



**GALILEO MINING LTD**

**ACN 104 114 132**

## **Notice of Annual General Meeting**

**Annual General Meeting to be held at  
HLB Mann Judd, Level 4, 130 Stirling Street, Perth on 25 November 2020 commencing at  
10:00am (WST).**

In accordance with subsection 5(f) of the Corporations (Coronavirus Economic Response) Determination (No. 3) 2020, the Company will not be dispatching physical copies of the Notice. For shareholders that the Company has email addresses on records, the Company will send a copy of this Notice and material relating to the Meeting or provide a link to where the Notice and other material can be viewed or downloaded by email. To the other Shareholders, the Company will send a letter or postcard setting out a URL for viewing or downloading the Notice and other material. Shareholders can access a copy of the Notice at the following link: [www.galileomining.com.au](http://www.galileomining.com.au).

### **Important**

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

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## **NOTICE OF ANNUAL GENERAL MEETING**

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Notice is given that an annual general meeting of the shareholders of Galileo Mining Ltd ACN 104 114 132 (**Company**) will be held at HLB Mann Judd, Level 4, 130 Stirling Street, Perth on 25 November 2020 commencing at 10:00am (WST).

The Explanatory Statement that accompanies and forms part of this Notice of Meeting describes in more detail the matters to be considered.

### COVID-19 Information

In light of the easing of restrictions on gatherings in Western Australia, it is currently anticipated that the Meeting will be held in person (and not by virtual means). The Company has taken steps to ensure that all attendees will be able to participate in the Meeting while maintaining their health and safety and abiding by social distancing requirements.

Shareholders do not need to attend the Meeting in order to cast their vote(s). The Company therefore recommends that Shareholders who do not wish to attend the Meeting in person, but who wish to vote, appoint the Chairman as their proxy ( and where desired, direct the Chairman how to vote on a Resolution) rather than attending in person.

If the Meeting cannot be held in person, the Company will make additional arrangements as required.

## **Business**

### **Annual Report**

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To receive and consider the Annual Report of the Company for the financial year ended 30 June 2020, which includes the Financial Report, the Directors' Report, the Remuneration Report and the Auditor's Report.

### **Resolution 1 - Remuneration Report**

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

*“That, for the purpose of section 250R(2) of the Corporations Act and for all other purposes, the Remuneration Report for the financial year ended 30 June 2020 be adopted.”*

**Note:** The votes on this Resolution are advisory only and do not bind the Directors or the Company.

#### **Voting Exclusion Statement**

The Company will disregard any votes cast on the Resolution:

- by or on behalf of a member of Key Management Personnel as disclosed in the Remuneration Report;
- by or on behalf of a Closely Related Party of a member of Key Management Personnel; and
- as a proxy by a member of Key Management Personnel or a Closely Related Party,

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

- a person as proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- the Chair of the meeting as proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with a direction given to the Chair to vote on this Resolution as the Chair decides; or
- 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 this Resolution; and

- the holder votes on this Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

## **Resolution 2: Amendment of the Constitution**

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

*“That, for the purposes of section 136(2) of the Corporations Act and for all other purposes, approval is given for the Company to:*

- (a) *delete clause 11.3(b) of the Constitution; and*
- (b) *add a new clause 6.2(a)(e) to the Constitution in the following terms: “A reasonable fee may be charged by the Company on the registration of a transfer of shares or other securities.”*

## **Resolution 3: Re-election of Noel O’Brien**

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

*“That, for all purposes, Noel O’Brien, who retires by rotation in accordance with clause 11.1 of the Constitution and who is eligible and offers himself for re-election, be re-elected as a Director.”*

### **Voting exclusion statement**

The Company will disregard any votes cast in favour of this Resolution by or on behalf of:

- Noel O’Brien; or
- an associate of that person.

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

- a person as proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- the Chair of the meeting as proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with a direction given to the Chair to vote on this Resolution as the Chair decides; or
- 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 this Resolution; and
  - the holder votes on this Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

## **Resolution 4 - Re-election of Mathew Whyte**

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

*“That, for all purposes, Mathew Whyte, who retires in accordance with clause 11.4 of the Constitution and who is eligible and offers himself for re-election, be re-elected as a Director.”*

### **Voting exclusion statement**

The Company will disregard any votes cast in favour of this Resolution by or on behalf of:

- Mathew Whyte; or
- an associate of that person.

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

- a person as proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- the Chair of the meeting as proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with a direction given to the Chair to vote on this Resolution as the Chair decides; or
- 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 this Resolution; and
  - the holder votes on this Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

## **Resolutions 5 (a) and (b) – Ratification of Placement Securities**

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

*“That, under and for the purposes of Listing Rule 7.4 and for all other purposes, approval is given to ratify the prior issue of:*

*(a) 10,689,880 Shares issued under Listing Rule 7.1; and*

*(b) 12,037,393 Shares issued under Listing Rule 7.1A*

*to institutional and professional investors on 1 May 2020 as described in the Explanatory Statement.”*

### **Voting exclusion statement**

The Company will disregard any votes cast in favour of this Resolution by or on behalf of:

- a person who participated in the Placement; or
- an associate of those persons.

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

- a person as proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- the Chair of the meeting as proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with a direction given to the Chair to vote on this Resolution as the Chair decides; or
- 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 this Resolution; and
  - the holder votes on this Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

## **Resolution 6 - Ratification of the issue of the Broker Options**

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

*“That, under and for the purposes of Listing Rule 7.4 and for all other purposes, approval is given to ratify the prior issue of 2,272,727 Broker Options issued under Listing Rule 7.1 to Nascent Capital Partners Pty Ltd and its Nominees on 1 May 2020 as described in the Explanatory Statement.”*

### **Voting exclusion statement**

The Company will disregard any votes cast in favour of this Resolution by or on behalf of:

- Nascent Capital Partners Pty Ltd; or
- an associate of those persons.

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

- a person as proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- the Chair of the meeting as proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with a direction given to the Chair to vote on this Resolution as the Chair decides; or
- 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 this Resolution; and
  - the holder votes on this Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

## **Resolution 7 - Approval of 10% Placement Facility**

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

*“That, in accordance with Listing Rule 7.1A, and for all other purposes, approval be given for the issue of Equity Securities totalling up to 10% of the issued capital of the Company under and in accordance with Listing Rule 7.1A, on the terms and conditions set out in the Explanatory Statement.”*

### **Voting exclusion statement**

The Company will disregard any votes cast in favour of this Resolution by or on behalf a person who is expected to participate in, or will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the entity), and any associate of those persons.

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

- a person as proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- the Chair of the meeting as proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with a direction given to the Chair to vote on this Resolution as the Chair decides; or
- 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 this Resolution; and
  - the holder votes on this Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

## **Other business**

In accordance with section 250S(1) of the Corporations Act, Shareholders are invited to ask questions about or make comments on the management of the Company and to raise any other business which may lawfully be brought before the Meeting.

**By order of the Board**

**Mathew Whyte**  
Company Secretary  
Galileo Mining Ltd

22 October 2020

## **EXPLANATORY STATEMENT**

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### **Important information**

This Explanatory Statement has been prepared for the information of the shareholders of Galileo Mining Ltd ACN 104 114 132 (“**Company**”) in connection with the Resolutions to be considered at the Annual General Meeting to be held at HLB Mann Judd, Level 4, 130 Stirling Street, Perth on 25 November 2020 commencing at 10:00am (WST).

The purpose of this Explanatory Statement is to provide Shareholders with all information known to the Company, which is material to a decision on how to vote on the Resolutions in the accompanying Notice of Meeting.

This Notice and Explanatory Statement should be read in its entirety. If Shareholders are in doubt as to how to vote, they should seek advice from their professional adviser prior to voting.

### **Interpretation**

Capitalised terms which are not otherwise defined in this Notice and Explanatory Statement have the meanings given to those terms under the Definitions section.

References to “\$” and “A\$” in this Notice and Explanatory Statement are references to Australian currency unless otherwise stated.

References to time in this Notice and Explanatory Statement relate to the time in Perth, Western Australia.

### **Voting exclusion statements**

Certain voting restrictions apply to the Resolutions as detailed beneath the applicable Resolutions in the Notice.

### **Proxies**

Please note that:

- a Shareholder entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy;
- a proxy need not be a Shareholder;
- a Shareholder may appoint a body corporate or an individual as its proxy;
- a body corporate appointed as a Shareholder’s proxy may appoint an individual as its representative to exercise any of the powers that the body may exercise as the Shareholder’s proxy; and
- Shareholders 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, but where the proportion or number is not specified, each proxy may exercise half of the votes.

The enclosed Proxy Form provides further details on appointing proxies and lodging Proxy Forms. If a Shareholder appoints a body corporate as its proxy and the body corporate wishes to appoint an individual as its representative, the body corporate should provide that person with a certificate or letter executed in accordance with the Corporations Act authorising him or her to act as that company’s representative. The authority may be sent to the Company or its share registry in advance of the Annual General Meeting or handed in at the Annual General Meeting when registering as a corporate representative.

To vote by proxy, please complete and sign the enclosed Proxy Form and send by:

- post to c/- Automic Group, GPO Box 5193, Sydney NSW 2001;
- email to [meetings@automicgroup.com.au](mailto:meetings@automicgroup.com.au) or
- online at [www.automicgroup.com.au](http://www.automicgroup.com.au) (Refer to instructions on Proxy Form)

so that it is received by no later than 10:00am (WST) on Monday 23 November 2020. Proxy Forms received later than this time will be invalid.

### **Voting entitlements**

In accordance with Regulations 7.11.37 and 7.11.38 of the *Corporations Regulations 2001* (Cth), the Board has determined that a person's entitlement to vote at the Annual General Meeting will be the entitlement of that person set out in the register of Shareholders as at 10:00am (WST) on 23 November 2020. Accordingly, transactions registered after that time will be disregarded in determining a Shareholder's entitlement to attend and vote at the Annual General Meeting.

## REGULATORY INFORMATION

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### 1. Annual Report

The Annual Report of the Company for the financial year ended 30 June 2020, which includes the Financial Report, the Directors' Report, the Remuneration Report and the Auditor's Report, will be laid before the Annual General Meeting.

There is no requirement for Shareholders to approve the Annual Report. However, the Chair will allow a reasonable opportunity for Shareholders to ask questions or make comments about the Annual Report and the management of the Company.

A representative of the Company's auditor, HLB Mann Judd, will be in attendance to respond to any questions raised of the auditor or on the Auditor's Report in accordance with section 250T of the Corporations Act.

### 2. Resolution 1: Remuneration Report

Section 249L(2) of the Corporations Act requires a company to inform shareholders that a resolution on the remuneration report will be put at the annual general meeting. Section 250R(2) of the Corporations Act requires a resolution that the remuneration report adopted be put to a vote. Resolution 1 seeks this approval.

In accordance with section 250R(3) of the Corporations Act, Shareholders should note that Resolution 1 is an "advisory only" Resolution which does not bind the Directors or the Company. However, the Directors take the discussion at the meeting and the outcome of the vote into account when considering the Company's remuneration practices.

Following consideration of the Remuneration Report for the financial year ended 30 June 2020, the Chair, in accordance with section 250SA of the Corporations Act, will give Shareholders a reasonable opportunity to ask questions about, or make comments on, the Remuneration Report.

If at least 25% of the votes cast on a resolution for the adoption of a Remuneration Report are voted against at two consecutive annual general meetings, the Company will be required to put to Shareholders at the second annual general meeting a resolution proposing that another general meeting be held within 90 days, at which all of the Company's Directors (other than the Managing Director) would be up for re-election.

#### **Directors' recommendations**

The Directors encourage all Shareholders to vote on Resolution 1.

### 3. Resolution 2: Modification of Constitution

A company may modify or repeal its constitution or a provision of its constitution by special resolution of Shareholders.

This Resolution is a special resolution which will enable the Company to modify its existing Constitution as set out below. A copy of the modified Constitution is available for review by Shareholders at the Company's website <https://www.galileomining.com.au/> and at the office of the Company. A copy of the modified Constitution can also be sent to Shareholders upon request to the Company Secretary by email at [info@galmining.com.au](mailto:info@galmining.com.au) or on +61 8 9463 0063. Shareholders are invited to contact the Company if they have any queries or concerns.



## **Summary of proposed changes**

### **3.1 Deletion of Clause 11.3(b)**

Clause 11.3(b) of the Constitution currently prohibits a person of or over the age of 72 years being appointed or re-appointed as a Director except pursuant to a resolution of the Company in accordance with the Corporations Act.

Clause 11.3(b) resulted from a now repealed provision of the Corporations Act. As such this is no longer required.

### **3.2 Fee for registration of Off-Market transactions (new Clause 6.2(a)(e))**

In 2011, ASX amended ASX Listing Rule 8.14 with the effect that the Company may now charge a “reasonable fee” for registering paper-based transfers, sometimes referred to as “off-market transfers”.

Proposed new Clause 6.2(a)(e) of the Constitution enables the Company to charge a reasonable fee when it is required to register off-market transfers from Shareholders. The fee is intended to represent the cost incurred by the Company in upgrading its fraud detection practices specific to off-market transfers.

Before charging any fee, the Company is required to notify ASX of the fee to be charged and provide sufficient information to enable ASX to assess the reasonableness of the proposed amount.

## **Directors Recommendation**

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

### **4. Resolution 3: Re-election of Noel O'Brien**

In accordance with clause 11.1 of the Constitution, at every Annual General Meeting, one third of the Directors for the time being must retire from office by rotation and are eligible for re-election. The Directors to retire are those who have been in office for 3 years since their appointment or last re-appointment or who have been longest in office since their appointment or last re-appointment or, if the Directors have been in office for an equal length of time, by agreement.

These requirements for a Director to retire do not apply to a Managing Director (but if there is more than one Managing Director, only one is exempt from retirement).

In determining the number and identity of the Directors to retire by rotation, the Managing Director and any Director seeking election after appointment by the Board to fill a casual vacancy are not taken into account.

Noel O'Brien retires by rotation at this meeting and, being eligible, offers himself for re-election. Brief background information on Noel O'Brien is set out below.

#### **Noel O'Brien**

Mr Noel O'Brien is a metallurgist with wide international and corporate experience. After a career spanning 40 years in Australia and Africa he established Trinol Pty Ltd, a Perth based consultancy, to provide process and project development services over a broad range of commodities.

Mr O'Brien has been actively involved with projects containing manganese, iron ore, gold, base metals, and the battery metals including lithium, graphite and cobalt.

He has served on the board of a number of ASX listed companies over the past 9 years and is currently a technical advisor to several listed companies with early to advanced stage projects.

Mr O'Brien has a Bachelor's degree in Metallurgical Engineering from the University of Melbourne, an MBA from the University of the Witwatersrand and is a Fellow of the AusIMM.

Mr O'Brien was appointed as Technical Director on 6 February 2018.

The Board considers that Mr O'Brien, if re-elected, will not qualify as an independent director of the Company given that he is the recipient of performance-based remuneration in the form of 2,500,000 unvested Director Options issued in 2018. Other than in relation to his holdings of Director Options, the Company is not aware of any interest, position or relationship that might influence, or reasonably be perceived to influence, in a material respect, Mr O'Brien's capacity to bring an independent judgement to bear on issues before the Board and to act in the best interests of the Company.

#### **Directors' recommendations**

After appropriate consideration, and taking into account his past performance, contributions to the Company and the current and future needs of the Board and the Company, the Board members (excluding Mr O'Brien) unanimously resolved that Mr O'Brien's skills and experience are of on-going benefit to the Board.

Other than the Director to whom Resolution 3 relates, who does not make any recommendation in relation to his own re-election, the Directors unanimously recommend that Shareholders vote in favour of Resolution 3.

#### **5. Resolution 4: Re-election of Mathew Whyte**

In accordance with clause 11.4 of the Constitution, a Director who is appointed by the Directors may hold office until the next general meeting and is then eligible for re-election.

Mathew Whyte being appointed by the Board on 27 December 2019 retires at this meeting and, being eligible, offers himself for re-election. Brief background information on Mathew Whyte is set out below.

#### **Mathew Whyte**

Mr Whyte is a CPA and a Chartered Secretary FCG (CS, CGP). He has over 25 years' commercial experience in the financial management, direction, and corporate governance of ASX listed companies.

Mr Whyte has held senior executive roles on a broad range of Australian listed entities with operations in Australia and overseas in the mining exploration, mining services, power infrastructure and technology development industries.

Mr Whyte has served as a Director and Company Secretary on multiple ASX listed company boards over the past 10 years.

Mr Whyte was appointed as Non-Executive Director on 27 December 2019.

The Board confirms that it has conducted appropriate background checks of Mr Whyte and those checks have not revealed any information of concern with regards Mr Whyte.

The Board considers that Mr Whyte, if re-elected, will not qualify as an independent director of the Company given that he is the recipient of performance-based remuneration in the form of 400,000 unvested Performance Rights issued in 2018. Other than in relation to his holdings of Performance Rights, the Company is not aware of any interest, position or

relationship that might influence, or reasonably be perceived to influence, in a material respect, Mr Whyte's capacity to bring an independent judgement to bear on issues before the Board and to act in the best interests of the Company.

### **Directors' recommendations**

After appropriate consideration, and taking into account his past performance, contributions to the Company and the current and future needs of the Board and the Company, the Board members (excluding Mr Whyte) unanimously resolved that Mr Whyte's skills and experience are of on-going benefit to the Board.

Other than the Director to whom Resolution 4 relates, who does not make any recommendation in relation to his own re-election, the Directors unanimously recommend that Shareholders vote in favour of Resolution 4.

## **6. Resolution 5 (a) and (b) – Ratification of Placement Shares**

Resolution 5(a) and (b) seek Shareholder approval to ratify the 22,727,273 Shares previously issued to institutional and professional investors on 1 May 2020.

### **6.1 Background**

On 1 May 2020, the Company announced that it had completed a placement raising \$5 million through the issue of 22,727,273 Shares at \$0.22 per share ("**Placement Shares**") to institutional and professional investors ("**Placement**").

Under the Placement, the Company issued a total of 22,727,273 Shares utilising the Company's available capacity under Listing Rule 7.1 (10,689,880 Shares) and Listing Rule 7.1A (12,037,393 Shares).

### **6.2 General**

Resolutions 5 (a) and (b) seek Shareholder approval, under and for the purposes of Listing Rule 7.4, for the ratification of the issue the Placement Shares to exempt investors under the Placement.

### **6.3 Listing Rule 7.1**

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

The issue of the Placement Shares does not fall within any of those exceptions and, as it has not been approved by the Company's shareholders, it effectively uses up part of the 15% limit in Listing Rule 7.1, reducing the Company's capacity to issue further equity securities without shareholder approval under Listing Rule 7.1 for the 12 months following the date of issue of the Placement Shares.

### **6.4 Listing Rule 7.4**

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

The Company wishes to retain as much flexibility as possible to issue additional equity securities into the future without having to obtain shareholder approval for such issues under Listing Rule 7.1.

If Resolutions 5 (a) and (b) are passed, the issue of the Placement Shares will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of equity securities it can issue without shareholder approval over the 12 month period following the date of issue of the Placement Shares.

If Resolutions 5 (a) and (b) are not passed, the issue of the Placement Shares will be included in calculating the Company's 15% limit in Listing Rule 7.1, effectively decreasing the number of equity securities it can issue without shareholder approval over the 12 month period following the date of issue of the Placement Shares.

## 6.5 ASX Listing Rule 7.5

Listing Rule 7.5 requires that the following information be provided to the Shareholders in relation to obtaining approval of Resolutions 5 (a) and (b) for the purposes of Listing Rule 7.4:

- (a) A total of 22,727,273 Shares were issued. 10,689,880 Shares under Listing Rule 7.1 and 12,037,393 Shares under listing Rule 7.1A.
- (b) The Shares had an issue price of \$0.22 per Share.
- (c) The Shares issued were fully paid ordinary shares in the capital of the Company and rank equally in all respects with the existing fully paid ordinary shares on issue.
- (d) The Shares and Placement Options under the Placement were issued to institutional and professional clients of Nascent and were not related parties of the Company.
- (e) The funds are being used primarily for ongoing exploration at the Lantern Prospect, for other prospects in the Fraser Range nickel belt, and for working capital purposes.

## 6.6 Additional information

- (a) Resolutions 5 (a) and (b) are both ordinary resolutions.
- (b) The Board unanimously recommends that Shareholders vote in favour of Resolutions 5 (a) and (b).
- (c) The Chair intends to exercise all available proxies in favour of Resolutions 5 (a) and (b).

## 7. Resolution 6 – Ratification of issue of Broker Options to Nascent

### 7.1 Background

On 23 April 2020, the Company announced that it was undertaking a Placement to raise \$5,000,000 and that Nascent Capital Partners Pty Ltd ("**Nascent**") was engaged as the Lead Manager.

On 1 May 2020, and in consideration for the services provided under their engagement as Lead Manager ("**Lead Manager Agreement**"), the Company issued 2,272,727 Broker Options to Nascent and its nominees at an exercise price of \$0.44 per Option, with an expiry date of 29 April 2022 ("**Broker Options**").

### 7.2 General

Resolution 6 seeks Shareholder approval under and for the purposes of Listing Rule 7.4 for the ratification of the issue of 2,272,727 Broker Options to Nascent and its nominees

as consideration for the provision of the services provided under the Lead Manager Agreement.

### **7.3 Lead Manager Agreement – Material Terms**

Under the Lead Manager Agreement, Nascent acted as Lead Manager to the Placement and received a 5% (plus GST) fee on amounts raised by Nascent. In addition, they and their nominees received 2,272,727 options exercisable at \$0.44 each and expiring on 29 April 2022.

The Lead Manager Agreement contained other terms and conditions considered standard for such appointments.

### **7.4 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 a 12 month period to 15% of the fully paid ordinary shares it had on issue at the start of that period.

The issue of the Broker Options does not fall within any of those exceptions and, as it has not been approved by the Company's shareholders, it effectively uses up part of the 15% limit in Listing Rule 7.1, reducing the Company's capacity to issue further Equity Securities without shareholder approval under Listing Rule 7.1 for the 12 months following the date of issue of the Broker Options.

### **7.5 Listing Rule 7.4**

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

The Company wishes to retain as much flexibility as possible to issue additional equity securities into the future without having to obtain shareholder approval for such issues under Listing Rule 7.1.

If Resolution 6 is passed, the issue of the Broker Options will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of equity securities it can issue without shareholder approval over the 12 month period following the date of issue of the Broker Options.

If Resolution 6 is not passed, the issue of the Broker Options will be included in calculating the Company's 15% limit in Listing Rule 7.1, effectively decreasing the number of equity securities it can issue without shareholder approval over the 12 month period following the date of issue of the Broker Options.

### **7.6 Specific information required by Listing Rule 7.5**

Listing Rule 7.5 requires that the following information be provided to Shareholders in relation to the issue of the Broker Options:

- (a) a total of 2,272,727 Broker Options were issued;
- (b) the Broker Options were issued for nil cash consideration, in consideration for the services provided by Nascent under the Broker Agreement;
- (c) the Broker Options are exercisable at \$0.44 each on or before 29 April 2022 and were otherwise issued on the terms and conditions set out in Appendix A;

- (d) the Broker Options were issued to Nascent and its Nominees, none of whom was a related party of the Company;
- (e) no funds were raised from the issue of the Broker Options as the Broker Options were issued in consideration for the provision of the services provided by Nascent under the Lead Manager Agreement; and
- (f) a voting exclusion statement is included in the Notice.

#### 7.7 Additional information

- (a) Resolution 6 is an ordinary resolution.
- (b) The Board unanimously recommends that Shareholders vote in favour of Resolution 6.
- (c) The Chair intends to exercise all available proxies in favour of Resolution 6.

### 8. Resolution 7: Approval of 10% Placement Facility

Resolution 7 is a special resolution which seeks Shareholder approval for the issue of Equity Securities totaling up to 10% of the issued capital of the Company under and in accordance with Listing Rule 7.1A (“**10% Placement Facility**”).

#### 8.1 Listing Rule 7.1A

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

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

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

Resolution 7 seeks shareholder approval by way of special resolution for the Company to have the additional 10% capacity provided for in Listing Rule 7.1A to issue equity securities without shareholder approval.

If Resolution 7 is passed, the Company will be able to issue equity securities up to the combined 25% limit in Listing Rules 7.1 and 7.1A without any further shareholder approval.

If Resolution 7 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 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.

Approval of the 10% Placement Facility is valid from the date of the Annual General Meeting until the earlier of:

- 12 months after the Annual General Meeting;
- The time and date of the Company’s next annual general meeting; and

- the date shareholders approve a transaction under Listing Rule 11.1.2 (significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking),

("10% Placement Period").

The number of Equity Securities that the Company will have the capacity to issue under the 10% Placement Facility will be calculated in accordance with the following formula:

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

**A** has the same meaning as in Listing Rule 7.1 when calculating an entity's 15% placement capacity – i.e. the number of shares on issue 12 months before the date of issue or agreement:

- plus the number of fully paid shares issued in the 12 months under an exception in Listing Rule 7.2 other than exceptions 9, 16 or 17;
- plus the number of fully paid Equity Securities issued in the relevant period on the conversion of convertible securities within Listing Rule 7.2 exception 9 where:
  - (1) the convertible securities were issued or agreed to be issued before the commencement of the relevant period; or
  - (2) the issue of, or agreement to issue, the convertible securities was approved, or taken under the Listing Rules to have been approved, under rule 7.1 or rule 7.4,
- plus the number of fully paid Equity Securities issued in the relevant period under an agreement to issue securities within Listing Rule 7.2 exception 16 where:
  - (1) the agreement was entered into before the commencement of the relevant period; or
  - (2) the agreement or issue was approved, or taken under these rules to have been approved, under Listing Rule 7.1 or Listing Rule 7.4,
- plus the number of any other Equity Securities issued in the relevant period with approval under Listing Rule 7.1 or Listing Rule 7.4,
- plus the number of partly paid Equity Securities that became fully paid in the relevant period,
- less the number of fully paid Equity Securities cancelled in the relevant period;

**D** is 10%.

**E** is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue where the issue or agreement has not been subsequently approved by the holders of its ordinary securities under Listing Rule 7.4.

For the purposes of Listing Rule 7.3A, the following information is provided to Shareholders in relation to Resolution 4:

(a) **Minimum price at which the securities may be issued**

In accordance with Listing Rule 7.1A.3, any Equity Securities issued under the 10% Placement Facility will be issued for at least 75% of the VWAP of Equity Securities in the same class calculated over the 15 Trading Days on which trades in that class were recorded immediately before:

- the date on which the price of the Equity Securities is agreed; or
- if the Equity Securities are not issued within 10 Trading Days of the above date, the date on which the Equity Securities are issued.

(b) **Risk of economic and voting dilution**

Any issue of Equity Securities under the 10% Placement Facility will dilute Shareholders who do not participate in the issue. The table below shows the potential economic and voting dilution of existing Shareholders as a result of the Company issuing Shares under the 10% Placement Facility, based on different issue prices and values for variable 'A' in the formula above.

Variable 'A' (Shares on issue)	Issue price			
	\$0.115 (50% decrease)	\$0.23 (Current) <sup>2</sup>	\$0.46 (50% increase)	
143,101,205 (Current) <sup>1</sup>	Shares issued	14,310,120	14,310,120	14,310,121
	Funds raised	\$1,645,664	\$3,291,328	\$6,582,655
214,651,808 (50% increase)	Shares issued	21,465,181	21,465,181	21,465,181
	Funds raised	\$2,468,496	\$4,936,992	\$9,873,983
286,202,410 (100% increase)	Shares issued	28,620,241	28,620,241	28,620,241
	Funds raised	\$3,291,328	\$6,582,655	\$13,165,311

**Notes:**

1. The current variable 'A' is assumed to be the number of Shares on issue as at the date of this Notice. The number of Shares on issue could increase as a result of, for example, an issue that does not require Shareholder approval (e.g. a pro rata offer to Shareholders) or an issue with Shareholder approval under Listing Rule 7.1.
2. The current price of Shares is the closing price on the ASX on 22/10/2020.
3. The table assumes that no Options or other convertible securities are exercised or converted into Shares prior to an issue under the 10% Placement Facility.
4. The table assumes that the Company issues the maximum number of Shares available under the 10% Placement Facility.
5. The table assumes that issues of Equity Securities under the 10% Placement Facility consist only of Shares.
6. The table does not show examples of dilution that may be caused to a particular Shareholder by reason of issues under the 10% Placement Facility. Shareholders should consider the potential dilution caused in the context of their own circumstances.



7. The table only shows the effect of issues under Listing Rule 7.1A, and not issues under the 15% placement capacity under Listing Rule 7.1.

Shareholders should further note that:

- the market price for the Equity Securities may be significantly lower on the date of issue than on the date of the Annual General Meeting; and
- the Equity Securities may be issued at a price that is at a discount to the market price for the Equity Securities on the date of issue.

**(c) Date by which the securities may be issued**

In accordance with Listing Rule 7.1A.1, any Equity Securities issued under the 10% Placement Facility will be issued during the 10% Placement Period. The 10% Placement Facility will cease to be valid in the event that shareholders approve a transaction under Listing Rule 11.1.2 (significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking).

**(d) Purposes for which the securities may be issued**

Any Equity Securities issued under the 10% Placement Facility may only be issued for the following purposes (without limitation) for cash consideration to raise funds. In such circumstances, the Company may apply the funds raised towards the exploration activities at its existing projects and/or for acquisition of new assets or investments (including expenses associated with such acquisition) and general working capital.

**(e) Allocation policy for issues of securities**

The Company's allocation policy for any Equity Securities issued under the 10% Placement Facility will depend on the prevailing market conditions at the relevant time, however, recipients will not be related parties of the Company. The identity of recipients of Equity Securities will otherwise be determined on a case by case basis having regard to the following factors (without limitation):

- the purpose of the issue;
- alternative methods for raising funds that are available to the Company including rights issues or other issues in which existing Shareholders can participate;
- the effect of the issue on the control of the Company;
- the financial situation and solvency of the Company;
- prevailing market conditions; and
- advice from corporate, financial and broking advisers.

The Company will comply with the disclosure obligations under Listing Rules 7.1A.4 and 3.10.5A upon issuing any Equity Securities.

(f) **Previous issues of securities**

- The Company has issued 12,037,393 fully paid ordinary shares under Listing Rule 7.1A in the 12 months prior to the date of the Annual General Meeting. (“7.1A Shares”)
- The 7.1A Shares issued by the Company were issued under the Placement to institutional and professional investors none of whom was a:
  - a. related party of the Company,
  - b. key management personnel,
  - c. substantial holder in the Company,
  - d. adviser to the Company or
  - e. an associate of the above.
- The 7.1A shares were issued at \$0.22 per share which represented a discount of 18.5% to the last traded market price of the Company on ASX prior to the date of agreement to issue the 7.1A Shares.
- The 7.1A shares issued represented 10% of the issued share capital of the Company at the date of Issue.
- The total cash consideration received for the 7.1A Shares was \$2,648,226.46. Of this amount \$Nil has been spent as at the date of this Notice of Meeting and the remainder of the funds raised will be primarily used for ongoing exploration at the Lantern Prospect, for other prospects in the Fraser Range nickel belt and for working capital purposes..

**8.2 Additional information**

- (a) Resolution 7 is a special resolution.
- (b) The Board unanimously recommends that Shareholders vote in favour of Resolution 7.
- (c) The Chair intends to exercise all available proxies in favour of Resolution 7.

## DEFINITIONS

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In this Notice of Meeting and Explanatory Statement, the following terms have the following meanings:

**Annual Report** means the annual report of the Company for the financial year ended 30 June 2020.

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

**ASX** means ASX Limited ACN 008 624 691 or the Australian Securities Exchange, as the context requires.

**Auditor's Report** means the auditor's report contained in the Annual Report.

**Board** means the board of Directors.

**Chair** means the chairperson of the Meeting.

**Company** means Galileo Mining Ltd (ACN 104 114 132).

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

**Director** means a director of the Company.

**Directors' Report** means the directors' report contained in the Annual Report.

**Equity Securities** has the meaning given in the Listing Rules.

**Explanatory Statement** means this explanatory statement incorporated in this Notice.

**Financial Report** means the financial report contained in the Annual Report.

**Listing Rules** means the listing rules of ASX, as amended from time to time.

**Meeting, General Meeting or Annual General Meeting** means the Annual General Meeting of Shareholders to be held at HLB Mann Judd, Level 4, 130 Stirling Street, Perth on 25 November 2020 commencing at 10:00am (WST).

**Nascent** means Nascent Capital Partners Pty Ltd (ACN 154 848 469)

**Non-Executive Director** means a non-executive director of the Company.

**Notice of Meeting** means the notice of annual general meeting incorporating this Explanatory Statement.

**Placement** has the meaning given to it in Section 6.1.

**Placement Shares** has the meaning given to it in Section 6.1.

**Proxy Form** means the proxy form attached to this Notice.

**Remuneration Report** means the remuneration report contained in the Annual Report.

**Resolution** means a resolution contained in the Notice.

**Share** means an ordinary fully paid share in the Company.

**WST** means Western Standard Time, being the time in Perth, Western Australia.

## Appendix A

### Terms and Conditions of Broker Options

1. Entitlement  
Subject to paragraph 13 below, each Broker Option entitles the holder (**Option Holder**) to subscribe for 1 fully paid ordinary Share in the Company upon exercise of the Broker Option.
2. Exercise price  
Subject to paragraphs 10 and 12 below, the amount payable upon exercise of each Broker Option is \$0.44 (**Exercise Price**).
3. Expiry date  
Each Broker Option will expire at 5.00pm (WST) on 29 April 2022 (**Expiry Date**). A Broker Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
4. Exercise Period  
The Broker Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).
5. Notice of Exercise  
The Broker Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Broker Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Broker Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.
6. Exercise Date  
A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Broker Option being exercised in cleared funds (**Exercise Date**).
7. Timing of issue of Shares on exercise
  - (a) Within 15 Business Days after the later of the following:
    - (i) the Exercise Date; and
    - (ii) when excluded information in respect to the Company (as defined in section 708A(7) of the Corporations Act) (if any) ceases to be excluded information, but in any case no later than 20 Business Days after the Exercise Date, the Company will:
      - (iii) allot and issue the number of Shares required under these terms and conditions in respect of the number of Broker Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
      - (iv) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
      - (v) if admitted to the Official List at the time, apply for Official Quotation on ASX of Shares issued pursuant to the exercise of the Broker Options.
  - (b) If a notice delivered under paragraph 7(a)(iv) above for any reason is not effective to ensure that an offer for the sale of the Shares does not require disclosure to investors, the Company must no later than 20 Business Days after becoming aware

of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

- 8.** Shares issued on exercise  
Shares issued on exercise of the Broker Options rank equally with the then issued shares of the Company.
- 9.** Quotation of Shares issued on exercise  
If admitted to the Official List of ASX at the time, the Company will apply for quotation of the Shares issued upon the exercise of the Broker Options.
- 10.** Reconstruction of capital  
If at any time the Company's issued capital is reconstructed, all rights of the Option Holder are to be changed in a manner consistent with the Corporations Act and the Listing Rules at the time of the reconstruction.
- 11.** Participation in new issues  
There are no participation rights or entitlements inherent in the Broker Options and the Option Holder will not be entitled to participate in new issued of capital offered to Shareholders during the currency of the Broker Options without exercising the Broker Options.
- 12.** Adjustment for rights issue  
If the Company proceeds with a pro rata issue (except a bonus issue) of securities to Shareholders, the Exercise Price will be reduced in accordance with the formula set out in Listing Rule 6.22.2.
- 13.** Adjustment for bonus issues of Shares  
If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment):

  - (a) the number of Shares which must be issued on the exercise of a Broker Option will be increased by the number of Shares which the Option Holder would have received if the Option Holder had exercised the Broker Option before the record date for the bonus issue; and
  - (b) no change will be made to the Exercise Price.
- 14.** Unquoted  
The Company will not apply for quotation of the Broker Options on ASX.
- 15.** Transferability  
The Broker Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

If you are attending the meeting  
in person, please bring this with you  
for Securityholder registration.

[EntityRegistrationDetailsLine1Envelope]  
[EntityRegistrationDetailsLine2Envelope]  
[EntityRegistrationDetailsLine3Envelope]  
[EntityRegistrationDetailsLine4Envelope]  
[EntityRegistrationDetailsLine5Envelope]  
[EntityRegistrationDetailsLine6Envelope]

## [HolderNumber]

Holder Number:  
[HolderNumber]

Your proxy voting instruction must be received by **10.00am (WST) on Monday, 23 November 2020**, being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

## SUBMIT YOUR PROXY

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

### YOUR NAME AND ADDRESS

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

### STEP 1 – APPOINT A PROXY

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

### DEFAULT TO THE CHAIR OF THE MEETING

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

### STEP 2 - VOTES ON ITEMS OF BUSINESS

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

### APPOINTMENT OF SECOND PROXY

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

### SIGNING INSTRUCTIONS

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

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

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

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

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

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

### CORPORATE REPRESENTATIVES

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

### Lodging your Proxy Voting Form:

#### Online:

Use your computer or smartphone to appoint a proxy at

<https://investor.automic.com.au/#/login>

or scan the QR code below using your smartphone

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



#### BY MAIL:

Automic  
GPO Box 5193  
Sydney NSW 2001

#### IN PERSON:

Automic  
Level 5, 126 Phillip Street  
Sydney NSW 2000

#### BY EMAIL:

[meetings@automicgroup.com.au](mailto:meetings@automicgroup.com.au)

#### BY FACSIMILE:

+61 2 8583 3040

**All enquiries to Automic:**

**WEBCHAT:** <https://automicgroup.com.au/>

**PHONE:** 1300 288 664 (Within Australia)  
+61 2 9698 5414 (Overseas)

