



28 October 2022

**ASX Market Announcements  
Via e-lodgment**

Dear Shareholders

**ANNUAL GENERAL MEETING – NOTICE AND PROXY FORM**

Notice is hereby given that an Annual General Meeting (Meeting) of Shareholders of Resource Development Group Limited (ACN 149 028 142) (Company) will be held at HLB Mann Judd, Level 4, 130 Stirling Street Perth Western Australia 6000 on Monday, 28 November 2022 at 9.30am (WST).

In accordance with the Treasury Laws Amendment (2021 Measures No.1) Act 2021, the Company will not be sending hard copies of the Notice of Meeting to shareholders unless a shareholder has requested a hard copy. The Notice of Meeting can be viewed and downloaded from the link set out below.

The Company strongly encourages Shareholders to lodge a directed proxy form prior to the Meeting. Questions should also be submitted in advance of the meeting as this will provide management with the best opportunity to prepare for the meeting, for example by preparing answers in advance to Shareholder questions. However, votes and questions may also be submitted during the Meeting.

Please find below links to important Meeting documents:

Notice of Meeting and Explanatory Memorandum:

<https://www.resdevgroup.com.au/investor-relations/asx-announcements/>

Alternatively, a complete copy of the Notice of Meeting and Explanatory Statement has been posted on the Company's ASX market announcements page.

If you have nominated an email address and have elected to receive electronic communications from the Company, you will also receive an email to your nominated email address with a link to an electronic copy of the Notice of Meeting and Explanatory Statement.

In order to receive electronic communications from the Company in future, please update your Shareholder details online at <https://investor.automic.com.au/#/home> and log in with your unique shareholder identification number and postcode (or country for overseas residents), where you can find your enclosed personalised proxy form. Once logged in you can also lodge your proxy vote online by clicking on the "Vote" tab. If you are unable to access the Notice of Meeting and Explanatory Memorandum online please contact the Company Secretary, Michael Kenyon, on +61 8 9443 2928 or via email at [michael.kenyon@resdevgroup.com.au](mailto:michael.kenyon@resdevgroup.com.au).



The Australian government and the respective State governments have previously implemented a wide range of measures to contain or delay the spread of COVID-19. If it becomes necessary or appropriate to make alternative arrangements to those set out in the Company's Notice of Meeting, the Company will notify Shareholders accordingly via the Company's web site at [www.resdevgroup.com.au](http://www.resdevgroup.com.au) and the Companies ASX Announcement Platform at [asx.com.au](http://asx.com.au) (ASX: RDG).

Sincerely

**Michael Kenyon**  
**Company Secretary**

*This announcement is authorised for market release by the Company Secretary of the Company.*

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**RESOURCE DEVELOPMENT GROUP LIMITED**  
**ACN 149 028 142**  
**NOTICE OF ANNUAL GENERAL MEETING**

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Notice is given that the Meeting will be held at:

**TIME:** 9.30am (WST)  
**DATE:** 28 November 2022  
**PLACE:** HLB Mann Judd  
Level 4  
130 Stirling Street  
PERTH WA 6000

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

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

*The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 4.00pm (WST) on 26 November 2022.*

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## BUSINESS OF THE MEETING

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### AGENDA

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#### FINANCIAL STATEMENTS AND REPORTS

To receive and consider the annual financial report of the Company for the financial year ended 30 June 2022 together with the declaration of the Directors, the Director's report, the Remuneration Report and the auditor's report.

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

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

*"That, for the purposes 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 2022."*

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

A voting prohibition statement applies to this Resolution. Please see below.

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#### 2. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – MR MARK WILSON

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

*"That, for the purpose of clause 14.2 of the Constitution, Listing Rule 14.4 and for all other purposes, Mark Wilson, a Director, retires by rotation, and being eligible, is re-elected as a Director."*

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#### 3. RESOLUTION 3 – APPROVAL OF 7.1A MANDATE

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

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

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#### 4. RESOLUTION 4 – ISSUE OF OPTIONS IN LIEU OF DIRECTOR FEES TO MR MIKE GREY

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

*"That, for the purposes of Listing Rule 10.11, sections 195(4) and 208 of the Corporations Act and for all other purposes, approval is given for the Company to issue Mike Grey (or his nominee) 2,500,000 Options on the terms and conditions set out in the Explanatory Statement."*

A voting exclusion statement and voting prohibition statement applies to this Resolution. Please see below.

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**5. RESOLUTION 5 – ISSUE OF OPTIONS IN LIEU OF DIRECTOR FEES TO MR MARK WILSON**

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

*“That, for the purposes of Listing Rule 10.11, sections 195(4) and 208 of the Corporations Act and for all other purposes, approval is given for the Company to issue Mark Wilson (or his nominee) 2,500,000 Options on the terms and conditions set out in the Explanatory Statement.”.*

A voting exclusion statement and voting prohibition statement applies to this Resolution. Please see below.

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**Dated: 18 October 2022**

**By order of the Board**

**Michael Kenyon  
Company Secretary**

## Voting Prohibition Statements

<p><b>Resolution 1 – Adoption of Remuneration Report</b></p>	<p>A vote on this Resolution must not be cast (in any capacity) by or on behalf of either of the following persons:</p> <ul style="list-style-type: none"> <li>(a) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or</li> <li>(b) a Closely Related Party of such a member.</li> </ul> <p>However, a person (the <b>voter</b>) 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:</p> <ul style="list-style-type: none"> <li>(a) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or</li> <li>(b) the voter is the Chair and the appointment of the Chair as proxy: <ul style="list-style-type: none"> <li>(i) does not specify the way the proxy is to vote on this Resolution; and</li> <li>(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.</li> </ul> </li> </ul>
<p><b>Resolution 4 – Issue of Options In Lieu Of Director Fees to Mr Mike Grey</b></p>	<p>A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:</p> <ul style="list-style-type: none"> <li>(a) the proxy is either: <ul style="list-style-type: none"> <li>(i) a member of the Key Management Personnel; or</li> <li>(ii) a Closely Related Party of such a member; and</li> </ul> </li> <li>(b) the appointment does not specify the way the proxy is to vote on this Resolution.</li> </ul> <p>However, the above prohibition does not apply if:</p> <ul style="list-style-type: none"> <li>(a) the proxy is the Chair; and</li> <li>(b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.</li> </ul>
<p><b>Resolution 5 – Issue of Options In Lieu Of Director Fees to Mr Mark Wilson</b></p>	<p>A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:</p> <ul style="list-style-type: none"> <li>(a) the proxy is either: <ul style="list-style-type: none"> <li>(i) a member of the Key Management Personnel; or</li> <li>(ii) a Closely Related Party of such a member; and</li> </ul> </li> <li>(b) the appointment does not specify the way the proxy is to vote on this Resolution.</li> </ul> <p>However, the above prohibition does not apply if:</p> <ul style="list-style-type: none"> <li>(a) the proxy is the Chair; and</li> <li>(b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.</li> </ul>

## Voting Exclusion Statements

In accordance with Listing Rule 14.11, the Company will disregard any votes cast in favour of the resolution set out below by or on behalf of the following persons:

<b>Resolution 4 – Issue of Options In Lieu Of Director Fees to Mr Mike Grey</b>	Mike Grey (or his nominee) and any other person who will obtain a material benefit as a result of the Issue of the Options or an associate of that person or those persons.
<b>Resolution 5 – Issue of Options In Lieu Of Director Fees to Mr Mark Wilson</b>	Mark Wilson (or his nominee) and any other person who will obtain a material benefit as a result of the Issue of the Options or an associate of that person or those persons.

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

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

## Voting by proxy

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To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

In accordance with section 249L of the Corporations Act, Shareholders are advised that:

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

Shareholders and their proxies should be aware that:

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

## Voting in person

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

***Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 8 9443 2928.***

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## EXPLANATORY STATEMENT

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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.

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### FINANCIAL STATEMENTS AND REPORTS

In accordance with the Corporations Act, the business of the Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 30 June 2022 together with the declaration of the Directors, the Directors' report, the Remuneration Report and the auditor's report.

The Company will not provide a hard copy of the Company's annual financial report to Shareholders unless specifically requested to do so. The Company's annual financial report is available on its website at [www.resdevgroup.com.au](http://www.resdevgroup.com.au).

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

#### 1.1 General

The Corporations Act requires that at a listed company's annual general meeting, a 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 company or the directors of 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 a financial year.

The chair of the meeting must allow a reasonable opportunity for its shareholders to ask questions about or make comments on the remuneration report at the annual general meeting.

#### 1.2 Voting consequences

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

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

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

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



### 1.3 Previous voting results

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

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## 2. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – MR MARK WILSON

### 2.1 General

Clause 14.2 of the Constitution requires that one third of Directors (excluding the Managing Director) or, if their number is not a multiple of 3, then the number nearest one third (rounded up in the case of doubt) must retire at each annual general meeting of the Company provided always that no Director (except a Managing Director) shall hold office for a period in excess of 3 years, or until the third annual general meeting following his or her appointment, whichever is the longer, without submitting himself or herself for re-election.

ASX Listing Rule 14.4 provides that a Director must not hold office, without re-election, past the third annual meeting following the Director's appointment or 3 years, whichever is longer

The Company currently has 3 Directors and, therefore, one Director must retire under Clause 14.2.

Mr Wilson, who was elected as a Director by Shareholders on 2 June 2020, will retire pursuant to Clause 14.2 of the Constitution and Listing Rule 14.4 and, being eligible, seeks re-election as a Director.

### 2.2 Qualifications and other material directorships

Mr Wilson is an experienced senior executive with a strong track record in development and implementation of business strategy, balance sheet management, organisational design, project management and transaction execution. He has held senior positions in several Australian and international companies, including Laing O'Rourke, Multiplex and Brookfield Multiplex. He holds a Bachelor of Commerce (Finance) and Bachelor of Laws from the University of New South Wales and has a Graduate Diploma in Applied Finance and Investment from the Securities Institute of Australia (FINSIA). Mr Wilson was appointed as the Chief Financial Officer of Minerals Resources Limited in August 2018 and also became joint Company Secretary in October 2018.

### 2.3 Independence

Mr Mark Wilson is not considered to be an independent Director.

### 2.4 Board recommendation

The Board (other than Mr Wilson who has a material personal interest in the Resolution) has reviewed Mr Wilson's performance since his appointment to the Board and considers that Mr Wilson's skills and experience will continue to enhance the Board's ability to perform its role. Accordingly, the Board (other than Mr Wilson) supports the re-election of Mr Wilson and recommends that Shareholders vote in favour of this Resolution.

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### 3. RESOLUTION 3 – APPROVAL OF 7.1A MANDATE

#### 3.1 General

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

However, under Listing Rule 7.1A, an eligible entity may seek shareholder approval by way of a special resolution passed at its annual general meeting to increase this 15% limit by an extra 10% to 25% (**7.1A Mandate**).

An 'eligible entity' means an entity which is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300,000,000 or less.

As at the date of this Notice, the Company is an eligible entity as it is not included in the S&P/ASX 300 Index and has a current market capitalisation of \$161.6 million (based on the number of Shares on issue and the closing price of Shares on the ASX on 13 October 2022).

This Resolution seeks Shareholder approval by way of special resolution for the Company to have the additional 10% placement capacity provided for in Listing Rule 7.1A to issue Equity Securities without Shareholder approval.

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

If this Resolution is not passed, the Company will not be able to access the additional 10% capacity to issue Equity Securities without Shareholder approval under 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.

#### 3.2 Technical information required by Listing Rule 7.1A

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

(a) **Period for which the 7.1A Mandate is valid**

The 7.1A Mandate will commence on the date of the Meeting and expire on the first to occur of the following:

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

(b) **Minimum Price**

Any Equity Securities issued under the 7.1A Mandate must be in an existing quoted class of Equity Securities and be issued at a minimum cash

consideration price of 75% of the volume weighted average price of Equity Securities in that class, calculated over the 15 trading days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed by the entity and the recipient of the Equity Securities; or
- (ii) if the Equity Securities are not issued within 10 trading days of the date in Section 3.2(b)(i), the date on which the Equity Securities are issued.

(c) **Use of funds raised under the 7.1A Mandate**

The Company intends to use funds raised from issues of Equity Securities under the 7.1A Mandate for the acquisition of new resources, assets, and investments and further for the continued exploration expenditure on the Company's current manganese projects and for general working capital purposes.

(d) **Risk of Economic and Voting Dilution**

Any issue of Equity Securities under the 7.1A Mandate will dilute the interests of Shareholders who do not receive any Shares under the issue.

If this Resolution is approved by Shareholders and the Company issues the maximum number of Equity Securities available under the 7.1A Mandate, 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 Listing Rule 7.1A.2, on the basis of the closing market price of Shares and the number of Equity Securities on issue as at 13 October 2022.

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 7.1A Mandate.

Number of Shares on Issue (Variable A in Listing Rule 7.1A.2)		Shares issued – 10% voting dilution	Dilution		
			Issue Price		
			\$0.028	\$0.056	\$0.084
			50% decrease	Issue Price	50% increase
		Funds Raised			
<b>Current</b>	2,885,116,268 Shares	288,511,627 Shares	\$8,078,326	\$16,156,651	\$24,234,977
<b>50% increase</b>	4,327,674,402 Shares	432,767,440 Shares	\$12,117,488	\$24,234,977	\$36,352,465
<b>100% increase</b>	5,770,232,536 Shares	577,023,254 Shares	\$16,156,651	\$32,313,302	\$48,469,953

\*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:**

1. There are currently 2,885,116,268 Shares on issue.
2. The issue price set out above is the closing market price of the Shares on the ASX on 13 October 2022.
3. The Company issues the maximum possible number of Equity Securities under the 7.1A Mandate.
4. The Company has not issued any Equity Securities in the 12 months prior to the Meeting that were not issued under an exception in Listing Rule 7.2 or with approval under Listing Rule 7.1.
5. The issue of Equity Securities under the 7.1A Mandate consists only of Shares. It is assumed that no Options are exercised into Shares before the date of issue of the Equity Securities.
6. The calculations above do not show the dilution that any one particular Shareholder will be subject to. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.
7. This table does not set out any dilution pursuant to approvals under Listing Rule 7.1 unless otherwise disclosed.
8. The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
9. The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 7.1A mandate, based on that Shareholder's holding at the date of the Meeting.

Shareholders should note that there is a risk that:

- (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 policy under the 7.1A Mandate**

The recipients of the Equity Securities to be issued under the 7.1A Mandate 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 7.1A Mandate, having regard to the following factors:

- (i) the purpose of the issue;
- (ii) alternative methods for raising funds available to the Company at that time, including, but not limited to, an entitlement issue, share purchase plan, placement or other offer where existing Shareholders may 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 Listing Rule 7.1A**

The Company previously obtained approval from its Shareholders pursuant to Listing Rule 7.1A at its annual general meeting held on 6 December 2021 (**Previous Approval**).

During the 12 month period preceding the date of the Meeting, being on and from 28 November 2022, the Company has not issued any Equity Securities pursuant to the Previous Approval.

### 3.3 Voting Exclusion Statement

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

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## 4. RESOLUTIONS 4 AND 5 – ISSUE OF OPTIONS IN LIEU OF DIRECTOR FEES

### 4.1 General

The Company proposes to issue 2,500,000 Options to each of Mr Mike Grey and Mr Mark Wilson or their nominees (together, the **Related Parties**) in lieu of receiving their Directors' fees in cash for the financial year ending 30 June 2023, being \$80,000 (**Fees**).

The Options will have an exercise price of \$0.06 each, expire 3 years from the date of issue with 25% vesting at the end of each calendar quarter during the financial year ending 30 June 2023 (**Related Party Options**). If the Related Party Options are issued after 30 September 2022, 25% of the Related Party Options will vest on issue.

### 4.2 Chapter 2E of the Corporations Act

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

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

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

The issue of the Related Party Options constitutes giving a financial benefit and each of the Related Parties is a related party of the Company by virtue of being a Director.

As the Related Party Options are proposed to be issued to two of the Directors, the Directors are unable to form a quorum to consider whether one of the exceptions set out in sections 210 to 216 of the Corporations Act applies to the issue of the Related Party Options. Accordingly, Shareholder approval for the issue of Related Party Options to the Related Parties is sought in accordance with sections 195(4) and 208 of the Corporations Act.

#### **4.3 Listing Rule 10.11**

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

- 10.11.1 a related party;
- 10.11.2 a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (30%+) holder in the company;
- 10.11.3 a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (10%+) holder in the company and who has nominated a director to the board of the company pursuant to a relevant agreement which gives them a right or expectation to do so;
- 10.11.4 an associate of a person referred to in Listing Rules 10.11.1 to 10.11.3; or
- 10.11.5 a person whose relationship with the company or a person referred to in Listing Rules 10.11.1 to 10.11.4 is such that, in ASX's opinion, the issue or agreement should be approved by its shareholders,

unless it obtains the approval of its shareholders.

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

Resolutions 4 and 5 seek the required Shareholder approval for the issue of the Related Party Options or the purposes of Listing Rule 10.11.

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

If Resolutions 4 and 5 are passed, the Company will be able to proceed with the issue of the Related Party Options to the Related Parties within 1 month after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules).

If Resolutions 4 and 5 are not passed, the Company will not be able to proceed with the issue of the Related Party Options to the Related Parties and the Fees will need to be paid in cash.

#### **4.5 Technical information required by Listing Rule 10.13 and section 219 of the Corporations Act**

Pursuant to and in accordance with the requirements of Listing Rule 10.13 and section 219 of the Corporations Act, the following information is provided in relation to Resolutions 4 and 5:

- (a) the Related Party Options will be issued to:
- (i) Mr Mike Grey (or his nominee); and
  - (ii) Mr Mark Wilson (or his nominee),
- each of which fall within the category set out in Listing Rule 10.11.1 by virtue being a Director (or Listing Rule 10.11.4 if a nominee of a Director);
- (b) 5,000,000 Related Party Options will be issued comprising:
- (i) 2,500,000 Related Party Options to Mr Mike Grey (being the subject of Resolution 4); and
  - (ii) 2,500,000 Related Party Options to Mr Mark Wilson (being the subject of Resolution 5);
- (c) the terms and conditions of the Related Party Options are set out in Schedule 1;
- (d) the Shares to be issued on exercise of vested Related Party Options will be issued on the same terms as and will rank equally with the existing Shares on issue;
- (e) the Related Party Options will be issued no later than 1 month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that the issue will occur on the same date;
- (f) the Related Party Options will be issued for nil cash consideration;
- (g) the primary purpose of the issue of Related Party Options to the Related Parties for is:
- (i) to align the interests of the Related Parties with those of Shareholders; and
  - (ii) to provide cost effective remuneration as the non-cash form of this benefit will allow the Company to spend a greater proportion of its cash reserves on its operations than it would if alternative cash forms of remuneration were given to the Related Parties;
- (h) the total remuneration package for each of the Related Parties for the previous financial year and the proposed total remuneration package for the current financial year are set out below:

Related Party	Current Financial Year	Previous Financial Year
Mike Grey <sup>1</sup>	\$80,000	\$80,000
Mark Wilson <sup>1</sup>	\$80,000	\$80,000

**Notes:**

1. Comprising only of share-based payments.

- (i) the Related Party Options are not being issued under an agreement;

- (j) the value of the Related Party Options and the pricing methodology is set out in Schedule 2 ;
- (k) the relevant interests of the Related Parties in securities of the Company as at the date of this Notice are set out below:

Related Party	Shares	Options <sup>1</sup>
Mike Grey	274,683	5,131,357 <sup>2</sup>
Mark Wilson	-	5,131,357

**Notes:**

1. Each Related Party has a relevant interest in 2,077,922 unquoted Options (\$0.07 exercise price, expiring 15/01/2024) and 3,053,435 unquoted Options (\$0.049 exercise price, expiring 13/6/2025).
  2. Held indirectly by Kelly Grey, the spouse of Mr Grey,
- (l) if the Related Party Options issued to the Related Parties are exercised, a total of 5,000,000 Shares would be issued. This will increase the number of Shares on issue from 2,885,116,268 (being the total number of Shares on issue as at the date of this Notice) to 2,890,116,268 (assuming that no Shares are issued and no convertible securities vest or are exercised) with the effect that the shareholding of existing Shareholders would be diluted by an aggregate of 0.17%, comprising 0.085% for each of the Related Parties;
- (m) the trading history of the Shares on ASX in the 12 months before the date of this Notice is set out below:

	Price	Date
Highest	\$0.084	24 December 2022
Lowest	\$0.04	4 July 2022
Last	\$0.056	17 October 2022

- (n) the Board acknowledges the issue of Related Party Options to those Related Parties who are non-executive Directors is contrary to the guidelines to Recommendation 8.2 of The Corporate Governance Principles and Recommendations (4th Edition) as published by The ASX Corporate Governance Council. However, the Board considers the issue of Related Party Options to non-executive Directors Mr Grey and Mr Wilson reasonable in the circumstances having regard to the size and level of operations of the Company, its cash reserves and importance to the Company of attracting and retaining non-executive Directors in a manner which does not unduly impact on the Company's cash resources;
- (a) the Board does not consider that there are any significant opportunity costs to the Company or benefits foregone by the Company in issuing the Related Party Options upon the terms proposed; and
- (b) the Board is not aware of any other information that is reasonably required by Shareholders to allow them to decide whether it is in the best interests of the Company to pass Resolutions 4 and 5.



#### **4.6 Directors' recommendations**

- (a) The Board (other than Mr Grey who declines to make a recommendation to Shareholders due to his material personal interest in the outcome of the Resolution) recommends that Shareholders vote in favour of Resolution 4 for the following reasons:
  - (i) the issue of Related Party Options is a reasonable and appropriate method to provide cost effective remuneration as the non-cash form of this benefit will allow the Company to spend a greater proportion of its cash reserves on its operations than it would if alternative cash forms of remuneration were given to the Related Parties; and
  - (ii) it is not considered that there are any significant opportunity costs to the Company or benefits foregone by the Company in issuing the Related Party Options upon the terms proposed.
- (b) The Board (other than Mr Wilson who declines to make a recommendation to Shareholders due to his material personal interest in the outcome of the Resolution) recommends that Shareholders vote in favour of Resolution 5 for the reasons given in paragraph 4.6(a) above.
- (c) In forming their various recommendations, each Director considered the qualifications and experience of each Related Party, the current market price of Shares, the current market practices when determining the number of Related Party Options to be issued as well as the expiry date, vesting conditions and other material terms of those Related Party Options.
- (d) Except as specified above, no other Director has a personal interest or other interest in the outcome of Resolutions 4 and 5.

#### **4.7 Voting Prohibition – Section 224 of the Corporations Act**

Sections 224(1) and (2) of the Corporations Act provide that a vote may not be cast (in any capacity) by or on behalf of the related party to whom the resolution would permit a financial benefit to be given (or an associate of that person) other than a vote cast a proxy by a person in writing that specifies how the proxy is to vote on the proposed resolution and which is not cast on behalf of the relevant related party (or an associate of that person).

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## GLOSSARY

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\$ means Australian dollars.

**7.1A Mandate** has the meaning given in Section 3.1.

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

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

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

**Board** means the current board of directors of the Company.

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

**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 Resource Development Group Limited (ACN 149 028 142).

**Constitution** means the Company's constitution.

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

**Directors** means the current directors of the Company.

**Equity Securities** includes a Share, a right to a Share or Option, an Option, a convertible security and any security that ASX decides to classify as an Equity Security.

**Explanatory Statement** means the explanatory statement accompanying the Notice.

**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** or **Notice of Meeting** means this notice of meeting including the Explanatory Statement and the Proxy Form.

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

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

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

**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 2022.

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

**Section** means a section of the Explanatory Statement.

**Security** means a Share and/or Option.

**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 formula in Listing Rule 7.1A.2.

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

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## SCHEDULE 1 – TERMS AND CONDITIONS OF RELATED PARTY OPTIONS

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### 1. Entitlement

Each Option entitles the holder, subject to the satisfaction or waiver of the Vesting Condition below, to subscribe for one Share upon exercise of the Option on the following terms and conditions.

### 2. Exercise Price

Subject to paragraph 10, the amount payable upon exercise of each Option will be \$0.06 (**Exercise Price**).

### 3. Expiry Date

Each Option will expire at 5:00pm (WST) three years from the date of issue (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

### 4. Vesting Condition

Subject to these terms, the Options are subject to a Vesting Condition that 25% of the Options will vest at the end of each calendar quarter during the financial year ending 30 June 2023 (**Related Party Options**). If the Related Party Options are issued after 30 September 2022, 25% of the Related Party Options will vest on issue.

If the Non-Executive Director (**NED**) to whom the Options were offered ceases to be a Director of the Company, any unvested Options will lapse pro rata to reflect the proportion of the 2023 financial year the NED was a Director, except to the extent the Board exercises its discretion to waive the Vesting Condition.

### 5. Exercise Period

Vested Options are exercisable at any time and from time to time on or prior to the Expiry Date (**Exercise Period**).

### 6. Notice of Exercise

Vested Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate or as otherwise agreed with the Company (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

### 7. Exercise Date

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

### 8. Timing of issue of Shares on exercise

Within 5 Business Days after the Exercise Date, the Company will:

- (a) allot and issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of

Exercise and for which cleared funds have been received by the Company;

- (b) give ASX a notice that complies with section 708A(5)(e) of the Corporations Act; and
- (c) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under (b) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

**9. Shares issued on exercise**

Shares issued on exercise of the Options rank equally with the then issued Shares of the Company.

**10. Reconstruction of capital**

If at any time the issued capital of the Company 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 Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

**12. Change in exercise price**

An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

**13. Transferability**

The Options are not transferable except by force of law or in special circumstances with the consent of the Board (which may be withheld in its discretion).

**14. Taxation**

Subdivision 83A-C of the *Income Tax Assessment Act 1997* (Cth) applies to the Options.

**15. In lieu of Director Fees**

The Options are issued in lieu of \$80,000 in Director fees otherwise payable to each of Mr Grey and Mr Wilson for the financial year ending 30 June 2023.

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## SCHEDULE 2 – VALUATION OF RELATED PARTY OPTIONS

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Using the Black & Scholes option pricing model and based on the assumptions set out below, the Related Party Options were ascribed the following value:

<b>Assumptions:</b>	
Valuation date	17 October 2022
Market price of Shares	6 cents
Exercise price	6 cents
Expiry date (length of time from issue)	3 years from the date of issue
Risk free interest rate	3.51%
Volatility (discount)	78.1%
<b>Indicative value per Related Party Option</b>	3.2 cents
<b>Total Value of Options</b>	\$160,000
- Mike Grey (Resolution 4)	\$80,000
- Mark Wilson (Resolution 5)	\$80,000

**Notes:**

1. The valuation noted above is not necessarily the market price that the Options could be traded at and is not automatically the market price for taxation purposes.



Resource Development Group Limited | ACN 149 028 142

# Proxy Voting Form

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

Holder Number:

Your proxy voting instruction must be received by **9.30am (WST) on Saturday, 26 November 2022**, 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)

**STEP 1 - How to vote**

**APPOINT A PROXY:**

I/We being a Shareholder entitled to attend and vote at the Annual General Meeting of Resource Development Group Limited, to be held at **9.30am (WST) on Monday, 28 November 2022 at HLB Mann Judd, Level 4, 130 Stirling Street, Perth, WA 6000** hereby:

**Appoint the Chair of the Meeting (Chair)** OR if you are not appointing the Chair of the Meeting as your proxy, please write in the box provided below the name of the person or body corporate you are appointing as your proxy or failing the person so named or, if no person is named, the Chair, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, and subject to the relevant laws as the proxy sees fit and at any adjournment thereof.

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**The Chair intends to vote undirected proxies in favour of all Resolutions in which the Chair is entitled to vote.**

Unless indicated otherwise by ticking the "for," "against" or "abstain" box you will be authorising the Chair to vote in accordance with the Chair's voting intention.

**AUTHORITY FOR CHAIR TO VOTE UNDIRECTED PROXIES ON REMUNERATION RELATED RESOLUTIONS**

Where I/we have appointed the Chair as my/our proxy (or where the Chair becomes my/our proxy by default), I/we expressly authorise the Chair to exercise my/our proxy on Resolutions 1, 4 & 5 (except where I/we have indicated a different voting intention below) even though Resolutions 1, 4 & 5 are connected directly or indirectly with the remuneration of a member of the Key Management Personnel, which includes the Chair.

**STEP 2 – Your voting direction**

Resolutions	For	Against	Abstain
1. Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Re-election of Director – Mr Mark Wilson	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Approval Of 7.1A Mandate	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Issue of Options in Lieu of Director Fees to Mr Mike Grey	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Issue of Options in Lieu of Director Fees to Mr Mark Wilson	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**STEP 3 – Signatures and contact details**

Individual or Securityholder 1	Securityholder 2	Securityholder 3
Sole Director and Sole Company Secretary	Director	Director / Company Secretary
Contact Name:		
Email Address:		
Contact Daytime Telephone	Date (DD/MM/YY)	
	<div style="display: flex; justify-content: space-around;"> <span><input style="width: 20px; height: 20px;" type="text"/></span> <span><input style="width: 20px; height: 20px;" type="text"/></span> /              <span><input style="width: 20px; height: 20px;" type="text"/></span> <span><input style="width: 20px; height: 20px;" type="text"/></span> /              <span><input style="width: 20px; height: 20px;" type="text"/></span> </div>	
<b>By providing your email address, you elect to receive all of your communications despatched by the Company electronically (where legally permissible).</b>		