



ACN 108 456 444

IMPORTANT INFORMATION IN REGARD TO SHAREHOLDER MEETING VOTING

Notice is hereby given that the Annual General Meeting of Shareholders of New World Resources Limited (**Company**) will be held at Level 2, 1 Walker Avenue, West Perth, WA 6005 on Thursday, 25 November 2021 at 10.00am (WST) (**Meeting**).

Based on the information available at the date of the Notice of Meeting, the Board considers that it will be in a position to hold a physical meeting with appropriate measures in place to comply with Federal and State COVID-19 restrictions regarding gatherings. However, NWC strongly encourages Shareholders to submit completed Proxy Forms prior to the Meeting in accordance with the instructions set out in the Proxy Form and the Notice. The Board also advises Shareholders to monitor NWC's website and ASX announcements for any updates in relation to the Meeting that may need to be provided.

In accordance with the *Treasury Laws Amendment (2021 Measures No. 1) Act 2021* (Cth), NWC will not be sending hard copies of the Notice of Meeting to Shareholders. Instead, Shareholders can access a copy of the Notice at the following link:

<https://newworldres.com/wp-content/uploads/NoticeOfAnnualGeneralMeeting25Nov21.pdf>

How Shareholders Can Participate

1. Shareholders are urged to appoint the Chair as their proxy. Shareholders can complete the Proxy Form to provide specific instructions on how a Shareholder's vote is to be cast on each item of business and the Chair must follow the Shareholder's instructions. Lodgement instructions (which include the ability to lodge proxies electronically) are set out in the Proxy Form attached to the Notice. If a person other than the Chair is appointed as proxy, the proxy will revert to the Chair in the absence of the appointed proxy holder's attendance at the Meeting. Your proxy voting instructions must be received by 10.00am (WST) on Tuesday, 23 November 2021.
2. Shareholders may submit questions in advance of the Meeting by email to the Company Secretary at icunningham@newworldres.com. Responses will be provided at the Meeting in respect of all valid questions received prior to 5.00pm (WST) on Wednesday, 24 November 2021. Shareholders who physically attend the Meeting, will also have the opportunity to submit questions during the Meeting.

Shareholders should contact the Company Secretary on +61 8 9226 1356 or by email at icunningham@newworldres.com if they have any queries in relation to the Meeting.

If the above arrangements with respect to the Meeting change, Shareholders will be updated via the ASX Market Announcements Platform and on the Company's website at www.newworldres.com.

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ACN 108 456 444

NOTICE OF ANNUAL GENERAL MEETING AND EXPLANATORY STATEMENT

TIME: 10.00am (WST)

DATE: 25 November 2021

PLACE: Stantons International (Boardroom)
Level 2, 1 Walker Avenue
West Perth, Western Australia 6005

This Notice of Annual General Meeting and Explanatory Statement should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser without delay.

Should you wish to discuss the matters in this Notice of Annual General Meeting please do not hesitate to contact the Company Secretary on +61 8 9226 1356

CONTENTS

Business of the Meeting (setting out the proposed Resolutions)	2
Explanatory Statement (explaining the proposed Resolutions)	4
Glossary	13
Schedule 1	15

IMPORTANT INFORMATION

Time and place of Meeting

The Annual General Meeting of the Shareholders to which this Notice of Meeting relates will be held at 10.00am (WST) on Thursday, 25 November 2021 at:

Stantons International (Boardroom)
Level 2, 1 Walker Avenue
West Perth, WA 6005

Your vote is important

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

Voting eligibility

The Company may specify a time, not more than 48 hours before the Meeting, at which a “snap-shot” of Shareholders will be taken for the purposes of determining Shareholder entitlements to vote at the Meeting.

The Company’s Directors have determined that all Shares of the Company that are on issue at 4.00pm (WST) on Tuesday, 23 November 2021 shall, for the purposes of determining voting entitlements at the Meeting, be taken to be held by the persons registered as holding the Shares at that time.

Voting in person

To vote in person, attend the Meeting at the time, date and place set out above. However, the Company strongly encourages all Shareholders to participate in the Meeting by reading the Notice carefully and voting by proxy in accordance with instructions below.

Voting by proxy

Shareholders are strongly urged to appoint the Chair as their proxy. Shareholders can complete the Proxy Form to provide specific instructions on how a Shareholder’s vote is to be cast on each item of business, and the Chair must follow Shareholder’s instructions. Lodgement instructions (which include the ability to lodge proxies online) are set out in the Proxy Form attached to this Notice of Meeting. If a person other than the Chair is appointed as proxy, the proxy will revert to the Chair in the absence of the appointed proxy holder’s attendance at the Meeting. **Proxy Forms must be received prior to 10.00am (WST) on Tuesday, 23 November 2021.**

BUSINESS OF THE MEETING

The business to be considered at the Meeting is set out below.

1. FINANCIAL STATEMENTS AND REPORTS

To receive and consider the annual financial report of the Company for the financial year ended 30 June 2021 together with the declaration of the Directors, the Directors' report, the Remuneration Report and the Auditor's report.

Note: there is no requirement for Shareholders to approve these reports.

2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

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

"That, for the purpose of section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Company's annual financial report for the financial year ended 30 June 2021."

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

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

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

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

- (a) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution, and the vote is not cast on behalf of a person who is otherwise excluded from voting on this Resolution as described above; or
- (b) the voter is the Chair and the appointment of the Chair as proxy:
 - (i) does not specify the way the proxy is to vote on this Resolution; and
 - (ii) expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

If you are a member of the Key Management Personnel or a closely related party of such person (or are acting on behalf of any such person) and purport to cast a vote (other than as a proxy as permitted in the manner set out above), that vote will be disregarded by the Company (as indicated above) and you may be liable for an offence for breach of voting restrictions that apply to you under the Corporations Act.

3. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – ANTHONY POLGLASE

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

"That, in accordance with Listing Rule 14.4 and for the purposes of clause 12.3 of the Constitution and for all other purposes, Anthony Polglase, a Director, retires, and being eligible, offers himself for re-election, is re-elected as a Director of the Company."

4. RESOLUTION 3 – APPROVAL OF 10% PLACEMENT CAPACITY

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

"That, for the purpose of Listing Rule 7.1A and for all other purposes, approval is given for the issue of Equity Securities totalling up to 10% of the issued capital of the Company (at the time of issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and 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 to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities) or an Associate of those persons. However, the Company will not disregard a vote if it is cast by:

- (a) a person as proxy or attorney for a person who is entitled to vote on Resolution 3, in accordance with the directions on the Proxy Form given to the proxy or attorney to vote on Resolution 3 in that way; or
- (b) the Chair acting as proxy or attorney for a person who is entitled to vote on Resolution 3, in accordance with a direction given to the Chair to vote on Resolution 3 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 Resolution 3; and
 - (ii) the holder votes on Resolution 3 in accordance with directions given by the beneficiary to the holder to vote in that way.

Important note: The persons to whom any Equity Securities under the 10% Placement Capacity may be issued to are not as yet known or identified. In these circumstances (and in accordance with the note set out in ASX Listing Rule 14.11.1 relating to ASX Listing Rules 7.1 and 7.1A), for a person's vote to be excluded, it must be known that that person will participate in the proposed issue. Where it is not known who will participate in the proposed issue (as is the case in respect of any Equity Securities issued under the 10% Placement Capacity), Shareholders must consider the proposal on the basis that they may or may not get a benefit and that it is possible that their holding will be diluted, and there is no reason to exclude their votes.

5. RESOLUTION 4 – RENEWAL OF PROPORTIONAL TAKEOVER APPROVAL PROVISIONS

To consider, and if thought fit, to pass, with or without amendment, the following Resolution as a **special resolution**:

"That the proportional takeover provisions in clause 9 of the Company's Constitution, are renewed for a period of three years commencing on the day this Resolution is passed."

Dated: **19 October 2021**

By order of the Board

IAN CUNNINGHAM
COMPANY SECRETARY

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. FINANCIAL STATEMENTS AND REPORTS

In accordance the Constitution and pursuant to the Corporations Act the annual financial report, directors' report and the auditor's report (**Annual Financial Statements**) are be received and considered at the Annual General Meeting. The Annual Financial Statements for the period ended 30 June 2021 are included in the Company's annual financial report, together with the declaration of the Directors, the Directors' report, the Remuneration Report and the Auditor's report, a copy of which can be accessed on-line at www.newworldres.com. A hard copy of the Company's annual financial report will be made available on request.

There is no requirement for Shareholders to approve these reports and no vote will be taken on the Annual Financial Statements. However, Shareholders attending the Annual General Meeting will be given a reasonable opportunity to ask questions about, or make comments on, the Annual Financial Statements and the management of the Company.

The Company's auditor, Stantons International Audit and Consulting Pty Ltd, will be present at the Annual General Meeting and Shareholders will have the opportunity ask the auditor questions in relation to the conduct of the audit, the auditor's report, the Company's accounting policies, and the independence of the auditor.

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

- (a) the preparation and content of the auditor's report;
- (b) the conduct of the audit;
- (c) accounting policies adopted by the Company in relation to the preparation of the Annual Financial Statements; and
- (d) the independence of the auditor in relation to the conduct of the audit,

may be submitted no later than 24 November 2021 to the Company Secretary at icunningham@newworldres.com.

2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

2.1 General

The Corporations Act, at section 250R(2), requires that at a listed company's annual general meeting, a non-binding resolution that the remuneration report be adopted must be put to the shareholders. However, such a resolution is advisory only and does not bind the directors or the company.

The Remuneration Report sets out the Company's remuneration arrangements for the Directors and senior management of the Company. The Remuneration Report is part of the Directors' report contained in the annual financial report of the Company for the financial year ending 30 June 2021. The annual financial report will be made available on the Company's website at www.newworldres.com.

By way of summary, the Remuneration Report:

- (a) explains the Company's remuneration policy and the process for determining the remuneration of its Directors and executive officers; and
- (b) sets out the remuneration details for each Director and executive officer named in the Remuneration Report for the financial year ended 30 June 2020.

The Chair of the Annual General Meeting will allow a reasonable opportunity for Shareholders as a whole to ask about, or make comments on, the Remuneration Report.

2.2 Voting consequences

Under changes to the Corporations Act which came into effect on 1 July 2011, a company is required to put to its shareholders a resolution proposing the calling of another meeting of shareholders to consider the appointment of directors of the company (**Spill Resolution**) if, at consecutive annual general meetings, at least 25% of the votes cast on a remuneration report resolution are voted against adoption of the remuneration report and at the first of those annual general meetings a Spill Resolution was not put to vote. If required, the Spill Resolution must be put to vote at the second of those annual general meetings.

If more than 50% of Shareholders vote in favour of the Spill Resolution, the Company must convene the general meeting (**Spill Meeting**) within 90 days of the second annual general meeting.

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

2.3 Previous voting results

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

2.4 Proxy voting restrictions

Shareholders appointing a proxy for this Resolution should note the following:

Proxy	Directions given	No directions given
Key Management Personnel ¹	Vote as directed	Unable to vote ³
Chair ²	Vote as directed	Able to vote at discretion of Proxy ⁴
Other	Vote as directed	Able to vote at discretion of Proxy

Notes:

1. Refers to Key Management Personnel (other than the Chair) whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such a member.
2. Refers to the Chair (where he/she is also a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report), or a Closely Related Party of such a member).
3. Undirected proxies granted to these persons will not be voted and will not be counted in calculating the required majority if a poll is called on this Resolution.
4. The Proxy Form notes it is the Chair's intention to vote all undirected proxies in favour of all Resolutions.

2.5 Board Recommendation

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

3. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – ANTHONY POLGLASE

3.1 Legal requirements

ASX Listing Rule 14.4 and clause 12.3(b) of the Constitution requires that there be an election of Directors at each annual general meeting of the Company. It states that if no person or Director is standing for election or re-election in accordance with the specific provisions of that clause, then the Director who has been a Director the longest without re-election must retire and stand for re-election. In accordance with clause 12.3(c) of the Constitution, the Managing Director is exempt from retirement and re-election.

There are no Directors that have held office (without re-election) past the third AGM following their appointment or for more than 3 years. Accordingly, Mr Polglase having been re-elected on 29 November 2019, will retire in accordance with clause 12.3 of the Constitution and ASX Listing Rule 14.4 and being eligible, seeks re-election in accordance with clause 12.3 of the Constitution.

3.2 Director information

Mr Polglase has a Bachelor of Engineering First Class Honours degree in Metallurgy from the Camborne School of Mines and Higher National Certificates in both Mechanical Engineering and Electrical Engineering.

Mr Polglase started his career at the South Crofty Mine in Cornwall. Subsequently he studied a degree in metallurgy at the Camborne School of Mines, which helped launch his career internationally working for over 40 years across different mining disciplines for companies including Ashanti, Rio Tinto, TVX and Ivernia in Africa, Europe, the Former Soviet Union and for the last decade in Brazil. Mr Polglase was most recently Managing Director of Avanco Resources Limited, which was acquired by Oz Minerals Limited for \$418 million in 2018.

Mr Polglase is recognised for his project management skills in the mining sector, notably critical evaluation, implementation and commissioning of mining projects.

3.3 Board recommendation

The Board (other than Anthony Polglase) recommends Shareholders vote in favour of Resolution 2.

4. RESOLUTION 3 – APPROVAL OF 10% PLACEMENT CAPACITY

4.1 General

ASX Listing Rule 7.1A provides that an Eligible Entity may seek Shareholder approval at its annual general meeting to allow it to issue Equity Securities up to 10% of its issued capital (**10% Placement Capacity**). The 10% Placement Capacity is in addition to the Company's 15% annual placement capacity granted under Listing Rule 7.1.

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

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

An 'eligible entity' means an entity which is not included in the S&P/ASX 300 Index and which has a market capitalisation of \$300 million or less (**Eligible Entity**). The Company is an Eligible Entity as it is not included in the S&P/ASX 300 Index and has a market capitalisation of approximately \$134 million based on the closing Share price on 18 October 2021.

If Shareholders approve Resolution 3, the number of Equity Securities the Eligible Entity may issue under the 10% Placement Capacity will be determined in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 (as set out in Section 4.2). The Company will be able to issue equity securities up to the combined 25% limit in Listing Rules 7.1 and 7.1A without any further shareholder approval.

If Resolution 3 is not passed, the Company will not be able to access the additional 10% capacity to issue equity securities to issue equity securities without shareholder approval provided for in Listing Rule 7.1A and will remain subject to the 15% limit on issuing equity securities without shareholder approval set out in Listing Rule 7.1.

Resolution 3 is a special resolution. Accordingly, at least 75% of votes cast by Shareholders present and eligible to vote at the Meeting must be in favour of Resolution 3 for it to be passed.

4.2 ASX Listing Rule 7.1A

ASX Listing Rule 7.1A came into effect on 1 August 2012 and enables an Eligible Entity to seek shareholder approval at its annual general meeting to issue Equity Securities in addition to those under the Eligible Entity's 15% annual placement capacity.

Any Equity Securities issued must be in the same class as an existing class of quoted Equity Securities. The Company currently has one class of Equity Securities on issue, being the Shares (ASX Code: NWC).

The exact number of Equity Securities that the Company may issue under an approval under Listing Rule 7.1A will be calculated according to the following formula:

$$(A \times D) - E$$

Where:

- A** the number of fully paid ordinary securities on issue at the commencement of the relevant period,
- plus the number of fully paid ordinary securities issued in the relevant period under an exception in ASX Listing Rule 7.2 other than exception 9, 16 or 17;
 - plus the number of fully paid ordinary securities issued in the relevant period on the conversion of convertible securities within ASX Listing Rule 7.2 exception 9 where:
 - the convertible securities were issued or agreed to be issued before the commencement of the relevant period; or
 - the issue of, or agreement to issue, the convertible securities was approved, or taken under the ASX Listing Rules to have been approved, under ASX Listing Rule 7.1 or ASX Listing Rule 7.4,
 - plus the number of fully paid ordinary securities issued in the relevant period under an agreement to issue securities within ASX Listing Rule 7.2 exception 16 where:
 - the agreement was entered into before the commencement of the relevant period; or
 - the agreement or issue was approved, or taken under these rules to have been approved, under ASX Listing Rule 7.1 or ASX Listing Rule 7.4
 - plus the number of any other fully paid ordinary securities issued in the relevant period within approval under ASX Listing Rule 7.1 or ASX Listing Rule 7.4
 - plus the number of partly paid ordinary securities that became fully paid in the relevant period; and
 - less the number of fully paid ordinary securities cancelled in the relevant period.
- Note that A does not include an issue of Shares under the entity's 15% placement capacity without shareholder approval.
- D** is 10%.
- E** is the number of Equity Securities issued or agreed to be issued under ASX Listing Rule 7.1A.2 in the relevant period where the issue or agreement has not been subsequently approved by holders of its ordinary securities under ASX Listing Rule 7.4.

4.3 Technical information required by ASX Listing Rule 7.1A

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

(a) **Date of Issue**

The Equity Securities may be issued under the 10% Placement Capacity commencing on the date of the Meeting and expiring on the first to occur of the following:

- (i) 12 months after the date of this Meeting;
- (ii) the time and date of the Company's next annual general meeting; and
- (iii) the date of approval by Shareholders of any transaction under ASX Listing Rules 11.1.2 (a significant change to the nature or scale of the Company's activities) or 11.2 (disposal of the Company's main undertaking),

(10% Placement Capacity Period).

The Company will only issue Equity Securities under the 10% Placement Facility during the 10% Placement Period and that the approval will cease to be valid in the event that holders of the eligible entity's ordinary securities approve a transaction under ASX Listing Rules 11.1.2 or 11.2.

(b) **Minimum Price**

The minimum price at which the Equity Securities may be issued is 75% of the volume weighted average price of Equity Securities in that class, calculated over the 15 ASX trading days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed by the Company and the recipient of the Equity Securities; or
- (ii) if the Equity Securities are not issued within 10 ASX trading days of the date in Section 7.3(b)(i), the date on which the Equity Securities are issued.

(c) **Purpose of Issue under 10% Placement Capacity**

The Company will only issue Equity Securities under the 10% Placement Capacity for cash consideration for the following purposes:

- (i) exploration and development activities at its Antler Project and/or Tererro Project, all of which are located in the USA;
- (ii) general working capital; and
- (iii) the acquisition of new resource assets and investments.

The Company will comply with the disclosure obligations under Listing Rules 7.1A(4) and 3.10.3 upon issue of any Equity Securities.

(d) **Risk of voting dilution**

Any issue of Equity Securities under the 10% Placement Capacity will dilute the interests of Shareholders who do not receive any Shares under the issue.

If Resolution 3 is approved by Shareholders and the Company issues the maximum number of Equity Securities available under the 10% Placement Capacity, the economic and voting dilution of existing Shares would be as shown in the table below.

The table below shows the dilution of existing Shareholders calculated in accordance with the formula outlined in ASX Listing Rule 7.1A(2), on the basis of the current market price of Shares and the current number of Equity Securities on issue as at the date of this Notice.

The table also shows the voting dilution impact where the number of Shares on issue (Variable A in the formula) changes and the economic dilution where there are changes in the issue price of Shares issued under the 10% Placement Capacity.

Number of Shares on Issue (Variable 'A' in ASX Listing Rule 7.1A2)	Dilution			
	Issue Price (per Share)	\$0.043 50% decrease in Issue Price	\$0.085 Issue Price	\$0.128 50% increase in Issue Price
1,577,756,196 (Current Variable A)	Shares issued - 10% voting dilution	157,775,620 Shares	157,775,620 Shares	157,775,620 Shares
	Funds raised	\$6,705,464	\$13,410,928	\$20,116,391
2,366,634,294 (50% increase in Variable A)	Shares issued - 10% voting dilution	236,663,429 Shares	236,663,429 Shares	236,663,429 Shares
	Funds raised	\$10,058,196	\$20,116,391	\$30,174,587
3,155,512,392 (100% increase in Variable A)	Shares issued - 10% voting dilution	315,551,239 Shares	315,551,239 Shares	315,551,239 Shares
	Funds raised	\$13,410,928	\$26,821,855	\$40,232,783

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

The table above uses the following assumptions:

- (i) There are currently 1,577,756,196 Shares on issue as at the date of this Notice of Meeting.
- (ii) The issue price of \$0.085 per Share set out above is the closing price of the Shares on the ASX on 18 October 2021.
- (iii) The Company issues the maximum possible number of Equity Securities under the 10% Placement Capacity.
- (iv) No Options are exercised into Shares before the date of issue of the Equity Securities.
- (v) The Company has not issued any Equity Securities in the 12 months prior to the date of issue that were not issued under an exception in ASX Listing Rule 7.2 or with approval under ASX Listing Rule 7.1.
- (vi) The issue of Equity Securities under the 10% Placement Capacity consists only of Shares.
- (vii) This table does not set out any dilution pursuant to approvals under ASX Listing Rule 7.1.
- (viii) The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
- (ix) The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Capacity, based on that Shareholder's holding at the date of the Meeting. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.

Shareholders should note that there is a risk that:

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

(e) Allocation under the 10% Placement Capacity

The recipients of the Equity Securities to be issued under the 10% Placement Capacity have not yet been determined. However, the recipients of Equity Securities could consist of current Shareholders or new investors (or both), none of whom will be related parties of the Company.

The Company will determine the recipients at the time of the issue under the 10% Placement Capacity, on a case-by-case basis having regard to the factors including but not limited to the following:

- (i) the purpose of the issue;
- (ii) alternative methods for raising funds available to the Company at that time, including, but not limited to, a rights issue, a placement and a pro rata offer, a placement and an offer under securities purchase plan or other issues in which existing security holders can participate;
- (iii) the effect of the issue of the Equity Securities on the control of the Company;
- (iv) the circumstances of the Company, including, but not limited to, the financial position and solvency of the Company;
- (v) prevailing market conditions; and
- (vi) advice from corporate, financial and broking advisers (if applicable).

(f) Previous Approval under ASX Listing Rule 7.1A

The Company previously obtained Shareholder approval under ASX Listing Rule 7.1A at its last annual general meeting held on 30 November 2020.

The Company has issued a total of 116,159,975 Equity Securities during the 12 months preceding the date of this Meeting under ASX Listing Rule 7.1A.2, representing approximately 9.6% of the

total diluted number of Equity Securities on issue in the Company as at the date of the last annual general meeting.

Information relating to issues of Equity Securities under ASX Listing Rule 7.1A.2 by the Company in the 12 months prior to the date of this Meeting is set out in Schedule 1.

(g) **Compliance with ASX Listing Rules 7.1A.4 and 3.10.3**

When the Company issues Equity Securities pursuant to the 10% Placement Capacity, it will give to ASX:

- (i) a list of the recipients of the Equity Securities and the number of Equity Securities issued to each (not for release to the market), in accordance with Listing Rule 7.1A.4; and;
- (ii) the information required by Listing Rule 3.10.3 for release to the market.

4.4 **Voting Exclusion**

A voting exclusion statement is included in this Notice. At the date of the Notice of Annual General Meeting, the Company has not approached any particular existing security holder or an identifiable class of existing security holders to participate in the issue of the Equity Securities. Accordingly, the proposed persons to whom any Equity Securities may be issued to under the 10% Placement Facility are not as yet known or identified.

In these circumstances (and in accordance with guidance in ASX Guidance Note 21 relating to ASX Listing Rule 7.1A), ASX considers a material benefit to be one that is likely to induce the recipient of the benefit to vote in favour of the transaction regardless on its impact on ordinary security holders. Where it is not known who will participate in the proposed issue (as is the case in respect of any Equity Securities issued under the 10% Placement Facility), Shareholders must consider the proposal on the basis that they may or may not get a benefit and that it is possible that their holding will be diluted, and there is no reason to exclude their votes.

No existing Shareholders' votes will therefore be excluded from voting on Resolution 3.

4.5 **Board Recommendation**

The Board believes that the 10% Placement Facility is beneficial for the Company as it will give the Company the flexibility to issue further securities representing up to 10% of the Company's share capital during the next 12 months. Accordingly, the Board unanimously recommend that Shareholders approve Resolution 3.

5. **RESOLUTION 4 – RENEWAL OF PROPORTIONAL TAKEOVER APPROVAL PROVISIONS**

5.1 **General**

On 30 November 2018, the Company adopted a new Constitution which included clause 9 that enables the Company to refuse to register Shares acquired under a proportional takeover bid unless approved by a resolution of Shareholders (**Proportional Takeover Approval Provisions**).

Under section 648G(1) of the Corporations Act, these provisions must be renewed every three years or they will cease to apply. If the Proportional Takeover Approval Provisions cease to apply, the Constitution is, by force of section 648G(3), altered by omitting clause 9.

Resolution 4, if passed, will renew the Proportional Takeover Approval Provisions in accordance with section 648G of the Corporations Act. If renewed, the Proportional Takeover Approval Provisions will be in exactly the same terms as the existing provisions and will have effect for a three year period commencing on the day this resolution is passed.

5.2 **Effect of the Proportional Takeover Approval Provisions**

Provisions such as these require specific information to be provided to Shareholders at the time the provisions are adopted. This information is set out below.

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

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

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

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

The effect of clause 9 of the Company's Constitution is that, if a proportional takeover offer is received, the Directors are required to convene a meeting of Shareholders to vote on a resolution to approve the proportional bid. Each security holder affected will be entitled to vote (except for the bidder and persons associated with the bidder, who may not vote). Approval of the bid will require a simple majority of the votes cast. The meeting must be held at least 14 days before the bid closes so that holders know the result of the voting before they have to make up their minds whether or not to accept for their own securities.

If the proportional bid is not approved, the registration of any transfer of Shares resulting from an offer made under the proportional bid will be prohibited and the bid will be deemed to be withdrawn. If the proportional bid is approved, the transfers will be registered, provided they comply with the other provisions of the Corporations Act and the Constitution.

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

The provisions of clause 9 do not apply to takeover bids for the whole of the issued Shares in the Company.

The proportional takeover approval provisions under clause 9 will cease to apply at the end of 3 years since the date of their adoption (or longer if it is subsequently renewed by a further resolution of Shareholders).

5.3 Reasons for proposing the Resolution

The reasons why the Board has proposed that the Proportional Takeover Approval Provisions should be renewed are set out below as the advantages of the provisions. Each of the Directors consider that these advantages outweigh the disadvantages stated below.

The Board considers that Shareholders should have the power to prevent the control of the Company from passing to a bidder without it making a bid for all the Shares. They believe that the resolution requirement is the best procedure available to Shareholders to ensure that they are not forced to accept a proportional offer even though they do not wish the bidder to obtain control of the Company.

Without clause 9, a proportional takeover bid may enable control of the Company to be acquired without Shareholders having an opportunity to dispose of all their Shares to the bidder. Shareholders therefore risk holding a minority interest in the Company. If the Shareholders considered that control of the Company was likely to pass under any takeover bid, they could be placed under pressure to accept the offer even if they do not want control of the Company to pass to the bidder. Clause 9 will prevent this by permitting Shareholders in General Meeting to decide whether a proportional takeover bid should be permitted to proceed.

While the inclusion of clause 9 will allow the Directors to ascertain members' views on a proportional takeover bid, it does not otherwise offer any advantage or disadvantage to the Directors who remain free to make their own recommendation as to whether the bid should be accepted.

5.4 Review of advantages and disadvantages

The potential advantages of the Proportional Takeover Approval Provisions for Shareholders are that:

- (a) they give Shareholders their own say in determining, by a majority vote, whether a proportional takeover bid should proceed;
- (b) they enable Shareholders, by combining together, to veto a change of control that would lock them into a minority position;
- (c) the existence of the resolution requirement in the Constitution would make it more probable that any takeover bid will be a full bid for the whole Shareholding of each

member, so that Shareholders may have the opportunity of disposing of all their Shares rather than of a proportion only;

- (d) if a proportional takeover bid should be made, the existence of the resolution requirement will make it more probable that a bidder will set its offer price at a level that will be attractive to the Shareholders who vote;
- (e) knowing the view of the majority of Shareholders assists each individual Shareholder in assessing the likely outcome of the proportional takeover bid, and whether to accept or reject offers made under that bid; and
- (f) at present it is only the Directors who express on behalf of the Company any formal view on the adequacy or otherwise of a takeover bid. With the resolution requirement, the most effective view on a proportional takeover bid will become the view expressed by the vote of the Shareholders themselves at general meeting.

The potential disadvantages of the Proportional Takeover Approval Provisions for Shareholders are that:

- (a) proportional takeover bids may be discouraged, reducing the speculative element in the market price of the Company's Shares arising from the possibility of a takeover offer being made;
- (b) an individual Shareholder who wishes to accept a proportional takeover bid will be unable to sell to the bidder unless a majority of Shareholders favour the proportional takeover bid; and
- (c) the inclusion of the provisions may be considered to constitute an unwarranted additional restriction on the ability of Shareholders to freely deal with their Shares.

Advantages and disadvantages of the Proportional Takeover Approval Provisions for the Directors are that:

- (a) if the Directors consider that a proportional takeover bid should be opposed, they will be assisted in preventing the bidder from securing control of the Company if the bidder needs a majority of the votes cast by the independent Shareholders before it can succeed; and
- (b) on the other hand, under the Proportional Takeover Approval Provisions, if a proportional takeover bid is commenced, the Directors must call a Meeting to seek the Shareholders' views, even though the Directors believe that the bid should be accepted.

5.5 No knowledge of present acquisitions proposals

As at the date of this Notice of Meeting, no Director is aware of any proposal by any person to acquire or increase the extent of a substantial interest in the Company.

5.6 Recommendation of Directors

The Directors do not believe the potential disadvantages outweigh the potential advantages of adopting the Proportional Takeover Approval Provisions and as a result consider that the Proportional Takeover Approval Provisions in clause 9 of the Constitution is in the interest of Shareholders.

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

If this Resolution is approved, the Proportional Takeover Approval Provisions will be renewed with effect have effect for a three year period commencing on the day this resolution is passed.

6. ENQUIRIES

Shareholders may contact the Company Secretary on (+61) 8 9226 1356 or icunningham@newworldres.com if they have any queries in respect of the matters set out in these documents.

GLOSSARY

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

ASIC means the Australian Securities and Investments Commission.

Associate has the meaning given to that term in the Listing Rules.

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

Auditor means the auditor of the Company.

Board means board of Directors.

Chair means the chair of the Meeting.

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

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

Company means New World Resources Limited (ACN 108 456 444).

Constitution means constitution of the Company.

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

Director means director of the Company.

Equity Securities has the meaning set out in the ASX Listing Rules.

Explanatory Statement means the explanatory statement that accompanies this Notice of Meeting.

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

Listing Rules means the listing rules of ASX.

Notice of Meeting or **Notice** means this notice of Annual General Meeting.

Performance Rights means the performance rights proposed to be granted to eligible Directors under the Plan.

Proxy Form means the proxy form enclosed with this Notice of Meeting.

Remuneration Report means the remuneration report set out in the Director's report section of the Company's annual financial report for the year ended 30 June 2021.

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

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

Shareholder means a registered holder of a Share.

Variable A means "A" as set out in the calculation in Section 4.2.

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

10% Placement Capacity has the meaning given in Section 4.

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

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SCHEDULE 1 – ISSUE OF EQUITY SECURITIES UNDER LISTING RULE 7.1A SINCE 29 NOVEMBER 2020

Date of Issue	Number	Class	Recipients	Issue Price (and discount to market price) if applicable	Form of Consideration
12 May 2021	3,564,632	Shares	Sophisticated, professional or other exempt investors. The recipients comprised existing institutional shareholders and other placees who were identified through a bookbuild process undertaken by the brokers to the placement. None of the placees were related parties of the Company or material investors.	\$0.10 (no discount)	Cash Amount raised = \$0.36m Amount spent = \$0.36m Use of funds – (i) exploration, development and related activities for the Antler Copper Project; and (ii) general working capital
9 December 2020	112,595,343	Shares	Sophisticated, professional or other exempt investors. The recipients comprised existing institutional shareholders and other placees who were identified through a bookbuild process undertaken by the brokers to the placement. None of the placees were related parties of the Company or material investors.	\$0.05 (5.7% discount)	Cash Amount raised = \$5.63m Amount spent = \$5.63m Use of funds – (i) exploration, development and related activities for the Antler Copper Project; (ii) issue expenses; and (iii) general working capital

Notes:

1. Market Price means the closing price on ASX (excluding special crossings, overnight sales and exchange traded option exercises). For the purposes of this table the discount (if any) is calculated on the Market Price on the date of issue of the relevant Equity Securities and not on the date of announcement of the proposed issue.

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