



10 October 2022

Dear Shareholder,

### **Annual General Meeting - Notice and Proxy Form**

The 2022 Annual General Meeting (**Meeting**) of Shareholders of BMG Resources Limited (ACN 107 118 678) (**Company**) will be held at The Karingal Ballroom (Karingal 1), Level 1, The Melbourne Hotel, 33 Milligan, Perth, WA, 6000 at 2.00pm (WST) on Tuesday, 8 November 2022.

The notice of meeting and explanatory memorandum was released to ASX today (together, Notice of meeting), and a copy of the Notice of meeting can be accessed online at:

<https://www.asx.com.au/asx/share-price-research/company/BMG>.

In reliance on Part 1.2AA of the Corporations Act, the Company will not be posting hard copies of the Notice of Meeting to Shareholders, unless they have previously given the company notice in writing electing to receive notices of meetings in hard copy only.

For shareholders who elected to receive notices by email, a copy of their proxy form was sent to their nominated email address. As you have not elected to receive notices by email, a copy of your personalised proxy form is enclosed for your convenience.

Shareholders who cannot attend the meeting in person may register votes by lodging proxy instructions by no later than 48 hours prior to the Meeting (by 2:00pm (WST) on 6 November 2022) either by voting online at: <https://investor.automic.com.au/#/loginsah>, or lodging a proxy form by:

- post to: Automic, GPO Box 5193, Sydney, NSW, 2001; or
- in person to: Automic, Level 5, 126 Phillip Street, Sydney, NSW, 2000; or
- by fax: 02 8583 3040 (within Australia) or +61 2 8583 3040 (outside Australia); or
- by email to: [meetings@automicgroup.com.au](mailto:meetings@automicgroup.com.au)



Your proxy voting instruction must be received not less than 48 hours before the commencement of the Meeting. Any proxy voting instructions received after that time will not be valid for the Meeting.

Shareholders may also lodge questions in advance of the Meeting by emailing the questions to Sean Meakin, Company Secretary at [smeakin@tribis.com.au](mailto:smeakin@tribis.com.au), by no later than Tuesday, 1 November 2022.

The Notice is important and should be read in its entirety. If you are in doubt as to the course of action you should follow, you should consult your financial adviser, lawyer, accountant or other professional adviser. If you have any difficulties obtaining a copy of the Notice, please contact the Company's share registry, Automic Registry Services on, 1300 288 664 (within Australia) or +61 2 9698 5414 (overseas).

Yours sincerely

A handwritten signature in black ink, appearing to read 'B. McCracken', followed by a horizontal line.

**Bruce McCracken**  
**Managing Director**



# **BMG Resources Limited**

**ACN 107 118 678**

## **Notice of Annual General Meeting, Explanatory Statement and Proxy Form**

**Annual General Meeting to be held at**

**The Melbourne Hotel, Karingal Ballroom (Karingal 1), Level 1,  
33 Milligan Street  
Perth Western Australia 6000**

**On Tuesday, 8 November 2022 at 2:00pm (WST)**

### **IMPORTANT NOTE**

The Notice of Annual General Meeting and Explanatory Statement should be read in their entirety. If you are in doubt as to how you should vote, you should seek advice from your accountant, solicitor or other professional adviser prior to voting.

## Important Information

---

### Contents

Item	Page
Notice of Annual General Meeting	2
Voting Prohibitions and Exclusions	4
Proxy Appointment, Voting and Meeting Instructions	6
Explanatory Statement	9
Glossary	20
Proxy Form	Attached

### Important dates

An indicative timetable of key proposed dates is set out below. These dates are indicative only and are subject to change.

Event	Date
Last day for receipt of Proxy Forms – Proxy Forms received after this time will be disregarded	2.00pm (WST) on Sunday, 6 November 2022
Snapshot date for eligibility to vote	5.00pm (WST) on Sunday, 6 November 2022
Annual General Meeting	2.00pm (WST) on Tuesday, 8 November 2022

### Defined terms

Capitalised terms used in this Notice of Annual General Meeting will, unless the context otherwise requires, have the same meaning given to them in the Glossary set out in the Explanatory Statement.

### Voting

In compliance with ASX guidelines, each Resolution will be decided by poll, based on proxy votes and by votes from Shareholders in attendance at the Annual General Meeting. Shareholders are strongly encouraged to vote by lodging the proxy form attached to this Notice of Meeting in accordance with the instructions set out on that form by no later than 2.00pm WST on 6 November 2022.

## **Notice of Annual General Meeting**

---

Notice is hereby given that the Annual General Meeting of BMG Resources Limited (ACN 107 118 678) (**BMG or Company**) will be held at **The Melbourne Hotel**, Karingal Ballroom (Karingal 1), Level 1, **33 Milligan Street, Perth, Western Australia** at **2.00pm (WST)** on **Tuesday, 8 November 2022**.

The Explanatory Statement, which accompanies and forms part of this Notice, describes the various matters to be considered.

Terms used in this Notice will, unless the context otherwise requires, have the same meaning given to them in the Glossary as set out in the Explanatory Statement.

### **AGENDA**

To consider, and if thought fit to pass, the resolutions set out below as ordinary resolutions in respect of Resolutions 1, 2 and 3, and as a special resolutions in respect of Resolutions 4 and 5.

#### **Financial Statements and Reports**

To receive and consider the annual financial report, Directors' report and Auditor's report of the Company for the financial year ended 30 June 2022, as contained in the Company's Annual Report.

#### **Resolution 1: Adoption of Remuneration Report**

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

*"That, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, the Remuneration Report for the financial year ended 30 June 2022, as contained in the Company's Annual Report for 2022, be adopted by the Company."*

**Notes:** In accordance with the Corporations Act, the vote on this Resolution is advisory only and does not bind the Directors or the Company.

The Directors will consider the outcome of the vote and comments made by Shareholders on the Remuneration Report at the Meeting when reviewing the Company's remuneration policies.

If 25% or more of votes that are cast are voted against the adoption of the Remuneration Report at two consecutive annual general meetings, Shareholders will be required to vote at the second of those annual general meetings on a resolution ("spill resolution") that another meeting be held within 90 days at which all of the offices of Director are vacated (other than the office of managing director) and each such office will be put to a vote. Refer to the Explanatory Statement for further information.

#### **Resolution 2: Re-election of Director – Mr John Dawson**

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

*"That for the purposes of Listing Rule 14.4, clause 7.3 of the Company's Constitution and for all other purposes, Mr John Dawson, a Director of the Company who retires in accordance with clause 79 of the Constitution and, being eligible, offers himself for re-election, is re-elected as a Director of the Company."*

### **Resolution 3: Re-approval of Employee Incentive Plan**

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

*“That, for the purposes of Listing Rule 7.2 Exception 13 and for all other purposes, Shareholders approve the Company’s updated Employee Incentive Plan, a summary of which is set out in the Schedule to the Explanatory Statement, and for the issue of up to 19,299,583 Equity Securities under the plan in reliance on Listing Rule 7.2 Exception 13, on the terms and conditions set out in the Explanatory Statement.”*

### **Resolution 4: Amendment of Constitution**

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

*“That, for the purposes of section 136(2) of the Corporations and for all other purposes, approval is given for the Company to amend its existing Constitution to permit the Company to hold general meetings using virtual meeting technology as contemplated by section 249R(1)(c) of the Corporations Act, in the manner set out in the Explanatory Statement, with effect from the conclusion of the Meeting.”*

**Note:** Resolution 4 is a special resolution. To be passed, it must be approved by at least 75% of the votes cast by Shareholders entitled to vote on the Resolution.

### **Resolution 5: Approval of Additional Placement Facility**

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

*“That, for the purpose of ASX Listing Rule 7.1A and for all other purposes, approval is given for the issue of Equity Securities totalling up to 10% of the issued capital of the Company (at the time of the issue), calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 for a period of 12 months from the date of the Meeting on the terms and conditions set out in the Explanatory Statement.”*

**Note:** Resolution 5 is a special resolution. To be passed, it must be approved by at least 75% of the votes cast by Shareholders entitled to vote on the Resolution.

## Voting Prohibitions and Exclusions

### Corporations Act voting prohibitions

Resolution	Voting prohibition	Exceptions
Resolution 1	<p>Pursuant to section 250R of the Corporations Act, members of Key Management Personnel (details of whose remuneration are included in the Remuneration Report) and their Closely Related Parties may not vote on Resolution 1.</p> <p>Any votes cast in contravention of section 250R of the Corporations Act will not be counted in working out a percentage of votes cast or whether the Resolution is approved.</p>	<p>This prohibition does not prevent the casting of a vote on Resolution 1 by a person who is otherwise prohibited from voting, as a proxy where the appointment specifies how the proxy is to vote.</p> <p>The Chairman may vote as proxy in accordance with an express authorisation on the Proxy Form.</p>

Pursuant to section 250BD of the Corporations Act, members of Key Management Personnel and their Closely Related Parties (other than the Chairman) may not vote as a proxy on Resolution 1 except where the appointment specifies how the proxy is to vote, or in the case of the Chairman, in accordance with an express authorisation on the Proxy Form. Any votes cast in contravention of section 250BD of the Corporations Act will not be counted in working out a percentage of votes cast or whether the Resolution is approved.

### ASX voting exclusion statements

For the purposes of Listing Rule 14.11, the following voting exclusion statements apply to the Resolutions. The Company will disregard any votes cast in favour of the following Resolutions by or on behalf of the following persons or an Associate of those persons:

Resolution	Excluded Parties
Resolution 3	A person who is eligible to participate in the Company's Employee Incentive Plan..
Resolution 5	If at the time of the Meeting the Company is proposing to make an issue of Equity Securities under Listing Rule 7.1A.2, any person who is expected to participate in the issue or who will obtain a material benefit as a result of the proposed issue (except a benefit solely by reason of being a holder of Shares).

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

1. the person as proxy or attorney for a person who is entitled to vote on a Resolution, in accordance with directions given to the proxy or attorney to vote on a Resolution in that way; or
2. the chair of the meeting as proxy or attorney for a person who is entitled to vote on a Resolution, in accordance with a direction given to the chair to vote on a Resolution as the chair decides; or
3. a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary providing the following conditions are met:
  - (a) 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 a Resolution; and
  - (b) the holder votes on a Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

**By order of the Board**

A handwritten signature in black ink, appearing to be 'Sm', written in a cursive style.

**Sean Meakin**

Company Secretary  
10 October 2022



## **Proxy Appointment, Voting and Meeting Instructions**

---

### **Lodgement of a Proxy Form**

The Proxy Form (and any power of attorney or other authority, if any, under which it is signed) must be received at an address given below by **2:00pm (WST) on Sunday, 6 November 2022**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid. Proxy Forms may be lodged as follows:

- Online:* Refer to instructions on Proxy Voting Form
- By hand:* Automic Pty Ltd – Level 5, 126 Phillip Street, Sydney, NSW, 2000
- By post:* Automic Pty Ltd – GPO BOX 5193, Sydney, NSW, 2001
- By email:* meetings@automicgroup.com.au
- By fax:* +61 2 8583 3040

### **Appointment of a proxy**

A Shareholder entitled to attend and vote at the Meeting is entitled to appoint a proxy. The proxy may, but need not be, a Shareholder.

If you wish to appoint the Chairman as your proxy, mark the appropriate box on the Proxy Form. If the person you wish to appoint as your proxy is someone other than the Chairman, please write the name of that person in the space provided on the Proxy Form. If you leave this section blank, or your named proxy does not attend the Meeting, the Chairman will be your proxy.

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, you may photocopy the Proxy Form or an additional Proxy Form may be obtained by telephoning Automic Pty Ltd on 1300 288 664 (from within Australia) or +61 2 9698 5414 (if overseas).

To appoint a second proxy you must, on each Proxy Form, state (in the appropriate box) the percentage of your voting rights which are the subject of the relevant proxy. If both Proxy Forms do not specify that percentage, each proxy may exercise half your votes. Fractions of votes will be disregarded.

### **Corporate Shareholders**

Corporate Shareholders should comply with the execution requirements set out on the Proxy Form or otherwise with the provisions of section 127 of the Corporations Act. Section 127 of the Corporations Act provides that a company may execute a document without using its common seal if the document is signed by:

- two directors of the company;
- a director and a company secretary of the company; or
- for a proprietary company that has a sole director who is also the sole company secretary – that director.

### **Corporate representatives**

A corporation may elect to appoint an individual to act as its representative in accordance with section 250D of the Corporations Act, in which case the Company will require a certificate of appointment of the corporate representative executed in accordance with the Corporations Act. The certificate of appointment must be lodged with the Company and/or the Company's share registry, Automic Pty Ltd, before the Meeting or at the registration desk on the day of the Meeting.

Certificates of Appointment of Corporate Representatives are available on request by contacting Automic Pty Ltd on 1300 288 664 (from within Australia) or +61 2 9698 5414 if overseas).

## **Votes on Resolutions**

You may direct your proxy how to vote by placing a mark in the 'FOR', 'AGAINST' or 'ABSTAIN' box opposite the Resolution. All your votes will be cast in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on the Resolution by inserting the percentage or number of Shares you wish to vote in the appropriate boxes. If you do not mark any of the boxes next to a Resolution, your proxy may vote as he or she chooses. If you mark more than one box on the Resolution, your vote will be invalid.

## **Voting restrictions that may affect your proxy appointment**

Members of the Key Management Personnel (except for the Chairman) and their Closely Related Parties are not able to vote your proxy on Resolution 1 (Adoption of the Remuneration Report) unless you have directed them how to vote. This exclusion does not apply to the Chairman if his appointment as proxy expressly authorises him to vote on matters of Key Management Personnel remuneration.

If you intend to appoint the Chairman, a Director or any other member of Key Management Personnel or any of their Closely Related Parties as your proxy, you are encouraged to direct them how to vote on all the Resolutions.

## **Chairman voting undirected proxies**

At the date of this Notice, the Chairman intends to vote all undirected proxies FOR each of the Resolutions. In exceptional cases the Chairman's intentions may change subsequently and in this event, the Company will make an announcement to the market.

The Proxy Form expressly authorises the Chairman to exercise undirected proxies on all Resolutions including Resolution 1 (Adoption of the Remuneration Report) even though this Resolutions is connected directly or indirectly with the remuneration of a member of Key Management Personnel.

## **Voting entitlement (snapshot date)**

For the purposes of determining voting and attendance entitlements at the Meeting, Shares will be taken to be held by the persons who are registered as holding the Shares at **5:00pm (WST) on Sunday, 6 November 2022**. Accordingly, transactions registered after that time will be disregarded in determining entitlements to attend and vote at the Annual General Meeting.

## **Questions from Shareholders**

At the Meeting, the Chairman will allow a reasonable opportunity for Shareholders to ask questions or make comments on the management of the Company and the Remuneration Report. A representative of BDO Audit (WA) Pty Ltd, as the Auditor responsible for preparing the Auditor's report for the year ended 30 June 2022 will attend the Meeting.

The Chairman will also allow a reasonable opportunity for Shareholders to ask the Auditor questions about:

- the conduct of the audit;
- the preparation and content of the Auditor's report;
- the accounting policies adopted by the Company in relation to the preparation of financial statements; and
- the independence of the Auditor in relation to the conduct of the audit.

To assist the Board and the Auditor of the Company in responding to questions please submit any questions you may have to the Company in writing by **5:00pm (WST) on Tuesday, 1 November 2022** in the same manner as outlined above for lodgement of Proxy Forms. Copies of written questions will be available at the meeting.

As required under section 250PA of the Corporations Act, the Company will make available at the Meeting those questions directed to the Auditor received in writing at least 5 business days prior to the Meeting, being questions which the Auditor considers relevant to the content of the Auditor's report or the conduct of the audit of the annual financial report for the year ended 30 June 2022. The Chairman will allow a reasonable opportunity for the Auditor to respond to the questions set out on this list.

## **Explanatory Statement**

---

This Explanatory Statement has been prepared for the information of Shareholders in relation to the business to be conducted at the Annual General Meeting.

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 Annual General Meeting.

This Explanatory Statement should be read in conjunction with the Notice of Annual General Meeting. Capitalised terms in this Explanatory Statement are defined in the Glossary.

### **1. Annual Financial Report**

The Corporations Act requires the Directors' report, Auditors' report and the financial statements of the Company for the year ended 30 June 2022 to be tabled at the Annual General Meeting. These reports are contained in the Company's Annual Report.

Neither the Corporations Act nor the Company's Constitution requires a vote of Shareholders on the reports and financial statements. However, Shareholders will be given reasonable opportunity to raise questions on the Reports and ask questions of the Company's Auditor.

The Company advises that a copy of its Annual Report for the year ended 30 June 2022, is available to download at the website address, [www.bmgl.com.au](http://www.bmgl.com.au).

Please note that if you have elected to continue to receive a hard copy of the Company's Annual Reports, the Annual Report will accompany this Notice of Meeting or alternatively it will be mailed to you no later than 21 days before the Meeting.

However, if you did not elect to continue to receive a hard copy of the Company's Annual Reports and now (or sometime in the future) wish to receive a hard copy of the Company's Annual Reports, please contact Automic Pty Ltd on 1300 288 664 (from within Australia) or +61 2 9698 5414 (if overseas). They will be pleased to mail you a copy.

### **2. Resolution 1: Adoption of Remuneration Report**

The Remuneration Report is set out in the Directors' report in the Annual Report.

The Corporations Act requires the Company to put a resolution to Shareholders that the Remuneration Report be adopted. In accordance with section 250R(3) of the Corporations Act, the vote on the Resolution is advisory only and does not bind the Directors or the Company.

In accordance with Division 9 of Part 2G.2 of the Corporations Act, if 25% or more of votes that are cast are voted against the adoption of the Remuneration Report at two consecutive annual general meetings of the Company, Shareholders will be required to vote at the second of those annual general meetings on a resolution (a "spill resolution") that another meeting be held within 90 days at which all of the Company's directors (other than the managing director) must go up for re-election.

It is noted that at the Company's 2021 annual general meeting the votes cast against the remuneration report represented less than 25% of the total votes cast and accordingly, a spill resolution will not under any circumstances be required for the Annual General Meeting.

A voting exclusion applies to Resolution 1 in the terms set out in the Notice of Meeting. Key Management Personnel and their Closely Related Parties may not vote on this Resolution and may not cast a vote as proxy, unless the proxy appointment gives a direction on how to vote or the proxy is given to the Chairman and expressly authorises the Chairman to exercise the proxy. The Chairman will use any such proxies to vote in favour of Resolution 1.

The Company encourages all Shareholders to cast their votes on Resolution 1 (Adoption of Remuneration Report).

### **3. Resolution 2: Re-election of Director – Mr John Dawson**

#### **3.1 Background**

Resolution 2 seeks Shareholder approval for the re-election of Mr John Dawson as a Director of the Company.

Listing Rule 14.4 requires that a Director (other than the Managing Director) shall not continue in office for a period past the third annual general meeting following the director's appointment or 3 years, whichever is the longer, without submitting to re-election.

In accordance clause 7.3 of the Constitution, at every Annual General Meeting, one third of the Directors for the time being must retire from office and are eligible for re-election. The Directors to retire are:

- (a) those who have been in office for 3 years since their appointment or last re-appointment;
- (b) those who have been longest in office since their appointment or last re-appointment; or
- (c) if the Directors have been in office for an equal length of time, by agreement.

Mr Dawson retires by rotation and offers himself for re-election as a Director.

Mr Dawson has been a Director of the Company since 13 October 2020.

If Resolution 2 is passed, John Dawson will be re-elected as a Non-Executive Director of the Company.

If Resolution 2 is not passed, John Dawson will not be re-elected and he will retire as a Director. The Board may consider an appointment to fill a casual vacancy pursuant to the Constitution, with ratification at the Company's next AGM.

#### **3.2 Biography**

A profile of Mr Dawson is contained in the Company's Annual Report for the financial year ended 30 June 2022.

#### **3.3 Directors' recommendation**

The Directors (other than Mr Dawson) recommend that Shareholders vote in favour of Resolution 2.

### **4. Resolution 3: Re-approval of Employee Incentive Plan and issue of Equity Securities under Employee Incentive Plan**

#### **4.1 Background**

The Company currently operates an Employee Incentive Plan under which Directors, officers, employees and certain contractors may be offered awards pursuant to which they acquire or earn Equity Securities (e.g. Shares, Options and performance rights) in the Company.

The Employee Incentive Plan has been established with the objectives of:

- (a) establishing a method by which eligible participants can participate in the future growth and profitability of the Company through holding of equity interests in the Company;
- (b) providing an incentive and reward for eligible participants for their contributions to the Company;
- (c) attracting and retaining a high standard of executive, managerial, technical and other personnel for the benefit of the Company; and
- (d) aligning the interests of eligible participants more closely with the interests of the Shareholders, by providing an opportunity for eligible participants to hold an equity interest in the Company.

The *Treasury Laws Amendment (Costs of Living Support and Other Measures) Act 2022 (ESS Act)* introduced a new Division 1A into Part 7.12 of the Corporations Act in relation to employee share schemes. The ESS Act, which takes effect from 1 October 2022, effectively replaces and expands the existing ASIC Class Orders [CO 14/1000] and [CO 14/1001].

Accordingly, the Company has prepared an updated Employee Incentive Plan to reflect the changes to employee share schemes under the Corporations Act, as introduced by the ESS Act.

The key changes to the Employee Incentive Plan are as follows:

- (a) expansion of the eligibility criteria to include certain related persons such as directors, employees and service providers (including immediate family members, controlled bodies corporate or related self-managed superannuation funds) and removing the minimum service requirements;
- (b) for offers of securities made for no monetary consideration, removing the issue limit previously stated in the Employee Incentive Plan for the purposes of enabling those offers to be made without the need for a disclosure document under the Corporations Act to be given to the participant; and
- (c) requiring that a cleansing notice be issued to ensure that any securities issued may be on-sold within 12 months of issue.

A summary of the Employee Incentive Plan is set out in the Schedule to this Explanatory Statement.

Shareholder approval pursuant to Listing Rule 7.2 Exception 13 is being sought to approve the issue of securities under the updated Employee Incentive Plan.

#### 4.2 Listing Rule requirements

Listing Rule 7.1 provides that an entity must not, subject to specified exceptions in Listing Rule 7.2, issue or agree to issue more Equity Securities during a 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

Listing Rule 7.2 sets out exceptions to the Equity Security placement limit under Listing Rule 7.1. The Company is seeking Shareholder approval pursuant to Listing Rule 7.2 Exception 13 to allow the Company to rely on this exception to the limit on the number of securities that may be issued without Shareholder approval under Listing Rule 7.1.

Listing Rule 7.2 Exception 13 sets out an exception to Listing Rule 7.1 for the issue of Equity Securities under an employee incentive scheme (e.g. the Employee Incentive Plan) that has been approved by an entity's shareholders. For a period of 3 years from approval, Equity Securities issued to persons who are not related parties of the entity under the Employee Incentive Plan are not counted in the calculation of the entity's 15% issuing capacity under Listing Rule 7.1.

The following information is provided in relation to the Employee Incentive Plan, for the purposes of Listing Rule 7.2 Exception 13(b):

- (a) A summary of the Employee Incentive Plan is set out in the Schedule to this Explanatory Statement.
- (b) The Company has issued the following Equity Securities under the Employee Incentive Plan since 2 August 2019, being the date of the General Meeting of the Company at which Shareholders approved the Employee Incentive Plan and the issue of Equity Securities under the Plan:
  - (i) 8,000,000 performance rights granted on 9 February 2021 to employees and managers of the Company;
  - (ii) 20,000,000 performance rights granted on 13 October 2020 to entities associated with Directors (Bruce McCracken and Greg Hancock), with Shareholder approval;

- (iii) 2,000,000 performance rights granted on 8 August 2019 to an entity associated with a Director (Bruce McCracken), with Shareholder approval; and
  - (iv) 150,000 Options (expired 31 January 2022) granted on 8 August 2019 to a then Director (Malcolm Castle), with Shareholder approval.
- (c) The maximum number of Securities proposed to be issued under the Plan, following Shareholder approval, will be 19,299,583 (being 5% of the number of the Company's fully paid ordinary shares on issue as at the date of this Notice). It is not envisaged that the maximum number of Securities for which approval is sought will be issued immediately.

If Resolution 3 is passed, the issue of securities under the Employee Incentive Plan to eligible participants within 3 years of the date of the Meeting will be excluded from the calculation of the Company's placement capacity under Listing Rule 7.1.

If Resolution 3 is not passed, the Company may still issue securities under the Employee Incentive Plan to eligible participants however, any issue of securities will reduce the Company's capacity to issue Equity Securities without Shareholder approval under Listing Rule 7.1 for the 12 months following the date of the issue of the securities.

#### 4.3 **Directors' recommendation**

Noting that the Directors may have a personal interest in the outcome of this Resolution 3 by virtue of them being eligible to participate in the Employee Incentive Plan, the Directors recommend that Shareholders vote in favour of Resolution 3. This will give the Board the flexibility to issue securities to eligible participants under the Employee Incentive Plan without using the Company's issuing capacity under Listing Rule 7.1.

### 5. **Resolution 4: Amendments to Constitution**

#### 5.1 **Background**

In 2021 the Corporations Act was amended to permit a company to hold and conduct general meetings using virtual meeting technology in accordance with the requirements of the Corporations Act .

The Board considers it important that the Company continue to have the ability to hold virtual meetings to ensure it is able to conduct general meetings in circumstances where in person attendance is not possible, practical or appropriate. Accordingly, it is proposed that the Constitution be amended to ensure the Company is able to hold virtual general meetings in accordance with the provisions in the Corporations Act concerning the use of virtual meeting technology.

#### 5.2 **Resolution**

Resolution 4 is a special resolution which will enable the Company to amend its Constitution to:

- (a) expressly permit the Company to hold and conduct general meetings using virtual meeting technology as permitted by section 249R(1)(c) of the Corporations Act; and
- (b) to ensure that the provisions of the Constitution concerning the conduct of meetings using virtual meeting technology are consistent with the requirements of section 253Q of the Corporations Act.

The amendments augment the existing provisions in the Constitution for the use of technology at general meetings and generally reflect the requirements of the Corporations Act.

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

#### 5.3 **Proposed amendments**

The table below sets out the proposed amendments to the Constitution to enable the Company to hold and conduct general meetings using virtual meeting technology in accordance with requirements of the Corporations Act.

Constitution clause reference	Amendment
Clause 2.1	<p>The following new definition is added to clause 2.1:</p> <p><b><i>“Virtual Meeting Technology means any technology that allows a person to participate in a meeting without being physically present at the meeting.”</i></b></p>
Clause 6.1(b)(ii)	<p>Clause 6.2(b)(ii) is wholly replaced with the following:</p> <p><b><i>“(ii) if the meeting is to be held using Virtual Meeting Technology in accordance with clause 6.6, the technology that will be used to facilitate the meeting and sufficient information to allow the members to participate in the meeting by means of the Virtual Meeting Technology;</i></b></p>
Clause 6.6	<p>Clause 6.6 is wholly replaced with the following:</p> <p><b>“6.6 Use of technology at general meetings</b></p> <p>(a) <i>A general meeting may be held at two or more venues using Virtual Meeting Technology or using Virtual Meeting Technology only.</i></p> <p>(b) <i>Subject to the Corporations Act and this Constitution, a general meeting may be held using one or more technologies that give the members participating a reasonable opportunity to participate in the meeting without being physically present.</i></p> <p>(c) <i>Where a general meeting is held using any form of technology in accordance with clause 6.6(b):</i></p> <p>(i) <i>the technology used must be reasonable and allow the members who are entitled to attend the meeting, and do attend the meeting using that Virtual Meeting Technology, as a whole, to exercise their right to ask questions and make comments both verbally and in writing;</i></p> <p>(ii) <i>a member participating in the meeting is taken for all purposes, including the quorum requirements in clause 6.4, to be present in person at the meeting;</i></p> <p>(iii) <i>if a person is entitled to attend the meeting, or to vote at the meeting, by proxy, the chair of the meeting must treat a duly appointed proxy in the same way as the person would be entitled or required to be treated if they attended the meeting in person;</i></p> <p>(iv) <i>the provisions of this Constitution relating to general meetings apply, so far as they can and with any necessary changes, to general meetings held using that technology; and</i></p> <p>(v) <i>the meeting is to be taken to be held at:</i></p> <p>(A) <i>if the meeting is held at more than one physical venue (whether or not it is also held using Virtual Meeting Technology), the main physical venue of the meeting as set out in the notice of the meeting; or</i></p> <p>(B) <i>if the meeting is held using Virtual Meeting Technology only, the registered office of the Company.”</i></p> <p>(d) <i>If a separate meeting place is linked to the main place of a general meeting by Virtual Meeting Technology which, by itself or in conjunction with other arrangements:</i></p> <p>(i) <i>gives the general body of members in the separate meeting place a reasonable opportunity to participate in proceedings in the main place;</i></p> <p>(ii) <i>enables the chair to be aware of proceedings in the other place; and</i></p> <p>(iii) <i>enables the members in the separate meeting place to vote on a show of hands or on a poll,</i></p> <p><i>a member present at the separate meeting place is taken to be present at the general meeting and entitled to exercise all rights as</i></p>



	<p><i>if they were present at the main place.</i></p> <p>(e) <i>If any technical difficulty occurs, whether before or during the general meeting, that results in one or more of the matters in clause 6.6(d) no longer being satisfied, the chair may, subject to the Corporations Act and clause 6.4:</i></p> <p style="padding-left: 20px;">(i) <i>allow the meeting to continue; or</i></p> <p style="padding-left: 20px;">(ii) <i>adjourn the meeting either for a reasonable period of time as may be required to fix the technology or to such other date, time and location as the chair of the meeting considers appropriate.</i></p> <p>(f) <i>To avoid doubt, where the chair has allowed the general meeting to continue in accordance with clause 6.6(e)(i), any resolution passed at that meeting is valid.</i></p> <p>(g) <i>The chair of a meeting of members may delegate any power conferred by this clause 6.6 to any person."</i></p>
<p><b>Clause 6.7(j)</b></p>	<p>Clause 6.7(j) is amended by adding the following sentence at the end:</p> <p><i>"A notice of a meeting resumed from an adjourned meeting and a notice postponing a meeting of Members must set out the place, date and time for the revised meeting (and if the revised meeting is to use Virtual Meeting Technology, the technology that will be used to facilitate the meeting and sufficient information to allow the members to participate in the meeting by means of the Virtual Meeting Technology)."</i></p>

#### 5.4 Corporations Act requirements

Section 136(2) of the Corporations Act provides that a company may modify or repeal its constitution (or a provision in its constitution), or may adopt a new constitution, by special resolution of its shareholders.

#### 5.5 Directors' recommendations

The Directors recommend that Shareholders vote in favour of Resolution 4 to give the Company the flexibility to hold and conduct general meetings using virtual meeting technology only.

### 6. Resolution 5: Approval of Additional Placement Facility

#### 6.1 Background

Resolution 5 seeks Shareholder approval for an additional issuing capacity under Listing Rule 7.1A (**Additional Placement Facility**).

If approved, Resolution 5 would enable the Company to issue additional Equity Securities (calculated below) over a 12-month period without obtaining Shareholder approval.

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 shares 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 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 5 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 5 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 5 is not passed, the Company will not be able to access the additional 10% capacity to issue equity securities without shareholder approval provided for in Listing Rule 7.1A and will remain subject to the 15% limit on issuing equity securities without shareholder approval set out in Listing Rule 7.1.

Resolution 5 is a special resolution. To be passed, it must be approved by at least 75% of the votes cast by Shareholders entitled to vote on the Resolution.

## 6.2 Information on Additional Placement Facility

### (a) Quoted securities

Any Equity Securities issued under the Additional Placement Facility must be in the same class as an existing class of Equity Securities of the Company that are quoted on ASX.

As at the date of this Notice, the Company has one class of Equity Securities quoted on ASX, being fully-paid ordinary Shares.

### (b) Formula for Additional Placement Facility

If Resolution 5 is passed, the Company may issue or agree to issue, during the 12-month period after the Meeting, the number of Equity Securities calculated in accordance with the following formula.

$$\text{Additional Placement Facility} = (A \times D) - E$$

Where:

A = the number of fully-paid ordinary securities on issue at the commencement of the relevant period:

1. plus the number of fully-paid ordinary securities issued in the relevant period under an exception in Listing Rule 7.2 other than exception 9, 16, or 17;
2. plus the number of fully-paid ordinary securities issued in the relevant period on the conversion of convertible securities within Listing Rule 7.2 exception 9 where:
  - 2.1 the convertible securities were issued or agreed to be issued before the commencement of the relevant period; or
  - 2.2 the issue of, or agreement to issue, the convertible securities was approved, or taken under the Listing Rules to have been approved under Listing Rule 7.1 or 7.4;
3. plus the number of fully-paid ordinary securities issued in the relevant period under an agreement to issue securities within Listing Rule 7.2 exception 16 where:
  - 3.1 the agreement was entered into before the commencement of the relevant period; or
  - 3.2 the agreement or issue was approved, or taken under the Listing Rules to have been approved under Listing Rule 7.1 or 7.4;
4. plus the number of fully paid ordinary securities issued in the relevant period with approval under Listing Rule 7.1 or Listing Rule 7.4;
5. plus the number of partly-paid ordinary securities that became fully-paid in the relevant period;
6. less the number of fully-paid ordinary securities cancelled in the relevant period;

D = 10%; and

E = the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the relevant period where the issue or agreement has not been subsequently approved by Shareholders under Listing Rule 7.4.

## 6.3 Listing Rule requirements

Pursuant to and in accordance with ASX Listing Rule 7.3A, the information below is provided in relation to this Resolution 5:

(a) **Period for which the Additional Placement Facility is valid**

The Additional Placement Facility 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 at which Equity Securities may be issued**

Any equity securities issued under the Additional Placement Facility must be in an existing quoted class of equity securities and be issued at a minimum price of 75% of the volume weighted average price of equity securities in that class, calculated over 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 6.3(b)(i), the date on which the Equity Securities are issued.

(c) **Purpose for which Equity Securities may be issued**

The Company may seek to issue equity securities under the Additional Placement Facility to fund business growth, to acquire new assets or make investments, to develop the Company's existing assets and operations and for general working capital.

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

Shareholders should note that, when issuing Equity Securities under the Additional Placement Facility, there is a risk that:

- (i) the market price for the Company's Shares may be significantly lower on the date of issue than on the date of the Meeting; and
- (ii) the new Equity Securities may be issued at a price that is at a discount to the market price for Equity Securities in the same class on the issue date or the new Equity Securities may be issued in consideration for the acquisition of a new asset.

Any issue of Shares under the Additional Placement Facility will dilute the interests of Shareholders who do not receive any Shares under the issue.

The table below identifies the potential dilution to existing Shareholders following the issue of Equity Securities under the Additional Placement Facility (based on the formula set out above) using different variables for the number of issued Shares and the market price of Shares.

The numbers are calculated on the basis of the latest available market price of Shares before the date of this Notice and the current number of Shares on issue.

Variable A in Listing Rule 7.1A		Issue price		
		\$0.0220 (market price)	\$0.0330 (50% increase in market price)	\$0.0110 (50% decrease in market price)
Current issued capital  A = 385,991,658	Shares issued – 10% voting dilution	38,599,166	38,599,166	38,599,166
	Funds raised	\$849,182	\$1,273,772	\$424,591
50% increase* in issued capital  A = 578,987,487	Shares issued – 10% voting dilution	57,898,748	57,898,748	57,898,748
	Funds raised	\$1,273,772	\$1,910,659	\$636,886
100% increase* in current issued capital  A = 771,983,316	Shares issued – 10% voting dilution	77,198,331	77,198,331	77,198,331
	Funds raised	\$1,698,363	\$2,547,545	\$849,182

\* 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 above table has been prepared on the following assumptions:

1. the current Variable A set out in the table above is based on the number of Shares on issue at 4 October 2022, being 385,991,658 Shares.
2. the latest available market price of Shares, being the closing price as at 4 October 2022, is \$0.022;
3. the Company issues the maximum number of Equity Securities available under the Additional Placement Facility;
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 ASX Listing Rule 7.2 or with approval under ASX Listing Rule 7.1 and Rule 7.1A, or subsequently ratified under Listing Rule 7.4 at this Meeting;
5. the issue of Equity Securities under the Additional Placement Facility 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 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 upon their specific circumstances;
7. the 10% voting dilution reflects the aggregate percentage dilution against the issued Share capital at the time of issue; accordingly, the voting dilution is shown in each example as 10%; and
8. the table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the Additional Placement Facility, based on that Shareholder's holding at the date of the Meeting.

(e) **Allocation policy**

The Company's allocation policy for the issue of Equity Securities under the Additional Placement Facility will depend on the prevailing market conditions at the time of the proposed

issue. The allottees will be determined on a case-by-case basis having regard to the factors such as:

- (i) the methods of raising funds that are available to the Company, including but not limited to, rights issues or other issues in which existing security holders can participate;
- (ii) the effect of the issue of the new securities on the control of the Company;
- (iii) the financial situation and solvency of the Company; and
- (iv) advice from corporate and other advisors.

As at the date of this Notice, the Company has not identified any proposed allottees of Equity Securities using the Additional Placement Facility. However, the eventual allottees may include existing substantial Shareholders, other Shareholders and/or new investors.

None of the allottees will be a related party or an associate of a related party of the Company, except as permitted under Listing Rule 7.2. Existing Shareholders may or may not be entitled to subscribe for Equity Securities under the Additional Placement Facility and it is possible that their shareholding will be diluted.

If the Additional Placement Facility is used to acquire new assets or investments, then it is likely that the allottees will be the vendors of these assets/investments.

The Company will comply with the disclosure obligations under Listing Rules 7.1A.4 and 3.10.5A upon issue of any Equity Securities under the Additional Placement Facility.

(f) **Previous approvals under Listing Rule 7.1A**

Shareholders approved an Additional Placement Facility at the Company's 2021 annual general meeting.

For the purposes of Listing Rule 7.3A.6 the Company provides the following information in relation to Shares issued in the 12 months preceding the date of the Annual General Meeting, which were issued without prior Shareholder approval, using the Company's issue capacity under Listing Rule 7.1A.

The Company made one issue of Equity Securities pursuant to Listing Rule 7.1A in the past 12 months, being 31,999,165 fully-paid ordinary Shares issued on 17 June 2022. The issue under Listing Rule 7.1A had the following characteristics:

<b>Date of issue</b>	17 June 2022
<b>Equity Securities Issued</b>	31,999,165 Shares, being 10.00% of the number of equity securities on issue at 8 November 2021, being 12 months before the Annual General Meeting.
<b>Names of recipients or basis on which recipients determined</b>	Institutional and sophisticated investors as arranged by the lead manager to the placement, Argonaut Securities.
<b>Issue price of Equity Securities and discount to Market Price on day of agreement to issue the shares</b>	\$0.038 issue price being a discount of 5.00% to market price of \$0.040 on 9 June 2022
<b>Cash consideration received</b>	\$1,216,958 (before costs).
<b>Intended use of funds</b>	The consideration received from the issue of the shares remains unspent.  BMG will apply the funds raised to drilling and exploration campaigns at the Company's 100% owned gold projects in Western Australia.

(g) **Voting exclusion**

A voting exclusion statement is included in this Notice. As at the date of this Notice, the Company has not invited any existing Shareholder to participate in an issue of Equity Securities under ASX Listing Rule 7.1A. Therefore, no existing Shareholders will be excluded from voting on Resolution 5.

6.4 **Directors' recommendation**

The Directors unanimously recommend that Shareholders vote in favour of Resolution 5 as it will give the Company the flexibility to issue Securities without Shareholder approval to raise necessary working capital in the future.

## Glossary

---

In this Explanatory Statement, the following terms have the following meaning unless the context otherwise requires:

<b>Additional Placement Facility</b>	Has the meaning given to that term in section 6.1 of this Explanatory Statement.
<b>Annual General Meeting or Meeting</b>	The annual general meeting of Shareholders, or any adjournment thereof, convened by this Notice.
<b>Annual Report</b>	The annual report of the Company for the financial year ended 30 June 2022, including the annual financial report, the Directors' report and the Auditor's report.
<b>Associate</b>	Has the meaning given to that term in the Listing Rules.
<b>ASX</b>	ASX Limited (ACN 008 624 691) or the financial market known as the Australian Securities Exchange, as the context requires.
<b>Auditor</b>	The auditor of the Company, being BDO Audit (WA) Pty Ltd at the date of this Notice.
<b>A\$ or \$</b>	Australian dollars.
<b>Board</b>	The board of Directors of the Company.
<b>Chairperson</b>	The chair of the Annual General Meeting.
<b>Closely Related Party</b>	Has same meaning given to that term in section 9 of the Corporations Act, being, in relation to a member of Key Management Personnel: (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 <i>Corporations Regulations 2001</i> (Cth) (currently none are prescribed).
<b>Company or BMG</b>	BMG Resources Limited (ACN 107 118 678).
<b>Company Secretary</b>	The company secretary of the Company at the time of the Meeting.
<b>Constitution</b>	The Constitution of the Company.
<b>Corporations Act</b>	<i>Corporations Act 2001</i> (Cth).
<b>Director</b>	A director of the Company.
<b>Equity Security</b>	Has the meaning given to that term in ASX Listing Rule 19.12, being: (a) a share; (b) a unit; (c) a right to a share or unit or option; (d) an option over an issued or unissued security; (e) a convertible security; (f) any security that ASX decides to classify as an equity security; (g) but not a security that ASX decides to classify as a debt security.

<b>Explanatory Statement</b>	This explanatory statement which accompanies and forms part of the Notice.
<b>Glossary</b>	This glossary of terms.
<b>Key Management Personnel</b>	Has the same meaning as the definition of that term in section 9 of the Corporations Act, being those persons details of whose remuneration are included in the Remuneration Report having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of the Company.
<b>Listing Rules</b>	The listing rules of ASX, as amended from time to time.
<b>Notice or Notice of Annual General Meeting</b>	The notice of Annual General Meeting which accompanies this Explanatory Statement.
<b>Option</b>	An option to acquire a Share.
<b>Proxy Form</b>	The proxy form accompanying this Notice of Meeting.
<b>Related Party</b>	Has the meaning given to that term in section 228 of the Corporations Act.
<b>Remuneration Report</b>	The remuneration report of the Company for the financial year ended 30 June 2022, appearing in the Annual Report.
<b>Resolution</b>	A resolution set out in the Notice.
<b>Securities</b>	The securities of the Company within the meaning of section 761A of the Corporations Act and includes a Share and an Option.
<b>Share</b>	A fully paid ordinary share in the Company.
<b>Shareholder</b>	The holder of a Share.
<b>VWAP</b>	The volume weighted average sale prices of Shares sold on ASX during the specified period, excluding any transaction defined in the ASX Operating Rules as 'special', crossings prior to the commencement of normal trading, crossings during the after-hours adjust phase and any overseas trades or exchange traded option exercises.
<b>WST</b>	Australian Western Standard Time, being the time in Perth, Western Australia.



**Schedule – Summary of Employee Incentive Plan**

Item	Details
<b>Eligibility</b>	<p>The following persons of the Company are eligible to participate in the Employee Incentive Plan:</p> <ul style="list-style-type: none"> <li>• an employee of the Company or any of its Associated Entities;</li> <li>• a director of the Company or any of its Associated Entities;</li> <li>• an individual who provides services to the Company or any of its Associated Entities;</li> <li>• any other person who is a 'primary participant' as defined in section 1100L(1)(a) of the Corporations Act in relation to the Company or any of its Associated Entities; or</li> <li>• any other person who is a 'related person' as defined in section 1100L(1)(b) of the Corporations Act of a 'primary participant' referred to above,</li> </ul> <p><b>(Eligible Persons).</b></p>
<b>Awards</b>	<p>Awards issued under the Employee Incentive Plan includes any share-based incentive award, including:</p> <ul style="list-style-type: none"> <li>• shares;</li> <li>• options to subscribe for a share issued in accordance with the Employee Incentive Plan and subject to the satisfaction of any vesting conditions, performance conditions and/or exercise conditions and payment of the relevant exercise price; or</li> <li>• performance rights which provide entitlements to be issued with shares, subject to the satisfaction of any vesting conditions and/or performance conditions,</li> </ul> <p><b>(Awards).</b></p> <p>Awards may, among other things, be loan-funded or issued as tax-deferred incentives under Australian tax legislation.</p>
<b>Administration</b>	<p>Subject to the requirements of the Listing Rules and the Corporations Act, the Board will administer the Employee Incentive Plan and determine:</p> <ul style="list-style-type: none"> <li>• the persons to whom the awards will be offered under the Employee Incentive Plan; and</li> <li>• the number of awards which may be offered to those persons.</li> </ul>
<b>Restriction conditions</b>	<p>Awards may be subject to restriction conditions (such as a period of employment) which must be satisfied before the underlying Shares can be sold, transferred, or encumbered.</p>
<b>Limits on Issue</b>	<p>The Company must not make an offer of Awards for 'monetary consideration' (within the meaning of section 1100Q of the Corporations Act) Monetary Offers for Awards that are subject to the ESS Division to the extent doing so would contravene the 'issue cap' under section 1100W of the Corporations Act.</p> <p>The following will be excluded from the calculation of the 'issue cap' unless and to the extent they are required by applicable law to be included in such calculation:</p> <ul style="list-style-type: none"> <li>• Awards which are issued by the Company in circumstances where the Company does not rely upon Division 1A of Part 7.12 of the Corporations Act (<b>ESS Division</b>) or a similar exemption or modification to the Corporations Act granted by ASIC; and</li> <li>• Awards offered in the following circumstances:</li> </ul>

	<ul style="list-style-type: none"> <li>○ an Offer made to a person situated outside of Australia at the time of receipt of the Offer;</li> <li>○ an Offer that did not need disclosure to the Eligible Person because of section 708 or section 1012D of the Corporations Act; or</li> <li>○ an Offer made pursuant to a 'disclosure document' (as defined in the Corporations Act).</li> </ul> <p>Awards may not be issued to any person to whom the issue of those Awards would require the approval of Shareholders under the Corporations Act, the Listing Rules or other applicable law unless:</p> <ul style="list-style-type: none"> <li>• approval is given by Shareholders in general meeting in accordance with the applicable legal requirements; or</li> <li>• the issue of those Awards falls within a relevant exception to the applicable law.</li> </ul>
<p><b>Offer and Acceptance of Awards</b></p>	<p>Following determination that an Eligible Person may participate in the Employee Incentive Plan, the Board may from time to time make an offer in writing to an Eligible Person. Each offer must specify, in clear, concise and effective manner:</p> <ul style="list-style-type: none"> <li>• the date of the offer, and the final date by which the offer must be accepted;</li> <li>• the name and address of the Eligible Person to whom the offer is made;</li> <li>• the type of awards being offered;</li> <li>• the maximum number of awards being offered;</li> <li>• in the case of Options, the exercise price and the exercise period;</li> <li>• the vesting conditions (if any), the performance conditions and performance period (if any), the test dates (if any) and/or exercise conditions (if any) relating to the awards being offered;</li> <li>• the term and expiry date or end date (if any);</li> <li>• the summary of any rights attaching to the awards;</li> <li>• agreement with the Eligible Person for the Company to supply details to third parties (including the share registry of the Company) where required by law; and</li> <li>• any other matters required to be specified in the Offer by the Corporations Act, including the ESS Division.</li> </ul>
<p><b>Vesting of Awards</b></p>	<p>The Board may, at its absolute discretion, determine that awards issued will be subject to vesting conditions (e.g. performance milestones) and in those circumstances, awards cannot vest in the Eligible Person until such time as those vesting conditions have been satisfied or waived.</p> <p>If the vesting conditions are not satisfied, the awards will lapse or be cancelled.</p>
<p><b>Plan Shares</b></p>	<p>Any share received pursuant to an award under the Employee Incentive Plan by an Eligible Person (<b>Plan Share</b>) will:</p> <ul style="list-style-type: none"> <li>• be credited as fully paid;</li> <li>• rank equally in all respects with shares already on issue (except for entitlements which had a record date before the date of issue or transfer of the Plan Share); and</li> <li>• be subject to any restrictions imposed under the Employee Incentive Plan.</li> </ul> <p>The Company will apply for quotation of Plan Shares as soon as practicable following the issue of those Plan Shares.</p>
<p><b>Dividends and Voting Rights</b></p>	<p><b>Plan Shares</b></p> <p>An Eligible Person who holds awards which are Plan Shares is entitled to receive:</p> <ul style="list-style-type: none"> <li>• a notice of meeting of shareholders and may exercise any voting rights attaching to those Plan Shares; and</li> </ul>

- income deriving from those Plan Shares, including dividends and distributions declared or paid on those Plan Shares.

**Convertible Securities**

Holders of convertible securities do not have any of the following rights unless and until Plan Shares are allocated or acquired on vesting and exercise:

- the right to receive notice of, attend and vote at general meetings of the Company;
- the right to dividends by the Company;
- the right to a return of capital by the Company; or
- the right to participate in the surplus assets of the Company on winding-up.

**BMG Resources Limited**  
**ACN 107 118 678**  
**PROXY FORM**

I/We (name of Shareholder) \_\_\_\_\_

of (address) \_\_\_\_\_

being a Shareholder/Shareholders of BMG Resources Limited HEREBY APPOINT:

(name) \_\_\_\_\_

of (address) \_\_\_\_\_

and/or failing him/her (name) \_\_\_\_\_

of (address) \_\_\_\_\_

or, failing the person named, or if no person is named, the Chairperson of the Meeting as my/our proxy to act on my/our behalf at the Annual General Meeting of BMG Resources Limited (ACN 107 118 678) (**Company**) to be held at **2.00pm (WST) on Tuesday, 8 November 2022** at The Melbourne Hotel, Karingal Ballroom (Karingal 1), Level 1, 33 Milligan Street, Perth Western Australia (**Meeting**) and at any adjournment or postponement of the Meeting.

Except where I/we have marked a voting box for a Resolution below, I/we authorise my/our proxy to vote or abstain from voting on any Resolution in their discretion.

**IMPORTANT NOTES:**

- Refer to the Notice of Annual General Meeting for important details of how to complete and return your Proxy Form.
- Should you wish to direct your proxy how to vote, please mark **FOR**, **AGAINST** or **ABSTAIN** in the voting boxes below. The Company encourages you to direct your proxy to vote for or against the Resolutions or to abstain from voting on each of the Resolutions.
- If the Chairperson is appointed your proxy, the Chairperson intends to vote all undirected proxies **FOR** each Resolution.
- Completed Proxy Forms should be returned to the Company by **2.00pm (WST) on Sunday, 6 November 2022**

I/We direct my/our proxy to vote in the following manner:

		For	Against	Abstain
<b>Resolution 1</b>	<b>Adoption of Remuneration Report</b>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Resolution 2</b>	<b>Re-election of Mr John Dawson as Director</b>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Resolution 3</b>	<b>Re-approval of Employee Incentive Scheme</b>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Resolution 4</b>	<b>Amendment of Constitution</b>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Resolution 5</b>	<b>Approval of Additional Placement Facility</b>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

This Proxy is appointed to represent \_\_\_\_\_% of my voting right, or if two proxies are appointed Proxy 1 represents \_\_\_\_\_% and Proxy 2 represents \_\_\_\_\_% of my/our total votes.

My/our total voting right is \_\_\_\_\_ shares.

By:

**Individuals and joint holders**

Signature
Signature
Signature

**Companies (affix common seal if appropriate)**

Director
Director/Company Secretary
Sole Director