



Cobalt Blue Holdings Limited

(ASX:COB)

2020 Annual General Meeting

The 2020 Annual General Meeting (AGM) of Cobalt Blue Holdings Limited ABN 90 614 466 607 is to be held at 11:00am (AEDT) on Friday, 27 November 2020.

In light of the COVID-19 pandemic and the restrictions placed in relation to public gatherings, the AGM is being held as a virtual meeting, with Shareholders being asked to participate virtually. There will not be a physical meeting held.

Shareholders will be able to join the AGM from their computer, tablet or smartphone via GoToMeeting using the information that has been provided to them.

Shareholders may also join the AGM by telephone using the details provided with the Proxy Form. Voting will be via Proxy Form or Shareholders will be able to vote online during the AGM using Lumi Lite, as detailed in the information provided to Shareholders with their Proxy Form.



Cobalt Blue Holdings Limited ABN 90 614 466 607
Address: Suite 17.03, Level 17, 100 Miller Street, North Sydney, NSW 2060

Website: www.cobaltblueholdings.com

Facebook: www.facebook.com/Cobalt.Blue.Energy

LinkedIn: www.linkedin.com/company/cobalt-blue-holdings

NOTICE OF 2020 ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting (AGM) of Shareholders of Cobalt Blue Holdings Limited ABN 90 614 466 607 (the Company) will be held virtually, commencing 11:00am (AEDT) on Friday, 27 November 2020.

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Refer to the Explanatory Notes for further information on the proposed Resolutions.

By order of the Board of Cobalt Blue Holdings Limited:

A handwritten signature in black ink, appearing to read 'RWaring', with a large, sweeping flourish underneath.

Robert J Waring
Company Secretary

22 October 2020

1. ITEMS OF BUSINESS

Financial Reports

To receive and consider the Financial Statements, Directors' Report and Auditor's Report for the Company for the financial year ended 30 June 2020.

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

The statutory annual report is available for Shareholders to access and download from <https://www.cobaltblueholdings.com/annual-reports>. If you would like to receive a hard copy of the statutory annual report free of charge you can contact the Company by telephoning +61 2 8287 0660.

Resolution 1: To Re-Elect a Director – Mr Robert Biancardi

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

That, for the purposes of Article 3.6 of the Company's Constitution, ASX Listing Rule 14.4 and all other purposes, Mr Robert Biancardi, who retires from office by rotation, and is eligible for re-election, is re-elected as a director of the Company.

Notes:

- (a) Mr Biancardi has consented to be re-elected a director of the Company.
- (b) The non-candidate Directors unanimously support the re-election of Mr Biancardi.
- (c) The Chairman of the Meeting intends to vote all available proxies in favour of Mr Biancardi's re-election.

Resolution 2: To Adopt the Remuneration Report

To consider and if thought fit, to pass, with or without amendment, the following ordinary resolution in accordance with section 250R of the Corporations Act as a non-binding resolution:

That the Company adopts the Remuneration Report for the financial year ended 30 June 2020.

Notes:

- (a) This Resolution is advisory only and does not bind the Company or the Directors.
- (b) 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.
- (c) The Chairman of the Meeting intends to vote all available proxies in favour of adopting the Remuneration Report.
- (d) If 25% or more votes that are cast are voted against the adoption of the Remuneration Report at two consecutive AGMs, Shareholders will be required to vote at the second of those AGMs on a resolution (a "spill resolution") that another meeting be held within 90 days at which all of the Company's Directors must go up for re-election.

Resolution 3: To Approve the Issue of Shares made on 10 August 2020

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

That, for the purpose of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue and allotment on 10 August 2020 of 23,846,428 fully paid ordinary shares in the Company at an issue price of \$0.095 per Share, as described in the Explanatory Notes accompanying this Notice of Meeting.

The Chairman of the Meeting intends to vote all available proxies in favour of Resolution 3.

Resolution 4: To Approve the Proposed Issue of Shares

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

That, for the purpose of ASX Listing Rule 7.1 and for all other purposes, Shareholders approve the issue and allotment of up to 35,600,000 fully paid ordinary shares to investors that are not Related Parties of the Company, as described in the Explanatory Notes accompanying this Notice of Meeting.

The Chairman of the Meeting intends to vote all available proxies in favour of Resolution 4.

Resolution 5: To Approve a 10% 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, Shareholders approve the issue of Equity Securities up to 10% of the issued capital of the Company (at the time of issue) calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2, and on the terms and conditions in the accompanying Explanatory Notes.

The Chairman of the Meeting intends to vote all available proxies in favour of Resolution 5.

Resolution 6: To Approve the Issue of Ordinary Shares to Directors

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

That, pursuant to ASX Listing Rule 10.11 and for all other purposes, approval be hereby given for the issue of fully paid ordinary shares to the Non-Executive Directors to be issued for a proportion of their Directors' Fees for the year ending 30 June 2021, as set out in the Explanatory Notes.

Resolution 6.1 Mr Robert Biancardi

Resolution 6.2 Mr Hugh Keller

Resolution 6.3 Mr Robert McDonald

The Chairman of the Meeting intends to vote all available proxies in favour of Resolutions 6.1 to 6.3.

Resolution 7: To Approve the Issue of Ordinary Shares to the CEO and Executive Director

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

That, pursuant to ASX Listing Rule 10.11 and for all other purposes, approval be hereby given for the issue of 1,348,039 fully paid ordinary shares to Executive Director Mr Josef Kaderavek in payment for amounts owing to him under his employment contract for his services as Chief Executive Officer and Executive Director for the period ended 31 July 2020, as set out in the Explanatory Notes.

The Chairman of the Meeting intends to vote all available proxies in favour of Resolution 7.

Resolution 8: To Approve the Employee Incentive Plan

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

That pursuant to ASX Listing Rule 7.2 (exception 9), and for all other purposes, the Cobalt Blue Employee Incentive Plan, as set out in the Explanatory Notes, be approved.

The Chairman of the Meeting intends to vote all available proxies in favour of Resolution 8.

Resolution 9: To Approve the Authorisation under Section 195

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

That for the purpose of section 195(4) of the Corporations Act, and for all other purposes, Shareholders approve and authorise the Directors of the Company to complete the transactions as contemplated in Resolution 8 of this Notice.

The Chairman of the Meeting intends to vote all available proxies in favour of Resolution 9.

Resolution 10: To Approve an Increased Non-Executive Directors' Remuneration Limit

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

For the purposes of the Company's Constitution Rule 9.2 and ASX Listing Rule 10.17, the maximum aggregate amount available for payment by way of remuneration to Non-Executive Directors be increased from \$275,000 per annum to \$450,000 per annum.

The Chairman of the Meeting intends to vote all available proxies in favour of Resolution 10.

2. VOTING RIGHTS AND PROXIES

A member who is entitled to attend and vote at the meeting has a right to appoint a proxy. This appointment may specify the proportion or number of votes that the proxy can exercise. The proxy need not be a member of the Company. A member who is entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes that each proxy is appointed to exercise. If the member appoints two proxies and the appointment does not specify the proportion or number of the member's votes that each proxy may exercise, each proxy may exercise half of the votes.

3. VOTING EXCLUSIONS

Resolution 2

The Company will disregard any votes cast in favour of Resolution 2 (To Adopt the Remuneration Report) by any member of the Key Management Personnel whose remuneration is disclosed in the Remuneration Report, and any Closely Related Party of such a member, unless:

- (a) the person does so as a proxy appointed in writing that specifies how the proxy is to vote on the resolution; or
- (b) the person is the chair of the meeting and the appointment of the chair as proxy:
 - (i) does not specify the way the proxy is to vote; and
 - (ii) expressly authorises the chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of Key Management Personnel.

Resolution 3

The Company will disregard any votes cast in favour of Resolution 3 (To Approve the Issue of Shares made on 10 August 2020) by or on behalf of:

- (a) a person who participated in the issue the subject of Resolution 3; or
- (b) an Associate of that person (or those persons).

However, the Company need not disregard a vote if:

- it is cast by a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Resolution 4

The Company will disregard any votes cast in favour of Resolution 4 (To Approve the Proposed Issue of Shares) by or on behalf of:

- (a) a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the entity) if Resolution 4 is passed; or
- (b) an Associate of that person (or those persons).

However, the Company need not disregard a vote if:

- it is cast by a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Resolution 5

The Company will disregard any votes cast in favour of Resolution 5 (To Approve a 10% Placement Facility) by or on behalf of:

- (a) a person who is anticipated to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company); or
- (b) an Associate of that person.

However, the Company need not disregard a vote if:

- it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Resolutions 6.1 to 6.3

The Company will disregard any votes cast in favour of each of Resolutions 6.1 to 6.3 (To Approve the Issue of Ordinary Shares to Directors) by or on behalf of the named Director (and any of their Associates), being:

- (a) Mr Robert Biancardi (in respect to Resolution 6.1);
- (b) Mr Hugh Keller (in respect to Resolution 6.2); and
- (c) Mr Robert McDonald (in respect to Resolution 6.3).

However, the Company need not disregard a vote if:

- it is cast by a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Resolution 7

The Company will disregard any votes cast in favour of Resolution 7 (To Approve the Issue of Ordinary Shares to the CEO and Executive Director) by or on behalf of Mr Kaderavek (and any of his Associates).

However, the Company need not disregard a vote if:

- it is cast by a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Resolutions 8 and 9

The Company will disregard any votes cast in favour of Resolution 8 (To Approve the Employee Incentive Plan) and Resolution 9 (Approve the Authorisation under Section 195) by or on behalf of any Director, other than any Directors who are ineligible to participate in any Employee Incentive Plan in relation to the Company, or any associates of those Directors, as provided for in ASX Listing Rule 10.14.

However, the Company need not disregard a vote if:

- it is cast by a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Resolution 10

The Company will disregard any votes cast in favour of Resolution 10 (To Approve Non-Executive Director fee limit) by or on behalf of a Director; and an Associate of a Director.

However, the Company need not disregard a vote if:

- it is cast by a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

4. LODGING YOUR PROXY

Completed and signed proxies must be either:

- sent by post to the following address:

Computershare Investor Services Pty Limited
GPO Box 242
MELBOURNE VIC 3001 Australia; or

- sent by facsimile to Computershare on:

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

- voted online by following the instructions on the attached Proxy Form; or
- for Intermediary Online subscribers only (custodians), cast online for the Shareholder's vote by visiting www.intermediaryonline.com so that it is received not later than 11:00am (AEDT) on Wednesday, 25 November 2020.

5. DATE FOR DETERMINING HOLDERS OF SHARES

For the purposes of regulation 7.11.37 of the Corporations Act and ASX Settlement Operating Rule 5.6.1, the Directors have set 7:00pm Sydney time, or such other time as ASX Settlement may from time-to-time determine, on Wednesday, 25 November 2020 as the time and date to determine holders of the Company's Shares for the purposes of determining entitlements to attend and vote at the AGM.

Share transfers registered after that deadline will be disregarded in determining entitlements to attend and vote at the AGM.

6. EXPLANATORY NOTES

These Explanatory Notes are provided to Shareholders to explain the Resolutions to be put to them at the AGM being held as a virtual meeting at 11:00am (AEDT) on Friday, 27 November 2020.

The Board recommends that Shareholders read this Notice of AGM, including these Explanatory Notes, in full before making any decision in relation to the Resolutions.

Financial Reports

The Corporations Act requires the Financial Report (which includes the Financial Statements, Directors' Report and Auditor's Report) to be laid before the Meeting. There is no requirement for Shareholders to approve the Report. However, the Chairman of the Meeting will allow a reasonable opportunity for Shareholders to ask questions about, or make comments on, the management of the Company. Shareholders will be given a reasonable opportunity to ask the Auditor questions about the conduct of the audit and the content of the Auditor's Report.

Resolution 1: To Re-Elect a Director

Under ASX Listing Rule 14.4, a director must not hold office without re-election past the third annual general meeting following the director's appointment, or three years, whichever is longer. A director who retires in accordance with these requirements is eligible for re-election.

Under ASX Listing Rule 14.5, an election of directors must be held each year.

Article 3.6 of the Company's Constitution requires that at each AGM:

- (a) one third (or if that is not a whole number, the whole number nearest to one third) of the Directors who are not:
 - (i) appointed, and required to retire under Article 3.3; or
 - (ii) the Managing Director; and
 - (b) any Director who would, if that Director remained in office until the next AGM, have held that office for more than three years since last being elected or appointed,
- must retire from office and are eligible for re-election.

The Director to retire under Article 3.6 of the Company's Constitution is the one who has held office the longest since last being elected or appointed. Accordingly, Mr Biancardi is due to retire as a Director at the end of the meeting and offer himself for re-election.

Resolution 1: To Re-Elect a Director – Mr Robert Biancardi

Robert Biancardi: Chairman, Independent, Non-Executive Director

Appointed: 2 September 2016

Qualifications: B. Com (Management and Marketing) (Wollongong University)
Diploma Corporate Management (AGSM – University of NSW)

Mr Biancardi is an experienced executive with more than 35 years of commercial experience across the finance, IT, healthcare and services sectors. Mr Biancardi has previously held senior roles at IBM, Citibank and Westpac. His recent roles include director of Evolution Healthcare, a leading private hospital operator. He has been a director and chief executive officer of a number of companies, including Rockridge Group (Private Equity) and Hutchisons (Child Care Services) Limited, previously an ASX-listed services company.

He has served as a director and president of the Restaurant & Catering Association of NSW for 13 years and has been a board member of the Heart Foundation of Australia (FIPOC) for over seven years.

Mr Biancardi is a member of the Board of The Bread & Butter Project, a social enterprise. He has extensive corporate advisory and capital management experience with a specialisation in corporate marketing and substantial public and private board experience.

Term of office currently served by Mr Biancardi: Three years.

Other current directorships in listed companies: None.

Details of any other material directorships currently held: None.

Former directorships in listed companies (over the last three years): None.

Mr Biancardi is an Independent Director, and is a member of any of both the Nomination and Remuneration, and Audit and Risk Committees of the Board.

Recommendation

Messrs Kaderavek, Keller and McDonald recommend that Shareholders vote in favour of the re-election of Mr Biancardi.

Resolution 2: To Adopt the Remuneration Report

The Remuneration Report of the Company for the financial year ended 30 June 2020 is set out in the Company's 2020 Annual Report, which is available on the Company's website at <https://www.cobaltblueholdings.com/annual-reports>.

The Remuneration Report sets out the Company's remuneration arrangements for Key Management Personnel. The Chairman of the Meeting will allow a reasonable opportunity for Shareholders to ask questions about, or make comments on, the Remuneration Report at the meeting. In addition, Shareholders will be asked to vote on the Remuneration Report.

This Resolution is advisory only and does not bind the Company or its Directors. The Board 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. Under 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, 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 must go up for re-election.

The Company encourages all Shareholders to cast their votes on Resolution 2. Shareholders not attending the Meeting may use the enclosed proxy form to lodge their vote by appointing a Proxy. Any undirected proxies held by the Chairman of the Meeting, other Directors or other Key Management Personnel, or any of their Closely Related Parties will not be voted on Resolution 2, unless the vote is cast by the Chairman of the Meeting pursuant to an express authorisation on the Proxy Form made by a Shareholder who is entitled to vote on Resolution 2.

Key Management Personnel of the Consolidated Entity are the directors of the Company, and those other persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. The Remuneration Report identifies the Company's Key Management Personnel for the financial year ended 30 June 2020. Their Closely Related Parties are defined in the Corporations Act, and include certain of their family members, dependants and companies they control. If you choose to appoint a Proxy, you are encouraged to direct your Proxy how to vote on Resolution 2 by marking either "For", "Against" or "Abstain" on the Voting Form for that item of business.

Recommendation

The Board recommends that Shareholders vote in favour of the adoption of the Remuneration Report.

Resolution 3: To Approve the Issue of Shares made on 10 August 2020

Background

ASX Listing Rule 7.1 imposes a restriction on the maximum number of Equity Securities (which includes shares) that can be issued or agreed to be issued by an entity in any 12-month period without shareholder approval. This restriction is broadly 15% of the number of ordinary securities of that entity already on issue within any 12-month period. The issue of Equity Securities in the Company in the past 12 months was within this limit.

Under ASX Listing Rule 7.4, an issue of Equity Securities made without approval under ASX Listing Rule 7.1 can be subsequently approved by shareholders.

Equity Securities Issued

The Company seeks approval of the Equity Securities previously issued by the Company described below in accordance with ASX Listing Rule 7.4. Resolution 3 is effectively retrospective approval or ratification to refresh the Company's capacity to issue further Equity Securities pursuant to ASX Listing Rule 7.1. If Shareholders approve Resolution 3, the Company will have the flexibility to continue to issue up to 15% of Equity Securities in the next 12 months if an opportunity or corporate activity arises that the Directors believe is in the best interests of the Company.

ASX Listing Rule 7.4

The following information is provided to Shareholders for the purpose of ASX Listing Rule 7.4 (in accordance with ASX Listing Rule 7.5).

On 10 August 2020 the Company issued 39,485,275 fully paid ordinary shares in the Company at an issue price of \$0.095 per Share to investors, which raised \$3,751,101 (before costs). None of the investors were Related Parties. The issued Shares are quoted on the ASX, and have the same rights and rank equally in all respects with the Company's other Equity Securities on issue. The net proceeds of the placement are being used for the Broken Hill Cobalt Project (BHCP), including for construction and commissioning of the pilot plant, for work on the Feasibility Study, and as detailed below. On 10 August 2020 the Company also issued 355,263 fully paid ordinary shares in the Company to settle an amount of \$33,750 of the fees payable to a broker in the UK, in connection with the placement, at \$0.095 per share. The Company utilised its placement capacity in accordance with ASX Listing Rule 7.1 (23,846,428 shares) and 7.1A (15,994,110 shares).

ASX Listing Rule 7.5

ASX Listing Rule 7.5 requires that the notice of meeting concerning a resolution to approve a previous issue of shares must include the following information:

- the total number of Shares that were issued by the Company on 10 August 2019 was 39,840,538 Shares and Resolution 3 seeks approval for the 23,846,428 shares issued under ASX Listing Rule 7.1;
- the issue price of each Share was \$0.095;
- the Shares issued have the same terms as, and rank equally in all respects with, all existing Shares in the Company;
- the Shares were issued to investors who were not Related Parties to the Company under a placement managed by lead broker Blue Ocean Equities Pty Limited and to a UK broker;
- the funds raised by the issue of the Shares are being used for construction and commissioning of the pilot plant, for engineering and technical studies towards the Feasibility Study, to advance BHCP permits and approvals (including commencing Environmental Impact Statement studies), to fund the process of obtaining a major joint venture partner for the BHCP, and for working capital and other general corporate purposes.; and
- a Voting Exclusion statement is contained in the Notice.

Recommendation

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

Resolution 4: To Approve the Proposed Issue of Shares

Background

As described in Resolution 5, ASX Listing Rule 7.1 prohibits a company from issuing or agreeing to issue Equity Securities that amount to more than 15% of its ordinary securities in any 12-month period, without shareholder approval.

Equity Securities Proposed to be Issued

Resolution 4 seeks approval for the issue of up to 35,600,000 Shares for the purpose of ASX Listing Rule 7.1. By obtaining Shareholder approval for the Equity Securities the subject of Resolution 4, the Company will retain the flexibility to issue Equity Securities in the future of up to an additional approximate 15% placement capacity without the requirement to obtain prior Shareholder approval. The Company regularly monitors its ongoing equity requirements for funding the Broken Hill Cobalt Project and its other activities, and the need for flexibility to respond to market conditions to raise the additional equity. The passing of this Resolution will enhance the flexibility of future funding alternatives. Any decision on funding future work on

the Project will depend on the results of current activities and, accordingly, at the time of issuing this Notice, no specific plans are in hand to expend all of the funds that could be raised if Resolution 4 is passed.

ASX Listing Rule 7.3

ASX Listing Rule 7.3 requires that the notice of meeting concerning a proposed resolution to approve an issue of Equity Securities in accordance with ASX Listing Rule 7.1 must include the following information:

- the maximum number of Equity Securities that will be issued under the approval sought through Resolution 4 is 35,600,000 Shares;
- the Shares will be issued and allotted progressively, and no later than three months after the date of the Meeting (or such later date as may be permitted by the Corporations Act, the Australian Securities and Investments Commission, or by an ASX waiver of the ASX Listing Rules);
- the issue price of the Shares will be no less than 80% of the volume weighted average price (VWAP) of the Company's Shares for the five Trading Days prior to the date of issue calculated in accordance with ASX Listing Rule 7.3.3;
- the Shares will be issued to sophisticated and professional investors or other eligible parties, who are not Related Parties to the Company;
- the Shares will rank equally in all respects with the Company's existing Shares;
- funds raised by the issue of the Equity Securities will be applied as a source of funds to support further development of the Broken Hill Cobalt Project, including work on the pilot and demonstration plant, for engineering and technical studies towards the Feasibility Study, to advance BHCP permits and approvals (including commencing Environmental Impact Statement studies), to fund the process of obtaining a major joint venture partner for the BHCP, for COB's other projects, for project acquisitions, and for working capital and other general corporate purposes; and
- a Voting Exclusion statement is contained in the Notice.

Recommendation

The Board unanimously recommends that Shareholders vote in favour of the approval of Resolution 4.

Resolution 5: To Approve a 10% Placement Facility

ASX Listing Rule 7.1A enables an eligible entity to issue Equity Securities totalling up to 10% of its issued share capital through placements over a 12-month period after the annual general meeting (10% Placement Facility). The 10% Placement Facility is in addition to the Company's 15% placement capacity under ASX Listing Rule 7.1. An eligible entity for the purposes of ASX Listing Rule 7.1A is an entity that:

- (a) is not included in the S&P / ASX 300 Index; and
- (b) has a market capitalisation of \$300 million or less (excluding restricted securities and securities quoted on a deferred settlement basis).

The Company is an eligible entity for the purposes of ASX Listing Rule 7.1A.

The Company is seeking Shareholder approval by way of a special resolution to have the ability to issue Equity Securities under the 10% Placement Facility in addition to its 15% placement capacity under ASX Listing Rule 7.1. The exact number of Equity Securities to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in ASX Listing Rule 7.1A.2. Further information is set out in section (c) directly below.

The effect of Resolution 5 will be to allow the Directors to issue Equity Securities under ASX Listing Rule 7.1A during the 10% Placement Period (as defined below) without using the Company's 15% placement capacity under ASX Listing Rule 7.1.

Resolution 5 is a special resolution, and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

Description of ASX Listing Rule 7.1A

- (a) Shareholder Approval
The ability to issue Equity Securities under the 10% Placement Facility is subject to Shareholder approval by way of a special resolution at an annual general meeting.
- (b) Equity Securities
Any Equity Securities issued under the 10% Placement Facility must be in the same class as an existing quoted class of Equity Securities of the Company. At the date of this Notice, the Company only has quoted Shares, unquoted Options and convertible notes on issue.

- (c) Formula for Calculating 10% Placement Facility
ASX Listing Rule 7.1A.2 provides that eligible entities that have obtained shareholder approval at an annual general meeting may issue or agree to issue, during the 12-month period after the date of the annual general meeting, a number of Equity Securities calculated in accordance with the following formula:

(A x D) – E; where:

A is the number of shares on issue 12 months before the date of issue or agreement:

- (i) plus the number of fully paid ordinary shares issued in the 12 months under an exception in ASX Listing Rule 7.2;
- (ii) plus the number of partly paid ordinary shares that become fully paid in the 12 months;
- (iii) plus the number of fully paid ordinary shares issued in the 12 months with approval of holders of ordinary shares under ASX Listing Rules 7.1 or 7.4. This does not include an issue of fully paid ordinary shares under the entity's 15% placement capacity without shareholder approval; and
- (iv) less the number of fully paid ordinary shares cancelled in the 12 months.

Note that **A** has the same meaning in ASX Listing Rule 7.1 when calculating an entity's 15% placement capacity.

D is 10%

E is the number of Equity Securities issued or agreed to be issued under ASX Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue that are not issued with the approval of shareholders under ASX Listing Rules 7.1 or 7.4.

Number of Shares on Issue

The 10% Placement is in addition to a listed entity's usual 15% placement capacity under ASX Listing Rule 7.1. At the date of this Notice, the Company has 237,440,410 Shares on issue and therefore, in addition to any other Shares that it can issue under the permitted exceptions to ASX Listing Rules 7.1 and 7.1A, it has the capacity to issue:

- (a) 35,616,062 Shares under ASX Listing Rule 7.1 (assuming Resolution 3 is passed); and
- (b) subject to Shareholder approval being obtained under Resolution 5, up to 23,744,041 Shares under ASX Listing Rule 7.1A.

The actual number of Shares that the Company will have the capacity to issue under ASX Listing Rule 7.1A will be calculated at the date of issue of the Shares in accordance with the formula in ASX Listing Rule 7.1A.2.

Minimum Issue Price

The issue price of Equity Securities issued under ASX Listing Rule 7.1A must be not less than 75% of the VWAP of Equity Securities in the same class calculated over the 15 Trading Days on which trades in that class were recorded immediately before:

- (a) the date on which the price at which the Equity Securities are to be issued is agreed; or
- (b) (if the Equity Securities are not issued within five Trading Days of the date in paragraph (a) above) the date on which the Equity Securities are issued.

10% Placement Period

Shareholder approval of the 10% Placement Facility under ASX Listing Rule 7.1A is valid from the date of the AGM at which the approval is obtained and expires the earlier to occur of:

- (a) the date that is 12 months after the date of the AGM at which approval is obtained; or
- (b) the date of the approval by Shareholders of a transaction under ASX Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main understanding); or
- (c) such longer period if allowed by ASX.

Specific Information required by ASX Listing Rule 7.3A

In accordance with ASX Listing Rule 7.3A, the following information is provided in relation to the approval of the 10% Placement Facility:

- (a) **Minimum Issue Price:** the Equity Securities will be issued at an issue price of not less than 75% of the VWAP for the Company's Equity Securities 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; or

- (ii) (if the Equity Securities are not issued within five Trading Days of the date in paragraph (i) above) the date on which the Equity Securities are issued.
- (b) **Dilution to Existing Shareholdings:** If Resolution 5 is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Facility, the existing Shareholders' voting power in the Company will be diluted as shown in the below table. There is a risk that:
- (i) the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date of the Meeting; and
- (ii) the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date,
- which may have an effect on the amount of funds raised by the issue of the Equity Securities.
- (c) The table below shows the dilution of existing Shareholders on the basis of the current market price of Shares and the current number of ordinary securities for variable "A" calculated in accordance with the formula in ASX Listing Rule 7.1A.2 as at the date of this Notice. The table also shows:
- (i) two examples where variable "A" has increased, by 50% and 100%. Variable "A" is based on the number of ordinary securities the Company has on issue. The number of ordinary securities on issue may increase as a result of issues of ordinary securities that do not require Shareholder approval (for example, a pro-rata entitlements issue or scrip issued under a takeover offer) or future specific placements under ASX Listing Rule 7.1 that are approved at a future Shareholders' meeting; and
- (ii) two examples of where the issue price of ordinary securities has decreased by 50% and increased by 100% as against the current market price.

		Variables		
		50% Decrease in Issue Price	Issue Price	100% Increase in Issue Price
Issue Price Examples		\$0.048	\$0.11	\$0.192
Variable 'A' in ASX Listing Rule 7.1A.2	Number of Shares Examples			
Current Variable A	237,440,410	10% Voting Dilution	23,744,041	23,744,041
		Funds Raised	\$1,305,922	\$2,611,845
50% Increase in Current Variable A	356,160,615	10% Voting Dilution	35,616,062	35,616,062
		Funds Raised	\$1,958,883	\$3,917,767
100% Increase in Current Variable A	474,880,820	10% Voting Dilution	47,488,082	47,488,082
		Funds Raised	\$2,611,845	\$5,223,689
			\$10,447,378	

- (d) The table above has been prepared on the following assumptions:
- (i) The Company issues the maximum number of Equity Securities available under the 10% Placement Facility.
- (ii) No Options are exercised before the date of the issue of the Equity Securities. There are 8,772,500 unquoted Options on issue at the date of this Notice.
- (iii) The convertible note, which is convertible into 5,000,000 ordinary shares, is not converted before the date of the issue of the Equity Securities.
- (iv) 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%.
- (v) The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on that Shareholder's holding at the date of the Meeting.
- (vi) The table shows only the effect of issues of Equity Securities under ASX Listing Rule 7.1A, not under the 15% placement capacity under ASX Listing Rule 7.1.
- (vii) The issue of Equity Securities under the 10% Placement Facility consists only of Shares. If the issue of Equity Securities includes Options, it is assumed that those Options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.
- (viii) The issue price is \$0.11, being the closing price of the Shares on the ASX on 22 October 2020.

- (e) **Date by which Securities may be Issued:** The Company will only issue and allot the Equity Securities during the 10% Placement Period. The approval under Resolution 5 for the issue of the Equity Securities will cease to be valid in the event that Shareholders approve a transaction under ASX Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking).
- (f) Shareholder approval under ASX Listing Rule 7.1A does not lapse if the Company's market capitalisation subsequently exceeds \$300 million or if it is included in the S&P / ASX 300 Index at some time during that period provided that the Company meets those criteria on the date of the AGM.
- (g) **Purpose of the 10% Placement:** The Company may seek to issue the Equity Securities for the purpose of obtaining cash consideration in order to allocate the funds towards additional working capital to fund the Company's progress in the development of the Broken Hill Cobalt Project and its other activities.
- (h) **Allocation Policy:** The Company will comply with the disclosure obligations under ASX Listing Rules 7.1A.4 and 3.10.5A upon the issue of any Equity Securities. The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility.
- (i) The identity of the allottees of Equity Securities will be determined on a case-by-case basis having regard to the factors, including, but not limited to, the following:
- (i) the methods of raising funds that are available to the Company, including, but not limited to, a pro-rata rights issue or other issue in which existing security holders can participate;
 - (ii) the effect of the issue of the Equity Securities on the control of the Company;
 - (iii) the financial situation and solvency of the Company; and
 - (iv) advice from corporate, financial and broking advisers (if applicable).
- (j) The allottees under the 10% Placement Facility have not been determined as at the date of this Notice, but may include existing substantial Shareholders and / or new Shareholders who are not Related Parties or Associates of a Related Party of the Company.
- (k) Further, if the Company is successful in acquiring new resources, assets or investments, it is likely that the allottees under the 10% Placement Facility will be vendors of the new resources, assets or investments.
- (l) **Previous Approval:** The Company previously obtained Shareholder approval under ASX Listing Rule 7.1A in the 12 months preceding the date of this Meeting at its 25 November 2019 AGM, accordingly, and issued 15,994,110 Shares under that approval in the previous 12 months. These shares were issued in the 10 August 2020 placement and are detailed in Resolution 3 above.
- (m) In the 12 months preceding this Notice of Annual General Meeting, the Company issued 87,537,891 Equity Securities (made up of 87,537,890 shares and 1 convertible note convertible in to 5,000,000 shares) which represents 51.6% of the total number of Equity Securities on issue at the commencement of that 12-month period on a fully diluted basis. Details of the Equity Securities issued in the 12-month period are outlined in Schedule 1 to this Notice of Meeting.
- (n) **Voting Exclusion:** A voting exclusion statement is included in this Notice. At the date of the Notice, the Company has not approached any particular existing Shareholder or security holder, or an identifiable class of existing security holder to participate in the issue of the Equity Securities. No existing Shareholder's votes will therefore be excluded under the voting exclusion in the Notice.

Recommendation

The Directors unanimously recommend that Shareholders vote in favour of the approval of the 10% Placement Facility.

Resolutions 6.1 to 6.3: To Approve the Issue of Ordinary Shares to Directors

It is proposed to issue Shares to the Non-Executive Directors as payment for \$20,000 of their Directors' Fees for the year ending 30 June 2021. The Non-Executive Directors' remuneration for the year ending 2020-21 is proposed to be \$86,000 for the Chairman, Mr Biancardi, \$74,000 for Mr Keller and \$74,000 for Mr McDonald. It is proposed that the Non-Executive Directors will receive payment of \$20,000 of the above Directors' Fees in Shares:

Resolution 6.1	Mr Robert Biancardi - fees of \$20,000 as 208,333 shares at \$0.096 per share;
Resolution 6.2	Mr Hugh Keller - fees of \$20,000 as 208,333 shares at \$0.096 per share; and
Resolution 6.3	Mr Robert McDonald - fees of \$20,000 as 208,333 shares at \$0.096 per share.

ASX Listing Rule 10.11 excludes a Related Party, such as Messrs Biancardi, Keller and McDonald, or their Associates, from acquiring securities in the Company except in certain circumstances. One of these circumstances is where Shareholders approve the proposed issue of securities. ASX Listing Rule 10.13 sets out the notice of meeting requirements that apply in order for Shareholders to provide such an approval.

Shareholders are hereby advised of the following details concerning the proposed issue of Shares to Messrs Biancardi, Keller and McDonald for which approval is sought. In accordance with ASX Listing Rule 10.13 the Company advises that:

1. the Shares are proposed to be issued to Messrs Biancardi, Keller and McDonald, or their nominees;
2. the maximum number of Shares proposed to be issued to Mr Biancardi is 208,333 Shares, to Mr Keller is 208,333 Shares and to Mr McDonald is 208,333 Shares;
3. the date by which the Company intends to issue the Shares will be not more than one month after the date of this Meeting, i.e. prior to 27 December 2020;
4. these Shares are proposed to be issued at the price of the five-day VWAP prevailing prior to the date of lodgement of this Notice on ASX, being \$0.096 per share; and
5. there will be no funds raised, as the Shares are being issued in payment of a proportion of Directors' Fees. The Shares will be issued for nil cash consideration.

Other Information

The Share price at the date of this Notice of AGM is \$0.11, and this compares to a high of \$0.11 per Share and a low of \$0.083 per Share in the month leading up to this Notice.

Any Shares issued as payment of Directors' Fees in accordance with Resolution 6 will rank equally with the Company's existing Shares.

With regard to Resolution 6, and in accordance with ASX Listing Rule 7.2, exception 14, if approval is given under ASX Listing Rule 10.11 approval is not required under ASX Listing Rule 7.1.

Recommendation

All of the Directors (other than the Directors whose Resolution involves them) recommend to Shareholders that they support Resolutions 6.1 to 6.3 regarding the issue of Shares to the Non-Executive Directors as they consider the grant of these Shares to be an appropriate way to pay Directors' Fees to conserve the Company's cash, while managing the Company's working capital position. The Directors (other than the Directors whose Resolution involves them) do not have any interest in the outcome of Resolutions 6.1 to 6.3. Messrs Biancardi, Keller and McDonald do not make any recommendation to Shareholders on Resolution 6 where it involves them because of their personal interests in the subject matter of these Resolutions. Mr Kaderavek recommends that Shareholders vote in favour of the approval of Resolutions 6.1 to 6.3.

Resolution 7: To Approve the Issue of Ordinary Shares to the CEO and Executive Director

It is proposed to issue Shares to the Company's Chief Executive Officer (CEO) and Executive Director Mr Josef Kaderavek in payment for an amount of \$137,500 owing to him, being the payment in shares of \$62,500 owing to him to 'make up' for the reduction in salary in the period from 1 April to 31 July 2020 agreed because of economic uncertainty during this COVID-19 pandemic period and the payment in shares for the short-term incentive bonus of \$75,000 payable to him under the terms of his employment contract for his services as CEO and Executive Director for the year ended 30 June 2020.

ASX Listing Rule 10.11 excludes a Related Party, such as Mr Josef Kaderavek or his Associates, from acquiring securities in the Company except in certain circumstances. One of these circumstances is where Shareholders approve the proposed issue of securities. ASX Listing Rule 10.13 sets out the notice of meeting requirements that apply in order for Shareholders to provide such an approval.

Shareholders are hereby advised of the following details concerning the proposed issue of Shares to Mr Josef Kaderavek for which approval is sought. In accordance with ASX Listing Rule 10.13 the Company advises that:

1. the Shares are proposed to be issued to Mr Josef Kaderavek, or his nominee;
2. the maximum number of Shares proposed to be issued to Mr Josef Kaderavek is 1,348,039 Shares;
3. the date by which the Company intends to issue the Shares will be not more than one month after the date of this Meeting, i.e. prior to 27 December 2020;
4. these Shares are proposed to be issued being the price of the 30-day VWAP prevailing prior to the date of lodgement of this Notice on ASX, being \$0.102 per share;

5. there will be no funds raised, as the Shares are being issued in payment of salary owing and including a short-term incentive bonus payable to Mr Kaderavek. The Shares will be issued for nil cash consideration; and
6. the current total remuneration package for Mr Kaderavek \$375,000, with a provision in his employment contract for a short-term incentive bonus. The short-term incentive bonus approved by the Board for the 2019-20 year, the subject of this Resolution, is \$75,000.

Other Information

The Share price at the date of this Notice of AGM is \$0.11, and this compares to a high of \$0.11 per Share and a low of \$0.083 per Share in the month leading up to this Notice.

Any Shares issued as payment of the amount owing in accordance with Resolution 7 will rank equally with the Company's existing Shares. With regard to Resolution 7, and in accordance with ASX Listing Rule 7.2, exception 14, if approval is given under ASX Listing Rule 10.11 approval is not required under ASX Listing Rule 7.1.

Recommendation

All of the Directors (other than Mr Kaderavek) recommend to Shareholders that they support Resolution 7 regarding the issue of Shares to the CEO and Executive Director as they consider the grant of these Shares to be an appropriate way to pay the amount owing to Mr Kaderavek to conserve the Company's cash, while managing the Company's working capital position. The Directors (other than Mr Josef Kaderavek) do not have any interest in the outcome of Resolution 7.

Resolution 8: To Approve the Employee Incentive Plan

ASX Listing Rule 7.1 allows the Company to issue a maximum of 15% of its expanded capital in any 12-month period without requiring shareholder approval. ASX Listing Rule 7.1 does not apply in certain cases, as set out in ASX Listing Rule 7.2, including exception 13, where an issue under an employee incentive plan is made within three years before the date of issue that the terms of the plan are approved by shareholders. The terms and conditions of the Employee Option Plan were submitted to, and approved by Shareholders at the Company's AGM held on 27 November 2018. That Plan is being replaced by the Employee Incentive Plan for the issue of new incentives to eligible parties, and the new Employee Incentive Plan is submitted for approval at this AGM. A copy of the full rules of the Plan, as summarised below, is available to Shareholders, free of charge, on request and is on the Company's website.

The last approval of shareholders was sought and obtained at the 5 March 2019 General Meeting for the proposed issue of 1,750,000 options to three Directors of the Company, being 750,000 options to Director Mr Robert McDonald, 500,000 options to Director Mr Robert Biancardi and 500,000 options to Director Mr Hugh Keller. These options were issued for no cash consideration. The options issued to the three Directors had an exercise price of \$0.25, the options were issued on 1 April 2019, have an expiry date of 21 December 2021 and remain on issue.

Purpose of the Plan

The Employee Incentive Plan is designed to assist in the attraction, retention and motivation of employees, officers and contractors of the Company and to promote the long-term success of the Company as a goal shared by all Employees.

Eligibility

The Plan is open to full-time or permanent part-time employees, officers, executive Directors and contractors of the Company or any related body corporate of the Company (Employees). Key terms of the Plan are summarised below.

Types of Awards

Under this Plan the Company may issue any of the following (called Awards):

- Options to acquire Shares on terms set by the Company in its discretion;
- Performance Rights, which are rights to be issued Shares for nil exercise price upon the satisfaction of specified vesting conditions;
- Deferred Share Awards, which will generally be issued in lieu of salary, Directors' Fees, or other remuneration. Shares issued as Deferred Share Awards may be subject to restrictions on disposal for up to 10 years;

- Exempt Share Awards, which are Shares to an Employee for no cash consideration or at an issue price that is at a discount to market price with the intention that up to \$1,000 of the total discount received by the Employee will be exempt from tax. Shares issued as Exempt Share Awards are subject to restrictions on disposal for up to three years;
- Limited Recourse Loan Awards, which are Shares where some or all of the Issue Price is funded by way of Financial Assistance from the Company Limited Recourse Loan Awards are Restricted Awards until the Financial Assistance is repaid or discharged; and
- Share Appreciation Rights, which are rights of a participant to be issued Shares or a cash amount of an equivalent value, as determined by the Board in its sole and absolute discretion and as calculated in accordance with the Plan Rules, subject to the satisfaction of any vesting conditions, performance hurdles and/or exercise conditions.

Board Discretions

The Board has broad discretions under the Plan, including as to the terms of issue of Awards (such as vesting conditions and performance hurdles) and the ability to waive or shorten restrictions on disposal.

5% Limit

The total number of outstanding Awards, when added to the total number of Shares issued during the previous three years under both this Plan and any previous incentive plan (but excluding existing Shares that are purchased for an Employee instead of being issued), cannot exceed 5% of the Company's issued capital. In accordance with ASIC Class Order 03/184, the 5% limit does not include in the calculation any offers that would otherwise be exempt from the prospectus provisions of the Corporations Act.

Takeovers

In the event of a full takeover bid, scheme of arrangement, or similar transaction, restrictions on disposal will generally lapse so that Employees are able to accept the bid or participate in the transaction.

Adjustment Terms

Employees are not entitled to participate in a new issue of Shares or other securities made by the Company to holders of its Shares without exercising their Awards before the record date for the relevant issue.

If the Company makes a pro-rata bonus issue, and an Award is not exercised prior to the record date for that bonus issue, then, on exercise of the Award, the holder will receive the number of bonus Shares that would have been issued if the Award had been exercised prior to the record date.

If, prior to the exercise of an Award, the Company undergoes a reorganisation of capital (other than by way of a bonus issue or issue for cash) the terms of issued Awards will be changed to the extent necessary to comply with the ASX Listing Rules as they apply at the relevant time.

Recommendation

The Directors do not make any recommendation to Shareholders on Resolution 8 because of their personal interests in the subject matter of the Resolution.

Resolution 9: To Approve the Authorisation under Section 195

Section 195 of the Corporations Act essentially provides that a director of a public company may not vote or be present during meetings of directors when matters in which that director holds a 'material personal interest' are being considered.

The Directors of the Company have a material personal interest in the outcome of Resolution 8. In the absence of Resolution 9, the Directors of the Company may not be able to form a quorum at a Directors' meeting necessary to carry out the terms of Resolution 8. The Directors of the Company have accordingly exercised their right under section 195(4) of the Corporations Act to put the issue to Shareholders to resolve.

Recommendation

The Directors do not make any recommendation to Shareholders on Resolution 9 because of their personal interests in the subject matter of the Resolution.

Resolution 10: To Approve Increased Non-Executive Directors' Remuneration Limit

Background

The ASX Listing Rules (Listing Rule 10.17) and the Company's Constitution require the maximum aggregate amount of non-executive Directors' remuneration (excluding any issue or acquisition of securities) to be determined by Shareholders in general meeting. Shareholder approval is sought to approve an increase from \$275,000 per annum to \$450,000 per annum maximum aggregate amount available for payment by way of remuneration to Non-Executive Directors (an increase of \$175,000). The previous maximum aggregate amount available for payment (\$275,000 per annum) was approved by Shareholders at a shareholders' meeting held on 24 November 2017.

Assuming there are no changes to the number of Non-Executive Directors, or their remuneration rates, during the year ended 30 June 2021 total non-executive Directors' remuneration for the year ended 30 June 2021 will total \$234,000. This leaves a remaining remuneration capacity of \$41,000 per annum (\$275,000 less \$234,000). This \$41,000 per annum offers limited capacity for the Company to engage an additional non-executive Director, or increase remuneration rates in future years.

ASX Listing Rules (Listing Rule 10.17)

- (a) The proposed increase of the maximum aggregate amount available for payment by way of remuneration to the Company's Non-Executive Directors is \$175,000 per annum;
- (b) The proposed maximum aggregate amount of Directors' fees that may be paid to all of the Company's non-executive Directors is \$450,000 per annum.
- (c) There were Equity Securities issued to Non-Executive Directors under rule 10.11 or 10.14 with the approval of Shareholders a number of times within the preceding three years. Resolution 6 of the Notice proposes that Shareholders approve the issue of shares to the three Non-Executive Directors or their nominees.
- (d) A voting exclusion statement is included in the Notice.

Recommendation

Directors Messrs Biancardi, Keller and McDonald do not make any recommendation to Shareholders on Resolution 10 as it involves them because of their personal interests in the subject matter of the Resolution. Mr Kaderavek recommends that Shareholders vote in favour of the approval of Resolution 10.

7. INTERPRETATION

For the purposes of interpreting the Explanatory Notes and the Notice:

- (a) the singular includes the plural and vice versa;
- (b) words importing any gender include the other genders;
- (c) reference to any statute, ordinance, regulation, rule or other law includes all regulations and other instruments, and all consolidations, amendments, re-enactments or replacements for the time being in force;
- (d) all headings, bold typing and italics (if any) have been inserted for convenience of reference only, and do not define limit or affect the meaning or interpretation of the Explanatory Notes and the Notice;
- (e) reference to cents, \$, A\$, Australian Dollars or dollars is a reference to the lawful tender for the time being and from time-to-time of the Commonwealth of Australia.

8. GLOSSARY

AEDT means Australian Eastern Daylight Time.

AGM or **Annual General Meeting** means the annual general meeting of the Company to commence at 11:00am (AEDT) on Friday, 27 November 2020, as notified to Shareholders by this Notice.

Associate has the meaning given to that term in Part 1.2, Division 2 of the Corporations Act.

ASX means ASX Limited ABN 98 008 624 691.

ASX Listing Rules means the official listing rules issued and enforced by the ASX, as amended from time-to-time.

Board or **Board of Directors** means the board of Directors of the Company.

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)* as amended from time-to-time.

Company means Cobalt Blue Holdings Limited ABN 90 614 466 607.

Company's Constitution means the constitution of the Company, as amended from time-to-time.

Consolidated Entity means the Company together with all the entities it is required by the accounting standards to include in consolidated financial statements.

Corporations Act means the *Corporations Act 2001 (Cth)* as amended from time-to-time.

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

Explanatory Notes means the notes included in the Notice that convened this Meeting.

Key Management Personnel has the meaning given in the accounting standards, and broadly includes those persons having authority and responsibility for planning, directing and controlling the activities of the Consolidated Entity, directly or indirectly, including any director (whether executive or otherwise) of the Company.

Meeting means the AGM.

Notice means this notice of Annual General Meeting.

Option means an option in the issued capital of the Company that, when exercised, converts into one fully paid ordinary share in the issued capital of the Company on the terms set out in the Explanatory Notes.

Related Party has the meaning given to that term in section 228 of the Corporations Act.

Remuneration Report means the remuneration report that forms part of the Directors' Report of the Company for the financial year ended 30 June 2019, which is set out in the 2019 Annual Report.

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

Shareholder means a shareholder of the Company.

Spill Meeting means a meeting to hold fresh elections for directors at a special meeting that is put to vote at an annual general meeting where two consecutive Remuneration Reports have received 25% or greater votes against it. This Spill Meeting resolution requires 50% of the votes to be carried and, if achieved, a company's members meeting must be held within 90 days. Directors who are not the managing director and were in office at the 2018 annual general meeting will cease to hold office immediately before the end of the Spill Meeting. Resolutions to appoint persons to offices that will be vacated immediately before the end of the Spill Meeting are put to a vote at the Spill Meeting.

Trading Day means a day determined by the ASX to be a Trading Day, notified to market participants, and otherwise as defined by the ASX Listing Rules.

VWAP means the arithmetic average of the daily volume weighted average price of the fully paid ordinary shares in the Company traded on the ASX.

9. SCHEDULE 1

DETAILS OF EQUITY SECURITIES ISSUED IN THE 12-MONTHS PRIOR TO THE DATE OF THE ANNUAL GENERAL MEETING

Issue Date	Number of securities issued and Type	Name of persons to whom the securities were issue	Issue Price and discount / premium to market at issue date	Funds raised	Funds used as at Meeting date	Use of funds and intended use for remaining funds
24-Dec-19	538,580 shares	Non-Executive Directors Robert Biancardi – 199,743 shares, Hugh Keller – 179,769 shares and Robert McDonald – 159,068 shares	Five-day volume weighted average price (VWAP) from date of release of Notice of 2019 AGM being \$0.136 for 50% of the Directors' fees owing for the period to 31 December 2019. The 50% of the fees for the period to 30 June 2020 were issued at five-day VWAP from the day of the 2019 AGM being \$0.139.	Non cash	Non cash	50% of Directors' fees for the year ended 30 June 2020 of \$148,000 paid in shares after approved at the AGM held on 25 November 2019.
24-Dec-19	500,000 shares	COB's Chief Executive Officer (CEO) and Executive Director Josef Kaderavek	Shares were issued at \$0.15, being a price calculated at a 7% premium to the five-day VWAP prevailing at the date of the Notice of 2019 AGM, being \$0.14.	Non cash	Non cash	Payment of short-term incentive bonus owing of \$75,000 under employment contract for services as CEO for year ended 30 June 2019, paid in shares after approved at the AGM held on 25 November 2019.
25-Feb-20	9,000,000 shares	Broken Hill Prospecting Limited (ASX:BPL)	Part consideration paid to Broken Hill Prospecting Limited (BPL) in COB shares to acquire 100% ownership and legal title of the Broken Hill Cobalt Project (BHCP)(including all tenements) as announced on 17 January 2020.	Non cash	Non cash	Following assignment of tenements and rights on 25 February 2020, COB issued 9,000,000 fully ordinary shares to BPL.
25-Feb-20	1 three-year Convertible Note, which is convertible into 5,000,000 ordinary shares	Broken Hill Prospecting Limited (ASX:BPL)	Part consideration paid to BPL for COB to acquire 100% ownership and legal title of the BHCP (including all tenements) as announced on 17 January 2020.	Non cash	Non cash	Following assignment of tenements and rights on 25 February 2020, COB issued a \$1,000,000 three-year Convertible Note to BPL.
10-Aug-20	39,485,275 shares	Professional and sophisticated investors	Placement price of \$0.095 represented an 18.7% discount to the 10-day VWAP prior to the trading halt requested for the Placement.	\$3,751,101	Not yet expended	To advance the BHCP, including construction pilot plant, engineering, technical studies, Feasibility Study, advance permits and approvals and for working capital.
10-Aug-20	355,263 shares	Fee payable to placement broker in the UK	Shares were issued at a price of \$0.095 represented an 18.7% discount to the 10-day VWAP prior to the trading halt requested for the Placement.	Non cash	Non cash	Fee of \$33,750 paid in shares to broker in the UK for work on placement.
09-Sep-20	37,658,772 shares	Share Plurchase Plan (SPP) offer to shareholders in Australia and New Zealand	Shares were issued at a price of \$0.095 represented an 18.7% discount to the 10-day VWAP prior to the date the SPP was announced.	\$3,577,583	Not yet expended	To advance the BHCP, including construction pilot plant, engineering, technical studies, Feasibility Study, advance permits and approvals and for working capital.
21-Sep-20	3,180,000 options	3,030,000 options issued under the Employee Option Plan (EIP) to employees / contractors and 150,000 options issued to two contractors outside the plan.	The options have all been issued for nil cash consideration.	Non cash	Non cash	The options have been issued to incentivise employees / contractors to focus on COB's long-term goals and to assist it in retaining high quality staff.



Need assistance?

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

 **Online:**
www.investorcentre.com/contact



YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **11:00AM (AEDT) on Wednesday, 25 November 2020**

Proxy Form

How to Vote on Items of Business

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

APPOINTMENT OF PROXY

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

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

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

A proxy need not be a securityholder of the Company.

SIGNING INSTRUCTIONS FOR POSTAL FORMS

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

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

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

PARTICIPATING IN THE MEETING

Corporate Representative

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

Lodge your Proxy Form:

Online:

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

Your secure access information is

Control Number: 184411

SRN/HIN:

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

By Mail:

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

By Fax:

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



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

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

Proxy Form

Please mark to indicate your directions

Step 1 Appoint a Proxy to Vote on Your Behalf

I/We being a member/s of Cobalt Blue Holdings Limited hereby appoint

the Chairman of the Meeting **OR**

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

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Cobalt Blue Holdings Limited to be held as a virtual meeting on Friday, 27 November 2020 at 11:00AM (AEDT) and at any adjournment or postponement of that meeting.

Chairman authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Resolutions 2, 6.1, 6.2, 6.3, 7, 8 and 10 (except where I/we have indicated a different voting intention in step 2) even though Resolutions 2, 6.1, 6.2, 6.3, 7, 8 and 10 are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

Important Note: If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Resolutions 2, 6.1, 6.2, 6.3, 7, 8 and 10 by marking the appropriate box in step 2.

Step 2 Items of Business

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

	For	Against	Abstain		For	Against	Abstain
1. To Re-Elect a Director – Mr Robert Biancardi	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	6.3 To Approve the Issue of Ordinary Shares to Director Mr Robert McDonald	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. To Adopt the Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	7. To Approve the Issue of Ordinary Shares to the CEO and Executive Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. To Approve the Issue of Shares made on 10 August 2020	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	8. To Approve the Employee Incentive Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. To Approve the Proposed Issue of Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	9. To Approve the Authorisation under Section 195	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. To Approve a 10% Placement Facility	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	10. To Approve an Increased Non-Executive Directors' Remuneration Limit	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6.1 To Approve the Issue of Ordinary Shares to Director Mr Robert Biancardi	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
6.2 To Approve the Issue of Ordinary Shares to Director Mr Hugh Keller	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				

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

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

Individual or Securityholder 1 Securityholder 2 Securityholder 3

Sole Director & Sole Company Secretary Director Director/Company Secretary / / Date

Update your communication details (Optional)

Mobile Number Email Address

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