



### **General Meeting of Shareholders**

Castile Resources Limited (ASX: CST) (**CST** or the **Company**) provides the following documents regarding the General Meeting of Shareholders:

- Letter to shareholders
- Notice of General Meeting
- Sample proxy form

This announcement has been authorised by the Board of Castile Resources Limited.

For further information please contact:

Sebastian Andre  
Company Secretary  
[info@castile.com.au](mailto:info@castile.com.au)

5 September 2022

Dear Shareholder

### **GENERAL MEETING AND ELECTRONIC COMMUNICATIONS**

Castile Resources Limited (the **Company**) (**ASX:CST**) is convening a General Meeting of shareholders (**GM**) on Friday, 7 October 2022, at 10:00 am (WST). If you would like to attend, it will be held at Suite 1, 295 Rokeby Road, Subiaco WA 6008. If the above arrangements with respect to the GM change, shareholders will be updated via ASX Market Announcements Platform as well as the Company's website at <https://www.castile.com.au/>.

To assist the Company in ensuring that the Meeting is held in compliance with the COVID-19 restrictions at the time of the Meeting, it will be helpful for shareholders who wish to attend the meeting in person to register their attendance with the Company at [info@castile.com.au](mailto:info@castile.com.au) by no later than 5:00 pm (WST) on 30 September 2022. This will greatly assist the Company to manage any amendments required to the meeting format as a result of any changes to government restrictions which may apply at the time of the meeting. The Company will endeavour to adopt a format that will best ensure that all Shareholders who wish to attend are able to participate.

### **Notice of meeting**

In accordance with section 110D(1) of the Corporations Act 2001 (Cth) (Corporations Act), the Company will not be sending hard copies of the NOM to shareholders unless a shareholder has requested a hard copy of the NOM or made an election for the purposes of section 110E of the Corporations Act to receive documents from the Company in physical form. The NOM can be viewed and downloaded from the Company's website at <https://www.castile.com.au/investors/asx-announcements/> or ASX at [www2.asx.com.au](http://www2.asx.com.au).

### **Voting**

The Company strongly encourages all shareholders to vote their proxies electronically. To do so, please go to the Company Registry's website [www.investorvote.com.au](http://www.investorvote.com.au) website. Please also have your HIN or SRN number (found on your Proxy, Holding Statement or other broker documentation) and postcode ready. Alternatively, please complete, sign and return your personalised proxy form in accordance with the instructions set out in the proxy form. Proxy form instructions (by proxy form or online voting) must be received by the Company's share registry by no later than 10:00 am (WST) on Wednesday, 5 October 2022. Instructions received after that time will not be valid for the General Meeting.

The Company encourages all shareholders to vote prior to the General meeting by returning their proxy voting instructions before the deadline and advises that all voting in respect of resolutions considered at the General Meeting will be conducted on a poll.

### **Electronic communications**

*The Company encourages all shareholders to communicate with the Company by email at [info@castile.com.au](mailto:info@castile.com.au). Castile Resources Limited is committed to promoting positive environmental outcomes. To that end, we are asking all our shareholders to provide an email address to receive their communications online. This ensures we are providing you with the information you need in the fastest, most cost-effective manner possible, while also significantly reducing our environmental impact. Please register to receive electronic communications and update your shareholder details online at <https://www.computershare.com.au/easyupdate/CST>. Please follow the prompts to update your information, add your e-mail address and update your 'Communications' preferences.*

Sebastian Andre

Company Secretary

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**CASTILE RESOURCES LIMITED**  
**ACN 124 314 085**  
**NOTICE OF GENERAL MEETING**

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Notice is given that a General Meeting of Shareholders will be held at:

**TIME:** 10:00 am WST  
**DATE:** 7 October 2022  
**PLACE:** Suite 1, 295 Rokeby Road  
Subiaco WA 6008

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

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

***The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 4 pm WST on 5 October 2022.***

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## BUSINESS OF THE MEETING

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### AGENDA

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**1. RESOLUTION 1 – RATIFICATION OF PRIOR ISSUE OF PLACEMENT SHARES AND OPTIONS – LISTING RULE 7.1**

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

*“That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 16,952,065 Shares and 12,307,673 Options on the terms and conditions set out in the Explanatory Statement.”*

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

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**2. RESOLUTION 2 – RATIFICATION OF PRIOR ISSUE OF SHARES – LISTING RULE 7.1A**

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

*“That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 19,971,012 Shares on the terms and conditions set out in the Explanatory Statement.”*

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

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**3. RESOLUTION 3 – APPROVAL FOR RELATED PARTY PARTICIPATION IN PLACEMENT – PETER COOK**

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

*“That, for the purposes of section 195(4) and section 208 of the Corporations Act, Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 3,846,153 Shares and 1,282,051 Options to Peter Cook (or their nominee) on the terms and conditions set out in the Explanatory Statement.”*

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

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**4. RESOLUTION 4 – APPROVAL FOR RELATED PARTY PARTICIPATION IN PLACEMENT – MARK HEPBURN**

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

*“That, for the purposes of section 195(4) and section 208 of the Corporations Act, Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 1,153,846 Shares and 384,615 Options to Mark Hepburn (or their nominee) on the terms and conditions set out in the Explanatory Statement.”*

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

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**5. RESOLUTION 5 – APPROVAL FOR RELATED PARTY PARTICIPATION IN PLACEMENT – JOHN BRAHAM**

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

*“That, for the purposes of section 195(4) and section 208 of the Corporations Act, Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 192,307 Shares and 64,102 Options to John Braham (or their nominee) on the terms and conditions set out in the Explanatory Statement.”*

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

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**6. RESOLUTION 6 – APPROVAL FOR RELATED PARTY PARTICIPATION IN PLACEMENT – JAKE RUSSELL**

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

*“That, for the purposes of section 195(4) and section 208 of the Corporations Act, Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 76,923 Shares and 25,641 Options to Jake Russell (or their nominee) on the terms and conditions set out in the Explanatory Statement.”*

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

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**Dated: 30 August 2022**

**By order of the Board**



**Sebastian Andre**  
**Company Secretary**

## Voting Prohibition Statement

### Resolutions 3 – 6 – Issue of Shares and Options to Directors

In accordance with section 224 of the Corporations Act, a vote on this Resolution must not be cast (in any capacity) by or on behalf of a related party of the Company to whom the Resolution would permit a financial benefit to be given, or an associate of such a related party (**Excluded Party**). However, the above prohibition does not apply if the vote is cast by a person as proxy appointed by writing that specifies how the proxy is to vote on the Resolution and it is not cast on behalf of an Excluded Party.

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

Provided the Chair is not an Excluded Party, the above prohibition does not apply if:

- (a) the proxy 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 remuneration of a member of the Key Management Personnel.

## Voting Exclusion Statements

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

<b>Resolution 1 – Ratification of prior issue of Placement Shares and Options</b>	A person who participated in the issue (namely the Placement Participants) or an associate of that person or those persons.
<b>Resolution 2 – Ratification of prior issue of Shares</b>	A person who participated in the issue (namely the Placement Participants) or an associate of that person or those persons.
<b>Resolution 3 – Approval for related party participation in Placement – Peter Cook</b>	Peter Cook (or their nominee) 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.
<b>Resolution 4 – Approval for related party participation in Placement – Mark Hepburn</b>	Mark Hepburn (or their nominee) 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.
<b>Resolution 5 – Approval for related party participation in Placement – John Braham</b>	John Braham (or their nominee) 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.
<b>Resolution 6 – Approval for related party participation in Placement – Jake Russell</b>	Jake Russell (or their nominee) 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 a resolution by:

- 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
- the chair of the meeting 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
- 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 by proxy**

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

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

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

Shareholders and their proxies should be aware that:

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

### **Voting in person**

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

***Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 8 9488 4480.***

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## EXPLANATORY STATEMENT

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This Explanatory Statement has been prepared to provide information that the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions.

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### 1. RESOLUTIONS 1 AND 2 – RATIFICATION OF PRIOR ISSUE OF PLACEMENT SHARES AND OPTIONS

#### 1.1 General

On 1 August 2022, the Company announced that it had received firm commitments to raise approximately \$5,485,000 by means of:

- (a) a placement of shares and one (1) free-attaching option for every three (3) shares subscribed for by institutional, professional and sophisticated investors (**Placement Participants**) to raise \$4,800,000 (**Placement**); and
- (b) participation by the Directors in the Placement to raise an additional \$685,000.

The Placement comprised the issue of 36,923,077 Shares at \$0.13 per Share (**Placement Shares**), representing a 16.1% discount to the last closing price and a 15.7% discount to the 5-day volume weighted average market price of Company shares on the ASX up to and including Wednesday, 17 July 2022, and 12,307,692 Options (being one free attaching Option for every three (3) Shares subscribed for), exercisable at \$0.20 each on or before 9 August 2024 for every three Shares issued under the Placement.

On 9 August 2022, the Company issued:

- (a) 16,952,065 Placement Shares and 12,307,673 Options pursuant to the Company's capacity under Listing Rule 7.1 (being the subject of Resolution 1); and
- (b) 19,971,012 Shares pursuant to the Company's capacity under Listing Rule 7.1A (being the subject of Resolution 2) pursuant to the Company's 7.1A mandate which was approved by Shareholders at the annual general meeting held on 24 November 2021.

At the time of the issue, the Placement Shares did not breach Listing Rule 7.1. As stated above, the Directors of the Company have committed to participate in the Placement and have subscribed for up to 5,269,229 Placement Shares and 1,756,409 Options, subject to the Company obtaining shareholder approval (being the subject of Resolutions 3, 4, 5 and 6).

Directors recommend the shareholders vote in favour of Resolutions 1 and 2 of this Notice and will allow the Company to refresh its Listing Rule 7.1 and Listing Rule 7.1A capacity providing the Company with the flexibility to respond to future opportunities as they arise.

The Company engaged the services of Canaccord Genuity (Australia) Limited (ACN 129 383 884) (**Canaccord**) AFS Licence 234666 and Jett Capital Advisors LLC (**Jett**) (together, **Joint Lead Managers**) to manage the Placement. The Company agreed to pay the Joint Lead Managers a fee of 6% on the proceeds of the Placement, with each Joint Lead Manager to receive an amount proportionate with the amount of funds placed by them, in consideration for services provided.



## **1.2 Listing Rules 7.1 and 7.1A**

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

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 this 15% by an extra 10% to 25%. The Company obtained to increase its limit to 25% at the annual general meeting held on 24 November 2021

The issue of the Placement Shares and Options does not fit within any of the exceptions set out in Listing Rule 7.2 and, as it has not yet been approved by Shareholders, it effectively uses up part of the 25% limit in Listing Rules 7.1 and Listing Rule 7.1A, reducing the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1 and Listing rule 7.1A for the 12-month period following the date of issue of the Placement Shares and Options.

## **1.3 Listing Rule 7.4**

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 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 in the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1 and Listing Rule 7.1A. Accordingly, the Company is seeking Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Placement Shares and Options.

Resolutions 1 and 2 seek Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Placement Shares and Options. Resolutions 1 and 2 are not dependent on each other being passed.

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

If Resolutions 1 and 2 are passed, the Placement Shares and Options will be excluded in calculating the Company's 25% limit in Listing Rules 7.1 and Listing Rule 7.1A, effectively increasing the number of equity securities the Company can issue without Shareholder approval over the 12-month period following the date of issue of the Placement Shares and Options.

If Resolutions 1 and 2 are not passed, the Placement Shares and Options will be included in calculating the Company's 25% limit in Listing Rules 7.1 and Listing Rule 7.1A, effectively decreasing the number of equity securities that the Company can issue without Shareholder approval over the 12-month period following the date of issue of the Placement Shares and Options.

## **1.5 Technical information required by Listing Rule 7.5**

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to Resolutions 1 and 2:

- (a) the Placement Shares and Options were issued to professional and sophisticated investors who are clients of the Joint Lead Managers. The recipients were identified through a bookbuild process, which involved the Joint Lead Managers seeking expressions of interest to participate in the capital raising from non-related parties of the Company;
- (b) in accordance with paragraph 7.4 of ASX Guidance Note 21, the Company confirms that substantial holders of the Company received Placement Shares and Options as follows:
  - (i) CQS (UK) LLP was issued 6,153,847 Placement Shares and 2,051,282 Options. CQS (UK) LLP holds 6.37% of the Company's issued capital as at the date of this Notice of Meeting;
  - (ii) Ram Shanker Kangatharan was issued 10,000,000 Placement Shares and 3,333,333 Options. Ram Shanker Kangatharan holds 7.88% of the Company's issued capital as at the date of this Notice of Meeting; and
  - (iii) Kingdon Capital Management, LLC was issued 3,305,084 Placement Shares and 1,101,695 Options. Kingdon Capital Management LLC holds 6.64% of the Company's issued capital as at the date of this Notice of Meeting.
- (c) Other than the parties set out in (b)(i)-(b)(iii), none of the recipients were:
  - (i) related parties of the Company, members of the Company's Key Management Personnel, substantial holders of the Company, advisers of the Company or an associate of any of these parties; and
  - (ii) issued more than 1% of the issued capital of the Company;
- (d) 36,923,077 Placement Shares and 12,307,673 Options were issued on the following basis:
  - (i) 16,952,065 Placement Shares and 12,307,673 Options were issued pursuant to Listing Rule 7.1 (ratification of which is sought under Resolution 1); and
  - (ii) 19,971,012 Shares were issued pursuant to Listing Rule 7.1A (ratification of which is sought under Resolution 2);
- (e) the Placement Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares and the terms of the Options are set out in Schedule 1 of the Notice;
- (f) the Placement Shares and Options were issued on 9 August 2022;
- (g) the issue price was \$0.13 per Placement Share under both the issue of Shares pursuant to Listing Rule 7.1 and Listing Rule 7.1A. The issue price of the Options was nil as they were issued free attaching with the Shares on a 1 for 3 basis.
- (c) The Company has not and will not receive any other consideration for the issue of the Placement Shares and Options (other than in respect of funds received on exercise of the Options);

- (h) the purpose of the issue of the Placement Shares was to raise funds, which will be used to fund exploration activities at the Rover mineral field in the Northern Territory, completion of a pre-feasibility study, undertaking shallow drilling to enable identification and analysis for bore fields for production and environmental impact assessment, and general working capital requirements and costs of the Placement; and
- (i) the Placement Shares and Options were not issued under an agreement.

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## **2. RESOLUTIONS 3 – 6 – APPROVAL FOR RELATED PARTY PARTICIPATION IN PLACEMENT**

### **2.1 General**

As set out in Section 1.1 above, the Directors wish to participate in the Placement on the same terms as unrelated participants in the Placement (**Participation**).

Accordingly, Resolutions 3 – 6 seek Shareholder approval, to issue up to 5,269,229 Placement Shares and 1,756,409 Options (comprising one (1) free attaching Option for every three (3) Placement Shares subscribed for) to Peter Cook, Mark Hepburn, John Braham and Jake Russell (or their respective nominees) on the terms and conditions set out below.

Resolution 3 – 6 seek Shareholder approval for the issue of the Placement Shares and Options to Peter Cook, Mark Hepburn, John Braham and Jake Russell respectively (or their respective nominees).

Each Director has a material personal interest in the outcome of Resolutions 3 to 6 on the basis that all of the Directors (or their nominees) are to be issued Shares should Resolutions 3 to 6 be passed. For this reason, the Directors do not believe that it is appropriate to make a recommendation on Resolutions 3 to 6 of this Notice.

### **2.2 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 210 to 216 of the Corporations Act.

The Participation will result in the issue of Placement Shares and Options to Peter Cook, Mark Hepburn, John Braham and Jake Russell (or their respective nominees), which constitutes giving a financial benefit. Peter Cook, Mark Hepburn, John Braham and Jake Russell are related parties of the Company by virtue of being Directors.

As the Placement Shares and Options are proposed to be issued to all of the Directors, the Directors are unable to form a quorum to consider whether one of the exceptions set out in sections 210 to 216 of the Corporations Act applies to the issue of the Shares. Accordingly, Shareholder approval for the Participation is sought in accordance with Chapter 2E of the Corporations Act.

## 2.3 Listing Rule 10.11

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

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

unless it obtains the approval of its shareholders.

The Participation 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 – 6 seek the required Shareholder approval for the Participation under and for the purposes of Listing Rule 10.11. Resolution 3 – 6 are not dependent on each other.

## 2.4 Technical information required by Listing Rule 14.1A

If Resolutions 3 – 6 are passed, the Company will be able to proceed with the issue of the Placement Shares and Options under the Participation within one month after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules). As approval pursuant to Listing Rule 7.1 is not required for the issue of the Placement Shares and Options in respect of the Participation (because approval is being obtained under Listing Rule 10.11), the issue of the Placement Shares and Options will not use up any of the Company's 15% annual placement capacity.

If any of Resolutions 3 – 6 are not passed, the Company will not be able to proceed with the issue of the Placement Shares and Options to the director(s) whom the Resolution(s) pertains to and no further funds will be raised in respect to any Resolution(s) voted down. However, Resolution 3 – 6 are not dependent on each other and accordingly the Company will proceed with the issue of Placement Shares and Options to those director(s) whose Resolution(s) are passed and in such an instance the total amount raised as a result of the Participation will be the sum of Resolutions 3 – 6 passed by ordinary resolution.

## 2.5 Technical Information required by Listing Rule 10.13 and section 219 of the Corporations Act

Pursuant to and in accordance with Listing Rule 10.13 and section 219 of the Corporations, the following information is provided in relation to Resolutions 3 – 6:

- (a) the Shares will be issued to the following persons:
- (i) Peter Cook (or their nominee) pursuant to Resolution 3;
  - (ii) Mark Hepburn (or their nominee) pursuant to Resolution 4;
  - (iii) John Braham (or their nominee) pursuant to Resolution 5; and
  - (iv) Jake Russell (or their nominee) pursuant to Resolution 6,
- each of whom falls within the category set out in Listing Rule 10.11.1 by virtue of being a Director;
- (b) the maximum number of Placement Shares and Options to be issued pursuant to the Participation (being the nature of the financial benefit proposed to be given) is up to 5,269,229 Shares and 1,756,409 Options, comprising:
- (i) up to 3,846,153 Shares and 1,282,051 Options to Peter Cook (or their nominee) pursuant to Resolution 3;
  - (ii) up to 1,153,846 Shares and 384,615 Options to Mark Hepburn (or their nominee) pursuant to Resolution 4;
  - (iii) up to 192,307 Shares and 64,102 Options to John Braham (or their nominee) pursuant to Resolution 5; and
  - (iv) up to 76,923 Shares and 25,641 Options to Jake Russell (or their nominee) pursuant to Resolution 6;
- (c) the Placement Shares will be fully paid ordinary shares in the capital of the Company issued on the same terms as the Company's existing Shares and the Options will be issued on the terms set out in Schedule 1;
- (d) the Placement Shares and Options will be issued no later than 1 month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that issue of the Placement Shares and Options will occur on the same date;
- (e) the issue price of Placement Shares will be \$0.13 per Share, being the same issue price as Shares issued to other participants in the Placement. The issue price of the Options will be nil as they are issued free attaching with the Placement Shares on a 1 for 3 basis;
- (f) the Company has not and will not receive any other consideration for the issue of the Placement Shares and Options (other than in respect of funds received on exercise of the Options);
- (g) the purpose of the issue of Placement Shares and Options is to raise capital, which the Company intends to apply towards funding exploration activities at the Rover mineral field in the Northern Territory, completion of a pre-feasibility study, undertaking shallow drilling to enable identification and analysis for bore fields for production and environmental impact assessment, and general working capital requirements and costs of the Placement;

- (h) the Company has agreed to issue the Placement Shares and Options to the Directors subject to Shareholder approval on the basis that the Directors have a strong belief in the strategic development of the Company and the opportunities that may arise from the ongoing development of the Company's exploration projects and want to signal to Shareholders their belief in the Company's direction;
- (i) the total remuneration package for each of the Related Parties for the previous financial year and the proposed total remuneration package for the current financial year are set out below:

Related Party	Current Financial Year FY23 (Salary & Superannuation)	Current Financial Year FY23 (Equity Securities)	Previous Financial Year FY22 (Salary & Superannuation)	Previous Financial Year FY22 (Equity Securities)
Peter Cook	80,000 <sup>1</sup>		80,000 <sup>1</sup>	
Mark Hepburn	330,000	224,963 <sup>3</sup>	328,500 <sup>1,2</sup>	272,240 <sup>3</sup>
John Braham	60,000 <sup>1</sup>		60,000 <sup>1</sup>	
Jake Russell	60,000 <sup>1</sup>		60,000 <sup>1</sup>	

**Notes:**

1. Comprising Directors' fees and superannuation.
2. Comprising a share-based payment of \$272,240.
3. Comprising the annual accounting valuation of the options granted in 2019, 2020 and 2021 as the value is recognised over time).

- (j) the value of the Shares and Options is:
- (i) \$500,000 in respect of the Shares and \$49,517 in respect to the Options to be allocated to Peter Cook (or their nominee) pursuant to Resolution 3;
  - (ii) \$150,000 in respect of the Shares and \$14,855 in respect to the Options to be allocated to Mark Hepburn (or their nominee) pursuant to Resolution 4;
  - (iii) \$25,000 in respect of the Shares and \$2,476 in respect to the Options to be allocated to John Braham (or their nominee) pursuant to Resolution 5; and
  - (iv) \$10,000 in respect of the Shares and \$990 in respect to the Options to be allocated to Jake Russell (or their nominee) pursuant to Resolution 6;

Details of the pricing methodology of the Options is set out in Schedule 2;

- (k) the Placement Shares and Options are not being issued under an agreement;

- (l) the relevant interests of the Related Parties in securities of the Company as at the date of this Notice are set out below:

Related Party	Shares <sup>1</sup> (pre-Participation)	Options (pre-Participation)	% Interest (pre-Participation)
Peter Cook	11,947,148	Nil	5.05%
Mark Hepburn	1,950,000	4,600,000 <sup>2</sup>	0.82%
John Braham	275,911	Nil	0.12%
Jake Russell	Nil	Nil	Nil

The relevant interests of the Related Parties in securities of the Company assuming all of Resolutions 3 – 6 are passed are set out below:

Related Party	Shares <sup>1</sup> (post-Participation)	Options (post-Participation)	% Interest (post-Participation)
Peter Cook	15,793,301	1,282,051	6.53%
Mark Hepburn	3,103,846	46,384,617	1.28%
John Braham	468,218	64,102	0.19%
Jake Russell	76,923	25,641	0.03%

**Notes:**

1. Fully paid ordinary shares in the capital of the Company (ASX: CST).
  2. Comprising:
    - (a) 2,000,000 Unquoted Options exercisable at \$0.25 each on or before 26 November 2022;
    - (b) 1,000,000 Unquoted Options exercisable at \$0.313 each on or before 21 December 2023;
    - (c) 600,000 Unquoted Options exercisable at \$zero each on or before 21 December 2024;
    - (d) 1,000,000 Unquoted Options exercisable at \$0.2392 each on or before 2 December 2024;
- (m) if the Placement Shares are issued to the Directors and the Options issued to the Directors are exercised 7,025,638 Shares will be issued. This will increase the number of Shares on issue from 236,633,198 (being the total number of Shares on issue as at the date of this Notice) to 243,658,836 (assuming that no Shares are issued and no convertible securities vest or are exercised) with the effect that the shareholding of existing Shareholders would be diluted by an aggregate of 2.88%, or 2.10% by Peter Cook, 0.63% by Mark Hepburn, 0.11% by John Braham and 0.04% by Jake Russell;
- (n) the trading history of the Shares on ASX in the 12 months before the date of this Notice is set out below:

	Price	Date
Highest	\$0.27	25 October 2021, 29 October 2021 and 2 November 2021

Lowest	\$0.115	17 August 2022
Last	\$0.13	29 August 2022

- (o) the Board is not aware of any other information that is reasonably required by Shareholders to allow them to decide whether it is in the best interests of the Company to pass Resolutions 3 to 6.



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## GLOSSARY

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**\$** means Australian dollars.

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

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

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

**Company** means Castile Resources Limited (ACN 124 314 085).

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

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

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

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

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

**Key Management Personnel** has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, of the consolidated entity, directly or indirectly, including any director (whether executive or otherwise) of the Company, or if the Company is part of a consolidated entity, of an entity within the consolidated group.

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

**Nexia** means Nexia Perth Corporate Finance Pty Ltd (ABN 84 009 342 661)

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

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

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

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

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

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

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

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

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

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## SCHEDULE 1 – TERMS OF OPTIONS

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(a) **Entitlement**

Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

(b) **Exercise Price**

Subject to paragraph (i), the amount payable upon exercise of each Option will be \$0.20 (**Exercise Price**).

(c) **Expiry Date**

Each Option will expire at 5:00 pm (WST) on 9 August 2024 (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

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

(e) **Notice of Exercise**

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

(f) **Exercise Date**

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

(g) **Timing of issue of Shares on exercise**

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

- (i) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under (g)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the

Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(h) **Shares issued on exercise**

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

(i) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(j) **Participation in new issues**

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

(k) **Change in exercise price**

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

(l) **Transferability**

The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

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## SCHEDULE 2 – VALUATION OF OPTIONS

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The Options to be issued to the Directors pursuant to Resolutions 3 to 6 have been valued by Nexia.


Using the Hoadley's Employee Stock Option Pricing Model and based on the assumptions set out below, the Options were ascribed the following value:


<b>Assumptions:</b>	
Valuation date	26 August 2022
Market price of Shares	12.5 cents (being the share price on the valuation date)
Exercise price	20 cents
Expiry date (length of time from issue)	9 August 2024 (1.96 years)
Risk free interest rate <sup>2</sup>	2.99%
Volatility (discount) <sup>3</sup>	80%
<b>Indicative value per Option</b>	3.86 cents
<b>Total Value of Options</b>	\$67,839
- Peter Cook (Resolution 3)	\$49,517
- Mark Hepburn (Resolution 4)	\$14,855
- John Braham (Resolution 5)	\$2,476
- Jake Russell (Resolution 6)	\$990

**Notes:**

1. The valuation noted above is not necessarily the market price that the Options could be traded at and is not automatically the market price for taxation purposes.
2. Continuously compounded rate based on the discrete two-year Australian Government bond yields at 26 August 2022.
3. Estimated based on the Company's historical volatility and consideration of 20 selected ASX listed comparable companies, in the copper-gold exploration phase with similar market capitalisation, over the relevant historical period.

## Need assistance?

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

 **Online:**  
[www.investorcentre.com/contact](http://www.investorcentre.com/contact)



## YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **10:00am (AWST) on Wednesday, 5 October 2022.**

# Proxy Form

## How to Vote on Items of Business

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

### APPOINTMENT OF PROXY

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

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

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

**A proxy need not be a securityholder of the Company.**

## SIGNING INSTRUCTIONS FOR POSTAL FORMS

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

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

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

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

## PARTICIPATING IN THE MEETING

### Corporate Representative

If a representative of a corporate securityholder or proxy is to participate in the meeting you will need to provide the appropriate "Appointment of Corporate Representative". A form may be obtained from Computershare or online at [www.investorcentre.com/au](http://www.investorcentre.com/au) and select "Printable Forms".

## Lodge your Proxy Form:

### Online:

Lodge your vote online at [www.investorvote.com.au](http://www.investorvote.com.au) using your secure access information or use your mobile device to scan the personalised QR code.

Your secure access information is



**Control Number: 181272**

**SRN/HIN:**

For Intermediary Online subscribers (custodians) go to [www.intermediaryonline.com](http://www.intermediaryonline.com)

### By Mail:

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

### By Fax:

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



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

You may elect to receive meeting-related documents, or request a particular one, in electronic or physical form and may elect not to receive annual reports. To do so, contact Computershare.

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

# Proxy Form

Please mark  to indicate your directions

## Step 1 Appoint a Proxy to Vote on Your Behalf

I/We being a member/s of Castile Resources Ltd hereby appoint

the Chairman of the Meeting **OR**

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

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the General Meeting of Castile Resources Ltd to be held at Suite 1, 295 Rokeby Road, Subiaco, WA 6008 on Friday, 7 October 2022 at 10:00am (AWST) and at any adjournment or postponement of that meeting.

## Step 2 Items of Business

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

		For	Against	Abstain
Resolution 1	Ratification of Prior Issue of Placement Shares and Options – Listing Rule 7.1	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Ratification of Prior Issue of Shares – Listing Rule 7.1A	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Approval for Related Party Participation in Placement – Peter Cook	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Approval for Related Party Participation in Placement – Mark Hepburn	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Approval for Related Party Participation in Placement – John Braham	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Approval for Related Party Participation in Placement – Jake Russell	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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

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

Individual or Securityholder 1 <input type="text"/>	Securityholder 2 <input type="text"/>	Securityholder 3 <input type="text"/>	/ /
Sole Director & Sole Company Secretary	Director	Director/Company Secretary	Date

### Update your communication details *(Optional)*

Mobile Number  Email Address

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

