

7 October 2020



Notice of Annual General Meeting

Please find attached the notice of annual general meeting and proxy form for Alkane Resources Limited's 2020 Annual General Meeting being held at 10:30am (AWST) on Wednesday, 4 November 2020.

The documents are also available for you to view and download on the Alkane website at <https://www.alkane.com.au/agm>, where you can also find instructions on how to attend the virtual meeting and how to lodge a proxy vote online with the Company's share registry.

This document has been authorised for release to the market by Dennis Wilkins, Joint Company Secretary.



Alkane Resources Ltd

ACN 000 689 216

NOTICE OF ANNUAL GENERAL MEETING EXPLANATORY STATEMENT AND PROXY FORM

FOR THE ANNUAL GENERAL MEETING OF THE COMPANY TO BE HELD
ON WEDNESDAY, 4 NOVEMBER 2020 AT 10:30AM (AWST) AS A VIRTUAL
MEETING VIA A LIVE WEBCAST.

THIS DOCUMENT IS IMPORTANT

If you do not understand this document or are in doubt as to how you should vote, you should consult your stockbroker, solicitor, accountant or other professional adviser.

THE ANNUAL REPORT IS AVAILABLE ON THE COMPANY'S WEBSITE:
www.alkane.com.au



NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of Shareholders of Alkane Resources Ltd will be held at on 4 November 2020 at 10:30am (AWST) as a virtual meeting via a live webcast.

As a result of the potential health risks from the Coronavirus (COVID-19) pandemic, it is not currently advisable to host shareholders and members of the public in person at the Annual General Meeting. Alkane will therefore be holding a virtual meeting through an online webcast powered by "Lumi AGM", where Shareholders will be able to watch, listen, submit written questions and vote online. Instructions on how to join the meeting and vote on the resolutions through the Lumi webcast are set out in the Online Meeting Guide found on the Company's website at www.alkane.com.au/agm/.

ACCOUNTS AND REPORTS

To receive and consider the Financial Report of the Company, the Directors' Report (including the Remuneration Report) and the Auditor's Report for the year ended 30 June 2020.

RESOLUTION 1: ADOPTION OF REMUNERATION REPORT

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

That the Remuneration Report, which forms part of the Directors' Report for the financial year ended 30 June 2020, be adopted.

Note: In accordance with section 250R(3) of the Corporations Act, the vote on this Resolution will be advisory only and does not bind the Directors or the Company.

A Voting Exclusion Statement for this Resolution is set out below.

RESOLUTION 2: RE-ELECTION OF DIRECTOR – MR GAVIN MURRAY SMITH

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

That Mr Gavin Murray Smith, who retires in accordance with rule 3.6(a) of the Constitution and, being eligible for re-election, be re-elected as a Director of the Company.

RESOLUTION 3: APPROVAL OF THE GRANT OF PERFORMANCE RIGHTS TO THE MANAGING DIRECTOR

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

That, for the purposes of Listing Rule 10.14, sections 200B and 200E of the Corporations Act and for all other purposes, approval is given for the Company to grant 687,346 Performance Rights to Mr Nicholas Earner (or his nominees) (including the issue of Shares on the vesting and exercise of those Performance Rights) under the terms of the Alkane Resources Performance Rights Plan on the terms and conditions set out in the Explanatory Statement.

A Voting Exclusion Statement for this Resolution is set out below.

RESOLUTION 4: APPROVAL OF THE GRANT OF PERFORMANCE RIGHTS TO THE TECHNICAL DIRECTOR

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

That, for the purposes of Listing Rule 10.14, sections 200B and 200E of the Corporations Act and for all other purposes, approval is given for the Company to grant 174,903 Performance Rights to Mr David Ian Chalmers (or his nominees) (including the issue of Shares on the vesting and exercise of those Performance Rights) under the terms of the Alkane Resources Performance Rights Plan on the terms and conditions set out in the Explanatory Statement.

A Voting Exclusion Statement for this Resolution is set out below.



Dated: 6 October 2020

By order of the Board of Directors

Dennis Wilkins

Company Secretary



VOTING EXCLUSIONS AND PROHIBITIONS

Resolution 1: In accordance with the Corporations Act, the Company will disregard any votes cast on Resolution 1

- by or on behalf of a member of the KMP, details of whose remuneration are included in the Remuneration Report, or their Closely Related Parties, regardless of the capacity in which the votes are cast; or
- by a person who is a member of the KMP at the date of the Meeting, or their Closely Related Parties, as a proxy.

However, the Company will not disregard a vote if the vote is cast as a proxy for a person entitled to vote on Resolution 1:

- in accordance with a direction as to how to vote on the proxy; or
- by the Chair pursuant to an express authorisation to exercise the proxy even if Resolution 1 is connected directly or indirectly with the remuneration of a member of the KMP.

Resolution 3: The Company will disregard any votes cast on Resolution 3 by, or on behalf of:

- Mr Earner or any Associate of Mr Earner; and
- a member of KMP (and their Closely Related Parties), acting as proxy,

unless the vote is cast by a person as proxy for a person entitled to vote in accordance with a direction on the proxy appointment, or by the Chair as proxy for a person entitled to vote and the proxy appointment expressly authorises the Chair to vote undirected proxies as the Chair sees fit and exercise the proxy even if the Resolution is connected directly or indirectly with remuneration of a member of the KMP.

The Company will disregard any votes cast in favour of Resolution 3 by or on behalf of Mr Earner, Mr Chalmers, any other Director who becomes eligible to participate in the Plan prior to the AGM, any person notified by ASX pursuant to Listing Rule 10.14.3 and any of their Associates, unless it is cast:

- by a person as proxy or attorney for a person who is entitled to vote (in accordance with the directions on the Proxy Form); or
- by the Chair as proxy or attorney for a person who is entitled to vote (in accordance with a direction on the Proxy Form to vote as the Chair decides); or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided: the 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 in accordance with the directions on the Proxy Form.

Resolution 4: The Company will disregard any votes cast on Resolution 4 by, or on behalf of:

- Mr Chalmers or any Associate of Mr Chalmers; and
- a member of KMP (and their Closely Related Parties), acting as proxy,

unless the vote is cast by a person as proxy for a person entitled to vote in accordance with a direction on the proxy appointment, or by the Chair as proxy for a person entitled to vote and the proxy appointment expressly authorises the Chair to vote undirected proxies as the Chair sees fit and exercise the proxy even if the Resolution is connected directly or indirectly with remuneration of a member of the KMP.

The Company will disregard any votes cast in favour of Resolution 4 by or on behalf of Mr Earner, Mr Chalmers, any other Director who becomes eligible to participate in the Plan prior to the AGM, any person notified by ASX pursuant to Listing Rule 10.14.3 and any of their Associates, unless it is cast:

- by a person as proxy or attorney for a person who is entitled to vote (in accordance with the directions on the Proxy Form); or
- by the Chair as proxy or attorney for a person who is entitled to vote (in accordance with a direction on the Proxy Form to vote as the Chair decides); or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided: the 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 in accordance with the directions on the Proxy Form.



NOTES

Intention of Chair

The Chair (where appropriately authorised) intends to vote all available undirected proxies in favour of all Resolutions.

Eligibility to vote

The Board has determined, pursuant to Regulation 7.11.37 of the *Corporations Regulations 2001* (Cth), that persons who are registered holders of Shares as at 5.00 pm (AWST) on Friday, 30 October 2020 will be entitled to attend and vote at the Meeting.

If more than one joint holder of Shares is present at the Meeting (whether personally, by proxy or by attorney or by representative) and tenders a vote, only the vote of the joint holder whose name appears first on the register will be counted.

Appointment of proxies

All Shareholders are invited and encouraged to attend the Meeting via the online portal. If they are unable to attend online, Shareholders can appoint a 'proxy' to vote on their behalf at the Meeting. Shareholders can either lodge the proxy appointment online at www.advancedshare.com.au/Investor-Login or sign and return the Proxy Form to the Company or the Company's share registry in accordance with the instructions on the form. A Proxy Form is on the Company's website at www.alkane.com.au/agm/. Lodgement of a proxy appointment will not preclude a Shareholder from attending and voting at the Meeting.

Shareholders entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the appointment does not specify this proportion, each proxy may exercise half the votes.

Sections 250BB and 250BC of the Corporations Act apply to voting by proxy. Generally, these sections mean that if proxy holders vote, they must cast all directed proxies as directed, and any directed proxies that are not voted will automatically default to the Chair of the Meeting, who must vote the proxies as directed. If the proxy has two or more appointments that specify different ways to vote on the resolution, the proxy must not vote on a show of hands.

Information about voting by proxy, including appointing a proxy and lodging a proxy appointment, is set out in instructions included in the Proxy Form on the Company's website at www.alkane.com.au/agm/.

Proxy appointments must be received no later than **10:30am (AWST) on 2 November 2020**. **Proxy appointments received later than this time will not be valid for the Meeting**. The Company encourages all Shareholders who intend to appoint a proxy to submit their proxy appointments as early as possible.

Corporate representatives

A body corporate which is a Shareholder, or that has been appointed as a proxy, may appoint a person to act as its representative at the Meeting. The appointment of the representative must comply with the requirements under section 250D of the Corporations Act. The representative should bring to the Meeting evidence of his or her appointment as the body corporate's representative, including any authority under which the appointment is signed, unless it has previously been given to the Company.



EXPLANATORY STATEMENT

This Explanatory Statement is prepared for the benefit of Shareholders of Alkane to better understand the Resolutions to be put to the Annual General Meeting of the Company to be held on 4 November 2020 at 10:30am (AWST) as a virtual only meeting via a live webcast.

This Explanatory Statement forms part of, and should be read together with, the Notice of Meeting.

As a result of the potential health risks from the Coronavirus (COVID-19) pandemic, it is not currently advisable to host shareholders and members of the public in person at the Annual General Meeting. ASM will therefore be holding a virtual meeting through an online webcast powered by "Lumi AGM", where Shareholders will be able to watch, listen, submit written questions and vote online. Instructions on how to join the meeting and vote on the resolutions through the Lumi webcast are set out in the Online Meeting Guide found on the Company's website at www.alkane.com.au/agm/.

Provision of Annual General Meeting materials

In accordance with the Australian Government's temporary modifications provided under the Corporations (Coronavirus Economic Response) Determination (No. 1) 2020, the Notice of Meeting, the accompanying explanatory statement and Proxy Form are being made available to shareholders electronically.

All Alkane Shareholders will be able to access the Notice of Annual General Meeting (including the Proxy Form) and the Online Meeting Guide on the Company's website at: www.alkane.com.au/agm/. Alkane have also provided the meeting materials on the Company's ASX announcements page and are therefore available through the ASX Market Announcements Platform by inserting Alkane's ASX code (ALK) into the search function on <https://www.asx.com.au/asx/statistics/announcements.do>.

Any Alkane Shareholders that have nominated an email address and have elected to receive electronic communications from the Company, will also receive an email to their nominated account with a link to an electronic copy of the Notice of Annual General Meeting (including the Proxy Form).

If you are unable to access the relevant meeting materials online, please contact the Meeting help line on +61 8 9227 5677 between 9:00am and 5:00pm AWST Monday to Friday. If you wish to receive a paper copy of the meeting materials, please contact the Meeting help line on +61 8 9227 5677 or email the Company at info@alkane.com.au and the Company will mail one to you. Please remember to provide your name, address and contact phone number.

Participation at the Meeting

Shareholders who wish to participate in the Meeting online may do so:

1. Online at <https://web.lumiagm.com/338978685>; or
2. Using the Lumi AGM App

In order to access the Lumi online platform, Shareholders should use the Meeting ID 338978685. Your username is your SRN/HIN and your password is the postcode registered to your holding if you are an Australian shareholder. Overseas shareholders should refer to the Online Meeting Guide for their password details. Further instructions on how to participate in the Meeting are set out in the Online Meeting Guide on the Company's website at www.alkane.com.au/agm/.

Voting Procedure

In accordance with temporary modification provided under Corporations (Coronavirus Economic Response) Determination (No. 1) 2020, and recent changes to ASX Guidance, the resolutions must be decided by a poll rather than a show of hands.

As part of the live webcast of the Annual General Meeting, Shareholders will be able to vote on the resolutions to be considered at the Annual General Meeting, either at the meeting via the online platform or by appointing a proxy to vote on their behalf.

An Online Meeting Guide that provides instructions on how to join the webcast, vote on the resolutions and ask questions can be found on the Company's website at www.alkane.com.au/agm/.

Online registrations will begin one hour before the start of the Annual General Meeting.



Voting on the resolutions

If you attend the Meeting webcast, you will be able to vote directly during the Meeting. Voting on each item of business will be by poll.

Instruction on how to vote on the resolutions via the online platform are set out in the Online Meeting Guide on the Company's website at www.alkane.com.au/agm/.

The Chair will open the poll shortly after the Meeting commences and you will be able to vote at any time during the Meeting and for 10 minutes afterwards. If you have lodged a direct vote and then vote online again during the Meeting, your first direct vote lodged will be cancelled.

Voting on the resolutions at the Meeting is important and the Board encourages all Shareholders to either vote at the Meeting via the online platform, or nominate a proxy. Shareholders can either lodge the proxy appointment online at www.advancedshare.com.au/Investor-Login or sign and return the Proxy Form to the Company or the Company's share registry, Advanced Share Registry Services, in accordance with the instructions on the form, so that it is received by 10:30am (AWST) on 2 November 2020.

Shareholders experiencing difficulties accessing the virtual Meeting can call the Meeting help line on +61 8 9227 5677 on the day of the meeting to request assistance.

Shareholder Questions

Shareholders will be able to ask questions relevant to the business of the Annual General Meeting at the Meeting.

Instructions on how to submit questions via the online platform are set out in the Online Meeting Guide on the Company's website at www.alkane.com.au/agm/.

Shareholders who are unable to attend the Meeting or wish to submit questions prior to the Meeting may submit written questions by emailing info@alkane.com.au. Questions must be received by 10.30am (AWST), 3 November 2020.

The more frequently raised Shareholder issues will be addressed by the Chair during the course of the Meeting. While there will be an allotted time for questions, the Board will endeavour to respond to as many Shareholder questions as possible. However, there may still not be sufficient time available at the meeting to address all of the questions raised. Please note that individual responses will not be sent to Shareholders.



ACCOUNTS AND REPORTS

The Company's Financial Report, the Directors' Report (including the Remuneration Report) and the Auditor's Report for the year ended 30 June 2020 will be laid before the Annual General Meeting. A copy of the Company's Annual Report for the year ended 30 June 2020, which includes these reports, is available on the Company's website at www.alkane.com.au and on ASX's website www.asx.com.au.

There is no requirement for Shareholders to approve these reports. Shareholders will be given a reasonable opportunity at the Annual General Meeting to ask questions or make comments about these reports and the management of the Company. Shareholders will also be given a reasonable opportunity to ask the Company's auditor questions about the conduct of the audit, the preparation and content of the Auditor's Report, the accounting policies adopted by the Company in relation to the preparation of the financial statements and the independence of the auditor in relation to the conduct of the audit.

1. RESOLUTION 1: ADOPTION OF REMUNERATION REPORT

1.1 General

The Corporations Act requires the Company to put a resolution to Shareholders that the remuneration report be adopted. The vote on this Resolution is advisory only and does not bind the Directors or the Company. However, the outcome of the vote will be considered by the Company's Remuneration Committee and Nomination Committee when evaluating the remuneration arrangements of the Company in the future. However, the Corporations Act requires that, if a company's remuneration report receives an "against" vote of 25% or more at two consecutive annual general meetings, a resolution must be put at the later of the two annual general meetings that another meeting be held (within 90 days) at which all Directors (other than the Managing Director) who were in office at the date of that resolution must stand for re-election. In summary, members will be entitled to vote in favour of holding a general meeting to re-elect the Board if the remuneration report receives "two strikes".

The Remuneration Report of the Company for the period ended 30 June 2020 is set out in the Company's Annual Report. This report includes information about the principles used to determine the nature and amount of remuneration and sets out the remuneration arrangements for each Director and member of KMP.

As set out in the Remuneration Report, in determining executive remuneration, the Board aims to ensure that remuneration practices:

- (a) are competitive and reasonable, enabling the Company to attract and retain key talent while building a diverse, sustainable and high achieving workforce;
- (b) are aligned to the Company's strategic and business objectives and the creation of Shareholder value;
- (c) promote a high performance culture recognising that leadership at all levels is a critical element in this regard;
- (d) are transparent; and
- (e) are acceptable to Shareholders.

Further details regarding the Company's remuneration policy and structure as to executive and non-executive remuneration are set out in the Annual Report.

The Company's Remuneration Report did not receive a "strike" at the 2019 annual general meeting. If the Remuneration Report receives a "strike" at this Meeting, Shareholders should be aware that if a second "strike" is received at the 2021 annual general meeting, this may result in the re-election of the Board.

Shareholders will be given a reasonable opportunity to ask questions about, or comment on, the Remuneration Report at the Annual General Meeting.

1.2 Directors' recommendation

The Directors recommend that Shareholders vote in favour of adopting the Remuneration Report.

The Chair intends to exercise all available proxies in favour of Resolution 1.

2. RESOLUTION 2: RE-ELECTION OF DIRECTORS

Rule 3.6(a) of the Constitution provides that a Director must retire from office at the third annual general meeting after the Director was elected or last re-elected (other than the Managing Director). The Director to retire at an annual general meeting are those who have held office the longest since their last election. If two or more Directors have held office for the same period, those Directors may agree between themselves which of them will retire otherwise they are to draw lots.



2.1 Mr Gavin Murray Smith

In accordance with the Company's constitution, Mr Gavin Murray Smith retires as a Director of the Company and, being eligible, offers himself for re-election.

Mr Smith is an accomplished senior executive and non executive director within multinational environments. He has more than 37 years' experience in information technology, business development, and general management in a wide range of industries and sectors. Mr Smith has worked for the Bosch group for the past 30 years in Australia and Germany and is the current Chair and President of Robert Bosch Australia. In this role Mr Smith has led the restructuring and transformation of the local Bosch subsidiary. Concurrent with this role, he is a non executive director of various Bosch subsidiaries, joint ventures and direct investment companies in Australia and New Zealand. In addition, Mr Smith is a non executive director of Australian Strategic Materials Limited (ASX: ASM), and an advisory board member for the CSIRO's manufacturing business unit, the CSIRO's Science Advisory Committee, Monash University, and the Queensland University of Technology.

Mr Smith was appointed as a non-executive Director of the Company on 29 November 2017. He was last re-elected by rotation in November 2018 and is a member of the Audit, Nomination and Remuneration Committees.

2.2 Directors' recommendation – Resolution 2

Based on the information available, including the information contained in this Explanatory Statement, all the Directors consider that Resolution 2 is in the best interests of the Company, as Mr Smith has a wealth of experience and expertise which is valuable to the Company. The Directors (other than Mr Smith because of his interest in this Resolution) unanimously recommend that Shareholders vote in favour of Resolution 2.

Each Director intends to vote all the Shares controlled by them in favour of Resolution 2. The Chair intends to exercise all available proxies in favour of Resolution 2.

3. RESOLUTIONS 3 AND 4: APPROVAL OF THE GRANT OF PERFORMANCE RIGHTS TO EXECUTIVE DIRECTORS

3.1 General

Resolutions 3 and 4 seek approval for:

- (a) the grant of Performance Rights (pursuant to the terms of the Plan); and
- (b) the issue of Shares upon the vesting and exercise of those Performance Rights,

to the Company's executive Directors, Messrs Nicholas Paul Earner and David Ian Chalmers under the Company's Executive Incentive Scheme for executive long term incentives.

The terms of the Plan were approved by Shareholders at the Company's 2019 annual general meeting, and are summarised in Annexure B.

In line with market practice, performance based incentive programs form a key component of total remuneration for Messrs Earner and Chalmers. A significant portion of total annual remuneration has been placed at-risk to better align the executive Directors' interests with those of Shareholders, to encourage long term sustainable growth and to assist with retention.

Resolutions 3 and 4 seek Shareholder approval for the grant of the following long term incentive allocations for the financial year ending 30 June 2021 and the issue of Shares (upon the vesting and exercise of those Performance Rights) in accordance with the Plan and Scheme:

Nicholas Paul Earner	687,346 Performance Rights
David Ian Chalmers	174,903 Performance Rights

Details regarding the Performance Rights are set out below.

3.2 FY2021 LTI (for the three year period ending 30 June 2023)

The Scheme is an annual LTI scheme based on financial years, with performance periods of three years' duration set at the start of each financial year. The Scheme uses the Plan (as updated and approved by Shareholders from time to time) as the vehicle for granting the appropriate incentives.

Mr Earner is entitled to receive up to 110% of his salary in value (as at September 2020) in Performance Rights, with vesting dependent on achievement of the Shareholder value performance hurdles detailed below, measured over a three year period. This is the maximum potential allocation under the Scheme in relation to his total remuneration package for the year ending 30 June 2021.

Mr Chalmers is entitled to receive up to 60% of his salary in value (as at September 2020) in Performance Rights, with vesting dependent on achievement of the Shareholder value performance hurdles detailed below, measured



over a three year period. This is the maximum potential allocation under the Scheme in relation to his total remuneration package for the year ending 30 June 2021.

The Board is seeking approval from Shareholders for the issue of 687,346 Performance Rights to Mr Earner and 174,903 Performance Rights to Mr Chalmers under the Scheme and Plan for the purposes of all applicable requirements under the Corporations Act and the Listing Rules, including Listing Rule 10.14.

Basis of grant

The number of Performance Rights proposed for grant was determined based on the VWAP of Shares calculated over August 2020.

Messrs Earner and Chalmers will receive the Performance Rights at no cost.

Performance period

The FY2021 LTI grant will be performance tested from 1 July 2020 to 30 June 2023.

Vesting conditions and performance hurdles

Performance Rights will vest dependent on the Company meeting the performance hurdles during the specified three year performance period. All of the Performance Rights are subject to a total shareholder return performance hurdle. As at 30 June 2023, the Company's TSR will be compared to the Gold Index TSR and the number of Performance Rights will vest according to performance as follows:

Shareholder return comparison	Proportion of Performance Rights that vest
TSR is less than Gold Index TSR	0%
TSR is equal to Gold Index TSR	25%
TSR is >5% and <10% greater than Gold Index TSR	50%
TSR is equal to or >10% greater than Gold Index TSR	100%

Change of control

In the event of a change of control the Board will make a determination as to how unvested Performance Rights and any vested but unexercised Performance Rights will be dealt with, and, in doing so, may determine, in its absolute discretion that unvested Performance Rights vest (in whole or in part) and any vested but unexercised Performance Rights are deemed to have been exercised and may impose any conditions on such vesting or exercising as it thinks fit.

In making its determination, the Board will have regard, without limitation, to the extent to which the performance criteria in respect of a Participant's Performance Rights have been satisfied as at the relevant date.

Treatment of Performance Rights on cessation of employment

Performance Rights will automatically lapse upon cessation of employment unless employment ceases because of a "Qualifying Reason". For further detail see Annexure A and Annexure B.

3.3 Listing Rule approval

Listing Rule 10.14 provides that a listed company must not permit any of the following persons to acquire equity securities under an employee incentive scheme:

- (a) a director of the company (Listing Rule 10.14.1);
- (b) an associate of a director of the company (Listing Rule 10.14.2); or
- (c) a person whose relationship with the company or a person referred to in Listing Rule 10.14.1 to Listing Rule 10.14.2 is such that, in ASX's opinion, the acquisition should be approved by its shareholders,

unless it obtains the approval of its shareholders.

The issue of the Performance Rights falls within Listing Rule 10.14.1 (as Mr Earner and Mr Chalmers are Directors) and therefore requires the approval of the Company's Shareholders under Listing Rule 10.14.

Resolutions 3 and 4 seek the required Shareholder approval to the proposed issue of Performance Rights to Mr Earner and Mr Chalmers, respectively, under and for the purposes of Listing Rule 10.14.

If Resolution 3 is passed, the Company will be able to proceed with the issue of 687,346 Performance Rights to Mr



Earners. If Resolution 4 is passed, the Company will be able to proceed with the issue of 174,903 Performance Rights to Mr Chalmers.

If Resolution 3 and/or Resolution 4 is/are not passed, the Company will not be able to proceed with the issue of the Performance Rights and the Company will negotiate with Mr Earners and/or Mr Chalmers an appropriate alternative payment, seeking further shareholder approval if required.

Further, if Resolutions 3 and 4 are approved for the purposes of Listing Rule 10.14, pursuant to Listing Rule 7.2 (Exception 14) a grant of Performance Rights or an issue of Shares (upon the vesting and exercise of those Performance Rights) will not reduce the Company's 15% placement capacity under Listing Rule 7.1 and separate approval of Resolutions 3 and 4 is not required under Listing Rule 7.1. In addition, approval under Listing Rule 10.14 is an exception to the prohibition on a company issuing shares to related parties without member approval under Listing Rule 10.11.

Each of Resolutions 3 and 4 is an ordinary resolution, requiring it to be passed by a simple majority of votes cast by the Shareholders entitled to vote on it.

3.4 Information required by Listing Rule 10.15

In accordance with Listing Rule 10.15, the Company provides the following information:

- (a) The Performance Rights will be granted to:
 - (i) in respect of Resolution 3, Mr Nicholas Paul Earners, the Managing Director of the Company; and
 - (ii) in respect of Resolution 4, Mr David Ian Chalmers, the Technical Director of the Company,or their respective nominees. No other Directors are entitled to participate in the issue of securities under this approval.
- (b) The issue of Performance Rights under Resolutions 3 and 4 falls under Listing Rule 10.14.1 as each of Mr Earners and Mr Chalmers is a Director.
- (c) The maximum number of securities proposed to be issued in connection with Resolution 3 to Mr Earners is 687,346 Performance Rights (upon vesting and exercise, and in circumstances where all of these Performance Rights vest and are exercised, this entitles Mr Earners to 687,346 Shares).
- (d) The maximum number of securities proposed to be issued in connection with Resolution 4 to Mr Chalmers is 174,903 Performance Rights (upon vesting and exercise, and in circumstances where all of these Performance Rights vest and are exercised, this entitles Mr Chalmers to 174,903 Shares).
- (e) Mr Earners' total remuneration package for the year ended 30 June 2020 totalled \$1,283,655 and included:
 - (i) TFR of \$535,414 (inclusive of superannuation); and
 - (ii) a long-term incentive component being the vesting of performance rights of \$748,241.

Full details of Mr Earners' remuneration are set out in the Remuneration Report as set out in pages 32 to 43 of the Annual Report.

Mr Earners' total remuneration package has been subject to external review at the request of the Remuneration Committee and subsequently renegotiated from 1 July 2020 to a maximum \$1,717,500 and includes:

- (i) TFR of \$600,000 (inclusive of superannuation);
- (ii) A short-term incentive component being the granting of Performance Rights, upon pre-determined short term performance hurdles being met, of up to \$270,000 (subject to Shareholder approval, which will be sought in 2021 once the number of Performance Rights to be issued, if any, has been determined);
- (iii) A short-term incentive component being the granting of Performance Rights, upon pre-determined short term performance hurdles being exceeded, of up to \$67,500 (subject to Shareholder approval, which will be sought in 2021 once the number of Performance Rights to be issued, if any, has been determined); and
- (iv) A long-term incentive component being the granting of Performance Rights the subject of Resolution 3 upon pre-determined long term performance hurdles being met of up to \$780,000 (being the value that is 110% of Mr Earners' salary as at September 2020, refer to Section 3.2 of the Explanatory Statement for further details on the basis of grant).

Mr Chalmers' total remuneration package for the year ended 30 June 2020 totalled \$383,655 and included:

- (i) TFR of \$293,343 (inclusive of superannuation); and



- (ii) a long-term incentive component being the vesting of performance rights of \$90,312.

Full details of Mr Chalmers' remuneration are set out in the Remuneration Report as set out in pages 32 to 43 of the Annual Report.

Mr Chalmers' total remuneration package has been subject to external review at the request of the Remuneration Committee and subsequently renegotiated from 1 July 2020 to a maximum \$653,330 and includes:

- (i) TFR of \$330,800 (inclusive of superannuation);
- (ii) A short-term incentive component being the granting of Performance Rights, upon pre-determined performance hurdles being met, of up to \$99,240 (subject to Shareholder approval, which will be sought in 2021 once the number of Performance Rights to be issued, if any, has been determined);
- (iii) A short-term incentive component being the granting of Performance Rights, upon pre-determined performance hurdles being exceeded, of up to \$24,810 (subject to Shareholder approval, which will be sought in 2021 once the number of Performance Rights to be issued, if any, has been determined); and
- (iv) A long-term incentive component being the granting of Performance Rights the subject of Resolution 4 upon pre-determined long term performance hurdles being met of up to \$198,480 (being the value that is 60% of Mr Chalmers' salary as at September 2020, refer to Section 3.2 of the Explanatory Statement for further details on the basis of grant).

(For further details the long term incentive vesting conditions see "*Vesting conditions and performance hurdles*" above).

The Plan was last approved by Shareholders at the Company's 2019 annual general meeting. The Company has issued the following securities under the Plan:

- (i) To Mr Chalmers, 1,016,745 Shares under the terms of the Plan on the vesting and exercise of 710,960 FY2018 LTI Performance Rights and 305,785 FY2019 LTI Performance Rights. The early vesting and exercise of these Performance Rights was approved by Shareholders at the Company's general meeting held on 16 July 2020;
- (ii) To Mr Earner, 8,462,496 Shares under the terms of the Plan on vesting and exercise of 5,965,251 FY2018 LTI Performance Rights and 2,497,245 FY2019 LTI Performance Rights. The early vesting and exercise of these Performance Rights was approved by Shareholders at the Company's general meeting held on 16 July 2020;
- (iii) To Mr Chalmers, 152,348 FY2018 LTI Performance Rights and 65,525 FY2019 LTI Performance Rights under the terms of the Plan as approved by Shareholders at the Company's 2017 and 2018 annual general meetings, which were cancelled in accordance with Shareholder approval at the Company's general meeting held on 16 July 2020;
- (iv) To Mr Earner, 1,278,268 FY2018 LTI Performance Rights and 535,124 FY2019 LTI Performance Rights under the terms of the Plan as approved by Shareholders at the Company's 2017 and 2018 annual general meetings, which were cancelled in accordance with Shareholder approval at the Company's general meeting held on 16 July 2020;
- (v) To Mr Chalmers, 241,186 FY2020 LTI Performance Rights under the terms of the Plan as approved by Shareholders at the Company's 2019 annual general meeting, of which 42,562 were cancelled in accordance with Shareholder approval at the Company's general meeting held on 16 July 2020; and
- (vi) To Mr Earner, 1,969,877 FY2020 LTI Performance Rights under the terms of the Plan as approved by Shareholders at the Company's 2019 annual general meeting, of which 347,625 were cancelled in accordance with Shareholder approval at the Company's general meeting held on 16 July 2020.

In accordance with the terms of the Plan, the Shares and Performance Rights were issued for nil consideration.

- (f) The Performance Rights are issued on the terms set out in this Explanatory Statement and on the terms as summarised in Annexure A. Unless the Plan expressly provides otherwise, the Plan shall prevail to the extent of any inconsistency with the terms of the Performance Rights. Refer to Annexure B for a summary of the terms of the Plan.

The Company has chosen to issue Performance Rights to Messrs Earner and Chalmers for the following reasons:

- (i) to focus on the long term outcomes required by the Board;
- (ii) to align the rewards of Messrs Earner and Chalmers with shareholders' interests by payment in equity;



- (iii) to provide an incentive to satisfy performance hurdles over a three year period which are measured on Shareholder value and provide a counter balance for any tendency to focus on short term outcomes;

The Company has not received an independent valuation in relation to the Performance Rights the subject of Resolutions 3 and 4. The fair value of the Performance Rights proposed to be issued pursuant to Resolutions 3 and 4 will be determined in accordance with Australian Accounting Standards and is dependent on the date on which Messrs Earner and Chalmers are deemed to have received their offers to participate in the Scheme.

The fair value of Performance Rights issued to Messrs Earner and Chalmers in previous years is detailed at page 40 of the Annual Report.

The number of Performance Rights proposed for grant was calculated in September 2020, with Mr Earner entitled to receive up to 110% of his salary in value in Performance Rights and Mr Chalmers entitled to receive up to 60% of his salary in value in Performance Rights. The calculation was determined based on the VWAP of Shares calculated over August 2020, being \$1.1348 (rounded). The value of the Performance Rights on that basis is set out in Table 1 below.

Table 1 - Details of Performance Rights

Name	Relationship	Number of Performance Rights	Vesting	Value
Nicholas Earner	Director	687,346	On satisfaction of vesting conditions– refer Section 3.2	\$780,000
I David Chalmers	Director	174,903	On satisfaction of vesting conditions– refer Section 3.2	\$198,480

The number of Performance Rights is fixed and the value will change as the underlying Share price changes. The indicative value of the Performance Rights as at the date of this Notice, based upon the closing Share price on 5 October 2020 (being \$1.375), is set out in Table 2 below.

Table 2 - Details of Performance Rights

Name	Relationship	Number of Performance Rights	Vesting	Value
Nicholas Earner	Director	687,346	On satisfaction of vesting conditions– refer Section 3.2	\$945,101
I David Chalmers	Director	174,903	On satisfaction of vesting conditions– refer Section 3.2	\$240,492

- (g) If Resolutions 3 and 4 are approved, the Company proposes to issue the Performance Rights to Messrs Earner and Chalmers as soon as practicable and, in any event, within three years from the date of this Annual General Meeting.
- (h) In accordance with the Plan, the Performance Rights (and any Shares issued on the vesting and exercise of Performance Rights) will be issued for no consideration.
- (i) A summary of the terms of the Plan is set out at Annexure B.
- (j) No loan will be provided by the Company in relation to the grant of the relevant Performance Rights (including the Shares issued on the vesting and exercise of those Performance Rights) to Messrs Earner or Chalmers.
- (k) Details of any securities (being, Performance Rights and Shares upon the vesting and exercise of Performance Rights) issued under the Plan will be published in each annual report relating to a period in which the securities have been issued, along with a statement that approval for the issue of those securities was obtained under Listing Rule 10.14. Any additional persons who become entitled to participate in the Plan after Resolutions 3 and 4 are approved and who were not named in this Notice, will not participate until Shareholder approval is obtained under Listing Rule 10.14.
- (l) Voting exclusion statements for Resolutions 3 and 4 are included in this Notice.



3.5 Chapter 2E of the Corporations Act

Chapter 2E of the Corporations Act also regulates the provision of "financial benefits" to "related parties" by a public company. For the purposes of Chapter 2E, Mr Earner, being the Managing Director, and Mr Chalmers, being the Technical Director, are "related parties" of the Company and the grant of the Performance Rights (including the Shares issued on the vesting and exercise of those Performance Rights) pursuant to the Performance Rights will constitute the giving of "financial benefits".

The Board (other than Mr Earner in respect of Resolution 3 and Mr Chalmers in respect of Resolution 4) considers that the grant of the Performance Rights (including the Shares issued on the vesting and exercise of those Performance Rights) to Mr Earner and Mr Chalmers (respectively) is an appropriate and reasonable component of their remuneration, and that the financial benefit represented by the grant of the Performance Rights (including the Shares issued on the vesting and exercise of those Performance Rights) falls within the "reasonable remuneration" exception in section 211 of the Corporations Act. For this reason, it is unnecessary to seek specific member approval of Resolution 3 or Resolution 4 for the purposes of Chapter 2E of the Corporations Act (as mentioned above, approval is being sought under Listing Rule 10.14).

3.6 Sections 200B and 200E of the Corporations Act

The Corporations Act provides that the Company may only give a person a benefit in connection with their ceasing to hold a "managerial or executive office" in the Company, or its related bodies corporate, if it is approved by Shareholders or an exemption applies (for example, where the benefit together with other benefits does not exceed the payment limits set out in the Corporations Act, including where the aggregate benefits do not exceed one year's average base salary).

The term "benefit" is open to a wide interpretation and may include the early or accelerated vesting (allowing for subsequent exercise by the holder, where relevant) of Performance Rights under the Plan. As outlined in the summary of the Plan in the Company's 2019 notice of annual general meeting, early or accelerated vesting may occur, subject to the Directors' absolute discretion, in various circumstances including the end of employment with the Group, or on a change of control.

If the Board were to exercise its discretion to vest some or all of the Performance Rights early in the circumstances referred to above, this may amount to the giving of a termination benefit requiring Shareholder approval in accordance with the Corporations Act. Shareholder approval of Resolutions 3 and 4 are also being sought so that early or accelerated vesting (allowing for subsequent exercise by the holder, where relevant) of the Performance Rights and the issue of Shares (upon the vesting and exercise of the Performance Rights) do not count towards such maximum termination amounts for the purposes of the Corporations Act.

Details of Mr Earner's and Mr Chalmers' remuneration, including other termination benefits, are set out in the Company's Annual Report as released to ASX.

The value of any benefits cannot be ascertained at the present time. The benefits will be the market value of Shares issued or transferred to Mr Earner or Mr Chalmers on vesting (and exercise, where relevant) of such benefits. Apart from the future Share price being unknown, the following are matters which will or are likely to affect the value of the benefits:

- (a) the performance criteria determined to apply to the Performance Rights;
- (b) the reasons for cessation of employment;
- (c) the number of Performance Rights granted to Mr Earner or Mr Chalmers;
- (d) employee and Company performance factors used to determine vesting of Performance Rights;
- (e) the amount of other remuneration payable to Mr Earner or Mr Chalmers; and
- (f) the exercise of the Directors' discretion at the relevant time.

3.7 Directors' recommendation

The Directors (other than Mr Earner in respect of Resolution 3 and Mr Chalmers in respect of Resolution 4) unanimously recommend that Shareholders vote in favour of Resolutions 3 and 4 as they believe, based on the information available, including the information contained in this Explanatory Statement, the granting of these Performance Rights will align Messrs Earner and Chalmers' rewards with the long-term creation of value for Shareholders.

As Mr Earner has an interest in the outcome of Resolution 3 and Mr Chalmers has an interest in the outcome of Resolution 4, they make no recommendation to Shareholders as to how to vote on those Resolutions, respectively.

Each Director able to vote on the Resolution intends to vote all the Shares controlled by them in favour of Resolutions 3 and 4. The Chair intends to exercise all available proxies in favour of Resolutions 3 and 4.



GLOSSARY

In this Explanatory Statement and the Notice, the following terms have the following meanings unless the context otherwise requires:

Annual General Meeting or **Meeting** means the annual general meeting of Shareholders to be held as a virtual meeting via a live webcast for the purpose of considering the Resolutions;

Annual Report means the Directors' Report, the Financial Report and Auditor's Report, in respect of the financial year ended 30 June 2020;

Associate has the meaning set out in sections 11 to 17 of the Corporations Act;

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

Auditor's Report means the auditor's report on the Financial Report;

Board means the board of Directors;

Chair means the chair of the Meeting;

Closely Related Party of a member of the KMP means:

- a spouse or child of the member;
- a child of the member's spouse;
- a dependent of the member or the member's spouse;
- 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;
- a company the member controls; or
- a person prescribed by the Corporations Regulations 2001 (Cth);

Company or **Alkane** means Alkane Resources Ltd ACN 000 689 216;

Constitution means the existing constitution of Company adopted in 2019, as amended;

Corporations Act means the Corporations Act 2001 (Cth), as amended;

Director means a director of the Company;

Directors' Report means the annual directors' report prepared under Chapter 2M of the Corporations Act for the Company;

Explanatory Statement means the Explanatory Statement accompanying the Notice;

Financial Report means the annual financial report prepared under Chapter 2M of the Corporations Act for the Company;

FY2021 means the financial year ending 30 June 2021;

Gold Index means S&P/ASX All Ordinaries Gold Index;

KMP means key management personnel, which has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of the Company;

Listing Rules means the Listing Rules of the ASX;

LTI means long term incentive;

Notice or **Notice of Meeting** means the notice of meeting accompanying this Explanatory Statement, including the proxy form;

Online Meeting Guide means the guide containing instructions on how to participate in the Meeting which is available on the Company's website at www.alkane.com.au/agm/;

Performance Rights means rights to acquire Shares in the Company, subject to the terms of the Plan;



Plan means the Alkane Resources Performance Right Plan, as last approved by Shareholders at the Company's 2019 annual general meeting (refer to that notice of meeting for a summary of the terms of the Plan);

Proxy Form means the proxy form attached to the Notice;

Remuneration Report means the remuneration report of the Company contained in the Directors' Report;

Resolution means a resolution contained in the Notice;

Scheme means the Company's Executive Incentive Scheme for executive long term incentives;

Section means a section of the Explanatory Statement;

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

Shareholder means the holder of a Share;

TFR means total fixed remuneration;

TSR means total shareholder return;

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

VWAP means volume weighted average price.

**ANNEXURE A****SUMMARY OF THE TERMS OF THE PERFORMANCE RIGHTS**

The key terms of the Performance Rights are set out below. Unless otherwise defined below, any capitalised terms used in this section relating to the grant of Performance Rights refer to terms defined in the Alkane Resources Ltd Performance Rights Plan (**Plan**) rules only.

Grant Date	The date on which the Performance Rights are granted to you following the Board's acceptance of a completed Application Form.															
Acquisition price / consideration payable by you	No amount is payable by you to acquire the Performance Rights that are the subject of this application, nor upon the vesting or exercise of the Performance Rights.															
Plan Shares	References to Plan Shares in this invitation are to fully paid ordinary shares in the capital of Alkane Resources Ltd, issued or transferred to you following the vesting or exercise of your Performance Rights.															
Information on share price	<p>Alkane undertakes to make available to you, within a reasonable time of your request, the current market price of fully paid ordinary shares in Alkane (Shares) that are the subject of the Performance Rights.</p> <p>Please contact Dennis Wilkins, Company Secretary to request the current market price of the Shares and this information will be provided to you within a reasonable time of your request.</p> <p>The Shares are listed on the Australian Securities Exchange (ASX). You may obtain details of the current market price of the Shares by logging on to the ASX website (www.asx.com.au) or Alkane's website (http://www.alkane.com.au/)</p>															
Irrevocable power of attorney	In order to participate in the LTIP, you must execute an Irrevocable Power of Attorney (enclosed with the invitation) and return it to the Company along with your completed Application Form. This is a limited power of attorney that allows the Company to give effect to the terms and conditions of the Plan on your behalf where necessary.															
Performance Rights vesting	<p>Performance Rights will be subject to Performance Criteria assessed over a 3-year period from 1 July 2020 to 30 June 2023.</p> <p>As at 30 June 2023, the Company's TSR will be compared to the Gold Index TSR and the number of Performance Rights will vest according to performance as follows:</p> <table border="1"> <thead> <tr> <th>Shareholder comparison</th> <th>return</th> <th>Proportion of Performance Rights that vest</th> </tr> </thead> <tbody> <tr> <td>TSR is less than Gold Index TSR</td> <td></td> <td>0%</td> </tr> <tr> <td>TSR is equal to Gold Index TSR</td> <td></td> <td>25%</td> </tr> <tr> <td>TSR is >5% and <10% greater than Gold Index TSR</td> <td></td> <td>50%</td> </tr> <tr> <td>TSR is equal to or >10% greater than Gold Index TSR</td> <td></td> <td>100%</td> </tr> </tbody> </table> <p>The Board will make a determination whether the vesting conditions attaching to the Performance Rights have been satisfied or determine to waive the vesting conditions.</p> <p>Provided the Board determines that the vesting conditions are met or are otherwise waived by the Board, a vesting notice will be sent to you from the Board, informing you that the Performance Rights have vested. Unless and until a vesting notice is issued to you by the Company in connection with the Performance Rights, the Performance</p>	Shareholder comparison	return	Proportion of Performance Rights that vest	TSR is less than Gold Index TSR		0%	TSR is equal to Gold Index TSR		25%	TSR is >5% and <10% greater than Gold Index TSR		50%	TSR is equal to or >10% greater than Gold Index TSR		100%
Shareholder comparison	return	Proportion of Performance Rights that vest														
TSR is less than Gold Index TSR		0%														
TSR is equal to Gold Index TSR		25%														
TSR is >5% and <10% greater than Gold Index TSR		50%														
TSR is equal to or >10% greater than Gold Index TSR		100%														



	<p>Rights will not have vested.</p> <p>Following the issue of a vesting notice, any vested Performance Right will be eligible to be exercised for the issue and/or transfer of the requisite number of Plan Shares (refer to the section “Exercise of vested Performance Rights and issue/transfer of Plan Shares” below).</p>
Exercise of vested Performance Rights and issue/transfer of Plan Shares	<p>Upon issue of a vesting notice, any vested Performance Rights may be exercised at any time until the date on which the Performance Rights lapse, by a signed written notice to the Board specifying the Performance Rights being exercised and providing the certificate for those Performance Rights and you will be issued and/or transferred one fully paid ordinary share in Alkane for each Performance Right that has been exercised.</p> <p>Please note that the Plan was amended in 2016 to recognise changes in tax legislation taking effect for rights issued after 1 July 2015. The changes allow participants to defer the applicable taxing point by giving them discretion in the timing of exercise of vested Performance Rights.</p>
Dividends	<p>Upon issue and/or transfer of Plan Shares, you will be entitled to any dividends declared and distributed by the Company on the Plan Shares which, at the closing date for determining entitlement to such dividends, are standing to your account.</p>
Lapsing of Performance Rights	<p>The Performance Rights will lapse as set out in the Plan (refer to Annexure B).</p>
Adjustments upon alterations of capital	<p>Subject to the Listing Rules, if the Company makes a new issue of securities or alterations to its capital by way of a rights issue, bonus issue or other distribution of capital, there will be no adjustment to the Performance Rights (including, without limitation, to the number of Shares which may be acquired on vesting of the Performance Rights) and/or the Performance Criteria.</p> <p>During the currency of any Performance Rights and prior to vesting and the issue or transfer of Shares in respect of those Performance Rights, you are not entitled to participate in any new issue of securities of the Company as a result of your holding of Performance Rights.</p> <p>The Company may amend the terms of the Performance Rights, or your rights under the Plan, to comply with the Listing Rules applying at the time to any reorganisations of capital of the Company.</p>
Disposal restrictions	<p>Except as set out in Alkane’s share trading policy and subject to applicable law, no specific disposal restrictions apply to any Plan Shares that are issued and/or transferred to you as a result of the exercise of your Performance Rights.</p>



ANNEXURE B

SUMMARY OF THE TERMS OF THE PERFORMANCE RIGHTS PLAN

The Plan provides "Eligible Employees" the opportunity to receive Performance Rights for no consideration, as determined in the Board's absolute discretion. The key features of the Plan are set out below.

Purpose and term	<p>The Plan was established to assist in the recruitment, reward, retention and motivation of Eligible Employees.</p> <p>Under the Plan the Board may grant Performance Rights to Eligible Employees on terms fixed in accordance with the Plan.</p> <p>The Plan continues in operation until the Board decides to end it.</p>
Commencement	17 May 2011
Performance rights	<p>Each Performance Right will represent a right to acquire one Share, subject to the terms of the Plan.</p> <p>A Performance Right granted to a Participant under the Plan is granted for no cash consideration. If Performance Rights vest under the Plan, no amount is payable by a Participant in respect of those Performance Rights vesting, or the subsequent issue or transfer of Shares in respect of them.</p> <p>A Participant does not have a legal or beneficial interest in any Share by virtue of acquiring or holding a Performance Right. A Participant's rights under a Performance Right are purely contractual and personal. In particular, a Participant is not entitled to participate in or receive any dividends or other shareholder benefits until the Performance Right has vested and a Share has been issued or transferred to the Participant.</p> <p>Performance Rights will not be quoted on ASX. Provided that other Shares are quoted on ASX at the time, the Company will apply to ASX for quotation of Shares issued on vesting of Performance Rights as soon as practicable after the issue of those Shares.</p> <p>Any Share issued or transferred to a Participant upon vesting of a Performance Right, will be subject to the Constitution and will rank equally in every way (including for dividends for which the record date is after the date of issue or transfer) with other Shares then on issue.</p>
Invitations to participate in the Plan	<p>The Board may from time to time in its absolute discretion decide that a full time or part time employee of a Group Member who holds salaried employment with a Group Member on a full time or part time basis (Eligible Employee) is eligible to participate in the Plan and may invite them to apply for Performance Rights.</p> <p>An Eligible Employee who is invited to participate in the Plan will receive a written invitation. The invitation will set out, amongst other things, the number of Performance Rights the Eligible Employee is invited to apply for, the performance criteria to which those Performance Rights will be subject (Performance Criteria), and the period of time over which the Performance Criteria must be satisfied (Performance Period), before the Performance Rights can vest.</p>
Performance Criteria and Performance Period	<p>The Board's discretion includes determining the number of Performance Rights the Eligible Employee is invited to apply for, and the Performance Criteria, and Performance Period over which Performance Criteria is assessed, applicable to those Performance Rights.</p>
Vesting of Performance Rights	<p>A Performance Right granted to a Participant will vest:</p> <ul style="list-style-type: none">at the end of the Performance Period upon the Board giving written notice to the relevant Participant of the number of Performance Rights in respect of



which the Performance Criteria were satisfied over the Performance Period;
or

- if the Board allows early vesting as a result of an event such as a takeover bid or scheme of arrangement or the cessation of employment of the Participant for a "Qualifying Reason" (see below).

Transfers

A Performance Right granted under the Plan is only transferable by force of law upon death to the Participant's legal personal representative or upon bankruptcy to the Participant's trustee in bankruptcy.

Subject to the above, Participants are not to grant any security interest in or over or otherwise dispose of or deal with any Performance Rights or any interest in them until the relevant Shares are issued or transferred to that Participant, and any such security interest or disposal or dealing will not be recognised in any manner by the Company.

Exercise on vesting

If an Invitation provides for:

- the deemed automatic exercise of a Performance Right, no further action is required from the Participant upon vesting of a Performance Right in order to exercise that Performance Right; or
- the manual exercise of a vested Performance Right, a Participant may exercise any vested Performance Right at any time from the date the Board notifies the Participant of the vesting of the Performance Right until the date on which a Performance Right lapses, by giving the prescribed form of notice to the Board.

Lapse of Performance Rights

An unvested Performance Right, or (where applicable) a vested but unexercised Performance Right, will lapse on the earliest to occur of:

- the end of the Performance Period if the Performance Criteria relating to the Performance Right have not been satisfied;
- the Participant purporting to transfer a Performance Right or grant a security interest in or over, or otherwise purporting to dispose of or deal with, a Performance Right or interest in it (except where the Performance Right is transferred by force of law upon death to the Participant's legal personal representative or upon bankruptcy to the Participant's trustee in bankruptcy);
- the Participant ceasing employment with a Group Member (and is not immediately employed by another Group Member), except in certain circumstances as explained below under the heading "Qualifying Reason and cessation of employment";
- if in the opinion of the Board, the Participant has acted fraudulently or dishonestly or in breach of his or her obligations to the Group, and the Board determining that the Performance Rights held by the Participant should lapse;
- an event such as a takeover bid or scheme of arrangement occurring (in certain circumstances subject to the Board's discretion); and
- the date that is fifteen years after the grant of the Performance Right.

Qualifying Reason and cessation of employment

Performance Rights of a Participant will automatically lapse if the Participant ceases to be employed by a Group Member (and is not immediately employed by another Group Member), unless the Participant ceases to be employed because of a "Qualifying Reason" in which case that Participant's Performance Rights will be treated as follows:

- if less than six months of the Performance Period relating to those Performance Rights has elapsed at the date of cessation of employment, all of those Performance Rights will lapse (unless the Board, in its absolute discretion, determines otherwise); and
- if six months or more of the Performance Period relating to those Performance Rights has elapsed at the date of cessation of employment,



then (unless the Board, in its absolute discretion, determines otherwise) a proportion of the Participant's Performance Rights (calculated by reference to the number of days in the Performance Period which have elapsed as the date of cessation of employment) will be capable of vesting. Such Performance Rights will only vest (unless the Board, in its absolute discretion, determines otherwise) if over the Performance Period the Performance Criteria in respect of those Performance Rights were satisfied and the Board gives notice to the Participant of its determination to that effect. In such circumstances, the remaining Performance Rights of the Participant which do not vest will lapse.

If a Participant ceases to be employed by a Group Member (and is not immediately employed by another Group Member) because of a Qualifying Reason, any vested but unexercised Performance Rights held by that Participant will immediately be deemed to have been exercised.

A "Qualifying Reason" includes the death, total and permanent disablement or retirement of the Participant (as determined by the Board in its absolute discretion), or where the Participant ceases to be employed by a Group Member as a result of a relevant body corporate ceasing to be a Group Member or the sale of a business conducted by a Group Member to a third party (other than to another Group Member). The Board may also determine, in its absolute discretion, that any other reason will constitute a "Qualifying Reason".

Share limit

The Board must not issue an Invitation, or issue a Share under the Plan, if the sum of:

- a) the number of Shares which would be issued were each outstanding offer with respect to Shares, units of Shares, and options to acquire unissued Shares, under an employee share scheme to be accepted or exercised; and
- b) the number of Shares issued during the previous three years under the Plan or any other employee share scheme extended to Eligible Employees,

but excluding any offer made, or option acquired, or Shares issued by way of or as a result of specified excluded offers, would exceed 5% of the total number of Shares on issue at that time.

Impact of takeover bid or scheme

If:

- a) a takeover bid (as defined in the Corporations Act) is made for Shares before the end of the Performance Period;
- b) a Court orders a meeting to be held in relation to a proposed compromise or arrangement for the purposes of or in connection with a scheme for the reconstruction of the Company or its amalgamation with any other company or companies; or
- c) any person becomes bound or entitled to acquire Shares under:
 - (i) section 414 of the Corporations Act; or
 - (ii) Chapter 6A of the Corporations Act,

the Board will make a determination as to how a Participant's unvested Performance Rights and any vested but unexercised Performance Rights will be dealt with, and, in doing so, may determine, in its absolute discretion that a Participant's unvested Performance Rights vest (in whole or in part) and any vested but unexercised Performance Rights are deemed to have been exercised and may impose any conditions on such vesting or exercising as it thinks fit.

In making its determination, the Board will have regard, without limitation, to the extent to which the Performance Criteria in respect of a Participant's Performance Rights have been satisfied as at the relevant date.

Adjustments upon alterations of capital

Subject to the Listing Rules, if the Company makes a new issue of securities or alterations to its capital by way of a rights issue, bonus issue or other distribution of capital, reduction of capital or reconstruction of capital, then the Board may make adjustments to a Participant's Performance Rights (including, without limitation, to the number of Shares which may be acquired on vesting of the



Performance Rights) and/or the Performance Criteria on any basis its sees fit in its absolute discretion to ensure that no advantage or disadvantage accrues to the Participant as a result of such corporate actions.

Subject to the above adjustments, during the currency of any Performance Rights and prior to vesting and the issue or transfer of Shares in respect of those Performance Rights, Participants are not entitled to participate in any new issue of securities of the Company as a result of their holding of Performance Rights.

Notwithstanding any other provision of the rules of the Plan dealing with adjustments, an adjustment must not be made under such adjustment rules unless it is consistent with the Listing Rules. The Company may amend the terms of any Performance Right, or the rights of any Participant under the Plan, to comply with the Listing Rules applying at the time to any reorganisations of capital of the Company.

Administration

The Board will manage and administer the Plan, unless it decides to delegate the management and administration of the Plan, and any of its powers or discretions under the Plan, to a committee.

Amendment of the Plan

The Board may by written instrument amend all or any of the provisions of the Plan, with retrospective effect, provided that the amendment does not materially reduce the rights of any Participant as they existed before the date of amendment. The Plan provisions do, however, provide that in limited circumstances (for example, for the purpose of complying with relevant legislation or the Listing Rules) amendments may be made even if they materially reduce the rights of a Participant.



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.

Important Note: As a result of the potential health risks from the Coronavirus (COVID-19) pandemic, Shareholders are only able to participate in the Meeting via the online portal or by voting by proxy. More information regarding online participation is in the Online Meeting Guide which can be found at www.alkane.com.au/agm/.

2020 ANNUAL GENERAL MEETING PROXY FORM

I/We being shareholder(s) of Alkane Resources Ltd 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 the individual(s) or body corporate(s) named, or if no individual(s) or body corporate(s) are named, the Chair of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf, including 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 the Company to be held on **4 November 2020 at 10:30am (AWST) via the online portal provided by "Lumi AGM"** and at any adjournment or postponement of that Meeting.

Chair authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chair of the Meeting as my/our proxy (or the Chair becomes my/our proxy by default), I/we expressly authorise the Chair to exercise my/our proxy on Resolutions 1, 3 and 4 (except where I/we have indicated a different voting intention below) even though these resolutions are connected directly or indirectly with the remuneration of a member(s) of key management personnel, which includes the Chair. I/we acknowledge the Chair of the Meeting intends to vote all undirected proxies available to them in favour of each Resolution of Business.

VOTING DIRECTIONS

Resolutions

Resolutions	For	Against	Abstain*
1 Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Re-Election of Director – Mr Gavin Murray Smith	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Approval of the Grant of Performance Rights to the Managing Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Approval of the Grant of Performance Rights to the Technical Director	<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 your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Joint Shareholder 2 (Individual)

Joint Shareholder 3 (Individual)

Sole Director and Sole Company Secretary

Director/Company Secretary (Delete one)

Director

This form should be signed by the shareholder. If a joint holding, all the shareholders should sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the Corporations Act 2001 (Cth).

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.

COVID-19: ALKANE RESOURCES LTD EXTRAORDINARY GENERAL MEETING

Shareholders can attend the Meeting online by:

- accessing the online portal via <https://web.lumiagm.com/338978685> on your smartphone, tablet or computer. You will need the latest versions of Chrome, Safari, Edge or Firefox. or
- by downloading the Lumi AGM app from the Apple App Store or Google Play Stores by searching for 'Lumi AGM'.

The Company's Share Registry recommends logging onto the online portal at least 15 minutes prior to the scheduled start time for the Meeting using the instructions in the Online Meeting Guide which can be found at www.alkane.com.au/agm/.

To access the Meeting via the online portal, Shareholders will need their Shareholder Number (SRN or HIN) and Postcode, which is printed on the letter which has been mailed to all shareholders. If you have not received your letter by 28 October 2020 please contact the Company's registrar on +61 8 9389 8033.

Proxy holders will need to obtain login credentials from the registrar by calling +61 8 9389 8033, if the registrar has not already contacted them directly.

Shareholders may vote virtually by voting online during the Meeting or by appointing a proxy, attorney or representative prior to the AGM.

Further information on how to participate and vote virtually is set out in the Notice and the Online Meeting Guide which can be found at www.alkane.com.au/agm/.

HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

CHANGE OF ADDRESS

This form shows your address as it appears on the Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes.

APPOINTMENT OF A PROXY

If you wish to appoint the Chair as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chair, please write that person's name in the box in Step 1. A proxy need not be a shareholder of the Company. A proxy may be an individual or a body corporate.

DEFAULT TO THE CHAIR OF THE MEETING

If you leave Step 1 blank, or if your appointed proxy does not attend the Meeting, then the proxy appointment will automatically default to the Chair of the Meeting.

VOTING DIRECTIONS – PROXY APPOINTMENT

You may direct your proxy on how to vote by placing a mark in one of the boxes opposite each resolution of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any resolution by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given resolution, your proxy may vote as they choose to the extent they are permitted by law. If you mark more than one box on a resolution, your vote on that resolution will be invalid.

PROXY VOTING BY KEY MANAGEMENT PERSONNEL

If you wish to appoint a Director (other than the Chair) or 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 1, 3 and 4, by marking the appropriate box. If you do not, your proxy will not be able to exercise your vote for Resolutions 1, 3 and 4.

PLEASE NOTE: If you appoint the Chair as your proxy (or if they are appointed by default) but do not direct them how to vote on a resolution (that is, you do not complete any of the boxes "For", "Against" or "Abstain" opposite that resolution), the Chair may vote as they see fit on that resolution.

APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning Advanced Share Registry Limited or you may copy this form and return them both together.

To appoint a second proxy you must:

- (a) On each Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- (b) Return both forms together.

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, 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 receive written confirmation from the person or entity providing the voting instruction to you and you must vote in accordance with the instruction provided.

By lodging your proxy votes, you confirm to the company that you are in compliance with Listing Rule 14.11.

CORPORATE REPRESENTATIVES

If a representative of a nominated corporation is to attend the meeting the representative should have appropriate evidence of the appointment prior to admission. A Corporate Representative Form may be obtained from Advanced Share Register.

SIGNING INSTRUCTIONS ON THE PROXY FORM

Individual:

Where the holding is in one name, the security holder must sign.

Joint Holding:

Where the holding is in more than one name, all shareholders should sign.

Power of Attorney:

If you have not already lodged the Power of Attorney with Advanced Share Registry, please attach the original or 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 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.

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 10:30am (AWST) on 2 November 2020, 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



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



IN PERSON

Advanced Share Registry Limited
110 Stirling Hwy, Nedlands WA 6009



ALL ENQUIRIES TO

Telephone: +61 8 9389 8033