

ASX ANNOUNCEMENT

21 May 2021



MEDUSA

LETTER TO SHAREHOLDERS REGARDING GENERAL MEETING

Dear Shareholder

Notice is hereby given that a General Meeting (**Meeting**) of Medusa Mining Limited will be held on Thursday, 24 June 2021 at Suite A, Level 1, 1 Preston Street, Como, WA 6152 at 9.00 am (Perth time).

On 29 March 2021, the Australian Securities and Investments Commission (**ASIC**) adopted a temporary 'no-action' position in relation to the convening and holding of shareholder meetings between 21 March 2021 and the earlier of, 31 October 2021 and the date that any measures are passed by the Commonwealth Parliament relating to the use of virtual technology in meetings of companies or managed investment schemes (**No-Action Policy**). The No-Action Policy follows on from the *Corporations (Coronavirus Economic Response) Determination (No. 3) 2020* which expired on 21 March 2021. The No-Action Policy facilitates, among other things, companies providing shareholders with the contents of a notice of meeting electronically.

Accordingly, in reliance on the No-Action Policy, the Company will not be sending hard copies of the Notice of Meeting to shareholders.

Instead, a copy of the Notice of Meeting is available on the Company's website at www.medusamining.com.au. Alternatively, a copy of the Notice of Meeting has been posted to the Company's ASX market announcements page. If you have elected to receive notices by email, you will receive an email to your nominated email address with a link to an electronic copy of the Notice of Meeting and proxy form. If you have not elected to receive notices by email, a copy of your proxy form will be posted to you, together with this letter.

The Company will hold a physical meeting with the appropriate social gathering and physical distancing measures in place to comply with the Federal Government's and State Government's current restrictions on physical gatherings. However, in order to minimise the risk to shareholders and to the Company and its ongoing operations, Shareholders are encouraged to vote by proxy instead of attending the meeting (proxy forms must be received by the Company no later than 9:00 am (Perth time) on Tuesday, 22 June 2021).

The situation regarding COVID-19 is evolving rapidly and the Company is following the guidance of the Australian Government. Shareholders are encouraged to monitor the Company's ASX announcements for any further updates in relation to the Meeting.

The Notice of Meeting is important and should be read in its entirety. If you are in doubt as to the course of action you should follow, you should consult your financial adviser, lawyer, accountant or other professional adviser.

Yours sincerely,

Peter Alphonso
Company Secretary



MEDUSA

MEDUSA MINING LIMITED

ACN 099 377 849

NOTICE OF GENERAL MEETING

AND

EXPLANATORY MEMORANDUM

For the General Meeting to be held on Thursday, 24 June 2021 at 9:00 am (Perth time) at Suite A, Level 1, 1 Preston Street, Como, Western Australia 6152.

**This is an important document. Please read it carefully and in its entirety.
If you do not understand it please consult with your professional advisers.**

If you are unable to attend the General Meeting, please complete the Proxy Appointment Form enclosed and return it in accordance with the instructions set out on that form.

MEDUSA MINING LIMITED

ACN 099 377 849

NOTICE OF GENERAL MEETING

Medusa Mining Limited (the "**Company**") gives notice that the General Meeting of the Company will be held on Thursday, 24 June 2021 at 9:00 am (Perth time) at Suite A, Level 1, 1 Preston Street, Como, Western Australia 6152.

ITEMS OF BUSINESS

The Explanatory Memorandum to this Notice provides additional information on matters to be considered at the General Meeting. The Explanatory Memorandum and the Proxy Appointment Form are part of this Notice.

Terms and abbreviations used in this Notice (including in the Explanatory Memorandum and the Proxy Appointment Form) are defined in Schedule 1 to this Notice (or elsewhere in the body of this Notice).

1. RESOLUTION 1 – ADOPTION OF NEW CONSTITUTION

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

"That the adoption of a new Constitution as tabled at the Meeting and signed by the Chairperson of the Meeting for identification purposes and referred to in the Explanatory Memorandum accompanying this Notice, in place of the existing Constitution, be approved with effect from the close of the Meeting for all purposes, including the purposes of section 136 of the Corporations Act."

The Board recommends that Shareholders vote in favour of Resolution 1.

2. RESOLUTION 2 – APPROVAL TO ISSUE PERFORMANCE RIGHTS TO MR ANDREW TEO

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

"That the issue of 2,000,000 performance rights (including the issue of Shares upon the vesting of those performance rights) to Mr Andrew Teo, Managing Director of the Company, on the terms set out in the Explanatory Memorandum accompanying this Notice, be approved for all purposes, including for the purposes of ASX Listing Rule 10.11."

The Board (with Andrew Teo abstaining) recommends that Shareholders vote in favour of Resolution 2.

3. RESOLUTION 3 – APPROVAL TO ISSUE PERFORMANCE RIGHTS TO MR RAUL VILLANUEVA

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

"That the issue of 1,500,000 performance rights (including the issue of Shares upon the vesting of those performance rights) to Mr Raul Villanueva, President of Philsaga Mining Corporation, a subsidiary of the Company, on the terms set out in the Explanatory Memorandum accompanying this Notice, be approved for all purposes, including for the purposes of ASX Listing Rule 7.1."

The Board recommends that Shareholders vote in favour of Resolution 3.

4. RESOLUTION 4 – RE-APPROVAL OF THE COMPANY’S PERFORMANCE RIGHTS PLAN

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

"That the Company's Performance Rights Plan, the terms of which are summarised in the Explanatory Memorandum accompanying this Notice, and the issue of the performance rights under that plan (including the issue of Shares upon the vesting of those performance rights), be approved for all purposes, including for the purposes of ASX Listing Rule 7.2 (Exception 13(b)) and section 200E of the Corporations Act."

The Board (with Andrew Teo abstaining) recommends that Shareholders vote in favour of Resolution 4.

By order of the Board



Peter Alphonso
Company Secretary
21 May 2021

VOTING EXCLUSIONS AND PROHIBITIONS FOR THE RESOLUTIONS

1. RESOLUTION 2 – APPROVAL TO ISSUE PERFORMANCE RIGHTS TO MR ANDREW TEO

Voting exclusion

The Company will disregard any votes cast in favour of the resolution by or on behalf of Mr Andrew Teo and any other person who will obtain a material benefit as a result of the issue of the performance rights (except a benefit solely by reason of being a holder of Shares in the Company) or an associate of any such person.

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

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

Voting prohibition

A vote on the resolution must not be cast (in any capacity) by or on behalf of Mr Andrew Teo or an associate of Mr Teo.

However, this does not prevent the casting of a vote if:

- it is cast by a person as a proxy appointed by writing that specifies how the proxy is to vote on the proposed resolution; and
- it is not cast on behalf of Mr Andrew Teo or an associate of Mr Teo.

Furthermore, a member of the Key Management Personnel for the Company or their Closely Related Party, appointed as a proxy, must not vote, on the basis of that appointment, if the appointment does not specify the way the proxy is to vote.

However, this does not apply if the proxy is the Chairperson of the Meeting and the appointment expressly authorises the Chairperson 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.

2. RESOLUTION 3 – APPROVAL TO ISSUE PERFORMANCE RIGHTS TO MR RAUL VILLANUEVA

Voting exclusion

The Company will disregard any votes cast in favour of the resolution by or on behalf of Mr Raul Villanueva or any other person who will obtain a material benefit as a result of the issue of the performance rights (except a benefit solely by reason of being a holder of Shares in the Company) or an associate of any such person.

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

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

Voting prohibition

A vote on the resolution must not be cast (in any capacity) by or on behalf of Mr Raul Villanueva or an associate of Mr Villanueva.

However, this does not prevent the casting of a vote if:

- it is cast by a person as a proxy appointed by writing that specifies how the proxy is to vote on the proposed resolution; and
- it is not cast on behalf of Mr Villanueva or an associate of Mr Villanueva.

Furthermore, a member of the Key Management Personnel for the Company or their Closely Related Party, appointed as a proxy, must not vote, on the basis of that appointment, if the appointment does not specify the way the proxy is to vote.

However, this does not apply if the proxy is the Chairperson of the Meeting and the appointment expressly authorises the Chairperson 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.

3. RESOLUTION 4 – RE-APPROVAL OF THE COMPANY'S PERFORMANCE RIGHTS PLAN

Voting exclusion

The Company will disregard any votes cast in favour of the resolution by or on behalf of a person who is eligible to participate in the Performance Rights Plan or an associate of that person.

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

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

Voting prohibition

A vote on the resolution must not be cast (in any capacity) by or on behalf of a Relevant Executive or an associate of a Relevant Executive.

However, this does not prevent the casting of a vote if:

- it is cast by a person as a proxy appointed by writing that specifies how the proxy is to vote on the proposed resolution; and
- it is not cast on behalf of a Relevant Executive or an associate of a Relevant Executive.

Furthermore, a member of the Key Management Personnel for the Company or their Closely Related Party, appointed as a proxy, must not vote, if the appointment does not specify the way the proxy is to vote.

However, this does not apply if the proxy is the Chairperson of the Meeting and the appointment expressly authorises the Chairperson 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.

IMPORTANT NOTES:

These notes form part of the Notice.

Right to vote

The Directors have determined that those persons who are the registered holders of Shares at 9:00 am (Perth time) on Tuesday, 22 June 2021 will be entitled to attend and vote at the General Meeting (and their voting entitlement will be the entitlement set out in the register of Shareholders at that time). Share transfers registered after that time will be disregarded in determining voting entitlements.

Appointment of proxies

Each Shareholder entitled to vote at the General Meeting may appoint a proxy to attend and vote at the General Meeting.

A proxy need not be a Shareholder and can be an individual or a body corporate.

A body corporate appointed as a Shareholder's proxy may appoint a representative to exercise any of the powers the body may exercise as a proxy at the General Meeting. The representative should bring to the meeting evidence of his or her appointment, including any authority under which the appointment is signed, unless it has previously been given to the Company.

A Shareholder entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise.

Sections 250BB and 250BC of the Corporations Act apply to voting by proxy. Shareholders and their proxies should be aware of these provisions, as they will apply to this Meeting. Broadly, the effect of the provisions is 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 Chairperson, who must vote the proxies as directed.

More detail on these provisions is provided below.

Proxy vote if appointment specifies way to vote

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

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

Transfer of non-Chairperson proxy to Chairperson in certain circumstances

Section 250BC provides that, if:

- (a) an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's members;
- (b) the appointed proxy is not the Chairperson of the meeting;
- (c) at the meeting, a poll is duly demanded on the resolution; and
- (d) either of the following applies:
 - (i) the proxy is not recorded as attending the meeting;
 - (ii) the proxy does not vote on the resolution,

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

Chairperson as proxy and intentions of Chairperson

The Chairperson of the General Meeting, where appropriately authorised, intends to vote all available undirected proxies in favour of Resolutions 1, 2, 3 and 4.

If you appoint the Chairperson of the General Meeting as your proxy but do not mark either "For", "Against" or "Abstain" on the Proxy Appointment Form for a Resolution, you will be expressly authorising the Chairperson to vote on that Resolution in accordance with the Chairperson's stated voting intention described above.

If you wish to appoint the Chairperson of the meeting as your proxy with a direction to vote, you can do so by marking the boxes for the relevant Resolution (ie by directing him to vote "For", "Against", or "Abstain") on the Proxy Appointment Form.

Lodgement of proxy documents

For an appointment of a proxy for the General Meeting to be effective:

- the proxy's appointment; and
- if the appointment is signed by the appointer's attorney - the authority under which the appointment was signed (eg a power of attorney) or a certified copy of it,

must be received by the Company at least 48 hours before the meeting (that is, not later than 9:00 am (Perth time) on Tuesday, 22 June 2021).

The following addresses are specified for the purposes of receipt of proxies:

Online	www.investorvote.com.au
By mail	Share Registry – Computershare Investor Services Pty Ltd, GPO Box 242, Melbourne Victoria 3001, Australia
By fax	1800 783 447 (within Australia) +61 3 9473 2555 (outside Australia)
By mobile	Scan the QR Code on your proxy form and follow the prompts
Custodian voting	For Intermediary Online subscribers only (custodians) please visit www.intermediaryonline.com to submit your voting intentions

Bodies corporate

A body corporate may appoint an individual as its representative to exercise any of the powers the body may exercise at meetings of a company's members. The appointment may be a standing one. Unless the appointment states otherwise, the representative may exercise all of the powers that the appointing body could exercise at a meeting or in voting on a resolution.

The representative should bring to the meeting evidence of his or her appointment, including any authority under which the appointment is signed, unless it has previously been given to the Company.

EXPLANATORY MEMORANDUM

The Explanatory Memorandum has been prepared to provide Shareholders with information about the items of business to be considered at the General Meeting to be held on Thursday, 24 June 2021 at 9:00 am (Perth time) at Suite A, Level 1, 1 Preston Street, Como, Western Australia 6152.

The Explanatory Memorandum is important and should be read carefully, in its entirety, by all Shareholders. The Explanatory Memorandum is part of the Notice.

1. RESOLUTION 1 – ADOPTION OF NEW CONSTITUTION

1.1 Overview

The Company's existing Constitution is in substantially the same form as the Constitution that was adopted in 2006. Since 2006, Shareholders have approved minor amendments to the Constitution, including at a general meeting on 6 October 2010.

Since the existing Constitution was first adopted, there have been a number of changes to the Company, developments in law and the ASX Listing Rules, technology, corporate governance principles, and general corporate and commercial practice for ASX listed entities.

The Board recommends that the existing Constitution is repealed and replaced with a new Constitution that reflects the current law, ASX Listing Rules and market practice, rather than to amend the existing Constitution and insert a multitude of specific updates.

The proposed new Constitution has been reviewed by ASX in accordance with ASX Listing Rule 15.1.1. Full copies of the Company's existing Constitution and the proposed new Constitution are available for review from the Company website at <https://www.medusamining.com.au/>. A copy of the proposed new Constitution can be sent to Shareholders (free of charge) upon written request to the Company Secretary.

Many of the proposed changes are administrative or relatively minor in nature. A brief overview of the key differences between the Company's existing Constitution and the proposed new Constitution are outlined in the table below. This overview is not exhaustive and does not identify all of the differences between the existing Constitution and the proposed new Constitution. Importantly, there have been no fundamental changes to Shareholders' rights, such as the right to vote at a general meeting or to participate in dividends.

For Resolution 1 to be passed as a special resolution, at least 75% of the votes cast by Shareholders entitled to vote on the resolution must be in favour of the resolution, in accordance with the Corporations Act.

Topic		Summary of difference
Definitions and interpretation		
Definitions and interpretation		Various defined terms and references used in the existing Constitution have been updated to reflect current terminology, relevant name changes, and the Corporations Act and ASX Listing Rules.
General meetings		

<p>Virtual meetings</p>	<p>While Medusa's existing Constitution provides for meetings to be held in two or more places using technology, Medusa's proposed new Constitution would provide greater flexibility for the Company to conduct 'hybrid' and 'virtual' meetings, including by enabling the Directors to approve technology to be used at a general meeting. Consistent with Medusa's existing Constitution, any technology used at a general meeting must give Shareholders as a whole a reasonable opportunity to participate in the meeting. The proposed new Constitution would also enable the Directors to hold a Board meeting entirely 'online'.</p> <p>Consequential provisions are included to provide clarity around various procedural matters, including to ensure that 'online' attendees are treated as being present at the meeting (including to be counted for a quorum).</p> <p>While Medusa does not intend to move permanently to wholly 'virtual' online meetings, the Board considers the proposed amendments are in the best interests of Shareholders as they may facilitate greater Shareholder participation in general meetings and provide Medusa with the future flexibility to hold 'virtual' meetings if circumstances arose such that this would be beneficial to Shareholders. The amended provisions also allow greater flexibility to hold 'hybrid' meetings in the future, which would provide convenient means for Shareholders to participate in meetings.</p>
<p>Direct voting</p>	<p>The ASX Corporate Governance Council encourages ASX listed companies to consider ways to facilitate shareholder participation in meetings of shareholders. A number of listed companies on ASX have subsequently amended their constitutions to provide for direct voting, or to allow the company to implement direct voting in the future.</p> <p>Direct voting enables shareholders to vote on resolutions to be considered at a meeting without the need to attend the meeting or to appoint a proxy (or other representative). A direct vote would usually be submitted before the meeting, in any form approved by the board of directors, such as by fax, post or electronically.</p> <p>Medusa's existing Constitution does not provide for direct voting. The proposed new Constitution includes a new rule which addresses direct voting, should the Board decide to implement such a measure in the future. The new provision allows the Board to determine the appropriate procedures for the implementation of direct voting, including as to the form, method and time requirements. If a Shareholder attends a general meeting in-person and they have submitted a direct vote, the direct vote will be disregarded unless the Shareholder instructs otherwise.</p> <p>The proposed new Constitution also includes a rule regarding the interaction between direct votes that have been lodged with Medusa and other forms of voting appointments (including proxy appointments).</p>
<p>Directors</p>	
<p>Nomination period for Directors</p>	<p>Medusa's existing Constitution provides that nominations for Director candidates can be accepted at any time from the business day prior to the date of the relevant notice of meeting up to 30 business days for a member's meeting. In all other cases, nominations must be received 35 business days prior to the date of the meeting of members at which the Director may be elected.</p> <p>The proposed new Constitution standardises this nomination period to 45 business days for all meetings, whether convened by Directors or Shareholders. This approach is consistent with the ASX Listing Rules, and provides a consistent nomination period for all persons proposing to nominate as candidates for election.</p>
<p>Retirement of Directors</p>	<p>The existing constitution contains an out-of-date provision which requires one-third of Directors to retire each year. The proposed new Constitution, consistent with Listing Rule 14.4, provides that a Director must not hold office (without re-election) past the third annual general meeting following the Director's appointment.</p>

Chairperson's casting vote	Medusa's existing Constitution provides that where there is an equality of votes for and against a Board resolution, the chairperson has a casting vote. The proposed new Constitution amends this procedure to clarify that the Chairperson does not have a casting vote on Board resolutions where only two Directors are entitled to vote. While this is a rare scenario, this approach prevents resolutions being approved where a sufficient number of Directors are not present at a Board meeting to consider a matter (even though the quorum requirements for the Board meeting are otherwise satisfied).
Indemnity	The new indemnity provision broadens the indemnity to confirm that indemnity and insurance may be provided to all officers of Medusa, including former officers and officers of the Company's wholly owned subsidiaries. In addition, the proposed new Constitution enables Medusa to indemnify its auditor against liability incurred as auditor, if it chooses to do so. The nature of the indemnities continues to be expressly subject to the restrictions imposed under applicable laws.
Other	
Preference shares	The proposed new Constitution provides greater detail in relation to the rights that will be attached to preference shares on issue. Medusa currently does not have any preference shares on issue.
Restricted securities	The proposed new Constitution provides further detail on the issue of restricted securities, which complies with changes to Listing Rule 15.12 which took effect from 1 December 2019. Medusa currently does not have any restricted securities on issue.
Pre-emption rights on issue	<p>The existing Constitution contains a rule regarding pre-emptive rights which is no longer appropriate to Medusa. The rule was inserted in 2010 when Medusa intended to apply for admission to trade on the official list of the UK Listing Authority and to trade on the main market of the London Stock Exchange (LSE). The rule provides that the Company must not issue shares or other equity securities for cash to any person without first offering them to existing Shareholders in proportion to their existing holdings.</p> <p>On 23 May 2014, Medusa resolved to cancel its listing on the LSE and has since been required to pass special resolutions to disapply the pre-emptive rights rule. To avoid the need to pass more special resolutions of this kind in the future, the proposed new Constitution removes the pre-emptive rights rule, as it is no longer appropriate to Medusa's operations.</p>
Proportional takeovers	Medusa's proposed new Constitution includes proportional takeover provisions, which are in substantially the same form as the provisions contained in the existing Constitution (which ceased to apply on 6 October 2013), with changes to reflect the current provisions of the Corporations Act. More information on this proposed rule is outlined in sections 1.3 to 1.7 of this Explanatory Statement below.
Unmarketable parcels	<p>The proposed new Constitution continues to outline how Medusa can manage shareholdings which represent an "unmarketable parcel" of shares (being a shareholding that is currently less than \$500 based on the closing price of the Company's shares on ASX as at the relevant time).</p> <p>The proposed new Constitution complies with the requirements for dealing with "unmarketable parcels" outlined in the Corporations Act, such that Shareholders are able to opt-out and elect to retain their shareholding before the unmarketable parcel can be dealt with by the Company.</p>
When notice is deemed to be given	The proposed new Constitution provides that a notice posted to a member is regarded as given and received on the business day after the date of posting. Under the existing Constitution, notice is deemed to have been given at the time at which the notice would be delivered in the ordinary course of post.
General updates	A number of provisions of the existing Constitution have been amended and updated to reflect developments in the law and

	changes in terminology now contained in the Corporations Act, the ASX Listing Rules and other applicable laws.
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1.2 Recommendation of the Directors

The Directors unanimously recommend that Shareholders vote in favour of Resolution 1 to approve and adopt the proposed new Constitution.

1.3 Adoption of Proportional Takeover Provisions

Resolution 1 would amend the Constitution of the Company to insert a new Rule 29.6 and Schedule 2 in the Constitution of the Company, that deals with proportional takeover approval under section 648D of the Corporations Act (**Proportional Takeover Provisions**). The form of the proposed Proportional Takeover Provisions are set out in the Schedule 2 to this Notice. The amendment would operate for three years from the date the rule was inserted into the Constitution or three years from date the rule was last renewed in accordance with section 648G(1) (**Effective Period**), and would then cease to apply unless renewed by a further special resolution of shareholders.

Rule 4.14 and Schedule 3 of the Company's existing Constitution (when inserted) enabled the Company to refuse to register shares acquired under a proportional takeover bid unless by a resolution of shareholders. However, as these provisions lapsed on 6 October 2013 by operation of section 648G of the Corporations Act and therefore the provisions ceased to have effect and were deemed to be omitted from the Company's existing Constitution.

The Directors believe it is appropriate to insert the Proportional Takeover Provisions in the Company's proposed new Constitution. The Proportional Takeover Provisions are in substantially the same form as the current Rule 4.14 and Schedule 3, with some changes made to reflect the current provisions of the Corporations Act.

If Resolution 1 is passed, then for 21 days after the meeting the holders of 10% of the Company's shares would have the right to apply to the Court to have the Resolution set aside. The Court may set aside the Resolution if the Court is satisfied in all the circumstances that it is appropriate to do so.

1.4 What is a proportional takeover?

A proportional takeover bid is a takeover offer sent to all shareholders offering to purchase a specified proportion of each shareholder's shares. If a shareholder accepts the shareholder disposes of that specified portion and retains the balance. This means that control of the Company may pass without members having the chance to sell all their shares to the bidder. It also means the bidder may take control of the Company without paying an adequate amount for gaining control.

In order to deal with this possibility, a company may provide in its constitution that:

- a) in the event of a proportional takeover bid being made for shares in the Company, members are required to vote by ordinary resolution and collectively decide whether to accept or reject the offer; and
- b) the majority decision of the Company's members will be binding on all individual members.

1.5 What is the effect of the proposed provision?

For the Effective Period, the combined effect of the Proportional Takeover Provisions and the Corporations Act would be as follows.

If a bidder makes a proportional takeover bid for any class of shares in the company the directors must convene a meeting of the members of that class of shares. The members receiving the bid can then vote on whether or not to approve the proportional takeover bid.

The takeover bidder and its associates are excluded from this meeting. The Directors must ensure that the resolution can be voted on before a deadline that expires 14 days before the end of the takeover offer period.

If a resolution to approve the bid is rejected before that deadline, the bid cannot proceed and all offers and contracts under the takeover bid must be withdrawn and rescinded.

The proportional takeover bid can proceed if a resolution approving it is passed before the deadline, or if the resolution is not voted on before the deadline.

What are the reasons for the proposal?

By making a partial bid, a bidder can obtain practical control of the Company by acquiring less than a majority interest, and without giving shareholders an opportunity to exit by selling their entire holding into the partial bid. Effective control can change without Shareholders receiving an adequate control premium for their holding. It also leaves Shareholders with the balance of their investment as part of a minority holding in the Company.

The Board believes that the proposed amendment is desirable to give Shareholders the protection from these risks inherent in proportional takeover bids, protection that these Corporations Act provisions are intended to provide.

Apart from these general considerations, the Company's Directors are not in a position to point to any special factual matters or principles as a basis for the proposal. Further, to assess the merits of the proposal, Shareholders need to make a judgement as to what events are likely to occur during the three year life of proposed Proportional Takeover Provisions.

1.6 Advantages and disadvantages for members

The insertion of the Proportional Takeover Provisions will allow Directors to ascertain Shareholders' views on a proportional takeover bid. Otherwise, the Directors consider that the proposed Proportional Takeover Provisions have no potential advantages or potential disadvantages for them because they remain free to make a recommendation on whether a proportional takeover bid should be approved or rejected. In particular, Shareholders as a whole are able to decide whether or not a proportional takeover bid is successful.

The Proportional Takeover Provisions would enable a majority of Shareholders, excluding the bidder and its associates, to defeat a partial bid. This gives Shareholders a measure of protection if a proportional (partial) takeover bid is made. The Proportional Takeover Provisions would allow Shareholders to act in a more cohesive manner and may increase their bargaining power in the face of a partial bid. Even Shareholders who have accepted the bid, perhaps because they feel constrained to do so, may oppose the bid at the meeting.

Therefore the insertion of the Proportional Takeover Provisions may encourage any partial takeover bidder to make its partial offer attractive to a majority of Shareholders. The Proportional Takeover Provisions may also have the effect of not allowing control of the Company to pass without payment of a control premium. However, Shareholders can only enjoy this benefit if the resolution is put to them within the deadline set by the Corporations Act.

A disadvantage for Shareholders could be that proposed Proportional Takeover Provisions could have the effect of discouraging a takeover bid that might be of benefit to Shareholders if it were to be made. This could reduce any speculative element in the Company's share price on the ASX. Individual Shareholders may consider that the Proportional Takeover Provisions would restrict their ability to deal with their shares as they see fit.

1.7 Operation of similar rule previously

A similar version of the Proportional Takeover Provisions was last renewed by special resolution on 6 October 2010. While the proportional takeover provisions were in effect, there were no proportional takeover bids for the Company so the Company's Directors cannot point to any more specific advantages or disadvantages evident from the operation of the rule during that period.

1.8 Recommendation of the Directors

The Directors consider that the proposed Proportional Takeover Provisions are in the interest of Shareholders and unanimously recommend that Shareholders vote in favour of Resolution 1 to adopt those provisions in the proposed new Constitution.

2. RESOLUTION 2 – APPROVAL TO ISSUE PERFORMANCE RIGHTS TO MR ANDREW TEO

2.1 Overview

Resolution 2 seeks Shareholder approval for the issue of 2,000,000 performance rights (including the issue of Shares upon the vesting of those performance rights) to Mr Andrew Teo (**MD Rights**), Managing Director of the Company, pursuant to Mr Teo's Managing Director's Employment Contract (a summary of the material terms of which are set out in Schedule 3). The MD Rights will not be issued under the Company's Performance Rights Plan.

The purpose of the issue of the MD Rights is principally intended to provide Mr Teo additional incentive to improve the financial and operational performance of the Company and increase Shareholder returns.

2.2 Requirement for Shareholder Approval

ASX Listing Rule 10.11 provides that unless one of the exceptions in ASX Listing Rule 10.12 applies, a listed company must not issue or agree to issue Equity Securities (including performance rights) to:

- a Related Party (ASX Listing Rule 10.11.1);
- a person who is, or was at any time in the six months before the issue or agreement, a substantial (30%+) holder in the company (ASX Listing Rule 10.11.2);
- a person who is, or was at any time in the six 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 (ASX Listing Rule 10.11.3);
- an associate of a person referred to in ASX Listing Rules 10.11.1 to 10.11.3 (ASX Listing Rule 10.11.4); or

- a person whose relationship with the company or a person referred to in ASX Listing Rules 10.11.1 to 10.11.4 is such that, in ASX's opinion, the issue or agreement should be approved by shareholders (ASX Listing Rule 10.11.5), unless the company obtains approval from its shareholders.

The proposed issue of the MD Rights falls within ASX Listing Rule 10.11.1 and does not fall within any of the exceptions in ASX Listing Rule 10.12. The Company therefore requires the approval of the Company's Shareholders under ASX Listing Rule 10.11.

If Resolution 2 is passed, the Company will be able to proceed with the issue of the MD Rights to Mr Teo. If approval is given by Shareholders under ASX Listing Rule 10.11, separate Shareholder approval is not required under ASX Listing Rule 7.1.

If Resolution 2 is not passed, the Company will not be able to proceed with the issue of the MD Rights to Mr Teo, and the Company would need to consider alternatives for Mr Teo's remuneration.

2.3 Information required by ASX Listing Rule 10.13

In accordance with ASX Listing Rule 10.13, the Company provides the following information:

- **Name of the person:** Andrew Teo.
- **Which category in ASX Listing Rule 10.11 does the person fall within:** Mr Teo falls within ASX Listing Rule 10.11.1, a Related Party of the Company, as he is a Director of the Company.
- **Number and class of securities proposed to be issued:** 2,000,000 performance rights. For each performance right that vests and is exercised, the Company will issue one Share.
- **Material terms of the performance rights to be issued:** The material terms of the MD Rights is set out in Schedule 4.
- **Date of issue of the performance rights:** The issue of the MD Rights to Mr Teo will occur as soon as practicable following the conclusion of the General Meeting, and in any case, by no later than one month after the conclusion of the General Meeting.
- **The price or other consideration the Company will receive for the issue of the performance rights:** Nil.
- **The purpose of the issue of the performance rights (including the use of any funds raised by the issue):** The purpose of the issue of the MD Rights is to give Mr Teo additional incentive to improve the financial and operational performance of the Company and increase Shareholder returns. The issue of the MD Rights will not raise any funds for the Company, as the issue will be for nil consideration.
- **Mr Teo's current total remuneration package:** Fixed remuneration package of \$A500,000 per annum (inclusive of superannuation).
- **Summary of the material terms of Mr Teo's Managing Director's Employment Contract:** The MD Rights are proposed to be issued in accordance with the terms of Mr Teo's Managing Director's Employment Contract (a summary of the material terms of Mr Andrew Teo's Managing Director's Employment Contract is set out in Schedule 3).

- **Voting exclusion statement:** A voting exclusion statement is included on page 3 of this Notice.

2.4 Chapter 2E of the Corporations Act

For the purposes of Chapter 2E of the Corporations Act, Mr Teo is a "related party" of the Company and the issue of the MD Rights will constitute the giving of a "financial benefit" to Mr Teo. Subject to certain exceptions, the Corporations Act prohibits the giving of financial benefits to a related party of the Company unless Shareholder approval is obtained.

The Board (other than Mr Teo because of his interest in Resolution 2) considers that the issue of the MD Rights to Mr Teo is an appropriate and reasonable part of his remuneration for the period in which he is an executive Director, and that the financial benefit represented by the issue falls within the "reasonable remuneration" exception in section 211 of the Corporations Act.

For this reason, the Company is not seeking Shareholder approval of Resolution 2 for the purposes of Chapter 2E of the Corporations Act.

2.5 Termination benefits

Shareholder approval is also being sought under section 200E of the Corporations Act to permit the Company to give certain termination benefits to a person in connection with that person ceasing to be an officer of, or ceasing to hold a managerial or executive office in, the Company or a subsidiary of the Company. Specifically, the benefits for which approval is sought are benefits that may result from the Company or Board exercising discretions conferred on it under the terms of the MD Rights proposed to be issued to Mr Teo. In particular, under the terms of the issue of the MD Rights, an unvested MD Right will lapse if Mr Teo ceases to be an employee of the Company or an associated company, unless the Board determines otherwise.

The Board's current intention is to exercise this discretion only in limited circumstances, such as, but not limited to, where the Mr Andrew Teo leaves employment or office without fault on his part, such as being medically unfit to continue working.

2.6 Sections 200B and 200E of the Corporations Act

Subject to certain exceptions, section 200B of the Corporations Act prohibits the giving of certain benefits to individuals who hold a managerial or executive office on leaving their employment with the Company or any of its related bodies corporate, or who have held a managerial or executive office in the prior three years, without member approval under section 200E of the Corporations Act.

Accordingly, advance Shareholder approval is being sought, for the purposes of section 200E of the Corporations Act, to provide the benefits which may otherwise be prohibited under section 200B, so as to obtain certainty about the Company's ability to maintain its existing remuneration arrangements.

2.7 Recommendation of the Directors

The Directors (other than Mr Teo) recommend that Shareholders vote in favour of Resolution 2 to approve the issue of the MD Rights to Mr Teo. Mr Teo has a personal interest in the outcome of Resolution 2 and does not consider it appropriate to make a recommendation to Shareholders.

3. RESOLUTION 3 – APPROVAL TO ISSUE PERFORMANCE RIGHTS TO MR RAUL VILLANUEVA

3.1 Overview

Resolution 3 seeks Shareholder approval for the issue of 1,500,000 performance rights (including the issue of Shares upon the vesting of those performance rights) to Mr Raul Villanueva (**President Rights**), President of Philsaga Mining Corporation, a subsidiary of the Company which holds and operates the Company's Co-O Gold Mine in the Philippines. The President Rights will not be issued under the Performance Rights Plan.

The purpose of the issue of the President Rights is principally intended to give Mr Villanueva additional incentive to improve the financial and operational performance of the Company's Philippines operations and increase Shareholder returns.

3.2 Requirement for Shareholder Approval

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

The proposed issue of President Rights does not fit within any of these exceptions. While the proposed issue of President Rights does not exceed the 15% limit imposed by ASX Listing Rule 7.1 and can therefore be made without breaching that rule, the Company wishes to retain as much flexibility as possible to issue additional Equity Securities into the future without having to obtain Shareholder approval under ASX Listing Rule 7.1. To do this, the Company is asking Shareholders to approve the issue of the President Rights under ASX Listing Rule 7.1 so that it does not use up any of the 15% limit on issuing Equity Securities without shareholder approval set out in ASX Listing Rule 7.1.

To this end, Resolution 3 seeks shareholder approval in respect of the issue of the President Rights under and for the purposes of ASX Listing Rule 7.1.

If Resolution 3 is passed, the issue of the President Rights can proceed without utilising any of the Company's 15% limit on issuing Equity Securities without shareholder approval set out in ASX Listing Rule 7.1.

If Resolution 3 is not passed, the issue of the President Rights can still proceed but it will reduce, to that extent, the Company's capacity to issue Equity Securities without shareholder approval under ASX Listing Rule 7.1 for 12 months following the issue of the President Rights.

3.3 Information required by ASX Listing Rule 7.3

In accordance with ASX Listing Rule 7.3, the Company provides the following information:

- **Name of the person to whom the Company will issue the performance rights:** Raul Villanueva.
- **Number and class of securities that will be issued:** 1,500,000 performance rights. For each performance right that vests and is exercised, the Company will issue one Share.
- **Material terms of the performance rights to be issued:** The material terms of the President Rights is set out in Schedule 4.

- **Date of issue of the performance rights:** The issue of the President Rights will occur as soon as practicable following the conclusion of the General Meeting, and in any case, by no later than three months after the conclusion of the General Meeting.
- **The price or other consideration the Company will receive for the issue of the performance rights:** Nil.
- **The purpose of the issue of the performance rights (including the use of any funds raised by the issue):** The purpose of the issue of the President Rights is to give Mr Villanueva additional incentive to improve the financial and operational performance of the Company's Philippines operations and increase Shareholder returns. The issue of the President Rights will not raise any funds for the Company, as the issue by the Company will be for nil consideration.
- **Voting exclusion statement:** A voting exclusion statement is included on page 4 of this Notice.

3.4 Termination benefits

Shareholder approval is also being sought under section 200E of the Corporations Act to permit the Company to give certain termination benefits to a person in connection with that person ceasing to be an officer of, or ceasing to hold a managerial or executive office in, the Company or a subsidiary of the Company. Specifically, the benefits for which approval is sought are benefits that may result from the Company or Board exercising discretions conferred on it under the terms of the President Rights issued to Mr Villanueva. In particular, under the terms of the issue of the President Rights, an unvested President Right will lapse if Mr Villanueva ceases to be an employee of the Company or an associated company, unless the Board determines otherwise.

The Board's current intention is to exercise this discretion only in limited circumstances, such as, but not limited to, where Mr Raul Villanueva leaves employment or office without fault on his part, such as being medically unfit to continue working.

3.5 Sections 200B and 200E of the Corporations Act

Subject to certain exceptions, section 200B of the Corporations Act prohibits the giving of certain benefits to individuals who hold a managerial or executive office on leaving their employment with the Company or any of its related bodies corporate, or who have held a managerial or executive office in the prior three years, without member approval under section 200E of the Corporations Act.

Accordingly, advance Shareholder approval is being sought, for the purposes of section 200E of the Corporations Act, to provide the benefits which may otherwise be prohibited under section 200B, so as to obtain certainty about the Company's ability to maintain its existing remuneration arrangements.

3.6 Recommendation of the Directors

The Directors recommend that Shareholders vote in favour of Resolution 3 to approve the issue of the President Rights to Mr Villanueva.

4. RESOLUTION 4 – RE-APPROVAL OF THE COMPANY'S PERFORMANCE RIGHTS PLAN

4.1 Overview

The Performance Rights Plan was last approved by Shareholders at the Company's 2015 annual general meeting on 28 January 2015 for all purposes, including ASX Listing Rule 7.2 (Exception 9) (which was the equivalent of Exception 13(b)) prior to the updates to the ASX Listing Rules in December 2019). This approval expired on 28 January 2018.

Resolution 4 seeks Shareholder approval for the re-approval of the Company's Performance Rights Plan in accordance with ASX Listing Rule 7.2 (Exception 13(b)).

The Performance Rights Plan enables the Company to make grants of Performance Rights to senior executives and other employees, which the Board believes will assist in the recruitment, reward, retention and motivation of those employees.

For completeness, it is noted that the proposed issue of MD Rights and the President Rights subject of Shareholder approval sought under Resolution 2 and Resolution 3 will not be issued under the Performance Rights Plan (if approved).

4.2 Requirement for Shareholder approval

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

ASX Listing Rule 7.2 sets out a number of exceptions to the 15% limit imposed by ASX Listing Rule 7.1. Under ASX Listing Rule 7.2 (Exception 13(b)), ASX Listing Rule 7.1 does not apply to an issue of Equity Securities under an employee incentive scheme (such as the Performance Rights Plan) if (among other things), within three years before the issue, shareholders have approved the issue of Equity Securities under the relevant scheme as an exception to ASX Listing Rule 7.1.

To this end, Resolution 4 seeks Shareholder approval for the purposes of ASX Listing Rule 7.2 (Exception 13(b)) for the Performance Rights Plan, so that the issue of Plan Rights (and Shares issued on the vesting of those Plan Rights) under the Performance Rights Plan will be excluded from the 15% limit imposed by ASX Listing Rule 7.1 for a period of three years from the date of the approval. If Shareholder approval is obtained under Resolution 4, neither the issue of Plan Rights under the Performance Rights Plan, nor the issue of Shares resulting from the vesting of Plan Rights issued under the Performance Rights Plan, will be counted towards the 15% limit imposed by ASX Listing Rule 7.1.

If Resolution 4 is passed, it will provide the Company with the maximum flexibility to incentivise employees and to undertake equity raisings, or equity funded acquisitions, without the need for Shareholder approval for the purposes of ASX Listing Rule 7.1.

If Resolution 4 is not passed, the Company would need to consider alternatives for the Company's remuneration framework. In the absence of such Shareholder approval, the issue of Plan Rights under the Performance Rights Plan can still occur, but those Plan Rights will be counted as part of the 15% limit imposed by ASX Listing Rule 7.1 which would otherwise apply during the 12 month period.

Shareholder approval is required before any executive Director or Related Party of the Company can participate in the Performance Rights Plan. Non-Executive Directors are not eligible to participate in the Performance Rights Plan.

4.3 Information required by ASX Listing Rule 7.2 (Exception 13(b))

In accordance with ASX Listing Rule 7.2 (Exception 13(b)), the Company provides the following information:

- **Summary of the terms of the Performance Rights Plan:** A summary of the terms of the Performance Rights Plan is set out in Schedule 5 to this Notice. A copy of the full terms of the Performance Rights Plan can be obtained free of charge by contacting the Company Secretary. There have been no material changes to the Performance Rights Plan since it was last approved by Shareholders at the Company's 2015 annual general meeting.
- **Plan Rights issued under the Performance Rights Plan since the Company's 2015 annual general meeting:** 5,550,000 Plan Rights have been issued under the Performance Rights Plan since the plan was approved by Shareholders at the Company's 2015 annual general meeting. 79,000 Shares were issued following vesting of 79,000 Plan Rights and 1,348,000 Plan Rights lapsed because they did not vest.
- **Maximum number of Performance Rights proposed to be issued under the Performance Rights Plan following approval:** The maximum number of Performance Rights proposed to be issued under the Performance Rights Plan (if Shareholder approval is obtained under Resolution 4) is 4,376,665 Performance Rights. This figure is not an indication of the actual amount of Performance Rights that may be issued under the Performance Rights Plan, but is rather a "ceiling" for the purposes of ASX Listing Rule 7.2 (Exception 13(b)). As noted in Schedule 5, the Board must not invite and application for, or grant, a Performance Right under the Performance Right Plan if the Board has reasonable grounds to believe that the issue of Shares on the vesting of those Performance Rights would exceed the Share Limit Restriction.
- **Voting exclusion statement:** A voting exclusion statement is included on page 5 of this Notice.

4.4 ASX Listing Rule 6.1

For the purposes of ASX Listing Rule 6.1 and sections 10 and 11 of ASX Guidance Note 19, the Company will ensure, in respect of any Performance Rights issued under the Performance Rights Plan, that:

- the number of Shares into which the Performance Rights will convert if the Performance Criteria is achieved will be:
 - fixed or calculated by reference to a formula that delivers a fixed outcome so that investors and analysts can readily understand, and have reasonable certainty as to, the impact on the Company's capital structure if the Performance Criteria is achieved; and
 - reasonably proportionate to the additional value the Company will derive if the Performance Criteria is achieved, compared to if the Performance Criteria is not achieved; and
- in respect of the Performance Criteria:

- there will be an appropriate and demonstrable nexus between the Performance Criteria and the purpose for which the Performance Right is being issued;
- they will be clearly articulated by reference to objective criteria so that investors and analysts can readily understand, and have reasonable certainty as to, the circumstances in which the Performance Criteria will be taken to have been met; and
- there will be an expiry date by which the Performance Criteria are to be achieved and, if the Performance Criteria are not achieved by that date, either the Performance Rights will be cancelled or brought back for no or nominal consideration only or else the total number of Performance Rights on issue must convert into a nominal number of Shares only.

4.5 Termination benefits

Shareholder approval is also being sought under section 200E of the Corporations Act to permit the Company to give certain termination benefits to a person in connection with that person ceasing to be an officer of, or ceasing to hold a managerial or executive office in, the Company or a subsidiary of the Company. Specifically, the benefits for which approval is sought are benefits that may result from the Company or Board exercising discretions conferred on it under the Performance Rights Plan. In particular, under the Performance Rights Plan, a Plan Right will lapse if the relevant participant ceases to be an employee of the Company or an associated company, unless it was due to a qualifying reason and the Board determines otherwise.

The Board's current intention is to exercise this discretion only in limited circumstances, such as, but not limited to, where the person leaves employment or office without fault on their part, such as being medically unfit to continue working.

4.6 Sections 200B and 200E of the Corporations Act

Subject to certain exceptions, section 200B of the Corporations Act prohibits the giving of certain benefits to individuals who hold a managerial or executive office on leaving their employment with the Company or any of its related bodies corporate, or who have held a managerial or executive office in the prior three years, without member approval under section 200E of the Corporations Act.

Accordingly, advance Shareholder approval is being sought, for the purposes of section 200E of the Corporations Act, to provide the benefits which may otherwise be prohibited under section 200B, so as to obtain certainty about the Company's ability to maintain its existing remuneration arrangements.

4.7 Recommendation of the Directors

The Directors (other than Mr Andrew Teo) recommend that Shareholders vote in favour of Resolution 4 to approve the Performance Rights Plan. Mr Teo is the only Director currently entitled to participate in the Performance Rights Plan. Accordingly, Mr Teo may be interested in the outcome of Resolution 4 and does not consider it appropriate to make a recommendation to Shareholders. It is noted that any issue of Plan Rights to Mr Teo under the Performance Rights Plan would require further approval of Shareholders at a general meeting.

SCHEDULE 1

Terms and abbreviations

Definition	Meaning
ASX Listing Rules	The official listing rules of ASX Limited.
Board	The board of Directors of the Company.
Chairperson	The chairperson of the General Meeting appointed in accordance with the Constitution.
Closely Related Party	Closely related party of a member of the Key Management Personnel means: <ul style="list-style-type: none"> • a spouse or child of the member; or • a child of the member's spouse; or • a dependant of the member or of the member's spouse; or • anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealings with the Company; or • a company that the member controls; or • a person prescribed by the <i>Corporations Regulations 2001</i> (Cth).
Company or Medusa	Medusa Mining Limited (ACN 099 377 849).
Constitution	The constitution of the Company.
Corporations Act	<i>Corporations Act 2001</i> (Cth).
Director	A director of the Company.
Equity Securities	Has the meaning given to that term in the ASX Listing Rules.
Explanatory Memorandum	The explanatory memorandum enclosed with and forming part of this Notice.
General Meeting	The general meeting of the Company notified to Shareholders by this Notice.
Key Management Personnel	Key management personnel has the same meaning as in the accounting standards. The term broadly includes those persons with the authority and responsibility for planning, directing and controlling the activities of the Company (whether directly or indirectly), and includes any Director of the Company.
MD Rights	The 1,500,000 performance rights proposed to be issued to Mr Andrew Teo subject to Shareholder approval of Resolution 2.
Meeting	This General Meeting.
Notice	This notice of meeting incorporating the Explanatory Memorandum and the Proxy Appointment Form.
Performance Right Plan	The Medusa Mining Limited Performance Rights Plan approved by Shareholders on 28 January 2015.
Plan Right	A performance right issued under the Performance Rights Plan to certain employees.
President Rights	The 2,000,000 performance rights proposed to be issued to Mr Raul Villanueva subject to Shareholder approval of Resolution 3.
Proportional Takeover Provisions	Has the meaning given in section 1.3 of the Explanatory Memorandum.
Proxy Appointment Form	The proxy appointment form enclosed with and forming part of this Notice.
Related Party	Has the meaning given to that term in the ASX Listing Rules or the Corporations Act, as the context requires.
Relevant Executive	Any person who holds or has held, at any point within the last three years, a managerial or executive office in the Company or a related body corporate.
Resolutions	The resolutions referred to in this Notice, and resolution means the applicable resolution referred to in this Notice or any of the resolutions referred to in this Notice (as the context requires).

Definition	Meaning
Rule	A rule of the Constitution.
Shareholder	The holder of a Share.
Share	A fully paid ordinary share in the Company.
Share Limit Restriction	Has the meaning given in Schedule 5.
\$ or A\$	A reference to "\$" or "A\$" is to Australian currency, unless otherwise indicated.

SCHEDULE 2

Proposed Rule 29.6 and Schedule 2

29.6 Proportional takeover approval

Schedule 2 applies and forms part of this constitution.

SCHEDULE 2

Proportional Takeover Approval

1. SPECIAL DEFINITIONS

The following definitions apply in this rule.

Accepted Offer means an offer under a proportional takeover bid that has been accepted and from the acceptance of which a binding contract has not resulted as at the end of the Resolution Deadline.

Approving Resolution means a resolution to approve the proportional takeover bid passed in accordance with rule 37.4.

Resolution Deadline means the day that is 14 days before the last day of the bid period of the proportional takeover bid.

A reference to an **associate** of another person is a reference to a person who is an associate of the first person because of section 12 of the *Corporations Act 2001* (Cth).

2. LIMITED LIFE OF RULE

This rule ceases to apply by force of section 648G(1) at the end of three years starting when this rule was inserted in the constitution or starting when this rule was last renewed in accordance with that section.

3. RESTRICTION ON REGISTRATION OF TRANSFERS

The Company must not register a transfer giving effect to a contract resulting from the acceptance of an offer made under a proportional takeover bid until an Approving Resolution is passed.

4. APPROVING RESOLUTION

If offers have been made under a proportional takeover bid for securities in a class issued by the Company:

- (a) an Approving Resolution must be voted on at a meeting, convened and conducted by the Company, of the persons entitled to vote on the Approving Resolution;
- (b) the Board must ensure that an Approving Resolution is voted on in accordance with this rule before the Resolution Deadline for the bid;
- (c) a person (other than the bidder or an associate of the bidder) who, as at the end of the day on which the first offer under the bid was made, held securities included in that class is entitled to vote on an Approving Resolution;
- (d) the bidder or an associate of the bidder is not entitled to vote on an Approving Resolution; and
- (e) an Approving Resolution that has been voted on is taken to have been passed if the proportion that the number of votes in favour of the resolution bears to the total number of votes on the resolution is greater than 50%, and otherwise is taken to have been rejected.

5. **GENERAL MEETING PROVISIONS APPLY**

The rules in this constitution relating to general meetings apply, modified as necessary, to any meeting convened under this rule, except that:

- (a) a meeting may be convened on less than 28 days' notice and on at least 14 days' notice if the Board considers that should be done to ensure that the meeting is held before the Resolution Deadline; and
- (b) the holder of a bid class security that carries no right to vote at a general meeting of the Company has one vote for each bid class security held at a meeting convened under this rule.

6. **NOTICE OF MEETING OUTCOME**

If an Approving Resolution is voted on in accordance with this rule before the Resolution Deadline for the proportional takeover bid, the Company must, on or before the Resolution Deadline give a written notice stating that an Approving Resolution has been voted on and that the resolution has been passed or rejected to:

- (a) the bidder; and
- (b) ASX.

7. **FAILURE TO PROPOSE RESOLUTION**

If, as at the end of the day before the Resolution Deadline for a proportional takeover bid, no Approving Resolution has been voted on in accordance with this rule, an Approving Resolution is taken to have been passed in accordance with this rule.

8. **REJECTED RESOLUTION**

If an Approving Resolution is voted on, in accordance with this rule, before the Resolution Deadline for the proportional takeover bid and is rejected:

- (a) despite section 652A, all offers under the bid that have not, as at the end of the Resolution Deadline, been accepted, and all Accepted Offers are taken to be withdrawn at the end of the Resolution Deadline;
- (b) as soon as practical after the Resolution Deadline, the bidder must return to each person who accepted an Accepted Offer any documents that were sent by the person to the bidder with the acceptance of the offer;
- (c) the bidder may rescind, and must rescind, as soon as practical after the Resolution Deadline, each contract resulting from the acceptance of an offer made under the bid; and
- (d) a person who has accepted an offer made under the bid may rescind the contract (if any) resulting from that acceptance.

SCHEDULE 3

Summary of the material terms of Mr Andrew Teo's Managing Director's Employment Contract

As announced by the Company on 19 March 2021, Mr Andrew Teo commenced in his role as Managing Director on 19 March 2021, for a term of three years.

Mr Teo receives a fixed remuneration and is eligible to receive additional short-term and long-term incentives under the Company's incentive plans.

Mr Teo receives a fixed remuneration package of A\$500,000 per annum, inclusive of superannuation. Subject to Shareholder approval of Resolution 2, Mr Teo will be issued with 2,000,000 performance rights on the terms out in Schedule 4.

Pursuant to Medusa's short-term and long-term incentive framework, Mr Teo may be eligible for:

- a short-term incentive opportunity equal to 40% of Mr Andrew Teo's fixed remuneration package; and
- a long-term incentive opportunity as disclosed above.

Further details of Medusa's short-term and long-term incentive framework are included in the Company's Annual Report, available on the Company's website and the ASX platform.

Mr Teo is required to provide six months' notice in the event of resignation. In the event of termination without cause, the Company is required to give Mr Teo six months' notice or make a payment equal to six months' of the fixed remuneration package.

Mr Teo is subject to post-employment restraints for a period of up to nine months from termination of employment, including restrictions from competing with the Medusa Group and soliciting employees, contractors, officers, agents, suppliers or customers of the Medusa Group in Australia.

SCHEDULE 4

Material terms of the MD Rights and the President Rights

Material Terms		
Commencement and vesting date of the performance rights	Andrew Teo	Commencement date: 19 March 2021 Vesting date: 19 March 2024
	Raul Villanueva	Commencement date: 1 January 2021 Vesting date: 1 January 2024
Vesting period	3 years	
Vesting conditions	See "Vesting Conditions" table below.	
Board discretion in respect of the vesting conditions	The Board has the discretion to increase the targets in respect of a vesting condition to prevent any inappropriate vesting outcomes.	
Peer group	See "Peer Group" table below.	
Vesting of the performance rights following the vesting period	In some instances, the outcome of a vesting condition may only be determined after the availability of the relevant reports, which may result in the vesting of the performance rights occurring after the vesting period.	
Service condition	The performance right is subject to a service condition, which is met if the relevant person continues to be employed with the Company.	
Cessation of employment	In the event that the employment of the relevant person with the Company terminates prior to the vesting of the performance rights, the Board may permit a part or full vesting of the performance rights depending on the circumstances of the cessation of employment. In the event of a change of control of the Company, the performance rights will vest on a pro rata basis.	
Mandatory holding period of Shares issued following vesting of the performance rights prior to disposal	12 months from date of issue of Shares.	

Vesting Conditions				
Measure	Calculation of measure	Maximum weighting relative to total performance rights issued ("Weighting")	Targets	
			Range of growth/change	Percentage allocation of Weighting
Financial measure: Earnings per Share growth	Earnings per share calculation to exclude non-recurring items and measured as the cumulative annual growth rate over a 3 year period.	20%	Negative	Zero
			0% to 5% per annum growth	Pro rata 0% to 40%
			5% to 10% per annum growth	Pro rata 40% to 100%
			Greater than 10% per annum growth	100%
Company growth: Increase in Ore Reserves	Based on JORC compliant reports for calendar year ending December 2020 and 2023.	10%	Negative	Zero
			Depletion replacement to 20% growth	Pro rata 0% to 40%
			20% to 40% growth	Pro rata 40% to 100%
			Greater than 40%	100%
Long-term infrastructure target: Completion of the Tigerway Decline Project	Percentage of weighting is based on achievement of programmed Tigerway Decline Project development. 1st year – 10% 2nd year – 15% 3rd year – remaining 75%	20%	Less than 70% developed	Zero
			70% to 85% developed	Pro rata 0% to 100%
			More than 85% developed	100%

Vesting Conditions				
Measure	Calculation of measure	Maximum weighting relative to total performance rights issued ("Weighting")	Targets	
			Range of growth/change	Percentage allocation of Weighting
Relative total shareholder return:	Measured against peer group based on 30 day Volume Weighted Average Price ("VWAP") at the relative measure	10%	Below 50th percentile	Zero
			At 50th percentile	50%
Measure of Company's return compared to peer group (see "Peer Group" table below)	points at grant date and three year anniversary date.		50th to 75th percentile	Pro rata 50% to 100%
			Greater than 75th percentile	100%
Absolute shareholder return: Absolute total shareholder return	Measure by comparing 30 day VWAP at grant date and three year anniversary date.	10%	Below 20%	Zero
			Between 20 to 50%	Pro rata 50% to 100%
			Greater than 50%	100%
Safety: Total injury frequency rate	Measured by comparison of rates for lost time and non-lost time injuries over the vesting period.	30%	Negative	Zero
			20% improvement	Pro rata 0% to 40%
			20% to 40% improvement	Pro rata 40% to 100%
			Greater than 40% improvement	100%

Peer Group table

Peer Group	
Company	ASX Code
Austal Gold Limited	AGD
Dacian Gold Limited	DCN
Emerald Resources Limited	EMR
Kingrose Mining Limited	KRM
Oceana Gold Limited	OGC
Pantoro Limited	PNR
Persues Mining Limited	PRU
Ramelius Resources Limited	RMS
Red 5 Limited	RED
Resolute Mining Limited	RSG
Troy Resources Limited	TRY

SCHEDULE 5

Summary of Performance Rights Plan

A summary of the principal rules of the Performance Rights Plan is set out below.

Summary	
Object	The object of the Performance Rights Plan is to assist in the recruitment, reward, retention and motivation of eligible participants (Participants) as determined by the Board.
Eligibility	<p>The Board may from time to time in its absolute discretion decide that any of the following persons are eligible to participate in the Performance Rights Plan:</p> <ul style="list-style-type: none"> • full time or part time employees of the Company and its subsidiaries (Group), including executive directors; and • prospective full time or part time employees of the Group, including executive directors. <p>Eligibility will be determined by the Board in its discretion and in accordance with the Rules and any applicable laws.</p>
Share Limit Restriction	<p>The Board must not invite an application for, or grant, a Performance Right if the Board has reasonable grounds to believe that the issue of Shares on the vesting of those Performance Rights would result in the aggregate of any one or more of the following exceeding 5% of the total number of issued Shares:</p> <ul style="list-style-type: none"> • the number of Shares to which the invitation relates; and • the number of Shares issued or that may be issued as a result of offers made during the previous three years under the Share Option Plan, an employee incentive scheme covered by the Class Order or a similar ASIC exempt arrangement, (the Share Limit Restriction).
Grant of Performance Rights	The Board may from time to time, in its absolute discretion, invite an eligible Participant to accept an offer and apply for Performance Rights (Invitation). Upon receiving a duly completed acceptance form, the Company must grant the Performance Rights to the Participant.
Issue price and exercise price	No amount is payable by Participants for the grant of Performance Rights. Unless otherwise determined by the Board and specified in the Invitation, the exercise price in relation to a Performance Right is also nil.
Nature of Performance Rights	<p>The Participant's rights under a granted Performance Right are purely personal and contractual. The Participant does not, by virtue of acquiring or holding a Performance Right, have:</p> <ul style="list-style-type: none"> • any right to vote, except as otherwise required by law; • any entitlement to a dividend, whether fixed or at the discretion of the Directors; • any right to a return of capital, whether in a winding up, upon a reduction of capital or otherwise; • any right to participate in the surplus profit or assets of the Company upon a winding up; • any right to participate in new issues of Shares such as bonus issues or entitlement issues; • any legal or beneficial interest in any Share; or • any other shareholder benefits, <p>unless and until the applicable Performance Criteria are achieved and the Performance Right converts into Shares.</p> <p>The Performance Rights will not be quoted on ASX.</p>

Disposal restrictions	<p>Performance Rights granted cannot be:</p> <ul style="list-style-type: none"> • transferred without the Board's prior written consent except by force of law upon the Participant's death or bankruptcy; and • encumbered or otherwise disposed or dealt with without the Board's prior written consent. <p>The Board may impose restrictions on a Participant disposing of or dealing with Shares issued to the Participant in respect of a Performance Right.</p>
Performance Criteria and notifications	<p>The vesting of a Performance Right is conditional upon satisfaction of any performance criteria determined by the Board (Performance Criteria). As soon as reasonably practicable after the period for performance of the Performance Criteria (Performance Period), the Board must determine, and notify the Participant of, the number of unvested Performance Rights held by the relevant Participant in respect of which the Performance Criteria have been satisfied (Notification).</p>
Lapse of Performance Rights	<p>A Participant's unvested Performance Rights lapse:</p> <ul style="list-style-type: none"> • if the Performance Criteria (if any) relating to those Performance Rights have not been satisfied at the end of the Performance Period; • if the Participant purports to transfer, encumber or otherwise dispose of or deal with those Performance Rights contrary to the Rules (unless the Board in its absolute discretion determines otherwise); • if the Participant ceases to be employed by a member of the Group (subject to the rules governing cessation of employment summarised below); • if, in the Board's opinion, the Participant has acted fraudulently, dishonestly or in a manner which is in breach of the Participant's obligations to a member of the Group; or • five years after the grant of the Performance Right.
Vesting of Performance Rights	<p>Performance Rights that have not lapsed will vest, and the Participant may exercise the Performance Rights in accordance with the Rules:</p> <ul style="list-style-type: none"> • only on or after the vesting date for those Performance Rights stated in the Invitation and if the Board has provided the relevant Participant with a Notification in respect of those Performance Rights; or • if determined by the Board in its absolute discretion: <ul style="list-style-type: none"> ○ following a specific change of control event (ie a person who does not control the Company at the time the Performance Rights are issued achieving control of more than 50% of the Shares in the Company); or ○ a Participant ceases to be employed by a member of the Group due to a specified reason (eg due to death, disability, redundancy or the Group selling its business, etc).
Exercise of Performance Rights	<p>Performance Rights with a nil exercise price are deemed to have been automatically exercised upon vesting.</p>
Issues of Shares	<p>The Company must issue Shares to a Participant in respect of which the Participant has validly exercised a Performance Right within a reasonable time after the completion of the valid exercise of the Performance Right. For each Performance Right that is validly exercised, the Company will issue one Share.</p>
Rights attaching to Shares	<p>Shares acquired by Participants upon the exercise of Performance Rights will rank equally in every way with other Shares then on issue.</p>
Cessation of employment	<p>If a Participant ceases to be employed by a member of the Group other than due to a specified reason (see above) then all of the Participant's unvested Performance Rights will automatically lapse.</p>

Other Rules	<p>The Plan will also contain customary and usual terms for dealing with:</p> <ul style="list-style-type: none"> • adjustments to the terms of Performance Rights (eg the number of Shares which may be acquired on vesting and the Performance Criteria) by the Board in the event of adjustments to the Company's capital structure (eg issue of new Shares, entitlement issues, bonus issues or other distributions of capital, reductions of capital or reconstructions of capital) to ensure that no advantage or disadvantage accrues to Participants as a result of adjustments to the Company's capital structure; and • the administration, amendment and suspension of the Plan.
Applicable Law	<p>The Plan is subject to compliance with applicable laws (which includes, among other things, the Corporations Act, ASX Listing Rules, the Company's Constitution and applicable policy and regulatory guidance). For example, the ASX Listing Rules require (among other things), in respect of any Performance Right to be issued under the Plan, that:</p> <ul style="list-style-type: none"> • the terms of the Performance Right must in ASX's opinion, be appropriate and equitable (ASX Listing Rule 6.1); • the terms of the Performance Right must allow the rights of a Participant to be changed to the extent necessary to comply with the ASX Listing Rules applying to a reorganisation of capital at the time of the reorganisation (ASX Listing Rule 6.16); and • given Participants do not have any rights to a change in the exercise price of the Performance Right, or a change to the number of Shares that may be issued following vesting, this must be stated in the Invitation (ASX Listing Rule 6.21).



MEDUSA

Medusa Mining Limited
ABN 60 099 377 849

MML

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030



Need assistance?



Phone:

1300 850 505 (within Australia)
+61 3 9415 4000 (outside Australia)



Online:

www.investorcentre.com/contact



YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **9:00 AM (AWST) on Tuesday, 22 June 2021.**

Proxy Form

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

APPOINTMENT OF PROXY

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

SIGNING INSTRUCTIONS FOR POSTAL FORMS

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

Joint Holding: Where the holding is in more than one name, all of the securityholders 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 form when you return it.

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

PARTICIPATING IN THE MEETING

Corporate Representative

If a representative of a corporate securityholder or proxy is to participate in the meeting you will need to provide the appropriate "Appointment of Corporate Representative". A form may be obtained from Computershare or online at www.investorcentre.com under the help tab, "Printable Forms".

Lodge your Proxy Form:

XX

Online:

Lodge your vote online at www.investorvote.com.au using your secure access information or use your mobile device to scan the personalised QR code.

Your secure access information is



Control Number: 999999

SRN/HIN: I9999999999

PIN: 99999

For Intermediary Online subscribers (custodians) go to www.intermediaryonline.com

By Mail:

Computershare Investor Services Pty Limited
GPO Box 242
Melbourne VIC 3001
Australia

By Fax:

1800 783 447 within Australia or
+61 3 9473 2555 outside Australia



PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



I 9999999999

I ND

Proxy Form

Please mark to indicate your directions

Step 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Medusa Mining Limited hereby appoint

the Chairman of the Meeting OR

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the General Meeting of Medusa Mining Limited to be held at Suite A, Level 1, 1 Preston Street, Como, WA 6152 on Thursday, 24 June 2021 at 9:00 AM (AWST) and at any adjournment or postponement of that meeting.

Chairman authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Resolutions 2, 3 and 4 (except where I/we have indicated a different voting intention in step 2) even though Resolutions 2, 3 and 4 are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

Important Note: If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Resolutions 2, 3 and 4 by marking the appropriate box in step 2.

Step 2 Items of Business

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

	For	Against	Abstain
1 Adoption of New Constitution	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Approval to Issue Performance Rights to Mr Andrew Teo	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Approval to issue Performance Rights to Mr Raul Villanueva	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Re-Approval of the Company's Performance Rights Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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

Step 3 Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director & Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

/ /

Date

Update your communication details (Optional)

Mobile Number

Email Address

By providing your email address, you consent to receive future Notice of Meeting & Proxy communications electronically

MML

2 7 5 9 0 2 A



Computershare

