareholders as required by Listing Rule 7.3A

Pursuant to and in accordance with Listing Rule 7.3A, the information below is provided in relation to Resolution 3:

- (a) Period for which approval is valid
  - (i) An approval under Listing Rule 7.1A commences on the date of the annual general meeting at which the approval is obtained and expires on the first to occur of the following:
    - (A) The date that is 12 months after the date of the annual general meeting at which the approval is obtained.

(B) The time and date of the Company's next annual general meeting.

(C) The time and date of the approval by Shareholders of a transaction under Listing Rule 11.1.2 or Listing Rule 11.2.

(b) Minimum price at which equity securities may be issued

Any equity securities issued under Listing Rule 7.1A must be in an existing quoted class of the eligible entity's equity securities and issued for a cash consideration per security which is not less than 75% of the volume weighted average market price for securities in that class, calculated over the 15 Trading Days on which trades in that class were recorded immediately before:

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

(c) Purposes for which funds raised may be used

Equity securities can only be issued under Listing Rule 7.1A for a cash consideration. Funds raised by the issue of equity securities under Listing Rule 7.1A are intended to be used for the continued development of the Company's current assets, the acquisition of new assets or other investments (including expenses associated with such acquisition), and for general working capital.

(d) Risk of economic and voting dilution

If this Resolution is approved by Shareholders and the Company issues equity securities under Listing Rule 7.1A, the existing Shareholders' voting power in the Company will be diluted.

There is a risk that:

- (i) the market price for the equity securities in that class may be significantly lower on the issue date than on the date of the Shareholder approval under Listing Rule 7.1A; and
- (ii) the equity securities may be issued at a price that is at a discount to the market price for those equity securities on the issue date.

The table below shows the potential dilution of existing Shareholders on the basis of 3 different assumed issue prices and values for variable "A" in the formula in Listing Rule 7.1A.2 on the basis of the closing market price of Shares and the number of securities on issue or proposed to be issued as at 1 October 2024. This includes one example that assumes that "A" is double the number of Shares on issue at the time of the approval under Listing Rule 7.1A and that the price of Shares has fallen by 50%.



Number of Shares on Issue (Variable "A" in Listing Rule 7.1A.2)	Number of Shares issued under additional 10% capacity	Dilution		
		Funds raised based on issue price of \$0.033	Funds raised based on issue price of \$0.066	Funds raised based on issue price of \$0.099
		(50% decrease in current issue price)	(Current issue price)	(50% increase in current issue price)
370,917,589 (Current)*	37,091,758	\$1,224,028	\$2,448,056	\$3,672,084
556,376,384 (50% increase)	55,637,638	\$1,836,042	\$3,672,084	\$5,508,126
741,835,178 (100% increase)	74,183,517	\$2,448,056	\$4,896,112	\$7,344,168

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

The table has been prepared on the following assumptions:

1. The current Shares on issue are the Shares on issue as at 1 October 2024.
2. The issue price set out above is the closing price of the Shares on the ASX on 1 October 2024, being \$0.066.
3. The Company issues the maximum number of equity securities available under the additional 10% capacity.
4. The Company has not issued any securities in the 12 months prior to the Annual General Meeting that were not issued under an exception in Listing Rule 7.2 or with approval under Listing Rule 7.1.
5. No Options are exercised into Shares before the date of the issue of the equity securities.
6. The calculations above do not show the dilution that any one particular Shareholder will be subject to. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.
7. This table does not set out any dilution pursuant to approvals under Listing Rule 7.1 unless otherwise disclosed.
8. The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
9. The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 7.1A Mandate, based on that Shareholder's holding at the date of the Meeting.

Shareholders should note that there is a risk that:

1. the market price for the Company's Shares may be significantly lower on the issue date than on the date of the Meeting; and
2. the Shares may be issued at a price that is at a discount to the market price for those Shares on the date of issue.

(e) Allocation Policy

The Company's allocation policy for the issue of equity securities under the additional 10% capacity will depend on the prevailing market conditions at the time of any proposed issue. The identity of the allottees of equity securities will be determined on a case-by-case basis having regard to the factors including but not limited to the following:

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

The allottees under the additional 10% capacity have not been determined as at the date of this Notice but may include existing substantial shareholders and/or new Shareholders who are not related parties or associates of a related party of the Company and may include new investors who have not previously been Shareholders.

(f) Equity securities issued under Listing Rule 7.1A.2 in the previous 12 months

The Company previously obtained approval from its Shareholders pursuant to Listing Rule 7.1A at its annual general meeting held on 28 November 2023. The Company has not issued any equity securities under Listing Rule 7.1A. in the 12 months preceding this Meeting.

(g) Voting Exclusion Statement

As at the date of this Notice, the Company is not proposing to make an issue of equity securities under Listing Rule 7.1A. Accordingly, a voting exclusion statement is not included in this Notice .

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**7. RESOLUTIONS 6, 7, 8 AND 9 – APPROVAL TO ISSUE OPTIONS TO RELATED PARTIES MR ROLAND HILL, MR EDMUND BABINGTON, MR DAVID SARGEANT AND DR SANDY CHONG**

**7.1 General**

These Resolutions seek Shareholder approval for the purposes of Listing Rule 10.11 for the issue of up to a total of 3,250,000 Options to the Company's directors Mr Roland Hill, Mr Edmund Babington, Mr David Sargeant and Dr Sandy Chong (or their nominees) comprising:

- (a) 1,000,000 Options to be issued to Mr Hill (or his nominees) pursuant to Resolution 6;
- (b) 750,000 Options to be issued to Mr Babington (or his nominees) pursuant to Resolution 7;
- (c) 750,000 Options to be issued to Mr Sargeant (or his nominees) pursuant to Resolution 8; and
- (d) 750,000 Options to be issued to Dr Chong (or her nominees) pursuant to Resolution 9, on the terms and conditions set out below.

At the 2023 Annual General Meeting, the Company sought and was granted approval to issue Options to each of the Directors. The Company did not proceed with the issue of the approved Options as the Board took the view after the approval was given that it was not appropriate as there was at the time a material incomplete proposal that could not be announced to the market. The proposal did not complete. The Company is now seeking the re-approval for the issue of the Options.

Resolutions 6, 7, 8 and 9 seek Shareholder approval so that the Company may grant Options to each of the Directors Messrs Babington, Hill and Sargeant and to Dr Chong. The approval to grant Options to Mr Sargeant (Resolution 8) is conditional on his re-election as a Director (Resolution 3).

## 7.2 Chapter 2E of the Corporations Act

Chapter 2E of the Corporations Act requires that for a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

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

The issue constitutes giving a financial benefit and Messrs Hill, Babington and Sargeant and Dr Chong are related parties of the Company by virtue of being Directors.

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

In respect of Resolution 7, the Directors (other than Mr Babington who has a material personal interest in the Resolution) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue because the agreement to issue the Options, reached as part of the remuneration package for Mr Babington, is considered reasonable remuneration in the circumstances and was negotiated on an arm's length basis.

In respect of Resolution 8, the Directors (other than Mr Sargeant who has a material personal interest in the Resolution) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue because the agreement to issue the Options, reached as part of the remuneration package for Mr Sargeant, is considered reasonable remuneration in the circumstances and was negotiated on an arm's length basis.

In respect of Resolution 9, the Directors (other than Dr Chong who has a material personal interest in the Resolution) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue because the agreement to issue the Options, reached as part of the remuneration package for Dr Chong, is considered reasonable remuneration in the circumstances and was negotiated on an arm's length basis.

## 7.3 Listing Rule 10.11

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

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

10.11.5 a person whose relationship with the company or a person referred to in Listing Rules 10.11.1 to 10.11.4 is such that, in ASX's opinion, the issue or agreement should be approved by its shareholders,

unless it obtains the approval of its shareholders.

The issue of Options falls within Listing Rule 10.11.1 and does not fall within any of the exceptions in Listing Rule 10.12. It therefore requires the approval of Shareholders under Listing Rule 10.11.

#### 7.4 **Technical information required by Listing Rule 14.1A**

If Resolutions 6 - 9 are passed, the Company will be able to proceed with the issue of the Options to the Related Parties within one month after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules). As approval pursuant to Listing Rule 7.1 is not required for the issue of the Options (because approval is being obtained under Listing Rule 10.11), the issue of the Options will not use up any of the Company's 15% annual placement capacity.

If Resolution 6 - 9 are not passed, the Company will not be able to proceed with the issue of the Options.

#### 7.5 **Listing Rule 10.13**

Pursuant to and in accordance with Listing Rule 10.13, the following information is provided to Shareholders in relation to Resolutions 6 - 9:

- (a) the Options will be issued to the Directors, Roland Hill (Resolution 6), Edmund Babington (Resolution 7), David Sargeant (Resolution 8) and Sandy Chong (Resolution 9) or their nominees. Any nominee(s) of the recipient who receive Securities may constitute 'associates' for the purposes of Listing Rule 10.11.4;
- (b) each of the Directors are related parties (Listing Rule 10.11.1) by virtue of being Directors;
- (c) the maximum number of securities the Company will issue is 3,250,000 Options being:
  - 1,000,000 Options to Roland Hill (or his nominee) (Resolution 6);
  - 750,000 Options to Edmund Babington (or his nominee) (Resolution 7);
  - 750,000 Options to David Sargeant (or his nominee) (Resolution 8); and
  - 750,000 Options to Sandy Chong (or her nominee) (Resolution 9);
- (d) the exercise price of the Options is 140% of the volume weighted average price for the 5 days on which Shares trade prior to the date of the Meeting. The Options will expire 2 years after the date of this Meeting and have no vesting criteria. The full terms of the Options are set out in Schedule 1;
- (e) the Options will be issued no later than 1 month after the date of this Meeting (or a later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that issue of the Options will occur on the same date;
- (f) the Options will be issued for nil consideration. The Company will not receive any other consideration in respect of the issue of the Options (other than in respect of funds received on exercise of the Options);
- (g) the purpose of the issue is to issue Options to provide a performance linked incentive component in the remuneration package for the Directors to motivate and reward their performance as Directors and provide cost effective remuneration to the Directors, enabling the Company to spend a greater proportion of its cash reserves on its operations than it would if alternative cash forms of remuneration were given to the Directors;
- (h) the current total remuneration package of each of the Directors, exclusive of superannuation, is:

- (i) Mr Hill: \$376,560 per annum;
- (ii) Mr Babington: \$80,000 per annum;
- (iii) Mr Sargeant: \$50,000 per annum; and
- (iv) Dr Chong: \$50,000 per annum.

If the Options are issued, the total remuneration package of the Directors will increase as follows:

- (i) Mr Hill by \$34,000 to \$410,560;
- (ii) Mr Babington by \$25,500 to \$105,500;
- (iii) Mr Sargeant by \$25,500 to \$75,500; and
- (iv) Dr Chong by \$25,500 to \$75,500,

being the value of the Options (based on the Black Scholes methodology);

- (i) the Options are not being issued under an agreement;
- (j) a voting exclusion statement is included in the Notice; and
- (k) a voting prohibition statement is included in the Notice.

## 8. RESOLUTION 10 – APPROVAL TO ISSUE PERFORMANCE RIGHTS TO MR ROLAND HILL

### 8.1 General

This Resolution seeks Shareholder approval for the purposes of Listing Rule 10.11 for the issue of up to 2,000,000 Performance Rights to Mr Roland Hill (or his nominee) on the terms and conditions set out below.

### 8.2 Chapter 2E of the Corporations Act - Related Party Transaction

A summary of Chapter 2E of the Corporations Act is set out in Section 7.2 above.

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

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

### 8.3 Listing Rule 10.11

A summary of Listing Rule 10.11 is set out in Section 7.3 above.

The issue falls within Listing Rule 10.11.1 and does not fall within any of the exceptions in Listing Rule 10.12. It therefore requires the approval of Shareholders under Listing Rule 10.11.

### 8.4 Technical information required by Listing Rule 14.1A

If the Resolution is passed, the Company will be able to proceed with the issue of the Performance Rights within one month after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules). As approval pursuant to Listing Rule 7.1 is not required for the issue (because approval is being obtained under Listing Rule 10.11), the issue will not use up any of the Company's 15% annual placement capacity.

If the Resolution is not passed, the Company will not be able to proceed with the issue of the Performance Rights to Roland Hill.

## 8.5 Listing Rule 10.13

For Shareholders to approve the issue of the Performance Rights under and for the purposes of Listing Rule 10.11, the following information is provided to Shareholders in accordance with Listing Rule 10.13:

- (a) The securities will be issued to Mr Hill or his nominees.
- (b) Mr Hill is a Director and is therefore a related party (Listing Rule 10.11.1).
- (c) The number of securities the Company will issue is up to 2,000,000 Performance Rights.
- (d) The securities to be issued are Performance Rights, the terms of which are set out in Schedule 2.
- (e) The securities will be issued no later than 1 month after the date of the Meeting (or a later date to the extent permitted by an ASX waiver or modification of the Listing Rules).
- (f) The Performance Rights will be issued for nil consideration.
- (g) The purpose of the issue of Performance Rights is to incentivise and remunerate Mr Hill in performing his role as Managing Director and the issue of these incentive securities is considered an appropriate incentive in the circumstances of the Company. No funds will be raised from the issue of the Performance Rights.
- (h) The current total remuneration package of Mr Hill is \$376,560 per annum. If the Performance Rights are issued, the total remuneration package of Mr Hill will increase by \$132,000 to \$508,560, being the value of the Performance Rights (based on a spot price valuation);

### **Class D Performance Rights**

In determining the fair value of the Class D Performance Rights, the performance/vesting condition and the service condition is a non-market condition and is therefore not reflected in the assessment of fair value. The Class D Performance Rights are therefore valued at the underlying Share spot price of the Company at the valuation date of 1 October 2024.

This spot price is 6.6 cents.

### **Class E Performance Rights**

In determining the fair value of the Class E Performance Rights, the performance/vesting condition and the service condition is a non-market condition and is therefore not reflected in the assessment of fair value. The Class E Performance Rights are therefore valued at the underlying Share spot price of the Company at the valuation date of 1 October 2024.

This spot price is 6.6 cents.

Based on the above assumptions, the Performance Rights have been valued as follows:

	<b>Class D Performance Rights</b>	<b>Class E Performance Rights</b>
Roland Hill	1,000,000 Performance Rights – 6.6 cents each (\$66,000 total)	1,000,000 Performance Rights – 6.6 cents each (\$66,000 total)

- (i) The Performance Rights to be issued to Mr Hill are to be issued as an incentive under the terms of the consulting agreement with Capstone Capital Pty Ltd and Mr Hill by which Capstone Capital Pty Ltd procures Mr Hill to provide the services as Managing Director. Other than the remuneration referred to above, the other material terms of the consultancy service agreement with Mr Hill is he is engaged, through Capstone Capital Pty Ltd, for the term of 48 months concluding on 30 June 2025 (or such further period as may be agreed) and either the Company or Capstone Capital may terminate without cause on 3 month's written notice as well as the Company being able to terminate upon limited events akin to misconduct or incapacity; and

- (j) A voting exclusion statement is included in Resolution 10 of the Notice; and
- (k) A voting prohibition statement is included in Resolution 10 of the Notice.

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9. **ENQUIRIES**

Shareholders may contact Phil MacLeod on (+ 61 8) 6313 3920 if they have any queries in respect of the matters set out in this document.

## GLOSSARY

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In the Notice and this Explanatory Statement the following expressions have the following meanings:

**"Annual General Meeting" and "Meeting"** means the meeting convened by this Notice.

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

**"ASX"** means the ASX Limited (ABN 98 008 624 691).

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

**"Auditor's Report"** means the Auditor's report on the Financial Report.

**"Board"** means the Board of Directors of the Company.

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

**"Chairman" or "Chair"** means the chairman of the Company.

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

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

**"Company" or "Cadoux"** means Cadoux Ltd (ACN 061 289 218).

**"Constitution"** means the constitution of the Company.

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

**"Directors"** mean the directors of the Company from time to time.

**"Directors' Report"** means the annual Directors' Report prepared under Chapter 2M of the Corporations Act for the Company.

**"equity securities"** has the same meaning as in the Listing Rules.

**"Explanatory Statement"** means this Explanatory Statement.

**"Financial Report"** means the annual financial report prepared under Chapter 2M of the Corporations Act of the Company.

**"Key Management Personnel"** has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, of the consolidated entity, directly or indirectly, including any director (whether executive or otherwise) of the Company, or if the Company is part of a consolidated entity, of an entity within the consolidated group.

**"Notice"** means the notice of meeting that accompanies this Explanatory Statement.

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

**"Optionholder"** means a holder of an Option.

**"Performance Right"** means a right to acquire a Share subject to the satisfaction of applicable vesting conditions.

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

**"Resolution"** means a resolution referred to in the Notice.

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



"**Shareholder**" means a registered holder of shares in the Company.

"**Trading Day**" has the same meaning as in the Listing Rules.

"**WST**" or "**Western Standard Time**" means Western Standard Time, Perth, Western Australia.

"**\$**" means Australian dollars unless otherwise stated.

## SCHEDULE 1

### TERMS OF OPTIONS TO DIRECTORS (RESOLUTIONS 6, 7, 8 and 9)

1. Each Option entitles the holder to one Share.
2. The Options are exercisable at any time prior to 5.00 pm Western Standard Time two years after the date of the Meeting ("**Expiry Date**"). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
3. The exercise price of the Options is 140% of the volume weighted average price for the 5 days on which Shares trade prior to the date of the Meeting.
4. The Options will not be listed on ASX and may only be transferred with the consent of the Board of the Company.
5. The Company will provide to each Option holder a notice that is to be completed when exercising the Options ("**Notice of Exercise**"). The Options may be exercised wholly or in part by completing the Notice of Exercise and delivering it together with payment to the secretary of the Company to be received any time prior to the Expiry Date ("**Exercise Date**").
6. Within 15 Business Days after the later of the following:
  - (i) the Exercise Date; and
  - (ii) when excluded information in respect to the Company (as defined in section 708A(7) of the Corporations Act) (if any) ceases to be excluded information,but in any case no later than 20 Business Days after the Exercise Date, the Company will:
  - (iii) allot and 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; and
  - (iv) 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.
7. Shares issued on the exercise of the Options rank equally with the then issued Shares.
8. There will be no participating rights or entitlements inherent in the Options and the holders will not be entitled to participate in new issues of capital which may be offered to Shareholders during the currency of the Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least 7 business days after the issue is announced. This will give Optionholders the opportunity (where Options have vested, if applicable) to exercise their Options prior to the date for determining entitlements to participate in any such issue.
9. If there is a bonus issue ("**Bonus Issue**") to Shareholders, the number of Shares over which an Option is exercisable will be increased by the number of Shares which the holder would have received if the Option had been exercised before the record date for the Bonus Issue ("**Bonus Shares**"). The Bonus Shares must be paid up by the Company out of profits or reserves (as the case may be) in the same manner as was applied in the Bonus Issue, and upon issue will rank equally in all respects with the other Shares on issue as at the date of issue of the Bonus Shares.
10. In the event of any reconstruction (including consolidation, sub-division, reduction or return) of the issued capital of the Company prior to the Expiry Date, all rights of an Optionholder are to be changed in a manner consistent with the Listing Rules and Corporations Act.
11. **Cashless Exercise Facility**
  - (i) If, at the time of exercise of Options, subject to Board approval at that time and these terms, the Optionholder may elect not to be required to provide payment of the Exercise Price for the number of Options specified in a Notice of Exercise but that on exercise of those Options the Company will issue or transfer to the Optionholder that number of Shares equal in value to the positive difference between the then Market Value of the Shares up to the time of exercise and the Exercise Price that would otherwise be payable to exercise those Options (with the number of Shares rounded down to the nearest whole Share) ("**Cashless Exercise Facility**").
  - (ii) If the Option Exercise Price otherwise payable in respect of the Options being exercised is the same or higher than the Market Value of a Share at the time of exercise, then an Optionholder will not be entitled to use the Cashless Exercise Facility.

- (iii) **Market Value** means the volume weighted average market price for a Share traded on the ASX during the 5 most recent trading days on which Shares were traded up to and including the date the Market Value is to be determined.

## SCHEDULE 2

### TERMS OF PERFORMANCE RIGHTS TO DIRECTOR (RESOLUTION 10)

Class of Performance Rights	Service Condition	Performance condition
Class D Performance Rights	The holder or the holder's representative remains engaged as an employee or Director until the performance condition is satisfied subject to good leaver conditions as summarised in the Employee Securities Incentive Plan.	(a) On or before 30 September 2025, the Board of the Company makes a positive financial investment decision for the construction of the Small Scale Plant for the production of high purity alumina;  or (b) On or before 30 September 2025, a Takeover Event* occurs.
Class E Performance Rights	The holder or the holder's representative remains engaged as an employee or Director until the performance condition is satisfied subject to good leaver conditions as summarised in the Employee Incentive Plan.	(a) On or before 30 September 2025, the Board of the Company makes a positive financial investment decision for the construction of the Minhub processing plant;  or (b) On or before 30 September 2025, a Takeover Event* occurs.

\* "Takeover Event" means a takeover bid for the Company pursuant to Chapter 6 of the Corporations Act where the bidder achieves control of more than 50% of the ordinary shares or a court grants an order approving a compromise or scheme where the ordinary shares are either cancelled or transferred to a third party (not being a scheme of arrangement simply for the purposes of a corporate restructure).

The other terms of the Performance Rights will be:

- (a) (Conversion) Upon satisfaction of the relevant performance condition and service condition, each Performance Right will, at the election of the holder, vest and convert into one Share.
- (b) (No Consideration payable) No consideration will be payable upon the vesting and conversion of the Performance Rights.
- (c) (No Voting rights) A Performance Right does not entitle a holder to vote on any resolutions proposed at a general meeting of Shareholders of the Company.
- (d) (No dividend rights) A Performance Right does not entitle a holder to any dividends.
- (e) (No rights on winding up) A Performance Right does not entitle the holder to participate in the surplus profits or assets of the Company upon winding up of the Company.
- (f) (Not transferable) A Performance Right is not transferable.
- (g) (Reorganisation of capital) If there is a reorganisation (including, without limitation, consolidation, sub-division, reduction or return) of the issued capital of the Company, the rights of a holder will be varied, as appropriate, in accordance with the Listing Rules which apply to reorganisation of capital at the time of the reorganisation.
- (h) (Quotation of Shares on conversion) An application will be made by the Company to ASX for official quotation of the Shares issued upon the conversion of each Performance Right within the time period required by the Listing Rules. The Company will not apply for quotation of the Performance Rights on ASX.

- (i) (No participation in entitlements and bonus issues) A Performance Right does not entitle a holder to participate in new issues of capital offered to holders of Shares, such as bonus issues and entitlement issues.
- (j) (No other rights) A Performance Right does not give a holder any other rights other than those expressly provided by these terms and those provided at law where such rights at law cannot be excluded by these terms.
- (k) (Lapse) If the performance condition relevant to a Performance Right has not been satisfied by the relevant expiry date, then the Performance Rights will automatically lapse.

Your proxy voting instruction must be received by **10.00am (AWST) on Tuesday, 05 November 2024**, being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

## SUBMIT YOUR PROXY

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

### YOUR NAME AND ADDRESS

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

### STEP 1 – APPOINT A PROXY

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

### DEFAULT TO THE CHAIR OF THE MEETING

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

### STEP 2 - VOTES ON ITEMS OF BUSINESS

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

### APPOINTMENT OF SECOND PROXY

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

### SIGNING INSTRUCTIONS

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

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

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

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

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

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

### CORPORATE REPRESENTATIVES

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

### Lodging your Proxy Voting Form:

#### Online

Use your computer or smartphone to appoint a proxy at <https://investor.automic.com.au/#/loginsah> or scan the QR code below using your smartphone

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



#### BY MAIL:

Automic  
GPO Box 5193  
Sydney NSW 2001

#### IN PERSON:

Automic  
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Sydney NSW 2000

#### BY EMAIL:

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