

Eastern Iron Limited
ACN 126 678 037

Notice of General Meeting

Notice is given that the Meeting will be held at:

Time: 10:00am (Sydney time)
Date: 13 April 2021
Place: The offices of Hall Chadwick
Level 40, 2 Park Street,
Sydney NSW 2000

Due to current COVID-19 restrictions, persons proposing to attend the Meeting in person are requested to contact the Company by email at myles.fang@easterniron.com.au at least 3 Business Days prior to the Meeting, so that appropriate arrangements can be made.

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

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

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 7:00pm (Sydney time) on 11 April 2021.

Business of the Meeting

Agenda

1. Resolution 1 - Ratification of prior issue of Shares – Tranche One 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 ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 62,500,000 Shares to sophisticated and professional investors under ASX Listing Rule 7.1 on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of any person who participated in the issue, or any associates of those persons.

2. Resolution 2 – Approval of issue of Tranche One Options

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, Shareholders approve the issue of 31,250,000 Options to sophisticated and professional investors on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of any person who is expected participate in the issue, or any person who will obtain a material benefit (except a benefit solely by reason of being a Shareholder), or any associates of those persons.

3. Resolution 3 – Approval of issue of Tranche Two Securities

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, Shareholders approve the issue of up to 75,000,000 Shares and 37,500,000 Options on the basis of one Option for every two Shares issued to sophisticated and professional investors (or their nominee(s)) under ASX Listing Rule 7.1 on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of any person who is expected participate in the issue, or any person who will obtain a material benefit (except a benefit solely by reason of being a Shareholder), or any associates of those persons.

4. Resolution 4 – Approval of issue of Options to Joint Lead Manager – CPS

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, Shareholders approve the issue of 10,000,000 Options to CPS Capital Group Pty Ltd (or its nominee(s)) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of CPS Capital Group Pty Ltd (or its nominee(s)), or any person who will obtain a material benefit (except a benefit solely by reason of being a Shareholder), or any associates of those persons.

5. Resolution 5 – Approval of issue of Options to Joint Lead Manager – First Growth Advisory

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, Shareholders approve the issue of 10,000,000 Options to First Growth Advisory Pty Ltd (or its nominee(s)) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of First Growth Advisory Pty Ltd (or its nominee(s)), or any person who will obtain a material benefit (except a benefit solely by reason of being a Shareholder), or any associates of those persons.

6. Resolution 6 – Approval to issue Options to Director – Myles Fang

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

“That, for the purposes of section 208 of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of 7,000,000 Director Options to Myles Fang (or his nominee/s), on the terms and conditions set out in the Explanatory Statement”

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by or on behalf of Myles Fang (or his nominee/s), or any associates of those persons.

Voting Prohibition Statement: In accordance with section 224 of the Corporations Act, a vote on this Resolution may not be cast (in any capacity) by or on behalf of a related party of the company to whom the Resolution would permit a financial benefit be given or any of their associates (**Restricted Party**). However, a Restricted Party may cast a vote on the Resolution as a proxy if they are appointed as a proxy by writing that specifies the way the proxy is to vote and the vote is not cast on behalf of any Restricted Party.

In addition, in accordance with section 250BD of the Corporations Act, 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, provided the Chair is not a Restricted Party, 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.

7. Resolution 7 – Approval to issue Options to Director – Eddie King

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

“That, for the purposes of section 208 of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of 7,000,000 Director Options to Eddie King (or his nominee/s), on the terms and conditions set out in the Explanatory Statement”

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by or on behalf of Eddie King (or his nominee/s), or any associates of those persons.

Voting Prohibition Statement: In accordance with section 224 of the Corporations Act, a vote on this Resolution may not be cast (in any capacity) by or on behalf of a related party of the company to whom the Resolution would permit a financial benefit be given or any of their associates (**Restricted Party**). However, a Restricted Party may cast a vote on the Resolution as a proxy if they are appointed as a proxy by writing that specifies the way the proxy is to vote and the vote is not cast on behalf of any Restricted Party.

In addition, in accordance with section 250BD of the Corporations Act, 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, provided the Chair is not a Restricted Party, 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.

8. Resolution 8 – Approval to issue Options to Director – Therese-Marie Taylor

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

“That, for the purposes of section 208 of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of 7,000,000 Director Options to Therese Taylor (or her nominee/s), on the terms and conditions set out in the Explanatory Statement”

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by or on behalf of Therese-Marie Taylor (or her nominee/s), or any associates of those persons.

Voting Prohibition Statement: In accordance with section 224 of the Corporations Act, a vote on this Resolution may not be cast (in any capacity) by or on behalf of a related party of the Company to whom the Resolution would permit a financial benefit be given or any of their associates (**Restricted Party**). However, a Restricted Party may cast a vote on the Resolution as a proxy if they are appointed as a proxy by writing that specifies the way the proxy is to vote and the vote is not cast on behalf of any Restricted Party.

In addition, in accordance with section 250BD of the Corporations Act, 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, provided the Chair is not a Restricted Party, 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.

9. Resolution 9 – Approval to issue Employee Options to Company Secretary – Ian White

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

“That, for the purposes of Listing Rule 7.1 and for all other purposes, Shareholders approve the issue of 1,000,000 Employee Options to Ian White (or his nominee/s), on the terms and conditions set out in the Explanatory Statement”

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by or on behalf of Ian White (or his nominee(s)), or any person who will obtain a material benefit (except a benefit solely by reason of being a Shareholder), or any associates of those persons.

10. Resolution 10 – Approval to issue Employee Options to Consultant – Jason Hou

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, Shareholders approve the issue of 1,000,000 Employee Options to Jason Hou (or his nominee/s), on the terms and conditions set out in the Explanatory Statement”

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by or on behalf of Jason Hou (or his nominee(s)), or any person who will obtain a material benefit (except a benefit solely by reason of being a Shareholder), or any associates of those persons.

Dated: 2 March 2021

By order of the Board

Ian White

Company Secretary

Voting Exclusion Statements

Each Voting Exclusion Statement that applies to a Resolution as noted in the Agenda, does not apply to a vote cast in favour of that Resolution by:

- (a) a person as 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) provided the chair is not a Restricted Party in respect of the relevant Resolution (refer to Resolutions 6 to 8), 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 in person

To vote in person, attend the Meeting at the time, date and place set out above.

Due to current COVID-19 restrictions, persons proposing to attend the Meeting in person are requested to contact the Company by email at myles.fang@easterniron.com.au at least 3 Business Days prior to the Meeting, so that appropriate arrangements can be made.

Voting by proxy

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:

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

Shareholders and their proxies should be aware that changes to the Corporations Act made in 2011 mean that:

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

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 2 9906 7551.

Explanatory Statement

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

1. Capital Raising

1.1 General

On 2 February 2021, the Company announced a Capital Raising of up to approximately \$2,200,000 (before costs) made up of the following issues:

- (a) A placement of approximately \$1,100,000 by way of a placement of 137,500,000 Shares at an issue price of \$0.008 each with free attaching Options exercisable at \$0.012 each on or before 31 January 2023 (**Options**) on the basis of one (1) Option for every two (2) Shares issued, in two tranches to sophisticated and professional investors (the **Placement**).
 - (i) Tranche One of the Placement consisted of 62,500,000 Shares and 31,250,000 Options. The Tranche One Shares were issued without Shareholder approval using the Company's placement capacity under Listing Rule 7.1 on 10 February 2021. The Tranche One Options are to be issued subject to Shareholder approval under Listing Rule 7.1.
 - (ii) Tranche Two of the Placement consisted of 75,000,000 Shares and 37,500,000 Options. The issue of the Tranche Two Securities is subject to Shareholder approval under Listing Rule 7.1.
- (b) A non-renounceable entitlements issue to raise approximately \$1,100,000 by the issue of Shares and Options to Shareholders on the basis of one (1) Share for every four (4) Shares held on the Record Date, with one (1) Option free attaching to every two (2) Shares issued (**Entitlement Issue**).

Together the Placement and the Entitlement Issue are referred to as the **Capital Raising**.

The Company's cash balance as at the end of the December 2020 quarter was approximately \$128,000. Funds raised under the Capital Raising will be used for:

- Exploration costs associated with the Company's Nowa Nowa iron project;
- Exploration costs associated with the Company's Nowa Nowa copper project;
- Repayment of creditors;
- Corporate and administrative expenses;
- Expenses of the Capital Raising; and
- Working capital.

The issue price of all Shares to be issued under all parts of the Capital Raising is the same, i.e., \$0.008 per Share. The terms and conditions of all Options being offered are the same, and the Options attach free to all Shares being issued under all components of the Capital Raising in the same ratio, i.e., one (1) free Option for every two (2) Shares issued.

This Notice seeks Shareholder ratification of the issue of the Tranche One Shares, and Shareholder approval for the issue of the Tranche One Options and all Tranche Two Securities, and for the issue of the Lead Manager Options.

The issue of Securities under the Entitlements Issue does not require Shareholder approval under the Listing Rules. A prospectus for the Entitlements Issue will be lodged with the Australian Securities and Investments Commission in due course and will be made available to all Shareholders entitled to participate.

1.2 Joint Lead Management Agreement

The Company entered into a Joint Lead Manager Mandate with CPS and First Growth Advisory on 29 January 2021 in respect of the Capital Raising. Under the Joint Lead Manager Mandate:

- (a) The Joint Lead Managers will be paid the following fees:
 - (i) a Management Fee for the Placement and Entitlement Issue of 1% plus GST, being \$21,724;
 - (ii) a Placing Fee for the Placement of 5% plus GST, being \$55,000; and
 - (iii) an Underwriting Fee for the Entitlement Issue of 5% plus GST, of \$53,619.
- (b) Each of the Joint Lead Managers will be issued 10,000,000 Options at an issue price of \$0.0001 per Option, subject to Shareholder approval.
- (c) The Joint Lead Management Mandate can be terminated by the Company by giving seven days' written notice.
- (d) The Joint Lead Management Mandate can be terminated by the Joint Lead Managers on giving fourteen days' written notice if:
 - (i) the Company commits a material breach of the terms and conditions of the Joint Lead Manager Mandate; or
 - (ii) any warranty or representation given by the Company is not complied with or proves to be untrue in a material respect.
- (e) The Joint Lead Managers can terminate the Joint Lead Management Mandate immediately if the Company becomes insolvent or enters into a composition with its creditors generally.
- (f) The Joint Lead Manager Mandate is otherwise on customary terms and conditions for an agreement of this kind.

2. Resolution 1 – Ratification of prior issue of Shares – Tranche One Shares

2.1 General

On 1 February 2021 the Company agreed to issue to a number of sophisticated and professional investors 62,500,000 Shares an issue price of \$0.008 each, and, subject to receiving Shareholder approval, 31,250,000 free attaching Options (**Tranche One Placement**). The Company issued 62,500,000 Shares on 10 February 2021 (**Tranche One Shares**).

The Company issued the Tranche One Placement Shares using its existing placement capacity under Listing Rule 7.1. Resolution 1 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of the Tranche One Placement Shares.

Resolution 1 is an ordinary resolution.

2.2 Listing Rule 7.1

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12-month period than that amount which represents 15%

of the number of fully paid ordinary securities on issue at the commencement of that 12 month period (**Placement Capacity**).

2.3 Listing Rule 7.4

ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1. It provides that where a company in general meeting ratifies the previous issue of securities made pursuant to ASX Listing Rule 7.1 (and provided that the previous issue did not breach ASX Listing Rule 7.1) those securities will be deemed to have been made with shareholder approval for the purpose of ASX Listing Rule 7.1.

2.4 Effect of the Resolution

The issue of the Shares did not fit within any of the exceptions from Listing Rule 7.1 and was not subject to prior Shareholder approval. The issue of the Shares effectively used up most of the available 15% limit in Listing Rule 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 their issue.

By ratifying the issue of the Shares the subject of Resolution 1, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

If Resolution 1 is not passed, then the Company's placement capacity under Listing Rule 7.1 will not be refreshed. The Tranche One Placement Shares will continue to be included in calculating the Company's use of the 15% limit under Listing Rule 7.1, effectively decreasing the number of equity securities the Company can issue without prior Shareholder approval over the 12 month period following the date of their issue.

2.5 Board Recommendation

The Directors recommend that Shareholders vote in favour of Resolution 1.

2.6 Technical information required by ASX Listing Rule 7.5

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to Resolution 1:

- (a) the Shares were issued to 35 unrelated sophisticated and professional investors, who were selected by the Company in conjunction with the Joint Lead Manager. None of the subscribers was a related party of the Company or an associate of any related party of the Company, or a person to whom an issue of equity securities requires prior Shareholder approval under Listing Rule 10.11. None of the allottees of the Tranche One Shares was a person whose identity would be considered material in terms of the indicia in ASX Listing Rules Guidance Note 21;
- (b) 62,500,000 Shares were issued;
- (c) the Shares were issued on the same terms and conditions as existing fully paid ordinary Shares;
- (d) the Shares were issued on 10 February 2021;
- (e) the Shares were issued at an issue price of \$0.008 each;
- (f) the Company received \$500,000 from the issue of the Tranche One Shares, which it is using (after payment of costs of the Placement) to provide capital for working capital, repayment of creditors, and corporate and administrative expenses; and
- (g) the Tranche One Shares were issued as part of the Capital Raising. The Company entered

into the Joint Lead Manager Mandate in respect of the Capital Raising, which is summarised at Section 1.2.

3. Resolution 2 – Approval to issue Tranche One Options

3.1 General

The issue of Tranche One Shares is described at Section 2.1, and used up most of the Company's Placement Capacity under Listing Rule 7.1. The Company agreed with the participants in the Tranche One Placement that it would seek Shareholder approval under Listing Rule 7.1 for the issue to them of free attaching Options on the basis of one (1) Option for every two (2) Shares issued. The Tranche One Placement participants are required to apply for their Tranche One Options pursuant to an offer to be made to them under the prospectus to be issued in relation to the Entitlement Issue (**Prospectus**), in order to assist the Company to comply with Corporations Act provisions relating to the secondary trading of any Shares issued upon exercise of the Tranche One Options. Resolution 2 seeks Shareholder approval for the issue of the Tranche One Options for the purposes of Listing Rule 7.1.

Resolution 2 is an ordinary resolution.

3.2 Listing Rule 7.1

A summary of Listing Rule 7.1 is set out in Section 2.2.

3.3 Effect of the Resolution.

The issue of the Tranche One Options does not fall within an exception from Listing Rule 7.1. The Company has previously used up most of its 15% placement capacity under Listing Rule 7.1 under the Tranche One Shares Placement. The number of Tranche One Options is greater than the Company's remaining 15% placement capacity. The issue of the Tranche One Options therefore requires Shareholder approval under and for the purposes of Listing Rule 7.1.

The effect of Resolution 2 being passed will be to allow the Company to issue the Tranche One Options during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

If Resolution 2 is not passed, but the Company will not be able to proceed with the issue of the Tranche One Options. In this case the Company will not proceed with the placement of the Tranche One Options.

3.4 Board Recommendation

The Directors recommend that Shareholders vote in favour of Resolution 2.

3.5 Technical information required by ASX Listing Rule 7.3

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to the issue of the Tranche One Options:

- (a) the Tranche One Options will be issued to the sophisticated and professional investors to whom Tranche One Shares were issued and who submit an application for Tranche One Options under the Prospectus. The participants in Tranche One of the Placement are described in paragraph (a) of Section 2.5.
- (b) the maximum number of Tranche One Options to be issued is 31,250,000;
- (c) the Tranche One Options to be issued will be on the terms and conditions set out in Schedule 1;

- (d) the Tranche One Options will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that issue of all the Tranche One Options will occur on the same date;
- (e) the Tranche One Options will be issued at an issue price of nil;
- (f) no additional funds will be raised by the issue of the Tranche One Options;
- (g) the purpose of the issue of the Tranche One Options is that they are being offered free attaching on a 1:2 basis to participants in the Tranche One Placement (the same basis as all components of the Capital Raising); and
- (h) the Tranche One Placement Shares are to be issued as part of the Capital Raising. The Company entered into the Joint Lead Manager Mandate in respect of the Capital Raising, which is summarised at Section 1.2.

4. Resolution 3 – Issue of Tranche Two Securities

4.1 General

The total amount of the Placement component of the Capital Raising is greater than the Company's Placement Capacity under Listing Rule 7.1. The issue of Tranche One Shares as described at Section 2.1 used up most of the Company's Placement Capacity under Listing Rule 7.1.

Tranche Two of the Placement consists of 75,000,000 Shares and 37,500,000 Options free attaching to the Tranche Two Shares on the basis of one (1) Option for every two (2) Shares issued. The issue of the Tranche Two Securities requires Shareholder approval under Listing Rule 7.1.

As with the Tranche One Options, the Tranche Two Options will be issued to participants in the Tranche Two Placement pursuant to an offer to be made to them under the Prospectus, in order to assist the Company to comply with Corporations Act provisions relating to the secondary trading of any Shares issued upon exercise of the Tranche Two Options.

Resolution 3 seeks Shareholder approval for the issue of the Tranche Two Securities for the purposes of Listing Rule 7.1.

Resolution 3 is an ordinary resolution.

4.2 Listing Rule 7.1

A summary of Listing Rule 7.1 is set out in Section 2.2.

4.3 Effect of the Resolution.

The issue of the Tranche Two Securities does not fall within an exception from Listing Rule 7.1. The Company has previously used up most of its 15% placement capacity under Listing Rule 7.1 under the Tranche One Shares Placement. The number of the Tranche Two Securities is greater than the Company's remaining 15% placement capacity. The issue of the Tranche Two Securities therefore requires Shareholder approval under and for the purposes of Listing Rule 7.1.

The effect of Resolution 2 being passed will be to allow the Company to issue the Tranche Two Securities during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

If Resolution 3 is not passed, but the Company will not be able to proceed with the issue of the Tranche Two Securities. In this case the Company will not proceed with the placement of the Tranche Two Securities.

4.4 Board Recommendation

The Directors recommend that Shareholders vote in favour of Resolution 3.

4.5 Technical information required by ASX Listing Rule 7.3

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to the issue of the Tranche Two Securities:

- (a) the Tranche Two Securities will be issued to the sophisticated and professional investors selected by the Company in conjunction with the Joint Lead Managers. None of the Tranche Two Placement participants is a related party of the Company or an associate of any related party of the Company, or a person to whom an issue of equity securities requires Shareholder approval under Listing Rule 10.11. None of the allottees of the Tranche Two Securities is a person whose identity would be considered material in terms of the indicia in ASX Listing Rules Guidance Note 21;
- (b) the maximum number of securities to be issued is 75,000,000 Shares and 37,500,000 Options;
- (c) the Tranche Two Shares will be issued on the same terms and condition as existing ordinary fully paid shares, and the Tranche Two Options to be issued will be on the terms and conditions set out in Schedule 1;
- (d) the Tranche Two Securities will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that issue of all the Tranche Two Securities will occur on the same date;
- (e) the Tranche Two Securities will be issued at an issue price of \$0.008 per Share, with one (1) Option free attaching for every two (2) Shares issued;
- (f) approximately \$600,000 will be raised by the issue of the Tranche Two Securities;
- (g) the purpose of the issue of the Tranche Two Securities is to raise additional funds for working capital, repayment of creditors, and corporate and administrative expenses; and
- (i) the Tranche Two Securities are to be issued as part of the Capital Raising. The Company entered into the Joint Lead Manager Mandate in respect of the Capital Raising, which is summarised at Section 1.2.

5. Resolutions 4 and 5 – Approval of issue of Options to Joint Lead Managers

5.1 General

The Company entered into the Joint Lead Manager Mandate with CPS and First Growth Advisory as described at Section 1.2, to manage the Capital Raising. The Company agreed to seek Shareholder approval for the issue of 10,000,000 Options (on the same terms and conditions as the other Options being offered under the Capital Raising) to each of the Joint Lead Managers (or their respective nominee(s)) as part of its fees under the Joint Lead Manager Mandate.

Resolutions 4 and 5 seeks Shareholder approval for the issue of these Options to the Joint Lead Manager.

Resolutions 4 and 5 are ordinary resolutions.

5.2 ASX Listing Rule 7.1

A summary of Listing Rule 7.1 is set out in Section 2.2.

5.3 Effect of the Resolutions

If Resolutions 4 and 5 are passed, then the Company will be able to proceed with the issue of Options to the Joint Lead Managers. The issue of the Lead Manager Options will not use up any part of the Company's Placement Capacity under Listing Rule 7.1, and will not reduce the Company's flexibility to issue equity securities without prior Shareholder approval during the 12 months after the date of issue.

If Resolutions 4 and 5 are not passed, but Resolutions 1, 2 and 3 are passed, and/or the Entitlements Issue is completed, such that the Company's Placement Capacity under Listing Rule 7.1 is renewed sufficiently to allow it to issue at least 20,000,000 equity securities, then the Company is likely to enter into a new agreement to issue the same number of Options on the same terms to the Joint Lead Managers.

If Resolutions 4 and 5 are not passed, and Resolutions 1, 2 and 3 are not passed, and the Entitlements Issue is not completed, the Company will not be able to proceed with the issue of the Lead Manager Options.

5.4 Board Recommendation

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

5.5 Technical information required by ASX Listing Rule 7.3

- (a) The Lead Manager Options will be issued to the Joint Lead Managers as follows:
 - (i) 10,000,000 Options to CPS (or its nominee(s)) under Resolution 4; and
 - (ii) 10,000,000 Options to First Growth Advisory (or its nominee(s)) under Resolution 5;
- (b) the maximum number of Lead Manager Options to be issued is 20,000,000;
- (c) the Lead Manager Options to be issued will be on the terms and conditions set out in Schedule 1;
- (d) the Lead Manager Options will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that issue of all the Lead Manager Options will occur on the same date;
- (e) the Lead Manager Options will be issued at an issue price of \$0.0001 per Option;
- (f) a total of \$2,000 will be raised by the issue of the Lead Manager Options;
- (g) funds raised from the issue of the Lead Manager Option will be used for working capital;
- (h) the purpose of the issue of the Lead Manager Options is as part of the fees payable to the Joint Lead Managers for managing the Capital Raising; and
- (i) the Lead Manager Options are being issued pursuant to the Joint Lead Manager Mandate which is summarised at Section 1.2.

6. Resolutions 6 to 8 – Approval of issue of Options to Directors

6.1 General

The Company has agreed, subject to obtaining Shareholder approval, to issue a total of 21,000,000 Options to Messrs Fang and King and Ms Taylor (or their respective nominees) on the terms and conditions set out below (**Director Options**).

Resolutions 6 to 8 seek Shareholder approval for the issue of these equity incentives to Directors or their respective nominees.

6.2 Chapter 2E of the Corporations Act

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 of the Director Options constitutes giving a financial benefit. Each of Messrs Fang and King and Ms Taylor is a related party of the Company by reason of being a Director.

Section 210 of the Corporations Act provides that shareholder approval under section 208 is not required if the financial benefit to be provided to the related party is on terms that would be reasonable in the circumstances if the company and the related party were dealing at arm's length, or are less favourable than those terms.

Section 211 of the Corporations Act provides that shareholder approval under section 208 is not required if the financial benefit to be provided to the related party is remuneration as an officer or employee of the company and to give remuneration would be reasonable given the circumstances of the company giving the remuneration and the related party's circumstances (including responsibilities involved in the office or employment).

Section 195 of the Corporations Act provides that a director of a public company must not vote or be present during meetings of directors when matters in which that director holds a 'material personal interest' are being considered. The Directors do not have a material personal interest in these Resolutions other than the Resolution to issue Director Options to himself or herself. However, in the interests of good corporate practice consistent with ASIC Regulatory Guide 76 (Table 2) for directors to avoid making a recommendation for resolutions about each other's remuneration as they may have a conflict of interest) the Directors have not considered whether an exception set out in sections 210 to 216 of the Corporations Act applies to these Resolutions. Therefore, the Board has determined in accordance with section 195(4) of the Corporations Act to seek Shareholder approval for the issue of the Director Options.

6.3 ASX Listing Rule 10.11

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

- (a) a related party;
- (b) a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (30%+) holder in the entity;
- (c) a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (10%+) holding in the entity and who has nominated a director to the board pursuant to a relevant agreement which gives them the right or expectation to do so;
- (d) an associate of a person referred to in paragraphs (a), (b), or (c) above; or
- (e) a person whose relationship with the entity or a person referred to in any of paragraphs (a)

to (d) above is such that, in ASX's opinion the issue or agreement should be approved by securityholders,

unless it obtains the approval of its ordinary security holders.

It is the view of the Directors that the exceptions set out in ASX Listing Rule 10.12 do not apply in the current circumstances.

The Company therefore seeks the required Shareholder approval for the issue of the Director Options, under and for the purposes of Listing Rule 10.11. There is a separate Resolution in respect of the issue of Director Options to each individual Director.

6.4 ASX Listing Rule 7.1

A summary of Listing Rule 7.1 is set out in Section 2.2.

6.5 Effect of the Resolutions

If any or all of Resolutions 6, 7 and 8 are passed, then the Company will be able to proceed with the issue of Director Options to the Director the subject of each of the Resolutions that is passed.

If any or all of those Resolutions is not passed, then the Company will not be able to proceed with the issue of Director Options to the Director the subject of each Resolution that is not passed. The Company may have to consider alternative methods of providing incentivisation or remuneration to the relevant Director(s) to whom Director Options cannot be granted, which may take the form of cash-based payments, which would potentially reduce the Company's cash reserves.

Resolutions 6 to 8 inclusive are ordinary resolutions. The Resolutions are not inter-conditional.

6.6 Board Recommendation

Given either the material personal interest of a Director in the Resolution expressly relevant to them and in the interests of good corporate practice consistent with ASIC Regulatory Guide 76 (Table 2) for directors to avoid making a recommendation for resolutions about each other's remuneration as they may a conflict of interest), the Directors do not consider it appropriate to give a recommendation on any of Resolutions 6 to 8.

6.7 Technical information required by ASX Listing Rule 10.13

Pursuant to and in accordance with ASX Listing Rule 10.13, the following information is provided in relation to the issue of the Director Options the subject of Resolutions 6 to 8:

- (a) the Director Options will be issued to each of the following Directors:
 - (i) Resolution 6: Myles Fang (or his nominee(s));
 - (ii) Resolution 7: Eddie King (or his nominee(s)); and
 - (iii) Resolution 8: Therese-Marie Taylor (or her nominee(s));
- (b) each of Myles Fang, Eddie King and Therese-Marie Taylor is a Director of the Company;
- (c) the maximum number of Director Options to be issued to be issued to each Director (or his or her nominee(s) is as follows:
 - (i) Resolution 6 (Myles Fang (or his nominee(s)): 7,000,000 Director Options;
 - (ii) Resolution 7 (Eddie King (or his nominee(s)): 7,000,000 Director Options; and
 - (iii) Resolution 8 (Therese-Marie Taylor (or her nominee(s)): 7,000,000 Director Options;

- (d) the Director Options will be granted on the following terms and conditions: an exercise price of 133^{1/3} % of the volume weighted average price of Shares in the 5 trading days on which trades actually occurred immediately prior to the date of the Meeting, an expiry date of the day prior to the second anniversary of their issue date, and otherwise on the terms and conditions set out in Schedule 2;
- (e) the Director Options will be issued no later than 1 month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules), and it is intended that the Director Options will all be granted on the same date;
- (f) the Director Options will be issued for nil cash consideration. Accordingly, no funds will be raised from the issue of the Director Options as the purpose of the issue is to provide an equity incentive as part of the remuneration package for each of the Directors;
- (g) the Director Options are being offered as an incentive-based component of the relevant Director's remuneration package which is considered a cost-effective remuneration practice and will allow 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. In addition, it is considered that the grant of the Director Options will align the interests of the Directors with those of Shareholders;
- (h) the current total remuneration package of each of the Directors (before the issue of the Director Options the subject of Resolutions 6 to 8) is as follows:

(i) Myles Fang

Salary (inclusive of superannuation)	\$60,000 per annum
Consulting Fees	\$18,370
Total	\$78,370
Director Options <i>(subject to shareholder approval of Resolution 6)</i>	7,000,000 Director Options <i>Refer to the valuation of these Director Options at Section 6.8(d)</i>

(ii) Eddie King

Salary (inclusive of superannuation)	\$60,000 per annum
Total	\$60,000
Director Options <i>(subject to shareholder approval of Resolution 7)</i>	7,000,000 Director Options <i>Refer to the valuation of these Director Options at Section 6.8(d)</i>

(iii) Therese-Marie Taylor

Salary (inclusive of superannuation)	\$60,000 per annum
Total	\$60,000
Director Options <i>(subject to shareholder approval of Resolution 8)</i>	7,000,000 Director Options <i>Refer to the valuation of these Director Options at Section 6.8(d)</i>

6.8 Technical information required by Chapter 2E of the Corporations Act

Pursuant to and in accordance with section 219 of the Corporations Act, the following information (in addition to the information provided in Section 6.7) is provided in relation to the issue of the Director Options the subject of Resolutions 6 to 8:

- (a) the Director Options will be issued to each of the Directors specified in Section 6.7(a);
- (b) the nature of the financial benefit being provided is the Director Options. The quantity and terms of the Director Options are set out in Sections 6.7(c) and 6.7(d);
- (c) each Director's interests in the Resolutions and the reasons for not giving a recommendation on these Resolutions is set out in Section 6.6;
- (d) the value of the Director Options, based on different assumptions as to the exercise price, is set out in the table below. The valuation has been completed by internal Company management using the Black & Scholes option model and based on the assumptions set out below.

The exercise price of the Director Options will be set at a 33 ¹/₃ % premium to the volume weighted average for the Company's Shares on the 5 trading days on which trades are recorded immediately prior to the date of the Meeting (**5 day VWAP**). As the period for calculating the 5 day VWAP is in the future, it cannot be predicted with certainty. The valuations below give three different cases: where the 5 day VWAP as at the date of the Meeting is the same as the closing price on 15 February 2021, during the drafting of the Notice; where the 5 day VWAP is \$0.015 (equal to the highest closing Share price in the last three months before sending the Notice), and where the 5 day VWAP has decreased to \$0.008 (equal to the lowest closing Share price during that three month period).

Please note that the exercise prices in the valuations below are all only examples. The trading prices on the days leading up to the date of the Meeting, and therefore the exercise price of the Director Options, cannot be predicted with certainty in this Notice, and the 5 day VWAP may be higher or lower than the examples shown below. The exercise price will in any case be set at a 33¹/₃% premium to the 5 day VWAP prevailing on the date of the Meeting. The Company considers that these examples fall within a reasonable range of possible prices.

Case 1: Exercise price of \$0.01467 per Share (based on 133 ¹/₃ % of an assumed trading price of \$0.011)

Assumption	
Valuation Date	22 February 2021
Exercise price (based on 133 ¹ / ₃ % of an assumed trading price of \$0.011)	\$0.01467
Share price	\$0.011
Term (years)	2
Risk free interest rate	1%
Volatility (expected)	100%
Indicative Value (\$) (per Director Option)	\$0.005
Quantity	21,000,000
Value (\$) (Total)	\$105,300
Value (\$) (per Director)	
Myles Fang	\$35,100

Eddie King	\$35,100
Therese-Marie Taylor	\$35,100
Total Value	\$105,300

Case 2 – Exercise price of \$0.02 (based on 133^{1/3}% of an assumed trading price of \$0.015)

Assumption	
Valuation Date	22 February 2021
Exercise price (based on 133 ^{1/3} % of an assumed trading price of \$0.015)	\$0.02
Share price	\$0.015
Term (years)	2
Risk free interest rate	1%
Volatility (expected)	100%
Indicative Value (\$) (per Director Option)	\$0.0068
Quantity	21,000,000
Value (\$) (Total)	\$143,608
Value (\$) (per Director)	
Myles Fang	\$47,869
Eddie King	\$47,869
Therese-Marie Taylor	\$47,869
Total Value	\$143,608

Case 3 – Exercise price of \$0.01067 (based on 133^{1/3}% of an assumed trading price of \$0.008)

Assumption	
Valuation Date	22 February 2021
Exercise price (based on 133 ^{1/3} % of an assumed trading price of \$0.008)	\$0.01067
Share price	\$0.008
Term (years)	2
Risk free interest rate	1%
Volatility (expected)	100%
Indicative Value (\$) (per Director Option)	\$0.0015
Quantity	21,000,000
Value (\$) (Total)	\$76,578
Value (\$) (per Director)	
Myles Fang	\$25,526
Eddie King	\$25,526
Therese-Marie Taylor	\$25,526
Total Value	\$76,578

- (e) the relevant interests in securities of the Company of the Directors the subject of Resolutions 6 to 8 are set out below:

Director	Shares	Options
Myles Fang	70,000	Nil
Eddie King	Nil	Nil
Therese-Marie Taylor	11,904,767	Nil

- (f) the current total annual remuneration from the Company to the Directors the subject of Resolutions 6 to 8 is set out in Section 6.7 (h);
- (g) if the Director Options are granted and then exercised, a total of 21,000,000 Shares would be issued. This will increase the number of Shares on issue from 536,185,378 (being the number of Shares on issue at the date of this Notice) to 557,185,378 (assuming that no other Options are exercised or other convertible securities converted, and no other Shares are issued) with the effect that the shareholding of existing Shareholders would be diluted by an aggregate of approximately 3.92%, comprising approximately 1.31% by Myles Fang, 1.31% by Eddie King, and 1.31% by Therese-Marie Taylor.

The market price for Shares during the term of the Director Options would normally determine whether or not the Director Options are exercised. If, at any time any of the Director Options are exercised and the Shares are trading on ASX at a price that is higher than the exercise price of the Director Options, there may be a perceived cost to the Company.

The highest and lowest closing prices of Shares on ASX during the 12 months preceding the date of this Notice, and the closing price on the trading day before the date of this Notice, are set out below:

	Price	Date
Highest	\$0.015	15 December 2020
Lowest	\$0.002	17 March 2020
Last	\$0.012	26 February 2021

- (h) the Board acknowledges the grant of the Director Options to each of Messrs Fang and King and Ms Taylor (who are all Non-Executive Directors) is contrary to Recommendation 8.2 of The Corporate Governance Principles and Recommendations (4th Edition) as published by The ASX Corporate Governance Council. However, the Board considers the grant of the Director Options is reasonable in the circumstances for the reasons set out in paragraph (j);
- (i) the primary purpose of the grant of the Director Options is to provide a performance-linked incentive component in their remuneration package to motivate and reward their performance in their respective roles as Directors;
- (j) the Directors consider the grant of the Director Options is a reasonable and appropriate method to provide cost effective remuneration as:
- (i) the non-cash form of this benefit will allow 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;
 - (ii) the grant of the Director Options will align the interests of the Directors with those of Shareholders; and

- (iii) it is not considered that there are any significant opportunity costs to the Company or benefits foregone by the Company in granting the Director Options upon the terms proposed.

In forming their reasoning and determining the quantity of Director Options to be granted each Director considered the experience and role of each other Director, the cash remuneration of each other Director, the market price of Shares and the current market practices when determining the number of Director Options to be granted as well as the exercise price (which is to be set at a premium to the market price of Shares as at the date of issue of the Director Options), and expiry date of those Director Options; and

- (l) the Board is not aware of any other information that would be reasonably required by Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass Resolutions 6 to 8.

7. Resolutions 9 and 10 – Approval of issue of Employee Options to Company Secretary and Consultant

7.1 General

The Company proposes to issue a total of 2,000,000 Employee Options (on the same terms and conditions as the Director Options) to the Company Secretary and a consultant to the Company.

Resolutions 9 and 10 seek Shareholder approval for the issue of these Employee Options.

Resolutions 9 and 10 are ordinary resolutions.

7.2 ASX Listing Rule 7.1

A summary of Listing Rule 7.1 is set out in Section 2.2.

7.3 Effect of the Resolutions

If Resolutions 9 and 10 are passed, then the Company will be able to proceed with the issue of Employee Options. The issue of the Employee Options will not use up any part of the Company's Placement Capacity under Listing Rule 7.1, and will not reduce the Company's flexibility to issue equity securities without prior Shareholder approval during the 12 months after the date of issue.

If Resolutions 9 and 10 are not passed, but Resolutions 1, 2 and 3 are passed, and/or the Entitlements Issue is completed, such that the Company's Placement Capacity under Listing Rule 7.1 is renewed sufficiently to allow it to issue at least 2,000,000 equity securities, then the Company may still elect to issue the Employee Options, but their issue will use up part of the Company's Placement Capacity.

If Resolutions 9 and 10 are not passed, and Resolutions 1, 2 and 3 are not passed, and the Entitlements Issue is not completed, the Company will not be able to proceed with the issue of the Employee Options.

7.4 Board Recommendation

The Directors recommend that Shareholders vote in favour of Resolutions 9 and 10.

7.5 Technical information required by ASX Listing Rule 7.3

- (a) The Employee Options will be issued as follows:
 - (i) 1,000,000 Options to the Company Secretary Ian White (or his nominee(s)) under Resolution 9; and
 - (ii) 1,000,000 Options to Jason Hou (or his nominee(s)) under Resolution 10.
- (b) the maximum number of Employee Options to be issued is 2,000,000;
- (c) the Employee Options to be issued will be on the terms and conditions set out in Schedule 2;
- (d) the Employee Options will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that issue of all the Lead Manager Options will occur on the same date;
- (e) the Employee Options will be issued at an issue price of nil per Option;
- (f) no funds will be raised by the issue of the Employee Options; and
- (g) the purpose of the issue of the Employee Options is to include an incentivisation component to the remuneration of the Company Secretary and consultants.

Glossary

\$ means Australian dollars.

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

ASIC means the Australian Securities & Investments Commission.

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.

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.

Capital Raising means the issues of securities consisting of Tranche One and Tranche Two of the Placement, and the Entitlements Issue.

Chair means the chair of the Meeting.

Company means Eastern Iron Limited ACN 126 678 037

Corporations Act means the Corporations Act 2001 (Cth).

CPS means CPS Capital Group Pty Ltd (ACN 088 055 636 / AFSL 294848)

Director Options means the options the subject of Resolutions 6 to 8 on the terms set out in Schedule 2.

Directors means the current directors of the Company.

Employee Options means the options the subject of Resolutions 9 and 10 on the terms set out in Schedule 2.

Entitlements Issue means the pro rata entitlements offer to be made to Shareholders on the basis of one (1) Share at an issue price of \$0.008 per Share for every four (4) Shares held on the Record Date, with one free attaching Option for every two Shares issued.

Explanatory Statement means the explanatory statement accompanying the Notice.

First Growth Advisory means First Growth Advisory Pty Ltd (ACN 629 355 808) (AFS Representative 000224034).

Joint Lead Managers means CPS and First Growth Advisory.

Joint Lead Manager Mandate means the agreement to manage the Capital Raising between the Company and CPS and First Growth Advisory summarised in the ASX announcement dated 2 February 2021.

Lead Manager Options means the Options the subject of Resolutions 4 and 5

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 on the terms and conditions set out in Schedule 1.

Optionholder means a holder of an Option.

Proxy Form means the proxy form accompanying the Notice.

Record Date means the record date to determine Shareholders' entitlement to participate in the Entitlements Issue set in accordance with the Listing Rules.

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

Schedule means a schedule to this Notice.

Section means a section of the Explanatory Statement.

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

Tranche One Options means the Options the subject of Resolution 2.

Tranche One Shares means the Shares the subject of Resolution 1.

Tranche Two Securities means the Shares and Options the subject of Resolution 3.

Shareholder means a registered holder of a Share.

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

Schedule 1 – Terms and Conditions of 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 \$0.012 (**Exercise Price**).

(c) **Expiry Date**

Each Option will expire at 5:00 pm (WST) on or before 31 January 2023 (**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**

Following the Exercise Date and within the time period specified by the ASX Listing Rules, 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 a holder 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 or number of underlying securities**

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) **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 Director Options and Employee 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 133 ¹/₃% of the volume weighted average of the price of the Company's shares on the 5 trading days on which trades were recorded prior to the date of the Meeting (**Exercise Price**).

(c) **Expiry Date**

Each Option will expire at 5:00 pm (WST) on or before the date that is two years less one day from the date of issue of the Options (**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**

Following the Exercise Date and within the time period specified by the ASX Listing Rules, 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 a holder 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 or number of underlying securities**

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) **Transferability**

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



All Correspondence to:

-  **By Mail:** Boardroom Pty Limited
GPO Box 3993
Sydney NSW 2001 Australia
-  **By Fax:** +61 2 9290 9655
-  **Online:** www.boardroomlimited.com.au
-  **By Phone:** (within Australia) 1300 737 760
(outside Australia) +61 2 9290 9600

YOUR VOTE IS IMPORTANT

For your vote to be effective it must be recorded **before 10:00am (Sydney time) on Monday 12 April 2021.**

TO VOTE BY COMPLETING THE PROXY FORM

STEP 1 APPOINTMENT OF PROXY

Indicate who you want to appoint as your Proxy.

If you wish to appoint the Chair of the Meeting as your proxy, mark the box. If you wish to appoint someone other than the Chair of the Meeting as your proxy please write the full name of that individual or body corporate. If you leave this section blank, or your named proxy does not attend the meeting, the Chair of the Meeting will be your proxy. A proxy need not be a securityholder of the company. Do not write the name of the issuer company or the registered securityholder in the space.

Appointment of a Second Proxy

You are entitled to appoint up to two proxies to attend the meeting and vote. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by contacting the company's securities registry or you may copy this form.

To appoint a second proxy you must:

- complete two Proxy Forms. On each Proxy Form state the percentage of your voting rights or the number of securities 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.
- return both forms together in the same envelope.

STEP 2 VOTING DIRECTIONS TO YOUR PROXY

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

Proxy which is a Body Corporate

Where a body corporate is appointed as your proxy, the representative of that body corporate attending the meeting must have provided an "Appointment of Corporate Representative" prior to admission. An Appointment of Corporate Representative form can be obtained from the company's securities registry.

STEP 3 SIGN THE FORM

The form **must** be signed as follows:

Individual: This form is to be signed by the securityholder.

Joint Holding: where the holding is in more than one name, all the securityholders should sign.

Power of Attorney: to sign under a Power of Attorney, you must have already lodged it with the registry. Alternatively, attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: this form must be signed by a Director jointly with either another Director or a Company Secretary. Where the company has a Sole Director who is also the Sole Company Secretary, this form should be signed by that person. **Please indicate the office held by signing in the appropriate place.**

STEP 4 LODGEMENT

Proxy forms (and any Power of Attorney under which it is signed) must be received no later than 24 hours before the commencement of the meeting, therefore **10:00am (Sydney time) on Monday 12 April 2021.** Any Proxy Form received after that time will not be valid for the scheduled meeting.

Proxy forms may be lodged using the enclosed Reply Paid Envelope or:

-  **By Fax** + 61 2 9290 9655
-  **By Mail** Boardroom Pty Limited
GPO Box 3993,
Sydney NSW 2001 Australia
-  **In Person** Boardroom Pty Limited
Level 12, 225 George Street,
Sydney NSW 2000 Australia

Attending the Meeting

If you wish to attend the meeting please bring this form with you to assist registration.

Your Address

This is your address as it appears on the company's share register. If this is incorrect, please mark the box with an "X" and make the correction in the space to the left. Securityholders sponsored by a broker should advise their broker of any changes.

Please note, you cannot change ownership of your securities using this form.

PROXY FORM

STEP 1 APPOINT A PROXY

I/We being a member/s of **Eastern Iron Limited** (Company) and entitled to attend and vote hereby appoint:

the **Chair of the Meeting** (mark box)

OR if you are **NOT** appointing the Chair of the Meeting as your proxy, please write the name of the person or body corporate (excluding the registered securityholder) you are appointing as your proxy below

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chair of the Meeting as my/our proxy at the General Meeting of the Company to be held at the **offices of Hall Chadwick, Level 40, 2 Park Street, Sydney NSW 2000 on Tuesday, 13 April 2021 at 10:00am (Sydney time)** and at any adjournment of that meeting, to act on my/our behalf and to vote in accordance with the following directions or if no directions have been given, as the proxy sees fit.

Chairman authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chair of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chair to exercise my/our proxy on Resolutions 6, 7 and 8 (except where I/we have indicated a different voting intention in step 2) even though Resolutions 6, 7 and 8 are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chair, provided the Chair is not a "Restricted Party" for the purposes of the Resolution.

The Chair of the Meeting intends to vote undirected proxies in favour of each of the items of business. In exceptional circumstances, the Chair of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

STEP 2 VOTING DIRECTIONS
 * 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 vote will not be counted in calculating the required majority if a poll is called.

		For	Against	Abstain*
Resolution 1	Ratification of prior issue of Shares – Tranche One Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Approval of issue of Tranche One Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Approval of issue of Tranche Two Securities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Approval of issue of Options to Joint Lead Manager - CPS	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Approval of issue of Options to Joint Lead Manager – First Growth Advisory	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Approval to issue Options to Director – Myles Fang	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7	Approval to issue Options to Director – Eddie King	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 8	Approval to issue Options to Director – Therese-Marie Taylor	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 9	Approval to issue Employee Options to Company Secretary – Ian White	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 10	Approval to issue Employee Options to Consultant – Jason Hou	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

STEP 3 SIGNATURE OF SECURITYHOLDERS
 This form must be signed to enable your directions to be implemented.

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director / Company Secretary