



**CENTAUR RESOURCES LIMITED ACN 625 184 947 ('COMPANY')**

Level 1, 80 Chandos Street, St Leonards, NSW 2065

Telephone: +61 2 9906 6225, E-mail: [info@centaurresources.com](mailto:info@centaurresources.com)

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## **CENTAUR RESOURCES LIMITED**

**ACN 625 184 947**

### **NOTICE OF GENERAL MEETING**

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**Time:** 11:00 am (AEST)

**Date:** Monday 28 June 2021

**Place:** Automic Group, Level 5, 126 Phillip Street, Sydney NSW 2000  
Australia

#### **THIS IS AN IMPORTANT DOCUMENT THAT REQUIRES YOUR ATTENTION**

You should read this document in its entirety before deciding whether or not to vote for or against any resolution at the General Meeting (**Meeting**). If you are in doubt as to how you should vote, you should seek advice from your accountant, solicitor or other professional adviser 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 as Shareholders at 11:00am (AEST) on 28 June 2021.

If you have questions about the Meeting or the resolution to be voted on, please contact the Company Secretary on +61 2 9906 6225.

This Notice of the Meeting, together with the Explanatory Statement (**Notice**) will be mailed to all Shareholders. Shareholders can also access a copy of the Notice using the link to be provided via email

Due to the uncertainty regarding the level of COVID-19 travel restrictions around the time of the Meeting, the Company has determined that Shareholders will have the opportunity to participate in the Meeting virtually only through an online platform using the following link

[https://us02web.zoom.us/webinar/register/WN\\_dsmrzOXbQRyxLRqd8Eu5lw](https://us02web.zoom.us/webinar/register/WN_dsmrzOXbQRyxLRqd8Eu5lw)

This link will also be included in the email from Automic.

**If you are unable to attend the Meeting virtually, you are encouraged to complete and submit the proxy form. A pro-forma of this is attached to this Notice (Proxy Form). In the email from Automic you will receive a link to your shareholding record through which you can record your proxy vote.**

# NOTICE OF GENERAL MEETING

NOTICE IS HEREBY GIVEN that the General Meeting of Shareholders of Centaur Resources Limited ACN 625 184 947 (**Company**) will be held at 11.00 am (AEST) on Monday 28 June 2021 at the offices of Automic Group, Level 5, 126 Phillip Street, Sydney NSW 2000 Australia. Due to the uncertainty regarding the level of COVID-19 travel restrictions around the time of the Meeting, Shareholders will not be permitted to attend the Meeting in person and instead are invited to participate in the Meeting by weblink virtually.

If you wish to virtually attend the Meeting (which will be broadcast as a live webinar), please pre-register in advance for the virtual meeting using the link below, which will also be provided via email:

[https://us02web.zoom.us/webinar/register/WN\\_dsmrzOXbQRyxLRgd8Eu5lw](https://us02web.zoom.us/webinar/register/WN_dsmrzOXbQRyxLRgd8Eu5lw)

After registering, you will receive confirmation containing information on how to attend the virtual meeting on the day of the Meeting.

The Explanatory Statement that accompanies and forms part of this Notice of General Meeting (together, **Notice**) provides additional information on matters to be considered at the Meeting. The Proxy Form also forms part of this Notice. Shareholders are encouraged to read the Explanatory Statement carefully before deciding how to vote.

The Notice will be mailed to all Shareholders and Shareholders can also access a copy of the Notice using the link in the email from Automic.

## ELIGIBILITY TO VOTE

The Directors have determined pursuant to regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the Meeting are those who are registered as Shareholders at 11:00 am (AEST) on 28 June 2021.

## IMPACT OF COVID-19 ON THE MEETING

While we look forward to meeting with Shareholders at the Meeting, the health and safety of our Shareholders and our people is our first priority.

Due to the uncertainty regarding the level of COVID-19 travel restrictions around the time of the Meeting, Shareholders will not be permitted to attend the Meeting in person and instead are invited to participate in the Meeting by weblink virtually.

## ONLINE VOTING

### ***How do I create an account with Automic?***

To create an account with Automic, please go to the Automic website (<https://investor.automic.com.au/#/home>), click on 'register' and follow the steps. Shareholders will require their holder number (Securityholder Reference Number (SRN)) to create an account with Automic.

### ***I have an account with Automic. What are the next steps?***

Shareholders who have an existing account with Automic (note: with a username and password) are advised to take the following steps to attend and vote virtually on the day of the Meeting:

1. **(Login)** Login to the Automic website (<https://investor.automic.com.au/#/home>) using your username and password.
2. **(Registration on the day)** If registration for the virtual meeting is open, click on 'Meeting open for registration' and follow the steps.
3. **(Live voting on the day)** If live voting for the virtual meeting is open, click on 'Meeting open for voting' and follow the steps.

The Board is committed to providing Shareholders with a reasonable opportunity to participate at the Meeting. Whilst we do not expect technical issues during the virtual Meeting, if there are technical issues experienced at the virtual Meeting, please choose from the following selection to phone into the Meeting.

Dial (for higher quality, dial a number based on your current location):

Australia: +61 3 7018 2005 or +61 7 3185 3730 or +61 8 6119 3900 or +61 8 7150 1149 or +61 2 8015 6011

Singapore: +65 3158 7288 or +65 3165 1065

Webinar ID: 885 0117 0164

International numbers available: <https://us02web.zoom.us/j/kckdWtUxM8>

**The Board recommends that Shareholders Vote in favour of the Resolution the subject of this Notice.**

**The Company also wishes to inform Shareholders that the Chair intends to exercise all available proxies in favour of the Resolution.**

## Proxies

In light of the COVID-19 pandemic, the Company encourages all shareholders to vote by lodging a directed Proxy Form before 11.00 am (AEST) on Saturday 26 June 2021 by using one of the following methods:

<b>Online</b>	Lodge the Proxy Form online at <a href="https://investor.automic.com.au/#/loginah">https://investor.automic.com.au/#/loginah</a> by following the instructions: Login to the Automic website using the holding details as shown on the Proxy Form.  From the email sent by Automic:  Click on 'View Meetings' - 'Vote'. To use the online lodgement facility, Shareholders will need their holder number (Securityholder Reference Number (SRN)) as shown on the front of the Proxy Form.
<b>By Post</b>	Automic, GPO Box 5193, Sydney NSW 2001
<b>By Hand</b>	Due to COVID-19 restrictions, hand delivery of proxies will not be available.

All proxies (whether directed or undirected proxies) received by Automic before 11.00 am (AEST) on Saturday 26 June 2021 will be deemed to be irrevocable proxies. Shareholders agree that, once they have submitted a proxy, they will not be entitled to revoke their proxy nor vote in person

at the Meeting contrary to the voting intention expressed in their proxy. Proxy forms received later than 11.00 am (AEST) on Saturday 26 June 2021 will be invalid.

### **Voting Intention of the Chair for the Resolution**

Shareholders should be aware that any undirected proxies given to the Chair will be cast by the Chair and counted in favour of the Resolution, which is the subject of this Meeting, subject to compliance with the Corporations Act.

### **Technical Difficulties**

Technical difficulties may arise during the course of the Meeting. The Board is committed to providing Shareholders with a reasonable opportunity to participate at the Meeting. Whilst we do not expect technical issues during the virtual Meeting, if there are technical issues experienced at the virtual Meeting, please use the number closest to your location to dial in at the Meeting.

Dial (for higher quality, dial a number based on your current location):

Australia: +61 3 7018 2005 or +61 7 3185 3730 or +61 8 6119 3900 or +61 8 7150 1149 or +61 2 8015 6011

Singapore: +65 3158 7288 or +65 3165 1065

Webinar ID: 885 0117 0164

International numbers available: <https://us02web.zoom.us/j/88501170164>

### **Questions**

Shareholders are also encouraged to submit questions in advance of the Meeting to the Company. Questions must be submitted in writing to [info@centaurresources.com](mailto:info@centaurresources.com) at least 48 hours before the Meeting. However, Shareholders will be given an opportunity to ask questions on the day of the meeting using the Q&A function.



Wednesday 26 May 2021, by order of the Board.

**SIMON LENNON, Company Secretary**

## AGENDA

<b>Resolution 1</b>  <b>Disposal of main undertaking</b>	To consider and, if thought fit, to pass with or without amendment, the following resolution as an <b>Ordinary Resolution</b> :  <i>“That approval is given for the disposal of all of the Company’s shares in its wholly owned subsidiary, Centaur Resources Holding Pty Ltd ACN 619 915 589, being the beneficial owner of the Company’s main undertaking in Argentina, in accordance with the terms of the Sale and Purchase Agreement, a summary of which is contained in the Explanatory Statement.”</i>
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Further information in relation to each item of business is set out in the Explanatory Statement on the following page.

## PROXIES

### ***Voting by proxy***

In accordance with section 249L(1)(d) of the Corporations Act:

- (a) a Shareholder entitled to attend and vote is entitled to appoint not more than two persons as his or her proxy to attend and vote instead of the Shareholder;
- (b) a proxy need not be a Shareholder of the Company; and
- (c) if more than one proxy is appointed, the proxy form may specify the proportion or number of the Shareholder’s votes that each proxy may exercise. If the proxy form does not specify a proportion or number of votes, then each proxy may exercise half of the Shareholder’s votes.

In accordance with clause 14.18 of the Company’s Constitution:

- (a) an instrument appointing a proxy must be in writing signed by the appointor or an attorney duly authorised in writing or, if the appointor is a body corporate, signed by a duly authorised officer or attorney;
- (b) Instruments appointing a proxy may specify the manner in which the proxy is to vote in respect of a particular resolution and in that event the proxy is not entitled to vote on the resolution except as specified in the instrument;
- (c) An instrument appointing a proxy is taken to confer authority to demand or join in demanding a poll; and
- (d) Except as above, there is no required form of proxy and the Directors do not require a particular form of proxy.

### ***Proxy vote if appointment specifies way to vote***

In accordance with section 250BB of the Corporations Act, Shareholders are advised that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution. If it does:

- (a) the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (i.e. as instructed); and
- (b) if the proxy has 2 or more appointments that specify different ways to vote on the resolution-the proxy must not vote on a show of hands;
- (c) if the proxy is the Chair of the meeting at which the resolution is voted on- the proxy must vote on a poll, and must vote that way (i.e. as instructed); and
- (d) if the proxy is not the Chair of the meeting at which the resolution is voted on – the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (i.e. as instructed).

### ***Transfer of non-chair proxy to chair in certain circumstances***

Under section 250BC of the Corporations Act, the Chair is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on that resolution at that meeting if:

- (a) an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the company's members; and
- (b) the appointed proxy is not the chair of the meeting; and
- (c) at the meeting, a poll is duly demanded on the question that the resolution be passed; and
- (d) either of the following apply:
  - (i) if a record of attendance is made for the meeting – the proxy is not recorded as attending;
  - (ii) the proxy does not vote on the resolution.

### **LODGEMENT OF PROXY FORMS**

Shareholders are strongly encouraged to submit their proxies as early as possible. The Proxy Form must be received not less than 48 hours before the time for holding the Meeting (i.e. by no later than 11.00 am (AEST) on Saturday 26 June 2021 in the following manner:

<b>Online</b>	Lodge the Proxy Form online at <a href="https://investor.automic.com.au/#/loginah">https://investor.automic.com.au/#/loginah</a> by following the instructions: Login to the Automic website using the holding details as shown on the Proxy Form.  In the email from Automic:  Click on 'View Meetings' - 'Vote'. To use the online lodgement facility, Shareholders will need their
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	holder number (Securityholder Reference Number (SRN)) as shown on the front of the Proxy Form.
<b>By Post</b>	Automic, GPO Box 5193, Sydney NSW 2001
<b>By Hand</b>	Due to COVID-19 restrictions hand delivery of proxies will not be available.

If a representative of a corporate shareholder or a corporate proxy will be attending the Meeting, the representative should provide to the Share Registry prior to the Meeting adequate evidence of their appointment, unless this has previously been provided to the Share Registry.

All proxies received by Automic before 11.00 am (AEST) on Saturday 26 June 2021 will be considered irrevocable proxies, and once submitted, will not entitle the shareholder to revoke its proxy or vote in person at the Meeting contrary to the voting intention as expressed in its proxy.

# EXPLANATORY STATEMENT

This Explanatory Statement is included in and forms part of the Notice of Meeting and should be read in conjunction with the Notice of Meeting. It contains background information relating to the Resolution to be considered at the Meeting.

It is given to Shareholders to help them determine how to vote on the Resolution set out in the Notice of Meeting.

This Explanatory Statement does not take into account any person's investment objectives, financial situation, or particular needs. If you are in any doubt about what to do in relation to the Meeting you should consult your financial or other professional adviser.

## Forward Looking Statements

The forward looking statements in this Explanatory Statement are based on the Company's current expectations about future events. They are, however, subject to the known and unknown risks, uncertainties and assumptions, many of which are outside the control of the Company and the Directors, which could cause actual results, performance or achievements to differ materially from future results, performance or achievements expressed or implied by the forward looking statements in this Explanatory Statement. Forward looking statements include those containing words such as 'anticipate', 'estimates', 'should', 'will', 'expects', 'plans', or similar expressions.

## 1 Resolution 1: Disposal of Main Undertaking

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### 1.1 Background

As advised to Shareholders on 2 March 2021 and 30 March 2021, the Company proposes to sell the entire issued share capital of its wholly owned subsidiary being Centaur Resources Holdings Pty Ltd ACN 619 915 589 (**CRHPL**) (**Sale Shares**), which beneficially owns all of the Centaur group's assets and business in Argentina to Arena Minerals Inc., a resources company registered in the Canada and listed on the TSX Venture Exchange (TSXV: AN) (**Buyer**) (**Proposed Sale**). The Company and the Buyer signed a Sale and Purchase Agreement (**Sale and Purchase Agreement**) on 21 May 2021 in respect of the Proposed Sale. That Agreement is conditional upon, among other things, approval of the Proposed Sale by the Company's Shareholders at the Meeting.

As outlined in previous updates to Shareholders, during 2019 the Company raised capital and completed an initial drilling programme at its Pacha lithium project, which allowed it to:

- (a) generate a resource estimate totalling 801,000t LCE;
- (b) complete a preliminary economic study (PEA) for Pacha through Worley Parsons which will be published once outstanding invoices are settled;
- (c) pay and secure the Marmol tenement package; and
- (d) sign a 25-year agreement with a local power plant to provide land, power, and heat for a possible treatment plant in Salta.

These milestones have substantially de-risked the project and affirmed the quality of the project.



During 2020 and early 2021, the Company devoted significant time and effort to raise funding in order to:

- (a) pay out current creditors;
- (b) take the Company to a debt free state;
- (c) undertake a pilot study and process program; and
- (d) commence a mine feasibility study (DFS).

## 1.2 Reasons for the Proposed Sale

The Company engaged with numerous parties to raise the critical funding mentioned above, but despite the good progress at Pacha, raising necessary funding proved to be particularly challenging. The impacts of COVID-19 on the world economy, the continued reports about the potential oversupply of lithium into the world market and the capital controls imposed by the Argentinian government late in 2019 dramatically reduced interest in pre-DFS projects like our own. This meant that fund raising both domestically and internationally at a reasonable cost to the Company was exceedingly difficult to secure.

During 2020 and more recently, the Board engaged with several fund/equity providers and received only one formal conditional equity proposal, which the Board considered to be at unacceptable commercial terms.

During the past nine months, the Company progressed negotiations of an offer received from Valkor Enterprises LLC (**Valkor**), an American company for a wholly owned subsidiary (LITH-ARG Acquisitions LLC) to purchase the project by acquiring 100% interest in CRHPL. The parties signed a Heads of Agreement on 10 September 2020, as amended by letter agreement dated 21 January 2021. On 24 March 2021, the Company signed a letter agreement consenting to the assignment by LITH-ARG Acquisitions LLC of its interest in the Heads of Agreement (as amended) to the Buyer and for the Buyer to assume all conditions as agreed in the Heads of Agreement for the Proposed Sale.

On 21 May 2021 the Company announced that the parties had signed a full form Sales and Purchase Agreement, with the overall key conditions consistent with those outlined in the Shareholder update of 2 March 2021.

The Directors believe this Proposed Sale is the only financially responsible alternative at this time in light of the current market environment for a pre-DFS project such as this and the only economic and realistic alternative available to the Company to give a return to its shareholders and attend to all creditors.

## 1.3 Key terms of the Sale and Purchase Agreement

A summary of the key terms of the Sale and Purchase Agreement is as follows:

<b>Consideration</b>	<p>The Company has agreed to sell all of its shares in CRHPL to the Buyer on a cash and debt free basis for AUD\$23,266,341 (<b>Purchase Price</b>).</p> <p>The Purchase Price consists of an initial deposit of AUD\$4,454,791.09 (<b>Deposit</b>). The balance of the Purchase Price less a AUD\$2,000,000 holdback amount and the US\$1,000,000 loan noted below (which will convert on Completion) is payable on Completion.</p>
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<p><b>Conditions Precedent</b></p>	<p>Completion of the Proposed Sale is subject to conditions precedent, including the following:</p> <ul style="list-style-type: none"> <li>(a) the licences are in good standing and free of any claims or encumbrances;</li> <li>(b) there are no environmental claims or liabilities affecting a member of the Group or the licences;</li> <li>(c) the Company, within five (5) days of the execution date of the Sale and Purchase Agreement, circulating a notice of a general meeting and explanatory memorandum at which a resolution will be put to the Shareholders to approve the Proposed Sale;</li> <li>(d) the Shareholders, in a general meeting, resolving to approve the Proposed Sale;</li> <li>(e) all applicable regulatory and stock exchange approvals for the transactions contemplated by the Sale and Purchase Agreement having been received;</li> <li>(f) all representations and warranties provided by the Company under the Sale and Purchase Agreement being true at Completion; and</li> <li>(g) due diligence conducted by the Buyer in respect of the Group and their respective businesses and assets, including that each of the Group entities remain in good standing under applicable corporate legislation.</li> </ul>
<p><b>Longstop date</b></p>	<p>The conditions precedent must be fulfilled (or waived) by the Company or the Buyer (as applicable) no later than 60 days after the signing of the Sale and Purchase Agreement) (i.e. by 20 July 2021) (<b>Longstop Date</b>).</p>
<p><b>Failure to fulfil Condition Precedent</b></p>	<p>The party to whom a condition precedent is to the benefit of may, if not otherwise in breach of the Sale and Purchase Agreement, terminate by giving notice in writing to all other parties at any time before Completion if:</p> <ul style="list-style-type: none"> <li>(a) the condition precedent is not fulfilled (or waived) before 5:00 pm (AEST) on the Longstop Date;</li> <li>(b) the condition precedent becomes incapable of satisfaction, and such condition precedent has not been waived; or</li> <li>(c) having been fulfilled, the condition precedent does not remain fulfilled in all respects at all times until Completion.</li> </ul> <p>If the Sale and Purchase Agreement is terminated above, each party's further rights and obligations cease immediately on termination other than in respect of the surviving provisions under Sale and Purchase Agreement, but termination does not affect a party's accrued rights and</p>

	obligations at the date of termination or its rights and obligations arising as a result of termination.
<b>Loan</b>	<p>Subject to the satisfaction of certain conditions, the Buyer will advance an amount of US\$1,000,000 (<b>Loan</b>) to the Company within two Business Days of the date of the Sale and Purchase Agreement. The Loan must be used firstly in repayment of any debt of the Group and, as to any balance, in repayment of any debt of the Company.</p> <p>The Company must repay to the Buyer the Loan on the earlier of the Completion date under the Sale and Purchase Agreement OR the date that the Sale and Purchase Agreement is terminated by either party.</p> <p>If Completion does not proceed and the Sale and Purchase Agreement is terminated by either party, interest will accrue on the Loan at a rate of 12% per annum.</p> <p>The Company and the Buyer have entered into a general security deed dated 21 May 2021 in favour of the Buyer to secure the repayment of the Loan.</p>
<b>Holdback Amount</b>	<p>The Buyer will hold back A\$2,000,000 from the Purchase Price payable on Completion (<b>Holdback Amount</b>) to compensate the Buyer for certain costs associated with litigation in relation to any claim by a third party affecting the Group. The Holdback Amount will be paid to the Company's lawyers, Dentons Australia, on Completion to be held by them as escrow agent.</p> <p>If at any time during the 12 month period following Completion (<b>Holdback Period</b>), the Company, the Buyer or any Group company is required to pay any costs, tax or duty, including legal costs and settlement payments and amounts payable in final judgement, in relation to any third party claim or dispute or which the Buyer becomes aware of or that is commenced in the 6 month period after Completion and that relates to any fact, matter or circumstance existing prior to Completion (<b>Litigation Costs</b>), then:</p> <ol style="list-style-type: none"> <li>(a) the party whose liability it is to pay the Litigation Costs (which for a Group liability, is the Buyer) must provide the other party with evidence in sufficient detail of the Litigation Costs that are due and payable;</li> <li>(b) the Company must issue a written direction to the escrow agent (Dentons Australia) requesting an amount equal to such Litigation Costs to be released from the Holdback Amount;</li> <li>(c) the Company must promptly send a copy of any direction issued to the escrow agent (Dentons Australia) to the Buyer;</li> <li>(d) the Company must procure that the Litigation Costs due and payable are promptly paid in accordance with any terms of payment attaching to such Litigation Costs.</li> </ol>

	<p>If, on the last day of the Holdback Period (<b>Holdback Payment Date</b>):</p> <ul style="list-style-type: none"> <li>(a) there are no unresolved claims then the balance of the Holdback Amount must be paid to the Company within 10 business days of the Holdback Payment Date; or</li> <li>(b) there are one or more unresolved claims then, within 10 business days of the Holdback Payment Date, the Company must be paid an amount equal to the balance of the Holdback Amount less the amount of the unresolved claims calculated by the Buyer, acting reasonably, as at the Holdback Payment Date.</li> </ul>
<p><b>Reasonable access</b></p>	<p>Prior to Completion, the Company has agreed to provide the Buyer and its authorised representatives:</p> <ul style="list-style-type: none"> <li>(a) entry into the CRHPL's offices for the purposes of viewing the state and condition of the licences;</li> <li>(b) the ability to correspond with any employee, agent, customer, supplier or contractor of the business of Centaur Argentina;</li> <li>(c) access to the mining properties the subject of the licences; and</li> <li>(d) access to view the business records as the Buyer may reasonably request,</li> </ul> <p>subject to any COVID-19 restrictions imposed on the business of CRHPL or Centaur Argentina.</p>
<p><b>Failure to Complete</b></p>	<p>If Completion does not occur on the intended date of Completion because a party (<b>Failing Party</b>) fails in any respect to comply with any of its obligations under the Sale and Purchase Agreement, the other party (<b>Complying Party</b>) may, in its unfettered discretion, by notice to the Failing Party elect to:</p> <ul style="list-style-type: none"> <li>(a) proceed to Completion to the extent reasonably practicable; or</li> <li>(b) postpone Completion to a date not more than ten (10) business days after the date of Completion.</li> </ul> <p>If a Complying Party has provide notice postponing Completion in accordance with the above, and the Failing Party again fails to perform all of its obligations under the Sale and Purchase Agreement by the postponed date of Completion, the Complying Party may choose to:</p> <ul style="list-style-type: none"> <li>(a) seek specific performance of those obligations; or</li> <li>(b) immediately terminate the and Purchase Agreement by giving written notice to the Failing Party,</li> </ul>

	<p>and in each case, the Complying Party may seek damages (including interest) for the Failing Party's default.</p>
<p><b>Termination Rights</b></p>	<p>The Sale and Purchase Agreement may be terminated if a default event occurs (<b>Default Event</b>), which means any of the following in relation to a party (<b>Defaulting Party</b>):</p> <ul style="list-style-type: none"> <li>(a) it fails to pay any amount due under the Sale and Purchase Agreement on the due date for payment;</li> <li>(b) it fails to perform its obligations under any material provision of the Sale and Purchase Agreement and that failure is incapable of being remedied;</li> <li>(c) it fails to perform its obligations under any provision of the Sale and Purchase Agreement, whether material or not, within five business days (if the default notice relates to the failure to pay money) or, otherwise, within ten business days;</li> <li>(d) a material warranty given or a representation made by it in or in relation to the Sale and Purchase Agreement including with respect to any due diligence materials is not accurate or is misleading, in all cases in all material respects when given or made; or</li> <li>(e) it is or becomes insolvent.</li> </ul> <p>If:</p> <ul style="list-style-type: none"> <li>(a) a Default Event occurs in relation to a party to the Sale and Purchase Agreement,</li> <li>(b) a party that is the non-defaulting party can give the Defaulting Party a notice (Default Notice) stating the particulars of the Default Event and that it is a Default Notice; and</li> <li>(c) the Defaulting Party fails to remedy the circumstances giving rise to the Default Event within five business days if the Default Notice relates to the failure to pay money, or, otherwise, within ten business days, whether or not the circumstances can be remedied at all or within that time,</li> </ul> <p>then the Defaulting Party will be deemed to have repudiated its obligations under the Sale and Purchase Agreement and the non-defaulting party may:</p> <ul style="list-style-type: none"> <li>(a) terminate the Sale and Purchase Agreement; or</li> <li>(b) suspend the obligations of the non-defaulting party under the Sale and Purchase Agreement, until the circumstances giving rise to the Default Event are</li> </ul>

	remedied or until the non-defaulting party terminates the agreement in accordance with paragraph (d).
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#### 1.4 Agreement with RAAR Capital Group Pty Ltd

The Company has entered into a letter agreement dated 2 June 2020 (**Letter Agreement**) with RAAR Capital Group Pty Ltd ACN 122 082 571 (**RAAR**) under which RAAR will seek to locate investment funding for the Company by way of either debt or equity finance. The Company has also entered into a deed with RAAR dated 14 May 2021 to provide that upon execution of the Sale and Purchase Agreement, it is acknowledged that as RAAR introduced the Buyer, RAAR is entitled to the remuneration set out in the Letter Agreement. As a consequence, the Company will issue RAAR with shares constituting a 6% equity interest (on a fully diluted basis) in the Company being fully paid ordinary shares ranking pari passu with existing fully paid ordinary shares.

#### 1.5 Timetable for the Proposed Sale

An indicative timetable for the Proposed Sale is set out in the table below.

Event	Date
Despatch of Notice	26 May 2021
Date of General Meeting	28 June 2021

The completion of the Sales and Purchase Agreement will occur in accordance with the contract, namely 3 business days after satisfaction of the Conditions Precedent or as otherwise agreed between the parties.

#### 1.6 No Independent expert's report

The Board has not commissioned an independent expert to prepare an independent expert's report in relation to the Proposed Sale. None of the Directors have an interest in the Proposed Sale (other than as Shareholders and creditors) nor do any of the Directors have an interest in any relevant agreement contemplated by the Sale.

The Board is cognisant of its duty to provide full and proper disclosure to ensure Shareholders have all the information needed to fully and fairly inform Shareholders of the nature of the Proposed Sale and to enable Shareholders to judge for themselves whether to attend the Meeting and vote for or against Resolution 1.

The Board carefully considered whether an independent expert's report ought to be obtained to fully inform Shareholders as to the merits of the Proposed Sale and have concluded as follows:

- (a) the offer from the Buyer is at arm's length from a non-related party; and
- (b) the Board considers that it can provide all the information required to Shareholders to enable them to make a decision on the Proposed Sale.

#### 1.7 Potential advantages of disposal of main undertaking

Some potential advantages of the Proposed Sale include:

- (a) The terms of the Proposed Sale, including the Consideration, are in the opinion of the Board, fair and reasonable and in the best interests of the Company and the Shareholders as a whole.
- (b) The Proposed Sale realises the value of the shares held in CRHPL to the Company.
- (c) The Proposed Sale allows the Company to exit a business at a time which is attractive to the Buyer and at a price that is acceptable to the Company.
- (d) The Proposed Sale will allow the Company to return value to Shareholders.
- (e) The Proposed Sale makes the Company more attractive to potential partners and allows the Company to flexibly explore options in the future.

### 1.8 Potential disadvantage of disposal of main undertaking

The disadvantage of the Proposed Sale is that the Company will no longer own CRHPL, CRHPL's assets and the business conducted by CRHPL (including Centaur Argentina) and it will not be able to realise any future value for CRHPL's assets and business.

The Proposed Sale involves the Company selling its main undertaking, which may not be consistent with the investment objectives of all Shareholders and may be seen as a reduction in the Company's potential of achieving a better outcome for its project in the future.

### 1.9 Intentions of the Board if the Proposed Sale proceeds

If the Proposed Sale proceeds, the intention of the Board is to distribute the net proceeds to Shareholders by way of a capital distribution and/or franked dividend. The timing for such distributions will be subject to any necessary compliance with legal, statutory and taxation obligations

Currently the Board estimates the cash surplus as follows:

	<b>High</b>	<b>Low</b>
<b>Consideration</b>	<b>\$23,266,341</b>	<b>\$23,266,341</b>
<b>Add:</b> Cash at 25.05.2021	\$255,173	\$255,173
<b>AVAILABLE</b>	<b>\$23,521,514</b>	<b>\$23,521,514</b>
<b>Less:</b>		
Secured loans repaid	\$4,164,850	\$4,164,850
Creditors paid from Arena early deposits	\$289,850	\$289,850
Creditors and unsecured loans *	\$2,358,552	\$3,231,852
Working capital pending settlement *	\$291,200	\$466,200
Taxation on taxable transaction surplus *	\$2,435,200	\$3,225,950
<b>Surplus at Completion *</b>	<b>\$13,981,862</b>	<b>\$12,142,812</b>
Shares on issue at 25.05.2021	215,027,474	215,027,474

Surplus cents per share *	0.065	0.056
Potential franking credit available if distribution made. Cents per share*	0.011	0.013

\* *forecast amounts*

The above excludes Convertible Notes with a maturity date of July 1, 2021 and face value of \$640,000. The company is negotiating for the redemption of these Notes and will inform shareholders of the final impact on the Surplus at Completion once resolved.

### 1.10 Financial effect of the Proposed Sale on the Company

The Proposed Sale, if completed, may have the following effect (using the consolidated financial statements of the Company as at 25 May, 2021):

Measure	Before the effect of the Proposed Sale	Pro forma position without the CRHPL business <sup>1, 2</sup>	Percentage change
Consolidated total assets	\$11,318,623	\$16,176,681	43%
Consolidated total equity interests	\$4,293,675	\$12,740,858	197%
Consolidated revenue <sup>1</sup>	\$428,309	\$23,125,907	5299%
Consolidated EBITDA <sup>2</sup>	-\$2,033,884	\$2,974,461	-246%
Consolidated profit before tax <sup>2</sup>	-\$2,318,873	\$2,689,614	-216%

1. Revenues exclude intercompany the loans forgiven by CRL to CRHPL but include revenue from the sale of CRH.
2. EBITDA and profit before tax includes intercompany the loans forgiven by CRL to CRHPL.

### 1.11 Use of funds

The Company intends to use net funds from the Proposed Sale for essential working capital, payment of creditors, and to distribute the surplus cash to shareholders by way of capital distribution and/or franked dividend.

### 1.12 Risks associated with the Proposed Sale

As outlined in 1.3 above, the Proposed Sale remains conditional on a number of conditions precedent. A risk exists that the conditions precedent will not be satisfied and that the Proposed Sale will not proceed.

The Company has agreed to a number of warranties in the Sale and Purchase Agreement. In the event of a breach of warranty by the Seller a claim may be made against the Seller. The Directors are satisfied that they have taken appropriate steps to mitigate the prospects of a claim arising but they cannot guarantee that no claim will be made. If a legitimate claim is made that is not mitigated it may reduce the consideration and consequently the financial position of the company after Completion of the Sale and Purchase Agreement.

### 1.13 Effect of the Proposed Sale on the Company



## Pro-forma Statement of financial position

	25-May-21	Prior to distribution payment (Low (a))
Note	Centaur Resources Group	Centaur Resources Limited
	\$	\$
<b>Assets</b>		
<b>Current assets</b>		
Cash and cash equivalents	251,226	15,368,762
Trade and other receivables	38,107	
<b>Total current assets</b>	<b>289,333</b>	<b>15,368,762</b>
<b>Non-current assets</b>		
Investment in Subsidiary		
Property, plant and equipment	900	660
Exploration and evaluation	11,028,390	
Intercompany Loans		
Other non-current assets		
<b>Total non-current assets</b>	<b>11,029,290</b>	<b>660</b>
<b>Total assets</b>	<b>11,318,623</b>	<b>15,369,422</b>
<b>Current liabilities</b>		
Trade and other payables	1,874,601	349,003
Loans	55,556	
Deposits for acquisition	4,454,791	
Convertible Notes	640,000	640,000
Income tax payable		3,225,950
<b>Total current liabilities</b>	<b>7,024,948</b>	<b>4,214,953</b>
<b>Total liabilities</b>	<b>7,024,948</b>	<b>4,214,953</b>
<b>Net assets</b>	<b>4,293,675</b>	<b>11,154,469</b>
<b>Equity</b>		
Issued capital	20,214,459	20,214,459
Reserves	(485,152)	(485,152)
Accumulated losses	(15,435,632)	(8,574,838)
<b>Total surplus/(deficiency) in equity</b>	<b>4,293,675</b>	<b>11,154,469</b>

a. Low option as referred to in 1.9

### **1.13.1 Effect of the Proposed Sale on the Company's future earnings**

The Proposed Sale may have a material effect on the Company's future potential earnings going forward because the assets were intended to be used to generate future revenue subject to the Company's ability to successfully finance and develop its existing projects.

### **1.13.2 Effect of the Proposed Sale on the capital structure**

Given the nature of the Proposed Sale, the number of Shares on issue in the Company will remain unchanged.

### **1.13.3 Effect of the Proposed Sale on the corporate structure**

The effect of the Proposed Sale is that the Company will no longer own CRHPL and the Argentinean business.

## **1.14 Tax impact of the Proposed Sale**

The sale of the shares in CRHPL will result in CRHPL leaving the Australian consolidated tax group consisting of CRL and CRHPL. It is expected that the loss utilisation tests will unlikely allow the Company's carried forward losses to be applied to the capital gain, resulting in a taxable gain upon sale. This has been factored into future projections and the amount of any taxable capital gain will be confirmed through relevant calculations.

## **1.15 Litigation**

There are currently certain legal proceedings in the courts of Argentina relating to claims against Centaur Resources PG S.A.S and Centaur Resources S.A.S. The Board is of the view that such proceedings are spurious and without merit, and accordingly, are vigorously defending such litigation. For a period of 12 months after Completion, the Company will continue to conduct the defence of the litigation matters in Argentina, as it believes it is best placed to continue such defence. The Board is confident that Centaur will be successful in its defence.

## **1.16 Voting requirements and exclusions**

There are no voting exclusions under the Corporations Act for the purposes of Resolution 1.

## **1.17 Directors' interest**

It is noted that some Directors are Shareholders however none of the Directors have a material interest in the outcome of Resolution 1.

## **1.18 Resolution not passed**

If Resolution 1 is not approved by Shareholders, the Proposed Sale will not proceed to Completion, the Company will not receive the Consideration and it will retain Centaur Resources Holdings Pty Limited and the Argentinian aspect of the business. In addition, the Board will consider any possible alternative growth opportunities, acquisitions and disposals for all or part of the business.

## **1.19 Director Recommendations**

The Board unanimously considers that the advantages of the Proposed Sale outweigh the disadvantages of the Sale. Accordingly, the Board recommends that Shareholders vote in favour of Resolution 1.

## GLOSSARY

In this Explanatory Statement and Notice of Meeting the following expressions have the following meanings unless stated otherwise or unless the context otherwise requires:

<b>\$</b>	means Australian Dollars.
<b>AEST</b>	means Australian Eastern Standard Time.
<b>Automic or Share Registry</b>	Automic Registry Services Pty Limited ACN 152 260 814.
<b>Board</b>	means the board of Directors of the Company.
<b>Buyer</b>	means Arena Minerals, Inc, a resources company registered in the Canada and listed on the TSX Venture Exchange (TSXV: AN).
<b>Centaur Argentina</b>	means Centaur Resources PG SAS (Sociedad por Acciones Simplificada), a company incorporated and governed by the laws of Argentina, pursuant to its Private Instrument of incorporation, dated 22 June 2018 having the company number RL-2018-31922940-APN-DA#IGJ, a wholly owned subsidiary of CRHPL.
<b>Chair</b>	means the person appointed to chair the Meeting convened by this Notice.
<b>Company</b>	means Centaur Resources Limited ACN 625 184 947.
<b>Completion</b>	means completion of the Proposed Sale pursuant to the Sale and Purchase Agreement.
<b>Constitution</b>	means the constitution of the Company.
<b>Corporations Act</b>	means <i>Corporations Act 2001</i> (Cth).
<b>CRHPL</b>	means Centaur Resources Holdings Pty Ltd ACN 619 915 589.
<b>Deposit</b>	means the amount of AU\$4,454,791.09 under the Sale and Purchase Agreement.
<b>Directors</b>	means the directors of the Company.
<b>Explanatory Statement</b>	means the explanatory statement attached to and forming part of the Notice.
<b>Group</b>	means CRHPL and Centaur Argentina.
<b>Letter Agreement</b>	means the letter agreement between the Company and RAAR dated 2 June 2020 and deed dated 14 May 2020 relating to the Strategic Agreement.
<b>Meeting</b>	means the meeting of Shareholders convened by the Notice of General Meeting.

<b>Notice or Notice of General Meeting</b>	means the notice of general meeting to which this Explanatory Memorandum is attached.
<b>Ordinary Resolution</b>	means a resolution requiring to be passed by a majority of such Shareholders, as being entitled to do so, vote in person or by proxy on such resolution.
<b>Proxy Form</b>	means the proxy form enclosed with this Notice.
<b>Proposed Sale</b>	means the proposed sale of CRHPL by the Company to the Buyer.
<b>RAAR</b>	means RAAR Capital Group Pty Ltd ACN 122 082 571.
<b>Resolution</b>	means each resolution to be considered at the Meeting as set out in this Notice.
<b>Sale and Purchase Agreement</b>	means the sale and purchase agreement dated 21 May 2021 entered into between the Seller and the Buyer in relation to the Proposed Sale.
<b>Sale Shares</b>	means the entire issued capital held by the Company in CRHPL.
<b>Seller</b>	means the Company.
<b>Share</b>	means a fully paid share in the issued share capital of the Company.
<b>Share Registry or Automic</b>	Automic Registry Services Pty Limited ACN 152 260 814.
<b>Shareholder</b>	means a holder of Shares in the Company who is eligible to attend the Meeting.



Centaur Resources Limited | ABN 85 625 184 947

# Proxy Voting Form

If you are attending the virtual Meeting please retain this Proxy Voting Form for online Securityholder registration.

## [HolderNumber]

Holder Number:  
[HolderNumber]

[EntityRegistrationDetailsLine1Envelope]  
[EntityRegistrationDetailsLine2Envelope]  
[EntityRegistrationDetailsLine3Envelope]  
[EntityRegistrationDetailsLine4Envelope]  
[EntityRegistrationDetailsLine5Envelope]  
[EntityRegistrationDetailsLine6Envelope]

Your proxy voting instruction must be received by 11.00AM (AEST) on Wednesday, 23 June 2021, being not later than 48 hours before the commencement of the Meeting. Any Proxy Voting Instructions received after that time will not be valid for the scheduled Meeting.

### SUBMIT YOUR PROXY

Complete the form overleaf in accordance with the instructions set out below.

#### YOUR NAME AND ADDRESS

The name and address shown above is as it appears on the Company's share register. If this information is incorrect, and you have an issuer Sponsored holding, you can update your address through the Investor portal: <https://investor.automic.com.au/#/home>. Shareholders sponsored by a broker should advise their broker of any changes.

#### STEP 1 – APPOINT A PROXY

If you wish to appoint someone other than the Chair of the Meeting as your proxy, please write the name of that individual or body corporate. A proxy need not be a Shareholder of the Company. Otherwise if you leave this box blank, the Chair of the Meeting will be appointed as your proxy by default.

#### DEFAULT TO THE CHAIR OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chair of the Meeting, who is required to vote these proxies as directed. Any undirected proxies that default to the Chair of the Meeting will be voted according to the instructions set out in this Proxy Voting Form, including where the Resolutions are connected directly or indirectly with the remuneration of RMP.

#### IRREVOCABLE NATURE OF PROXY

Once you have submitted your proxy, your proxy will be deemed irrevocable and you will not be entitled to revoke your proxy or vote in person at the scheduled Meeting.

#### STEP 2 - VOTES ON ITEMS OF BUSINESS

You may direct your proxy how to vote by marking one of the boxes opposite each item 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 item 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 the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

#### APPOINTMENT OF SECOND PROXY

You may appoint up to two proxies. If you appoint two proxies, you should complete two separate Proxy Voting Forms and specify the percentage or number each proxy may exercise. If you do not specify a percentage or number, each proxy may exercise half the votes. You must return both Proxy Voting Forms together. If you require an additional Proxy Voting Form, contact Automic Registry Services.

#### SIGNING INSTRUCTIONS

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

Joint holding: Where the holding is in more than one name, all Shareholders 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 Proxy Voting Form when you return it.

Companies: To be signed in accordance with your Constitution. Please sign in the appropriate box which indicates the office held by you.

Email Address: Please provide your email address in the space provided.

By providing your email address, you elect to receive all communications despatched by the Company electronically (where legally permissible) such as a Notice of Meeting, Proxy Voting Form and Annual Report via email.

#### CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate 'Appointment of Corporate Representative' should be produced prior to admission. A form may be obtained from the Company's share registry online at <https://automic.com.au>.

#### Lodging your Proxy Voting Form

Online:  
Use your computer or smartphone to appoint a proxy at <https://investor.automic.com.au/#/log/11581>

or scan the QR code below using your smartphone. Login & Click on 'Meetings'. Use the Holder Number as shown at the top of this Proxy Voting Form.



BY MAIL:  
Automic  
GPO Box 5193  
Sydney NSW 2001

IN PERSON:  
Automic  
Level 5, 126 Phillip Street  
Sydney NSW 2000

BY EMAIL:  
[meetings@automicgroup.com.au](mailto:meetings@automicgroup.com.au)

BY FACSIMILE:  
+61 2 8583 3040

All enquiries to Automic:  
WEBCHAT: <https://automicgroup.com.au/>

PHONE: 1300 288 664 (Within Australia)  
+61 2 9698 5414 (Overseas)

### STEP 1 – How to vote

**APPOINT A PROXY:**  
 If you being a Shareholder entitled to attend and vote at the General Meeting of Centaur Resources Limited, to be held virtually at 11.00AM (AEST) on Friday, 25 June 2021 hereby:

Appoint the Chair of the Meeting (Chair) OR if you are not appointing the Chair of the Meeting as your proxy, please write in the box provided below the name of the person or body corporate you are appointing as your proxy or telling the person so named or, if no person is named, the Chair, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, and subject to the relevant laws as the proxy sees fit and at any adjournment thereof:

The Chair intends to vote undirected proxies in favour of all Resolutions in which the Chair is entitled to vote.  
 Unless indicated otherwise by ticking the "for", "against" or "abstain" box you will be authorising the Chair to vote in accordance with the Chair's voting intention.

Once you have submitted your proxy, your proxy will be deemed irrevocable and you will NOT be entitled to revoke your proxy or vote in person at the scheduled Meeting.

**VIRTUAL PARTICIPATION AT THE AGM:**  
 The company is pleased to provide shareholders with the opportunity to attend and participate in a virtual Meeting through an online meeting platform powered by Automic, where shareholders will be able to watch, listen, and vote online.

To access the virtual meeting:

1. Open your internet browser and go to [investor.automic.com.au](https://investor.automic.com.au)
2. Login with your username and password or click "register" if you haven't already created an account. Shareholders are encouraged to create an account prior to the start of the meeting to ensure there is no delay in attending the virtual meeting.

Further information on how to do this is set out in the Notice of Meeting. The Explanatory Notes that accompany and form part of the Notice of Meeting describe the various matters to be considered.

### STEP 2 – Your voting direction

Resolutions	For	Against	Abstain
1. Disposal of main undertaking	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

### STEP 3 – Signatures and contact details

Individual/Securityholder 1	Securityholder 2	Securityholder 3
<input type="text"/>	<input type="text"/>	<input type="text"/>
Sole Director and Sole Company Secretary	Director	Director / Company Secretary
Contact Name:		
<input type="text"/>		
Email Address:		
<input type="text"/>		
Contact Daytime Telephone:	Date (DD/MM/YY)	
<input type="text"/>	<input type="text"/>	

*By providing your email address, you elect to receive all of your communications dispatched by the Company electronically (where legally permissible).*

[HolderNumber] CTRU

[HolderNumber]