

Summary of the Rights in relation to Your PHOENIX SHARES

1.1 Rights and liabilities attached to Phoenix Shares

The rights, obligations, and liabilities of Phoenix Shareholders and the terms of which the affairs of Phoenix are regulated are set out in the Phoenix Shareholders' Agreement and Phoenix Constitution (which includes the Custodian Terms). A summary of the key rights, obligations, and liabilities attaching to Phoenix Shares is set out below.

The summary below does not set out all rights, obligations, and liabilities of the Phoenix Shareholders or restrictions which those Phoenix Shareholders will be subject to under the Phoenix Shareholders' Agreement and should be read subject to the full terms of the Phoenix Shareholders' Agreement and the Phoenix Constitution (including the Custodian Terms).

The Phoenix Shareholders' Agreement and Phoenix Constitution provide that the terms of the Phoenix Shareholders' Agreement will prevail in the event of any inconsistency between the provisions of the Phoenix Shareholders' Agreement and the Phoenix Constitution.

Issue and ranking

Immediately following the implementation of the Demerger Scheme, Phoenix has one class of shares in issue, being fully paid ordinary shares in Phoenix (Phoenix Shares). Each Phoenix Share ranks equally with each other Phoenix Share from the date of issue.

Persons who become Phoenix Shareholders will have rights under the Phoenix Shareholders' Agreement and the Phoenix Constitution (including the Custodian Terms).

For further details see rules 2, 4, and 10 of the Phoenix Constitution.

Dividends

The payment of any dividends will be at the sole discretion of the Phoenix Directors, subject to the Australian Corporations Act, the Phoenix Shareholders' Agreement, and the Phoenix Constitution. Each Phoenix Share will rank equally for the payment of dividends.

For further details see clause 7.4 of the Phoenix Shareholders' Agreement and rule 4 of the Phoenix Constitution.

Appointment of Phoenix Directors and the chairperson

The Phoenix Board will consist of a minimum of 1 director and a maximum of 5 directors.

A Phoenix Shareholder who holds more than 50 per cent. of the Phoenix Shares will have the right to appoint up to 5 Phoenix Directors.

If no Phoenix Shareholder holds more than 50 per cent. of the Phoenix Shares, then any Phoenix Shareholder who holds more than 25 per cent. of the Phoenix Shares but not more than 40 per cent. of the Phoenix Shares will have the right to appoint 1 Phoenix Director, and any Phoenix Shareholder who holds more than 40 per cent. of the Phoenix Shares but not more than 50 per cent. of the Phoenix Shares will have the right to appoint 2 Phoenix Directors.

If no Phoenix Shareholder holds more than 25 per cent. of the Phoenix Shares, all Phoenix Directors will be appointed by ordinary resolution of the Phoenix Shareholders until such time that a Phoenix Shareholder does hold more than 25 per cent. of the Phoenix Shares.

The Phoenix Shareholder who holds the largest number of Phoenix Shares will be entitled to nominate which Phoenix Director will act as chairperson.

Phoenix Shareholders who are affiliated by a relationship of common control (which may be the case where a person indirectly holds shares in Phoenix through multiple shareholder vehicles) will be treated as a single shareholder (and their shareholdings in Phoenix aggregated) for the purposes of determining the right to appoint Phoenix Directors and the chairperson.

For further details see clause 4 of the Phoenix Shareholders' Agreement and rule 7 of the Phoenix Constitution.

Decisions of Phoenix Directors and quorum for meetings

The day to day business, management, policies, and strategic direction of Phoenix are to be determined by the Phoenix Board and any executive team appointed by the Phoenix Board.

Each Phoenix Director will have one vote and all decisions of the Phoenix Board will be made by majority vote, unless expressed otherwise in the Phoenix Shareholders' Agreement. The Phoenix Director who is nominated to act as chairperson will have a casting vote.

A Phoenix Director who has a material interest in a matter that is being considered by the Phoenix Board may consider the matter in question and vote on the matter provided that the general nature and extent of that interest has been disclosed to all of the Phoenix Directors.

The quorum for a meeting of the Phoenix Board will be at least a majority of the total number of Phoenix Directors. If a quorum is not present the meeting will be adjourned to the following day. The quorum at an adjourned meeting will be any 2 Phoenix Directors.

For further details see clauses 5 and 7 of the Phoenix Shareholders' Agreement and rules 7 and 8 of the Phoenix Constitution.

Shareholder voting

Subject to the requirements of the Australian Corporations Act and

the Phoenix Shareholders' Agreement, the Phoenix Shareholders' Agreement prescribes certain matters that must be approved by Phoenix Shareholders which collectively hold holding more than

75 per cent. of the Phoenix Shares (Majority Shareholder Approval). These matters include:

- i. increasing or decreasing the maximum number of Phoenix Directors permitted on the Phoenix Board;
- ii. reorganising the capital structure of Phoenix;
- iii. issuing securities in Phoenix pursuant to a management equity plan which exceeds 10 per cent. of the total share capital of Phoenix;
- iv. amending or restating the Phoenix Constitution; and
- v. varying the rights attached to Phoenix Shares.

For further details see clause 5.4 and Schedule 3 of the Phoenix Shareholders' Agreement and rule 6 of the Phoenix Constitution.

Quorum of meeting of Phoenix Shareholders

The quorum for a general meeting of Phoenix Shareholders will be Phoenix Shareholders collectively holding more than 50 per cent. of the Phoenix Shares. If a quorum is not present the meeting will be adjourned for 3 business days. The quorum at an adjourned meeting will be at least 2 Phoenix Shareholders who collectively hold more than 25 per cent. of the Phoenix Shares.

For further details see clause 5.7 of the Phoenix Shareholders' Agreement and rule 6 of the Phoenix Constitution.

Issue of further Phoenix Shares

If Phoenix proposes to issue any new securities it must first offer the existing Phoenix Shareholders the rights to subscribe for those Phoenix Shares on a pro rata basis to their existing shareholdings in Phoenix. Any Phoenix Shares not taken up by existing Phoenix Shareholders through the pre-emptive offer process may be issued to a third party investor.

These pre-emptive rights on new issuances are subject to certain exceptions which permit Phoenix to issue new securities in certain circumstances without giving other Phoenix Shareholders a right to subscribe for those new securities.

Phoenix is not required to offer Phoenix Shares to any Phoenix Shareholder if the law of the jurisdiction in which that Phoenix Shareholder resides prescribe that such an offer would require Phoenix to prepare a disclosure document.

For further details see clause 6 of the Phoenix Shareholders' Agreement and rule 2 of the Phoenix Constitution.

Emergency Funding

If the Phoenix Board determines that an injection of funds is appropriate in order to prevent Phoenix or any of its subsidiaries from becoming insolvent or defaulting under any external debt financing, the Phoenix Board may arrange for any Phoenix Shareholder or Phoenix Shareholders to provide funding to Phoenix on an emergency basis (including through a loan or the issue of Phoenix Shares or other debt or equity securities). Following the provision of such emergency funding, Phoenix and the Phoenix Shareholder(s) that provided the emergency funding must offer a catch up right to all other Phoenix Shareholders to retrospectively participate in the emergency funding by acquiring a portion of the emergency funding arrangement. The catch up right will be offered to Phoenix Shareholders on a pro rata basis to their existing shareholdings in Phoenix immediately before the emergency funding took place.

For further details see clause 6.9 of the Phoenix Shareholders' Agreement.

Transfer of Phoenix Shares

Phoenix Shareholders are permitted to transfer their shares provided

that prior to any such transfer the transferee executes a deed of accession to the Phoenix Shareholders' Agreement binding that transferee to the terms of the Phoenix Shareholders' Agreement.

Phoenix Shareholders must not permit any security interest to exist over its Phoenix Shares without the prior approval of the Phoenix Board.

For further details see clause 9 of the Phoenix Shareholders' Agreement and rule 5 of the Phoenix Constitution.

Liquidity Event and dragalong rights

Phoenix Shareholders who collectively hold more than 50 per cent. of the Phoenix Shares (Phoenix Shareholder Majority) may require that Phoenix implement a "Liquidity Event". A "Liquidity Event" includes:

- i. the sale of all or substantially all of the Phoenix Shares;
- ii. the sale of all or substantially all of the assets of Phoenix and any wholly owned subsidiaries that Phoenix may have;
- iii. a merger or consolidation pursuant to which the Phoenix Shareholders will hold less than a majority of the resulting merged entity;
- iv. an IPO;
- v. a demerger or disposal of rights in relation to particular Industrial Minerals Rights or subset of Industrial Minerals Rights;
- vi. the liquidation, dissolution, or winding up of Phoenix; or
- vii. any other return of all or substantially all of the capital by Phoenix to the Phoenix Shareholders.

If a Liquidity Event is initiated, each Phoenix Shareholder must, among other things, act in accordance with directions from the Phoenix Board and the Phoenix Shareholder Majority to ensure the Liquidity Event occurs successfully in accordance with the requirements of the Phoenix Shareholder Majority.

If a Phoenix Shareholder holds 10 per cent. or more of the Phoenix Shares, it may be required to put in escrow some of its relevant securities in connection with a Liquidity Event which is an IPO.

For further details see clause 11 of the Phoenix Shareholders' Agreement and rule 10 of the Phoenix Constitution.

Restructuring events

Phoenix Shareholders may be directed by the Phoenix Board to participate in a restructure of the capital of Phoenix, provided that if Phoenix Shareholders are required to exchange their Phoenix Shares as part of the restructure, the consideration each Phoenix Shareholder receives must be same for all Phoenix Shares or securities of the same class issued on the same terms.

For further details see clause 9.5 of the Phoenix Shareholders' Agreement.

Tag along rights

If Phoenix Shareholders which collectively hold more than 40 per cent. of the Phoenix Shares (Selling Shareholders) intend to dispose of any Phoenix Shares to a non-affiliated third party, the Selling Shareholders must provide a tag along option to the other Phoenix Shareholders.

The tag along option allows Phoenix Shareholders to request the Selling Shareholders to include in the disposal the same proportion of their Phoenix Shares as the proportion of the Selling Shareholders' Phoenix Shares of which they are disposing.

For further details see clause 10 of the Phoenix Shareholders' Agreement.

Compulsory transfer

A Phoenix Shareholder will be subject to a compulsory disposal regime where an "Event of Default" has occurred in relation to it. An Event of Default occurs where:

- i. a Phoenix Shareholder breaches any material obligation under the Phoenix Shareholders' Agreement and such breach remains unremedied for 14 days after that Phoenix Shareholder has been given notice of the breach by Phoenix or another Phoenix Shareholder;
- ii. a Phoenix Shareholder is prohibited from being a holder of securities in Phoenix by change in any law;
- iii. an Insolvency Event occurs in relation to a Phoenix Shareholder; or
- iv. a Phoenix Shareholder purports to transfer any of its Phoenix Shares in breach of the Phoenix Shareholders' Agreement, the Phoenix Constitution, or any other obligations which applies to the Phoenix Shares.

Under the compulsory disposal regime, the Phoenix Board may require that the Phoenix Shares of the defaulting Phoenix Shareholder (Compulsory Transfer Shares) are transferred or bought back on a compulsory basis.

The price payable for each of the Compulsory Transfer Shares will be 90 per cent. of the fair money value of the Compulsory Transfer Shares as determined by the Phoenix Board in good faith. Where the Compulsory Transfer Shares represents at least 5 per cent. of all Phoenix Shares, the defaulting Phoenix Shareholder may elect to have the fair money value of the

Compulsory Transfer Shares determined by an independent valuer.

For further details see clause 12 and Schedule 5 of the Phoenix Shareholders' Agreement.

Custodian arrangements

A Phoenix Shareholder other than:

- i. Tulla Resources Group Pty Ltd which currently owns more than 50 per cent. of the issued capital of Phoenix and who has agreed to be bound by the terms of the Phoenix Constitution and Phoenix Shareholders' Agreement holds its Phoenix Shares directly as legal owner; or
- ii. Any other Phoenix Shareholder who holds at least 5 per cent. of the entire issued capital of Phoenix or has received approval from the Phoenix Board (at its discretion) to hold legal title to its Phoenix Shares directly, and who requests a transfer from the Custodian of the Phoenix Shares in which they hold a beneficial interest,

must, under the Phoenix Shareholders' Agreement, hold legal title to their Phoenix Shares (and any other securities in Phoenix) through the Custodian, Perpetual Nominees Limited.

The intention of the custodian arrangements is that the voting, economic and other interests of the Phoenix Shareholders are unaffected by the Phoenix Shares being held by the Custodian. Phoenix Shareholders who hold their shares beneficially via the Custodian will still have the rights as if such Phoenix Shareholders were holding their Phoenix Shares directly.

Specifically, each Phoenix Shareholder who holds their shares beneficially via the Custodian:

- i. will continue to have the benefit of, and be bound by, all the provisions of the Phoenix Shareholders' Agreement which would have otherwise applied to them had they had legal title to their Phoenix Shares directly; and
- ii. undertakes to Phoenix that it will not take any action, or omit to take any action (including actions through the Custodian they would not be permitted to take under the Phoenix Shareholders' Agreement) which would breach its obligations under the Phoenix Shareholders' Agreement.

The key provisions of the Custodian Terms for a Beneficial Holders are set out in Schedule 3 of the Phoenix Constitution are:

- i. the Custodian holds the right, title, and interest in the relevant Phoenix Shares of a Beneficial Holder on a separate bare trust for that Beneficial Holder;
- ii. the Custodian must, to the maximum extent permitted by law and subject to any proper instructions given by Phoenix, act on the instructions

- of the Beneficial Holder, with the intent that the Custodian otherwise exercises day-to-day control over the operation of the bare trust in respect of that Beneficial Holder;
- iii. the Custodian will only transfer or otherwise dispose of the property of the bare trust as the relevant Beneficial Holder of that bare trust or any attorney on behalf of that Beneficial Holder directs;
 - iv. each Beneficial Holder appoints the Custodian as its attorney to, among other things, execute all proxies and forms of transfer and exercise all voting rights in respect of the Beneficial Holder's relevant Phoenix Shares;
 - v. Phoenix will procure that any cash distribution or dividend that would otherwise be paid to the Custodian in respect of Phoenix Shares held by the Custodian a bare trustee for any Beneficial Holder is paid directly to the Beneficial Holder in place of the Custodian (or as it directs); and
 - vi. each Beneficial Holder indemnifies the Custodian for all claims and liabilities which the Custodian incurs arising out of or in connection with:
 - a. anything done by the Custodian at the instructions of that Beneficial Holder;
 - b. by reason of that Beneficial Holder's Phoenix Shares and other Phoenix securities being registered in the name of the Custodian; and
 - c. any breach of the Phoenix Shareholders' Agreement or the Custodian Terms by the Beneficial Holder or the Custodian on the instructions of the Beneficial Holder.

For further details see clause 19 and Schedule 6 of the Phoenix Shareholders' Agreement, and the Custodian Terms.

Power of attorney

Each Phoenix Shareholder appoints each Phoenix Director from time

to time as its attorney, with power to act on behalf of the Phoenix Shareholders to do all acts and things (including executing documents) appropriate to, amongst other things, implement any action or transaction, or carry out any other matter, contemplated by the Phoenix Shareholders' Agreement to the extent that a Phoenix Shareholder has failed to act in the manner required by the Phoenix Shareholders' Agreement.

For further details see clauses 11.6 and 12.6 of the Phoenix Shareholders' Agreement.

Information rights and confidentiality

All Phoenix Shareholders will be entitled to receive the unaudited annual financial statements of Phoenix and any wholly owned subsidiaries which Phoenix may have from time to time and unaudited profits and loss reports from each half year. Phoenix Shareholders will not have any other rights under the Phoenix Shareholders' Agreement to receive information in relation to Phoenix.

All Phoenix Shareholder and Phoenix will be bound by certain

confidentiality obligations under the Phoenix Shareholders' Agreement.

For further details see clauses 8 and 14 of the Phoenix Shareholders' Agreement.

New Phoenix Shareholders and acceding to the Phoenix Shareholders' Agreement

Any person who proposes to be issued or transferred Phoenix Shares and is not a Phoenix Shareholder, will be required to execute a deed of accession and become bound by the terms of the Phoenix Shareholders' Agreement before such shares can be issued or transferred to that person (subject to the custodian arrangements described above).

For further details see clauses 6.5 and 9 of the Phoenix Shareholders' Agreement.

Amendments to the Phoenix Shareholders' Agreement

The Phoenix Shareholders' Agreement may only be amended by written agreement between Phoenix Shareholders collectively holdings more than 75 per cent. of the Phoenix Shares.

For further details see clause 15 of the Phoenix Shareholders' Agreement.