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**CENTAURUS METALS LIMITED**

**ACN 009 468 099 (COMPANY)**

**NOTICE OF GENERAL MEETING & EXPLANATORY STATEMENT**

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Notice is given that a General Meeting of the Company will be held as follows:

**TIME:** 10 a.m. (AWST).  
**DATE:** Wednesday, 23 March 2022  
**PLACE:** Ground Floor Conference Room  
1 Ord Street  
West Perth, Western Australia

*As this is an important document, please read it carefully and in its entirety. If you do not understand it, please consult your professional advisors.*

*The Company strongly encourages Shareholders to complete the proxy form enclosed and return it in accordance with the instructions set out on that form.*

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## INTRODUCTION

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Notice is given that a General Meeting of Shareholders of the Company will be held in the Ground Floor Conference Room, 1 Ord Street, West Perth, Western Australia, on Wednesday 23 March 2022 commencing at 10am (AWST). The Explanatory Statement to this Notice of Meeting provides additional information on matters to be considered at the General Meeting. The Explanatory Statement and the Proxy Form are part of this Notice of Meeting.

The terms and abbreviations used in this Notice and Explanatory Statement are defined in the attached Glossary.

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## COVID-19 MEETING PROTOCOLS

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In accordance with recent amendments to the Corporations Act pursuant to the Treasury Laws Amendment (2021 Measures No. 1) Act 2021, the Company will be dispatching the Notice of General Meeting and Explanatory Statement to all Shareholders who have provided an email address to the Company's share registrar. Only Shareholders who have made an election to receive hard copies of meeting materials in accordance with section 253RB of the Corporations Act will be provided with a hard copy. The Notice of Meeting and Explanatory Statement are otherwise available on the Company's website at [centaurus.com.au](http://centaurus.com.au) and on the ASX company announcements platform at [www.asx.com.au](http://www.asx.com.au) under ASX code CTM.

The Company advises that the Meeting will be held to comply with Federal and State Government restrictions in relation to gatherings of persons during the COVID-19 directions in place at the time of the Meeting, which may be different from those in place at the time of this Notice.

The Company therefore strongly encourages Shareholders who wish to vote on the business of the meeting to do so by lodging a directed proxy prior to the date of meeting as per the instructions on the Proxy Form. Proxy Forms must be received by no later than 10:00 a.m. (AWST) on Monday 21 March 2022. Shareholders can submit any questions in advance of the Meeting by emailing them to [proxyform@centaurus.com.au](mailto:proxyform@centaurus.com.au) by no later than 10:00 a.m. (AWST) on Saturday 19 March 2022.

The Company will continue to closely monitor guidance from the Federal and State Governments for any impact on the proposed arrangements for the Meeting. If any changes to the arrangements proposed in this Notice are required, the Company will advise Shareholders by way of announcement on the ASX and on the Company's website at [www.centaurus.com.au](http://www.centaurus.com.au).

The Meeting will consider only the business detailed in the Agenda below.

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## AGENDA

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### 1 RESOLUTION 1 – RATIFICATION OF ISSUE OF JANUARY 2022 PLACEMENT SHARES UNDER LISTING RULE 7.1

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

*"That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify and approve the previous issue of 28,826,010 Ordinary Shares to institutional and sophisticated investors on the terms and conditions set out in the Explanatory Statement accompanying this Notice."*

**Voting Exclusion:** The Company will disregard any votes cast in favour of this Resolution by or on behalf of any person who participated in the issue, or an associate of that person (or those persons).

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

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

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### 2 RESOLUTION 2 – RATIFICATION OF ISSUE OF JANUARY 2022 PLACEMENT SHARES UNDER LISTING RULE 7.1A

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

*"That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify and approve the previous issue of 35,829,162 Ordinary Shares to institutional and sophisticated investors on the terms and conditions set out in the Explanatory Statement accompanying this Notice."*

**Voting Exclusion:** The Company will disregard any votes cast in favour of this Resolution by or on behalf of any person who participated in the issue, or an associate of that person (or those persons).

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

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

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### 3 RESOLUTION 3 – ISSUE OF SHARE OPTIONS TO MR DARREN GORDON

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

*“That for the purpose of Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 446,060 Share Options to Mr Darren Gordon (or his nominee(s)) as part of the Company’s Long Term Incentive Plan for Key Management Personnel on the terms and conditions specified in the Explanatory Statement accompanying this Notice.”*

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

- (a) Mr Gordon (or his nominee(s)); or
- (b) an associate of Mr Gordon (or his nominee(s)),

and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons.

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

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

**Voting Prohibition:** In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the person is either a member of the Key Management Personnel or a Closely Related Party; and
- (b) the appointment does not specify the way the proxy is to vote on the Resolution.

However, the above prohibition does not apply if:

- (a) the person is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

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### 4 RESOLUTION 4 – ISSUE OF SHARE OPTIONS TO MR BRUNO SCARPELLI

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

*“That for the purpose of Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 155,338 Share Options to Mr Bruno Scarpelli (or his nominee(s)) as part of the Company’s Long Term Incentive Plan for Key Management Personnel on the terms and conditions specified in the Explanatory Statement accompanying this Notice.”*

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

- (a) Mr Scarpelli (or his nominee(s)); or
- (b) an associate of Mr Scarpelli (or his nominee(s)),

and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company), or an associate of that person or those persons.

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

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

**Voting Prohibition:** In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the person is either a member of the Key Management Personnel or a Closely Related Party; and
- (b) the appointment does not specify the way the proxy is to vote on the Resolution.

However, the above prohibition does not apply if:

- (a) the person is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

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The Directors have determined pursuant to regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the Meeting are those who are registered as Shareholders of the Company at 10 a.m. (AWST) on Monday 21 March 2022.

**By Order of the Board**



**John Westdorp**  
Company Secretary  
23 February 2022

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## EXPLANATORY STATEMENT

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This Explanatory Statement has been prepared for the information of Shareholders of Centaurus Metals Limited (**Company**) in connection with the business to be conducted at the General Meeting of the Company to be held in the Ground Floor Conference Room, 1 Ord Street, West Perth, Western Australia on Wednesday 23 March 2022 commencing at 10am (AWST).

This Explanatory Statement should be read in conjunction with the accompanying Notice of Meeting. The purpose of this Explanatory Statement is to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions in the Notice of Meeting.

A Proxy Form is included with the Notice of Meeting and Explanatory Statement.

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### 1 RESOLUTIONS 1 & 2 – RATIFICATION OF ISSUE OF JANUARY 2022 PLACEMENT SHARES

#### 1.1 Background

On 21 January 2022, the Company announced a capital raising through the issue of 64,655,172 Shares (**January Placement Shares**) to institutional and sophisticated investors at an issue price of \$1.16 per January Placement Share to raise a total of \$75.0 million (before costs) (**January Placement**).

The January Placement Shares were issued on 1 February 2022 under the Company's Listing Rule 7.1 and 7.1A capacity as follows:

- (a) 28,826,010 January Placement Shares were issued under Listing Rule 7.1 and are the subject of Resolution 1; and
- (b) 35,829,162 January Placement Shares were issued under Listing Rule 7.1A and are the subject of Resolution 2.

Funds raised from the January Placement will be used predominantly to advance development, continued exploration and study activities related to the Jaguar Nickel Sulphide Project and for general working capital purposes.

#### 1.2 Listing Rules 7.1, 7.1A and 7.4

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 shareholders over any 12-month period to 15% of the fully paid shares it had on issue at the start of that period.

The issue of the 28,826,010 January Placement Shares the subject of Resolution 1 does not fit within any of the exceptions in Listing Rule 7.2 and, as it has not yet been approved by Shareholders, uses up part of the 15% limit in Listing Rule 7.1, reducing the Company's capacity to issue further Equity Securities without Shareholder approval under Listing Rule 7.1 for the 12-month period following the date of issue of the January Placement Shares.

Under Listing Rule 7.1A, an eligible entity can seek approval from its members, by way of a special resolution passed at its annual general meeting, to increase the 15% limit under Listing Rule 7.1 by an extra 10% to 25% (**Listing Rule 7.1A Mandate**). Shareholders approved this additional capacity at the Company's last annual general meeting on 28 May 2021.

The issue of the 35,829,162 January Placement Shares the subject of Resolution 2 does not fall within any of the exceptions in Listing Rule 7.2 and, as it has not yet been approved by Shareholders, it effectively uses up part of the 10% limit under Listing Rule 7.1A, reducing the Company's capacity to issue further Equity Securities without Shareholder approval under Listing Rule 7.1A for the period ending on the earliest of:

- (a) the date that is 12 months after the Company's last annual general meeting at which the Listing Rule 7.1A Mandate was approved;
- (b) the time and date of the Company's next annual general meeting; and
- (c) the time and date on which Shareholders approve a transaction under Listing Rule 11.1.2 (for a significant change to the nature or scale of the Company's activities) or Listing Rule 11.2 (for the disposal of the Company's main undertaking);

(**Listing Rule 7.1A Mandate Expiry Date**).

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

The Company wishes to retain as much flexibility as possible to issue additional Equity Securities into the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1. To this end, Resolutions 1 and 2 seek Shareholder approval for the issue of the January Placement Shares under and for the purposes of Listing Rule 7.4.

### 1.3 Technical information required by Listing Rule 14.1A

If Resolution 1 is passed, the issue of the 28,826,010 January Placement Shares the subject of Resolution 1 will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of Equity Securities it can issue without Shareholder approval over the 12-month period following the date of issue of the January Placement Shares.

If Resolution 1 is not passed, the issue of the 28,826,010 January Placement Shares the subject of Resolution 1 will be included in calculating the Company's 15% limit in Listing Rule 7.1, effectively decreasing the number of Equity Securities the Company can issue without Shareholder approval over the 12-month period following the date of issue of the January Placement Shares.

If Resolution 2 is passed, the issue of the 35,829,162 January Placement Shares the subject of Resolution 2 will be excluded in calculating the Company's additional 10% limit in Listing Rule 7.1A, effectively increasing the number of Equity Securities it can issue without Shareholder approval for the period ending on the Listing Rule 7.1A Mandate Expiry Date.

If Resolution 2 is not passed, the issue of the 35,829,162 January Placement Shares the subject of Resolution 2 will be included in calculating the Company's additional 10% limit in Listing Rule 7.1A, effectively decreasing the number of Equity Securities the Company can issue without Shareholder approval for the period ending on the Listing Rule 7.1A Mandate Expiry Date.

### 1.4 Technical Information Required by Listing Rule 7.5

The following information is provided to Shareholders for the purposes of Listing Rule 7.5 in relation to Resolutions 1 and 2:

- (a) the January Placement Shares were issued to institutional and sophisticated investors (within the meaning of sections 708(8) – (11) of the Corporations Act). The recipients of the January Placement Shares were identified through a bookbuild process and through expressions of interest to participate in the capital raising. None of the recipients of the January Placement Shares were Related Parties of the Company, a member of Key Management Personnel, an adviser to the Company or an associate of any such person;
- (b) the following substantial shareholders were issued with January Placement Shares representing more than 1% of the issued capital;

|                                 |           |
|---------------------------------|-----------|
| Dundee Corporation & Associates | 4,310,345 |
| Sprott Group Entities           | 4,256,205 |
- (c) a total of:
  - (i) 28,826,010 Placement Shares were issued pursuant to Listing Rule 7.1; and
  - (ii) 35,829,162 Placement Shares were issued pursuant to Listing Rule 7.1A;
- (d) the January Placement Shares were issued on 1 February 2022;
- (e) the January Placement Shares are fully paid ordinary shares that rank equally in all respects with the Company's existing Shares;
- (f) The January Placement Shares were issued for \$1.16 each, raising a total of \$75.0 million (before costs);
- (g) the purpose of the issue of the January Placement Shares was to fund exploration and pre-development activities, including definitive feasibility study work, related to the Jaguar Nickel Sulphide Project and for general working capital purposes; and
- (h) a voting exclusion statement has been included in the Notice of Meeting for the purposes of Resolutions 1 and 2.

## **1.5 Directors' Recommendation**

The Directors unanimously recommend Shareholders vote in favour of Resolutions 1 and 2.



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## 2 RESOLUTIONS 3 AND 4 – ISSUE OF SHARE OPTIONS TO MR DARREN GORDON AND MR BRUNO SCARPELLI

### 2.1 Background

Resolutions 3 and 4 seek Shareholder approval pursuant to Listing Rule 10.11 and for all other purposes to issue:

- (a) 446,060 Share Options to Mr Darren Gordon (or his nominee(s)); and
- (b) 155,338 Share Options to Mr Bruno Scarpelli (or his nominee(s)).

On 14 February 2020, the Company announced that the Board had initiated a Long-Term Incentive (**LTI**) plan for Key Management Personnel. Incentive awards under the LTI plan are proposed to be issued as Equity Securities.

In accordance with the LTI plan, the Company seeks the approval of Shareholders for the issue of performance related Share Options to the Executive Directors of the Company, being the Managing Director, Mr Darren Gordon, and the Company's Brazil Country Manager, Mr Bruno Scarpelli.

The Board has determined that the LTIs will take the form of Share Options with no exercise price (referred to hereafter as **Zero Exercise Price Options** or **ZEPOs**).

The Board is proposing (subject to Shareholder approval) to issue Mr Gordon with 446,060 ZEPOs representing the value of 100% of his Total Fixed Remuneration (**TFR**), and to issue Mr Scarpelli with 155,338 ZEPOs representing the value of 50% of his TFR.

The ZEPOs proposed to be issued to Messrs Gordon and Scarpelli will in each case have a 3-year assessment period from 1 January 2022 to 31 December 2024. The number of ZEPOs to be granted to each of Messrs Gordon and Scarpelli has been determined by dividing the entitlement value (based on the relevant percentage of the Executive Director's TFR) by the 20 Day VWAP of Shares immediately prior to 1 January 2022, which was calculated as \$1.0893.

The ZEPOs have been issued as part of the remuneration arrangements of each respective Executive Director to recognise the extensive work and time commitment required to successfully develop the Jaguar Nickel Project over the next 2-3 years. The LTI plan aims to support growth and Shareholder value by rewarding long term above average performance by KMP in the pursuit of the Company's long-term business objectives.

The following vesting criteria must be satisfied in order for the ZEPOs to vest and be capable of being exercised;

- (a) 50% of the ZEPOs will vest based on Total Shareholder Return (**TSR**) relative to a peer group of companies determined by the Board; and
- (b) 50% of the ZEPOs will vest upon the achievement of an Absolute TSR (as set out in Appendix 1).

The terms and conditions of the ZEPOs proposed to be issued to Messrs Gordon and Scarpelli are attached as Appendix 1.

### 2.2 Listing Rule 10.11

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

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

unless it obtains the approval of its shareholders.

The proposed issue of ZEPOs to Messrs Gordon and Scarpelli, each a Director, in each case falls within Listing Rule 10.11.1 and does not fall within any of the exceptions in Listing Rule 10.12. It therefore requires the approval of Shareholders under Listing Rule 10.11.

Resolutions 3 and 4 seek the required Shareholder approval to the issue of the ZEPOs to Messrs Gordon and Scarpelli respectively under and for the purposes of Listing Rule 10.11.

If Resolution 3 is passed, the Company will be able to proceed with the issue of the 446,060 ZEPOs to Mr Gordon.

If Resolution 3 is not passed, the Company will not be able to proceed with the issue of the 446,060 ZEPOs to Mr Gordon and will be required to consider other means of remunerating and incentivising Mr Gordon. Alternative incentive mechanisms may take the form of cash payments which would reduce the Company's cash reserves.

If Resolution 4 is passed, the Company will be able to proceed with the issue of the 155,338 ZEPOs to Mr Scarpelli.

If Resolution 4 is not passed, the Company will not be able to proceed with the issue of the 155,338 ZEPOs to Mr Scarpelli and will be required to consider other means of remunerating and incentivising Mr Scarpelli. Alternative incentive mechanisms may take the form of cash payments which would reduce the Company's cash reserves.

### 2.3 Information Required by ASX Listing Rule 10.13

The following information is provided to Shareholders for the purposes of Listing Rule 10.13 in relation to Resolutions 3 and 4:

- (a) The ZEPOs will be issued to Mr Darren Gordon and Mr Bruno Scarpelli (or their respective nominee(s));
- (b) Mr Gordon and Mr Scarpelli are each a Director and are therefore each a Related Party of the Company for the purposes of Listing Rule 10.11.1;
- (c) the ZEPOs to be issued will form part of the existing class of unlisted options CTMAS. The number of ZEPOs to be issued pursuant to Resolutions 3 and 4 is 601,398 comprising:
  - (i) 446,060 ZEPOs under Resolution 3 to Mr Gordon or his nominee(s); and
  - (ii) 155,338 ZEPOs under Resolution 4 to Mr Scarpelli or his nominee(s)
- (d) the ZEPOs are anticipated to be issued on or around 31 March 2022 and, in any event, by no later than 1 month after the date of the Meeting;
- (e) the ZEPOs will be granted for nil cash consideration;
- (f) no funds will be raised from the issue of the ZEPOs;
- (g) the purpose of the issue of the ZEPOs is to allow the Company to reasonably incentivise its Executive Directors for the achievement of strategic objectives which will result in increased value to Shareholders whilst at the same time preserving the Company's cash position;
- (h) the current total remuneration packages for Mr Gordon and Mr Scarpelli are shown in the table below:

| Remuneration Component                             | Mr Gordon         | Mr Scarpelli     |
|--|-------------------|------------------|
| Total Fixed Remuneration (Salary & Superannuation) | \$485,000         | \$337,800        |
| Short Term Incentive (STI)*                        | Up to 50% of TFR  | Up to 35% of TFR |
| Long Term Incentive (LTI)*                         | Up to 100% of TFR | Up to 50% of TFR |

\* cash benefits and equity securities available under the STI and LTI schemes are subject to the achievement of performance objectives and may not result in the realisation of any financial benefit for the participants.

- (i) a summary of the material terms pursuant to which the ZEPOs will be issued is set out in Appendix 1; and
- (j) a voting exclusion statement is included in the Notice of Meeting.

### 2.4 Chapter 2E of the Corporations Act

For a public company, or an entity that the public company controls, to give a financial benefit to a Related Party of the public company, the public company or entity must:

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

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

Resolutions 3 and 4 relate to the proposed issue of Share Options, which constitutes giving a financial benefit. Messrs Gordon and Scarpelli are each a Related Party of the Company by virtue of being a Director.

Section 211 of the Corporations Act provides that Shareholder approval under section 208 is not required if:

- (a) the financial benefit to be provided to the Related Party is remuneration as an officer or employee of a public company; and
- (b) to give the remuneration would be reasonable given:
  - (i) the circumstances of the public company or entity giving the remuneration; and
  - (ii) the Related Party's circumstances (including the responsibilities involved in the office or employment).

The Directors (excluding Mr Gordon and Mr Scarpelli who have a material personal interest in Resolutions 3 and 4 respectively) have determined the proposed grant of ZEPOs to be a part of the reasonable remuneration of Mr Gordon and Mr Scarpelli (respectively), having regard to the circumstances of the Company and the responsibilities of Mr Gordon and Mr Scarpelli as Directors and senior executives. The proposed issue of ZEPOs is accordingly considered to fall within the exception in section 211 of the Corporations Act, and Shareholder approval is therefore not sought for the purposes of Chapter 2E of the Corporations Act.

The ZEPOs to be issued to Messrs Gordon and Scarpelli (respectively) will not be quoted on the ASX and will lapse if Mr Gordon or Mr Scarpelli (as applicable) cease to be an employee of the Company or otherwise if the performance objectives attached to the ZEPOs fail to be achieved. The ZEPOs will be transferable only with the consent of the Board and will otherwise be issued on the terms and conditions set out in Appendix 1.

## **2.5 Directors' Recommendation**

The Directors (other than Mr Gordon, to whom Resolution 3 relates and Mr Scarpelli, to whom Resolution 4 relates), unanimously recommend Shareholders vote in favour of Resolutions 3 and 4.

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## GLOSSARY

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**\$** means Australian dollars.

**Appendix** means an appendix to this Notice.

**ASX** means ASX Limited ABN 98 008 624 691 and, where the context permits, the Australian Securities Exchange operated by ASX Limited.

**ASX Listing Rules** or **Listing Rules** means the Listing Rules of ASX.

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

**Board** means the Directors acting as the board of directors of the Company or a committee appointed by such board of directors.

**Chair** means the chair of the General Meeting.

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

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

**Centaurus** or **Company** means Centaurus Metals Limited ACN 009 468 099.

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

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

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

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

**Explanatory Statement** means the explanatory Statement accompanying the Notice of Meeting.

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

**January Placement** has the meaning given in Section 1.1.

**January Placement Shares** has the meaning given in Section 1.1.

**Key Management Personnel** or **KMP** has the same meaning as in the accounting standards and broadly includes those persons 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.

**Listing Rule 7.1A Mandate** has the meaning given in Section 1.2.

**Listing Rule 7.1A Mandate Expiry Date** has the meaning given in Section 1.2.

**LTI** has the meaning given in Section 2.3.

**Managing Director** means the managing Director of the Company.

**Notice** or **Notice of Meeting** means the notice of meeting which forms part of this Explanatory Statement.

**Option** or **Share Option** means an option to acquire one Share.

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

**Proxy Form** means the enclosed appointment of proxy form.

**Related Party** is defined in section 228 of the Corporations Act.

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

**Section** means a section contained in this Explanatory Statement.

**Shareholder** means a registered holder of a Share.

**TFR** means total fixed remuneration.

**Trading Day** means a day determined by ASX to be a trading day in accordance with the Listing Rules.

**TSR** means total shareholder return, details of which are further set out in Appendix 1.

**VWAP** means the volume weighted average trading price of the Shares on ASX.

**ZEPOs or Zero Exercise Price Options** has the meaning given in Section 2.1.

## APPENDIX 1 – TERMS & CONDITIONS OF ISSUE OF ZEPOS

1. All Shares allotted upon exercise of the ZEPOs will rank pari passu in all respects with Shares previously issued and, in particular, entitle the holders of Shares so allotted to participate fully in dividends declared by the Company after the date of allotment and all issues of securities made or offered pro rata to holders of Shares.
2. The Company will not apply for official quotation of any ZEPOs issued under the Plan.
3. ZEPOs may be issued to a permitted nominee. A permitted nominee is a third party nominated by the participant otherwise entitled to receive the ZEPOs and approved by the Board in its absolute discretion.
4. The ZEPOs are not transferable except if a participant or permitted nominee dies or becomes subject to a legal disability.
5. Unless otherwise determined by the Board, if a participant (or if the ZEPOs are issued to a permitted nominee, the person who nominated that permitted nominee) ceases to be an employee:
  - a. any vested ZEPOs may be exercised during the following 3 months (or such longer period as the Board may determine), and any ZEPOs not exercised within such period will automatically lapse; and
  - b. any unvested ZEPOs will immediately lapse (unless otherwise determined by the Board).
6. Holders of ZEPOs are not entitled to participate in any new issue of securities to existing holders of Shares unless they are entitled to exercise their ZEPOs and have done so prior to the record date for determining entitlements.
7. There is no right to change the exercise price of a ZEPO nor the number of underlying Shares over which the ZEPO can be exercised in the case of a bonus issue or a pro rata issue.
8. On a reorganisation of the Company's capital, the rights of holders of ZEPOs will be changed to the extent necessary to comply with the Listing Rules of the ASX.
9. **Assessment Period.** 1 January 2022 to 31 December 2024.
10. **Exercise Conditions.** The following vesting criteria must be satisfied for ZEPOs to vest and be capable of being exercised;
  - a. for 50% of the ZEPOs - Based on Total Shareholder Return (**TSR**) relative to a peer group of companies determined by the Board of Centaurus (detailed below); and
  - b. for 50% of the ZEPOs - Based upon achievement of an Absolute TSR (as set out below) relative to threshold levels set by the Board.

Both milestones will be assessed at the end of the Assessment Period. The ZEPOs will not vest or be capable of being exercised until after this Assessment Period has closed, other than in the case of a successful change of control transaction. In a successful change of control transaction, all unvested ZEPOs will immediately vest.

The Board may, in its absolute discretion, by notice to the participant, waive or vary (provided such variation is not adverse to the participant) all or any of the exercise conditions attaching to the ZEPOs at any time.
11. The ZEPOs are also only capable of vesting if the relevant KMP remains an employee of the Company at the end of the Assessment Period. Any unexercised but vested ZEPOs will need to be exercised within 3 months of the KMP ceasing to be employed by the Company (subject to paragraph 12 below), unless extended by the Board in their absolute discretion, but in no event can the exercise of the ZEPOs extend beyond the Expiry Date (set out below).
12. Should a termination occur as a result of redundancy, death or permanent disability the Board in its absolute discretion may allow any unvested ZEPOs to vest and be capable of being exercised.
13. **Relative TSR.** In order to be considered to have achieved the Relative TSR performance measure the Company must outperform, on a TSR basis, at least 49.9% of the established peer group. The peer group is a group of companies established by the Board (detailed below) for comparison to the Company's performance.

### Peer Group Companies for Relative TSR Assessment - 2022

|                             |                               |                             |                         |
|-----------------------------|-------------------------------|-----------------------------|-------------------------|
| Adriatic Metals Plc         | Greenland Minerals Limited    | OreCorp Limited             | Syrah Resources Limited |
| Blackstone Minerals Limited | Jervois Global Limited        | Panoramic Resources Limited | Talga Group Ltd         |
| Core Lithium Ltd            | Lake Resources N.L.           | Poseidon Nickel Limited     | Tietto Minerals Limited |
| Develop Global Limited      | Legend Mining Limited         | Rumble Resources Limited    |                         |
| Emerald Resources NI        | Mincor Resources NI           | Sovereign Metals Limited    |                         |
| Galan Lithium Limited       | New Century Resources Limited | Stavelly Minerals Limited   |                         |

The achievement of the relative TSR performance measure will be made at the end of the Assessment Period, and vesting will be in line with the table below:

| Assessment Table                                     |  |
|--|--|
| Percentile Ranking compared to Peers                 | Amount of ZEPOs which will vest and become exercisable |
| <50 <sup>th</sup> Percentile                         | Zero   |
| B/t 50 <sup>th</sup> and 75 <sup>th</sup> Percentile | Pro Rata B/t 50% and 100%                              |
| >75 <sup>th</sup> percentile                         | 100%   |


14. **Absolute TSR.** In order to be considered to have achieved the absolute TSR performance measure the Company must outperform, on a TSR basis, the TSR levels set out in the table below.


The achievement of the absolute TSR performance measure will be made at the end of the Assessment Period, and vesting will be in line with the table below:

| Assessment Table                           |  |
|--|--|
| Threshold TSR Level over Assessment Period | Amount of ZEPOs which will vest and become exercisable |
| Less than 30%                              | Zero   |
| B/t 30% and 40%                            | 50%  |
| B/t 40% and 50%                            | 75%  |
| 50% or greater                             | 100%   |

15. **Total Shareholder Return** will be determined by reference to the financial gain that results from a change in the Company's Share price plus any dividends paid by the Company during the Assessment Period, divided by the Company's Share price at the start of the Assessment Period.
16. Vested ZEPOs can be exercised any time between vesting and the Expiry Date.
17. **Expiry Date.** All ZEPOs will expire 12 months after the end of the Assessment Period, which for this current issue of ZEPOs means an expiry date of 31 December 2025.
18. **Exercise Price.** Nil.
19. **Consideration.** Nil

**LODGE YOUR PROXY APPOINTMENT ONLINE**

 **ONLINE PROXY APPOINTMENT**  
www.advancedshare.com.au/investor-login


 **MOBILE DEVICE PROXY APPOINTMENT**  
Lodge your proxy by scanning the QR code below, and enter your registered postcode.  
It is a fast, convenient and a secure way to lodge your vote.

**2022 GENERAL MEETING PROXY FORM**

I/We being shareholder(s) of Centaurus Metals Limited and entitled to attend and vote hereby:

**APPOINT A PROXY**

The Chair of the Meeting **OR**

 **PLEASE NOTE:** If you leave the section blank, the Chair of the Meeting will be your proxy.

or failing such appointment, or if no appointment is made, the Chair 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 General Meeting of the Company to be held in the Ground Floor Conference Room, 1 Ord Street, West Perth, Western Australia on Wednesday, 23 March 2022 commencing at 10am (AWST), and at any adjournment or postponement of that Meeting.

**IMPORTANT NOTE FOR MEMBERS WHO APPOINT THE CHAIR OF THE MEETING AS THEIR PROXY**


If the Chair of the Meeting is your proxy, either by appointment or by default and you have not indicated your voting intention below then by submitting this Proxy Form, you expressly authorise the Chair of the Meeting to exercise the proxy in respect of Resolutions 3 and 4 even though Resolutions 3 and 4 are connected directly or indirectly with the remuneration of a member of the Company's Key Management Personnel (KMP).

**The Chair of the Meeting intends to vote all available proxies in favour of each Resolution.**

**VOTING DIRECTIONS**

The proxy is to vote for or against the Resolution referred to in the Notice as follows:

| Resolutions  | For                      | Against                  | Abstain*                 |
|--|--------------------------|--------------------------|--------------------------|
| 1 Ratification of issue of January 2022 Placement Shares under Listing Rule 7.1  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 2 Ratification of issue of January 2022 Placement Shares under Listing Rule 7.1A | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 3 Issue of Share Options to Mr Darren Gordon                                     | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 4 Issue of Share Options to Mr Bruno Scarpelli                                   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

 If you mark the abstain box for a particular Resolution, you are directing your proxy not to vote on that Resolution and your votes will not be counted in calculating the required majority on a poll.

**SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED**

|  |   |                                  |
|--|---|----------------------------------|
| Shareholder 1 (Individual)               | Joint Shareholder 2 (Individual)        | Joint Shareholder 3 (Individual) |
| <input type="text"/>                     | <input type="text"/>                    | <input type="text"/>             |
| Sole Director and Sole Company Secretary | Director/Company Secretary (Delete one) | Director                         |

This form should be signed in accordance with the instructions overleaf to enable your voting instructions to be implemented.

Email Address

Please tick here to agree to receive communications sent by the Company via email. This may include meeting notifications, dividend remittance, and selected announcements.

STEP 1

STEP 2

STEP 3



## INSTRUCTIONS FOR COMPLETING PROXY FORM

- 1. Appointing a Proxy.** A Shareholder entitled to attend and vote at the General Meeting is entitled to appoint not more than two proxies to attend and vote on a poll on their behalf. The appointment of a second proxy must be done on a separate copy of the Proxy Form which may be obtained from the Company's security registry or you may copy this form and return them both together. Where more than one proxy is appointed, you must specify on each proxy form the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half the votes. A duly appointed proxy need not be a Shareholder of the Company.

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

- 2. Direction to Vote.** A Shareholder may direct a proxy how to vote by marking one of the boxes opposite each item of business. Where a box is not marked the proxy may vote as they choose (subject to certain exceptions). Where more than one box is marked on an item the vote will be invalid on that item.

The Shares represented by this proxy will be voted or withheld from voting in accordance with the instructions of the Shareholder on any poll that may be called for, and if the Shareholder has specified a choice in respect of any matter to be acted upon, the Shares will be voted accordingly.

- 3. Proxy Voting by Key Management Personnel:** If you wish to appoint a Director (other than the Chair) or any other member of the Company's Key Management Personnel, or their Closely Related Parties, as your proxy, you must specify how they should vote on Resolutions 3 and 4 by marking the appropriate box. If you do not your proxy will not be able to exercise your vote for these Resolutions. Note that if you appoint the Chair as your proxy (or if they are appointed by default) but do not direct the Chair how to vote, the Chair may vote as they see fit on that resolution.

- 4. Signing Instructions:**

- **Individual:** Where the holding is in one name, the Shareholder must sign.
- **Joint Holding:** Where the holding is in more than one name, all of the Shareholders must sign.
- **Power of Attorney:** If you have not already provided 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, that person must sign. Where the company (pursuant to Section 204A of the Corporations Act) does not have a company secretary, a sole director can also sign alone. Otherwise, a director jointly with either another director or a company secretary must sign. Please sign in the appropriate place to indicate the office held.

- 5. Compliance with Listing Rule 14.11.** In accordance with Listing Rule 14.11, if you hold shares on behalf of another person(s) or entity/entities, or you are a trustee, nominee of custodian or other fiduciary holder of the shares, you are required to ensure that the person(s) or entity/entities for which you hold the shares are not excluded from voting on resolutions where there is a voting exclusion. Listing Rule 14.11 requires you to hold written confirmation from the person or entity providing the instruction to you and you must vote in accordance with the instruction provided. By lodging your proxy votes you confirm that you are in compliance with Listing Rule 14.11.

- 6. Corporate Representatives:** If a representative of a nominated corporation is to participate in the meeting the appropriate "Certificate of Appointment of Corporate Representative" form should be provided. The form is available from Advanced Share Registry.

- 7. Entitlement to Vote.** For the purposes of Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) the Company determines that Shareholders holding Shares on Monday, 21 March 2022 at 10:00 a.m. (AWST) will be entitled to attend and vote at the Meeting.

## LODGE YOUR PROXY FORM

This Proxy Form (and any power of attorney under which it is signed) must be received at an address given below by 10 a.m. (AWST) on 21 March 2022, being not later than 48 hours before the commencement of the Meeting. Proxy Forms received after that time will not be valid for the scheduled Meeting.



### ONLINE PROXY APPOINTMENT

[www.advancedshare.com.au/investor-login](http://www.advancedshare.com.au/investor-login)



### BY MAIL

Advanced Share Registry Limited  
110 Stirling Hwy, Nedlands WA 6009; or  
PO Box 1156, Nedlands WA 6909



### BY FAX

+61 8 6370 4203



### BY EMAIL

[admin@advancedshare.com.au](mailto:admin@advancedshare.com.au)



### IN PERSON

Advanced Share Registry Limited  
110 Stirling Hwy, Nedlands WA 6009



### ALL ENQUIRIES TO

Telephone: +61 8 9389 8033