

Lincoln Minerals Limited ACN 050 117 023

Share Purchase Plan - Terms and Conditions

Purpose

The purpose of the share purchase plan (**Plan**) is to offer shareholders of Lincoln Minerals Limited (ACN 050 117 023) (**LML** or **the Company**) the opportunity to acquire additional fully paid ordinary shares in the capital of the Company (**Shares**) up to a maximum value of \$30,000 (when combined with any Shares issued under any share purchase plan in the 12 months preceding the date of the Plan) and a minimum value of \$2,000.

Eligible Shareholders are entitled to purchase Shares at an issue price of \$0.007 per Share (**Issue Price**). The Issue Price represents a 12.3% discount to \$0.008 (being the volume weighted average market price (**VWAP**) of the Shares during the five trading days on which sales in the Shares were recorded before the day on which the Plan was announced).

The Company is intending to raise \$1,500,000 under the Plan, with the ability to accept oversubscriptions. The Shares will not attract brokerage costs and will be issued without the need for the Company to issue a prospectus. The Plan is governed upon such terms and conditions as the board of directors of the Company, in its absolute discretion, sees fit.

Eligible Shareholders will also receive one (1) free attaching unlisted Option exercisable at \$0.014 and expiring two (2) years after the date of issue for every two (2) Shares subscribed for and issued under the Plan. The offer of Options is a separate offer which will be made under a prospectus and is subject to shareholder approval, meaning that the issue of the Options is not guaranteed.

No financial advice

This document does not provide financial advice and has been prepared without taking account of any person's investment objectives, financial situation or particular needs. You should consider the appropriateness of participating in the Plan having regard to your investment objectives, financial situation and particular needs. Shareholders should seek independent financial and taxation advice before making any investment decision whether to subscribe for Shares under the Plan.

Shareholders eligible to participate

Holders of Shares that are registered with an Australian or New Zealand address at the Record Date are eligible shareholders (**Eligible Shareholders**) and may participate in the Plan, unless such registered shareholder holds Shares on behalf of another person who resides outside Australia or New Zealand. Due to foreign securities laws, it is not practical for shareholders (or beneficial shareholders) resident in other countries to be offered the opportunity to participate in the Plan.

Participation in the Plan is optional and is subject to these Terms and Conditions. Offers made under the Plan are non-renounceable (i.e. Eligible Shareholders may not transfer their rights to any Shares offered under the Plan). Eligible Shareholders who wish to take up Shares offered under the Plan agree to be bound by the Company's constitution in respect of Shares issued under the Plan.

An offer may, at the discretion of the Directors of the Company, be made under the Plan once a year. The maximum amount which any shareholder may subscribe for in any consecutive 12-month period is \$30,000. The Directors of the Company may also determine in their discretion the minimum amount for participation, the multiple of Shares to be offered under the Plan and the period the offer is available to Eligible Shareholders.

Custodians, trustees and nominees

If you are an Eligible Shareholder and hold Shares as a custodian (as defined in ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547 (**ASIC CI 2019/547**) (refer below) (**Custodian**) or in any more specific ASIC relief granted to the Company in relation to the Plan), you may apply for new Shares up to the value of \$30,000 for each beneficiary for whom you act as custodian provided you complete and submit, together with an Application, a certificate (**Custodian Certificate**) with the following information:

- (a) that you held Shares on behalf of:
 - (i) one or more other persons that are not custodians; and/or
 - (ii) another custodian (**Downstream Custodian**) that holds beneficial interests in Shares on behalf of one or more other persons who are resident in Australia or New Zealand, to which those beneficial interests relate,

(each a **Participating Beneficiary**) at the Record Date who have subsequently instructed you, and/or the Downstream Custodian, to apply for Shares under the Plan on their behalf;
- (b) the number of Participating Beneficiaries and their names and addresses;
- (c) the number of Shares that you hold on behalf of each Participating Beneficiary;
- (d) the number or dollar amount of Shares that each Participating Beneficiary has instructed you, either directly or indirectly through a Downstream Custodian, to apply for on their behalf;
- (e) that the application price for Shares applied under the Offer for each Participating Beneficiary for whom you act in addition to the application price for any other Shares issued to you as Custodian (as a result of instruction given to you as Custodian or a Downstream Custodian) for that Participating Beneficiary under any arrangement similar to the Plan in the prior 12 months does not exceed \$30,000;
- (f) that a copy of the written Offer document was given to each Participating Beneficiary; and
- (g) where you hold Shares on behalf of a Participating Beneficiary indirectly, through one or more Downstream Custodians, the name and address of each Downstream Custodian.

For the purposes of ASIC CI 2019/547 you are a '**Custodian**' if you provide a custodial or depository service in relation to shares of a body or interests in a registered scheme and you:

- (a) hold an Australian financial services licence covering the provision of a custodial or depository service;
 - (b) are exempt from the requirement to hold an Australian financial services licence covering the provision of a custodial or depository service;
 - (c) hold an Australian financial services licence covering the operation of an IDPS or is a responsible entity of an IDPS-like scheme;
 - (d) are a trustee of a self-managed superannuation fund or a superannuation master trust; or
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- (e) are a registered holder of shares or interests in the class and are noted on the register of members of the body or scheme as holding the shares or interests on account of another person.

If you hold Shares as a trustee or nominee for another person or persons but are not a Custodian as defined above, you cannot participate for beneficiaries in the manner described above. In this case, the rules for multiple single holdings (above) apply.

Custodians should request a Custodian Certificate when making an Application on behalf of Participating Beneficiaries. To request a Custodian Certificate and if you would like further information on how to apply, you should contact the Company's share registry at any time from 8.30am to 5.00pm (AEST) Monday to Friday during the Offer period.

The Company reserves the right to reject any Application to the extent it considers that the Application (whether alone or in conjunction with other Applications) does not comply with these requirements. The Company reserves the right to reject Applications in accordance with these Terms and Conditions.

Price of Shares

The Issue Price of \$0.007 per Share represents a discount of 12.3% of the VWAP of the Shares during the five trading days on which sales in the Shares were recorded before the day on which the Plan was announced.

The future market price of the Shares is uncertain and there is a risk that the market price of the Shares may rise or fall between the date of the Offer and the date when the Shares are issued to applicants under the Plan. Accordingly, the issue price you pay for Shares under the Plan may either be higher or lower than market price of the Shares trading on the ASX at the time the Shares are issued to you under the Plan. The market price for the Shares on the ASX can be obtained from your stockbroker or the ASX's website.

Applications and notices

At the discretion of the Directors of the Company, the Company will send Eligible Shareholders a letter of offer and acceptance procedures, inviting them to subscribe for Shares under the Plan, and accompanied by these Terms and Conditions of the Plan and an Application Form. Applications will not be accepted after the Closing Date of the Offer, being **24 May 2024**. Oversubscriptions to the Offer may be refunded without interest, if not accepted by the Company.

Notices and statements made by the Company to participants may be given in any manner prescribed by the Company's Constitution.

Acknowledgement

By completing an Application and making the associated payment in accordance with the options on your Application Form, you:

- (a) irrevocably and unconditionally agree to the terms and conditions of the Plan and the terms and conditions of the Application Form and agree not to do any act or thing that would be contrary to the spirit, intention or purpose of the Plan;
 - (b) warrant that all details and statements in your Application are true and complete and not misleading;
 - (c) agree that your Application will be irrevocable and unconditional (that is, it cannot be withdrawn even if the market price of the Shares is less than the Price);
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- (d) warrant that you are an Eligible Shareholder and are eligible to participate in the Plan;
 - (e) acknowledge that no interest will be paid on any application monies held pending the issue of Shares under the Plan or subsequently refunded to you for any reason;
 - (f) acknowledge that the Company and its officers and agents, are not liable for any consequences of the exercise or non-exercise of its discretions referred to in these Terms and Conditions;
 - (g) acknowledge and agree that if you are acting as a trustee, nominee or Custodian, each beneficial holder on whose behalf you are participating is resident in Australia or New Zealand, and you have not sent these Terms and Conditions, an Offer document, or any materials relating to the Plan, to any person outside Australia and New Zealand;
 - (h) if you are applying on your own behalf (and not as a Custodian), acknowledge and agree that:
 - (i) you are not applying for Shares with an application price of more than \$30,000 under the Plan (including by instructing a Custodian to acquire Shares on your behalf under the Plan); and
 - (ii) the total of the application price for the following does not exceed \$30,000:
 - (A) the Shares the subject of the Application;
 - (B) any other Shares issued to you under the Plan or any similar arrangement in the 12 months before the Application (excluding Shares applied for but not issued);
 - (C) any other Shares which you have instructed a Custodian to acquire on your behalf under the Plan; and
 - (D) any other Shares issued to a Custodian in the 12 months before the Application as a result of an instruction given by you to the Custodian to apply for Shares on your behalf under an arrangement similar to the Plan.
 - (i) if you are a Custodian and are applying on behalf of a Participating Beneficiary on whose behalf you hold Shares, acknowledge and agree that:
 - (i) you are a Custodian (defined above);
 - (ii) you hold Shares (directly or indirectly) on behalf of one or more Participating Beneficiaries;
 - (iii) you held Shares on behalf of the Participating Beneficiary as at the Record Date who has instructed you to apply for Shares on their behalf under the Plan;
 - (iv) each Participating Beneficiary on whose behalf you are applying for Shares has been given a copy of this document;
 - (v) the application price for the Shares applied for on behalf of the Participating Beneficiary, and any other Shares applied for on their behalf
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under a similar arrangement in the previous 12 months (excluding Shares applied for but not issued), does not exceed \$30,000; and

- (vi) the information in the Custodian Certificate submitted with your Application is true, correct and not misleading;
- (j) agree to be bound by the constitution of the Company (as amended from time to time);
- (k) acknowledge that none of the Company, its advisers or agents, has provided you with any financial product or investment advice or taxation advice in relation to the Plan, or has any obligation to provide such advice; and
- (l) authorise the Company, and its officers and agents, to correct minor or easily rectified errors in, or omissions from, your Application including the Application Form and to complete the Application by the insertion of any missing detail.

Top Up Placement

Additionally, the Company has agreed to grant Canaccord the right to facilitate an offer of Shares to raise up to an additional \$1,500,000 through a placement (**Placement**). The issue price for Shares under the Placement will be the same as under the SPP. The Shares under the Placement will be issued utilising the Company's available capacity under ASX Listing Rules 7.1 and 7.1A.

Underwriting

The SPP is underwritten to the amount of \$1,500,000 (**Underwritten Amount**). The Company reserves the right to accept oversubscriptions under the SPP at its absolute discretion. The underwriting agreement between the Company and Canaccord contains customary conditions, warranties and undertakings and is subject to various termination events exercisable by Canaccord.

In the event that Eligible Shareholders subscribe for an amount less than the Underwritten Amount (**Subscription Amount**), Shares to the value of the difference between the Subscription Amount and the Underwritten Amount will be placed to nominees or sub-underwriters of Canaccord (**Shortfall Shares**). The placement of any Shortfall Shares to nominees of Canaccord is subject to the Company having the capacity to do so under the ASX Listing Rules and, at the date of the Offer, such capacity being available to the Company.

The Company will pay the Underwriter a 4% underwriting/selling fee and a 2% management fee on the gross total amount raised under the Plan and Placement (if any) as well as issuing the Underwriter 30,000,000 Options on the same terms as the Options offered under the SPP and Placement.

The Company will be utilising available capacity under ASX Listing Rule 7.1 to issue Shares pursuant to the Underwriting Agreement and to conduct the Placement. If available capacity under ASX Listing Rule 7.1 is insufficient, then it will utilise capacity under ASX Listing Rule 7.1A.

Issue of Shares

Shares to be issued under the Plan will be issued as soon as reasonably practicable after the Closing Date and in any event no more than five business days after the Closing Date.

All Shares issued under the Plan will rank equally in all respects with all other fully paid ordinary shares in the capital of the Company from the date of issue.

Holding statements or CHESS notification will be issued in respect of all Shares issued under the Plan. The Company will, promptly after the issue of Shares under the Plan, make an application for those Shares to be quoted on ASX.

Modification and termination of the Plan

The Company may modify or terminate the Plan at any time. The Company will notify ASX of any modification to, or termination of, the Plan. The omission to give notice of any modification to, or termination of, the Plan or the failure of ASX to receive such notice will not invalidate the modification or termination.

Without limiting the above, the Company may issue to any person fewer Shares than the person applied for, or issue that person no Shares at all, under the Plan if the issue of Shares applied for would contravene any applicable law, ASIC requirements (including under ASIC CI 2019/547) or policy or any ASX Listing Rules.

Raising amount and scale back

While the Company is seeking to raise \$1,500,000 under the Plan, the Company reserves the right to accept oversubscriptions at its absolute discretion. The Company reserves absolute discretion regarding the final amount raised under the Plan subject to compliance with the ASX Listing Rules. In accordance with the ASX Listing Rules, the maximum number of Shares that can be issued under the SPP is that number which is equal to 30% of the number of Shares already on issue.

In the event of oversubscriptions, the Directors of the Company may, in their absolute discretion, increase the amount raised under the Plan (in accordance with the ASX Listing Rule parameters) or alternatively scale-back all Applications on an equitable basis. If the Company rejects or scales-back an Application or purported Application, the Company will promptly return to the applicant the relevant application monies, without interest. Scale-back decisions are made by the Directors of the Company and are final.

Dispute resolution

The Company may, in any manner it thinks fit, settle any difficulties, anomalies or disputes which may arise in connection with or by reason of the operation of the Plan, whether generally or in relation to any participant, Application or Shares. The decision of the Company in this respect will be conclusive and binding on all shareholders and other persons to whom that determination relates.

The Company reserves the right to waive strict compliance with any provision of these Terms and Conditions. The powers of the Company under these Terms and Conditions may be exercised by the Directors of the Company or any delegate of the Directors of the Company.

Questions and contact details

If you have any questions regarding the Plan or how to deal with this Offer, please contact your accountant, financial adviser, stockbroker, lawyer or other professional adviser or Andrew Metcalfe, the Company Secretary by email at andrew.metcalfe@lincolnminerals.com.au.
