

Appendix 3B

Proposed issue of +securities

Information and documents given to ASX become ASX's property and may be made public.

If you are an entity incorporated outside Australia and you are proposing to issue a new class of +securities other than CDIs, you will need to obtain and provide an International Securities Identification Number (ISIN) for that class. For offers where the +securities proposed to be issued are in an existing class of security, and the event timetable includes rights (or entitlement for non-renounceable issues), and deferred settlement trading or a representation of such, ASX requires the issuer to advise ASX of the ISIN code for the rights (or entitlement), and deferred settlement trading. This code will be different to the existing class. If the securities do not rank equally with the existing class, the same ISIN code will be used for that security to continue to be quoted while it does not rank.

Further information on the requirement for the notification of an ISIN is available from the Create Online Forms page. ASX is unable to create the new ISIN for non-Australian issuers.

**Denotes minimum information required for first lodgement of this form, with exceptions provided in specific notes for certain questions. The balance of the information, where applicable, must be provided as soon as reasonably practicable by the entity.*

Part 1 – Entity and announcement details

| Question no | Question | Answer |
|-------------|--|---|
| 1.1 | <p>*Name of entity</p> <p>We (the entity here named) give ASX the following information about a proposed issue of +securities and, if ASX agrees to +quote any of the +securities (including any rights) on a +deferred settlement basis, we agree to the matters set out in Appendix 3B of the ASX Listing Rules.</p> <p>If the +securities are being offered under a +disclosure document or +PDS and are intended to be quoted on ASX, we also apply for quotation of all of the +securities that may be issued under the +disclosure document or +PDS on the terms set out in Appendix 2A of the ASX Listing Rules (on the understanding that once the final number of +securities issued under the +disclosure document or +PDS is known, in accordance with Listing Rule 3.10.3C, we will complete and lodge with ASX an Appendix 2A online form notifying ASX of their issue and applying for their quotation).</p> | Highfield Resources Limited |
| 1.2 | <p>*Registration type and number</p> <p><i>Please supply your ABN, ARSN, ARBN, ACN or another registration type and number (if you supply another registration type, please specify both the type of registration and the registration number).</i></p> | ABN: 51 153 918 257 |
| 1.3 | *ASX issuer code | HFR |
| 1.4 | <p>*This announcement is</p> <p><i>Tick whichever is applicable.</i></p> | <input checked="" type="checkbox"/> A new announcement <input type="checkbox"/> An update/amendment to a previous announcement <input type="checkbox"/> A cancellation of a previous announcement |
| 1.4a | <p>*Reason for update</p> <p><i>Answer this question if your response to Q 1.4 is "An update/amendment to previous announcement". A reason must be provided for an update.</i></p> | Not Applicable |

| | | |
|------|--|---|
| 1.4b | <p>*Date of previous announcement(s) to this update</p> <p><i>Answer this question if your response to Q 1.4 is "An update/amendment to previous announcement".</i></p> | Not Applicable |
| 1.4c | <p>*Reason for cancellation</p> <p><i>Answer this question if your response to Q 1.4 is "A cancellation of previous announcement".</i></p> | Not Applicable |
| 1.4d | <p>*Date of previous announcement(s) to this cancellation</p> <p><i>Answer this question if your response to Q 1.4 is "A cancellation of previous announcement".</i></p> | Not Applicable |
| 1.5 | *Date of this announcement | 22 December 2023 |
| 1.6 | <p>*The proposed issue is:</p> <p><i>Note: You can select more than one type of issue (e.g. an offer of securities under a securities purchase plan and a placement, however ASX may restrict certain events from being announced concurrently). Please contact your ASX listings compliance adviser if you are unsure.</i></p> | <p><input type="checkbox"/> A +bonus issue (complete Parts 2 and 8)</p> <p><input type="checkbox"/> A standard +pro rata issue (non-renounceable or renounceable) (complete Q1.6a and Parts 3 and 8)</p> <p><input type="checkbox"/> An accelerated offer (complete Q1.6b and Parts 3 and 8)</p> <p><input type="checkbox"/> An offer of +securities under a +securities purchase plan (complete Parts 4 and 8)</p> <p><input type="checkbox"/> A non-+pro rata offer of +securities under a +disclosure document or +PDS (complete Parts 5 and 8)</p> <p><input type="checkbox"/> A non-+pro rata offer to wholesale investors under an information memorandum (complete Parts 6 and 8)</p> <p><input checked="" type="checkbox"/> A placement or other type of issue (complete Parts 7 and 8)</p> |
| 1.6a | <p>*The proposed standard +pro rata issue is:</p> <p><i>Answer this question if your response to Q1.6 is "A standard pro rata issue (non-renounceable or renounceable)."</i></p> <p><i>Select one item from the list</i></p> <p><i>An issuer whose securities are currently suspended from trading cannot proceed with an entitlement offer that allows rights trading. If your securities are currently suspended, please consult your ASX listings compliance adviser before proceeding further.</i></p> | <p><input type="checkbox"/> Non-renounceable</p> <p><input type="checkbox"/> Renounceable</p> |
| 1.6b | <p>*The proposed accelerated offer is:</p> <p><i>Answer this question if your response to Q1.6 is "An accelerated offer"</i></p> <p><i>Select one item from the list</i></p> <p><i>An issuer whose securities are currently suspended from trading cannot proceed with an entitlement offer that allows rights trading. If your securities are currently suspended, please consult your ASX listings compliance adviser before proceeding further.</i></p> | <p><input type="checkbox"/> Accelerated non-renounceable entitlement offer (commonly known as a JUMBO or ANREO)</p> <p><input type="checkbox"/> Accelerated renounceable entitlement offer (commonly known as an AREO)</p> <p><input type="checkbox"/> Simultaneous accelerated renounceable entitlement offer (commonly known as a SAREO)</p> <p><input type="checkbox"/> Accelerated renounceable entitlement offer with dual book-build structure (commonly known as a RAPIDS)</p> <p><input type="checkbox"/> Accelerated renounceable entitlement offer with retail rights trading (commonly known as a PAITREO)</p> |

Part 7 – Details of proposed placement or other issue

If your response to Q1.6 is "A placement or other type of issue", please complete Parts 7A – 7F and the details of the securities proposed to be issued in Part 8.

Part 7A – Proposed placement or other issue – conditions

| Question No. | Question | Answer | | |
|--|--|-----------------------------------|---|---|
| 7A.1 | <p>*Do any external approvals need to be obtained or other conditions satisfied before the placement or other type of issue can proceed on an unconditional basis?</p> <p>For example, this could include:</p> <ul style="list-style-type: none"> +Security holder approval Court approval Lodgement of court order with +ASIC ACCC approval FIRB approval <p>Disregard any approvals that have already been obtained or conditions that have already been satisfied.</p> | Yes | | |
| 7A.1a | <p>Conditions</p> <p>Answer these questions if your response to 7A.1 is "Yes".</p> | | | |
| *Approval/ condition Type <i>Select the applicable approval/condition from the list (ignore those that are not applicable). More than one approval/condition can be selected.</i> | *Date for determination <i>The 'date for determination' is the date that you expect to know if the approval is given or condition is satisfied (for example, the date of the security holder meeting in the case of security holder approval or the date of the court hearing in the case of court approval).</i> | *Is the date estimated or actual? | **Approval received/ condition met? <i>Please answer "Yes" or "No". Only answer this question when you know the outcome of the approval.</i> | Comments |
| +Security holder approval | 9 February 2024 | Estimated | No | The issue of 306 Convertible Notes to EMR Subscribers is subject to security holder approval. |
| Court approval | | | | |
| Lodgement of court order with +ASIC | | | | |
| ACCC approval | | | | |
| FIRB approval | | | | |
| Other (please specify in comment section) | | | | |

Part 7B – Details of proposed placement or other issue - issue details

| Question No. | Question | Answer |
|--------------|--|--|
| 7B.1 | *Class of +securities to be offered under the placement or other issue (please enter both the ASX security code & description) | Unlisted Convertible Notes (December 2023) |

| | | |
|-------|--|---|
| 7B.2 | <p>Number of +securities proposed to be issued</p> <p><i>If the number of securities proposed to be issued is based on a formula linked to a variable (for example, VWAP or an exchange rate or interest rate), include the number of securities based on the variable as at the date the Appendix 3B is lodged with ASX and add a note in the "Any other information the entity wishes to provide about the proposed offer" field at the end of this form making it clear that this number is based on the variable as at the date of the Appendix 3B and that it may change.</i></p> | <p>306 to EMR Subscribers of face value \$10,000 USD per note (subject to Securityholder approval)</p> <p>102 to an institutional investor of face value \$10,000 USD per note</p> <p>306 to Tectonic of face value \$10,000 AUD per note</p> |
| 7B.3 | <p>*Are the +securities proposed to be issued being issued for a cash consideration?</p> <p><i>If the securities are being issued for nil cash consideration, answer this question "No".</i></p> | Yes |
| 7B.3a | <p>*In what currency is the cash consideration being paid</p> <p><i>For example, if the consideration is being paid in Australian Dollars, state AUD.</i></p> <p><i>Answer this question if your response to Q7B.3 is "Yes".</i></p> | <p>\$10,000 USD face value – EMR Subscribers and the institutional investor participating in the note issuance</p> <p>\$10,000 AUD face value – Tectonic</p> |
| 7B.3b | <p>*What is the issue price per +security</p> <p><i>Answer this question if your response to Q7B.3 is "Yes" and by reference to the issue currency provided in your response to Q7B.3a.</i></p> <p><i>Note: you cannot enter a nil amount here. If the securities are being issued for nil cash consideration, answer Q7B.3 as "No" and complete Q7B.3d.</i></p> | <p>\$10,000 USD face value – EMR Subscribers and the institutional investor participating in the note issuance</p> <p>\$10,000 AUD face value – Tectonic</p> |
| 7B.3c | <p>AUD equivalent to issue price amount per +security</p> <p><i>Answer this question if the currency is non-AUD</i></p> | \$14,795.09 for EMR Subscribers and the institutional investor participating in the note issuance (assumes exchange rate of USD \$0.6759 to AUD \$1.00) |
| 7B.3d | <p>Please describe the consideration being provided for the +securities</p> <p><i>Answer this question if your response to Q7B.3 is "No".</i></p> | Not Applicable |
| 7B.3e | <p>Please provide an estimate of the AUD equivalent of the consideration being provided for the +securities</p> <p><i>Answer this question if your response to Q7B.1 is "No".</i></p> | Not Applicable |

Part 7C – Proposed placement or other issue – timetable

| Question No. | Question | Answer |
|--------------|-----------------------|--|
| 7C.1 | *Proposed +issue date | <p>27 December 2023 (102 Unlisted Convertible Notes to an institutional investor)</p> <p>On or about 25 January 2024 (306 Unlisted Convertible Notes to Tectonic)</p> <p>On or about 9 February 2024 (306 Unlisted Convertible Notes to EMR Subscribers)</p> |

Part 7D – Proposed placement or other issue – listing rule requirements

| Question No. | Question | Answer |
|--------------|---|--|
| 7D.1 | <p>*Has the entity obtained, or is it obtaining, +security holder approval for the entire issue under listing rule 7.1?</p> <p><i>Answer this question if the issuer is an ASX Listing (i.e. not an ASX Debt Listing or ASX Foreign Exempt Listing).</i></p> <p><i>If the issuer has obtained security holder approval for part of the issue only and is therefore relying on its placement capacity under listing rule 7.1 and/or listing rule 7.1A for the remainder of the issue, the response should be 'no'.</i></p> | No |
| 7D.1a | <p>*Date of meeting or proposed meeting to approve the issue under listing rule 7.1</p> <p><i>Answer this question if the issuer is an ASX Listing and your response to Q7D.1 is "Yes".</i></p> | Not Applicable |
| 7D.1b | <p>*Are any of the +securities proposed to be issued without +security holder approval using the entity's 15% placement capacity under listing rule 7.1?</p> <p><i>Answer this question if the issuer is an ASX Listing and your response to Q7D.1 is "No".</i></p> | Yes |
| 7D.1b(i) | <p>*How many +securities are proposed to be issued without +security holder approval using the entity's 15% placement capacity under listing rule 7.1?</p> <p><i>Answer this question the issuer is an ASX Listing, your response to Q7D.1 is "No" and if your response to Q7D.1b is "Yes".</i></p> <p><i>Please complete and separately send by email to your ASX listings adviser a work sheet in the form of Annexure B to Guidance Note 21 confirming the entity has the available capacity under listing rule 7.1 to issue that number of securities.</i></p> | 408 Convertible Notes to the Other Subscribers, which could be converted to 14,386,072 Ordinary Fully Paid Shares based on the volume weighted average price (VWAP) of the Shares as traded on ASX over the 20 trading days prior to the date of the CND (Convertible Note Deed) being \$0.3147. |
| 7D.1c | <p>*Are any of the +securities proposed to be issued without +security holder approval using the entity's additional 10% placement capacity under listing rule 7.1A (if applicable)?</p> <p><i>Answer this question if the issuer is an ASX Listing and your response to Q7D.1 is "No".</i></p> | No |
| 7D.1c(i) | <p>*How many +securities are proposed to be issued without +security holder approval using the entity's additional 10% placement capacity under listing rule 7.1A?</p> <p><i>Answer this question if the issuer is an ASX Listing, your response to Q7D.1 is "No" and your response to Q7D.1c is "Yes".</i></p> <p><i>Please complete and separately send by email to your ASX listings adviser a work sheet in the form of Annexure C to Guidance Note 21 confirming the entity has the available capacity under listing rule 7.1A to issue that number of securities.</i></p> | Not Applicable |

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| 7D.1c(ii) | <p>*Please explain why the entity has chosen to do a placement or other issue rather than a +pro rata issue or an offer under a +security purchase plan in which existing ordinary +security holders would have been eligible to participate</p> <p><i>Answer this question if the issuer is an ASX Listing, your response to Q7D.1 is "No" and your response to Q7D.1c is "Yes".</i></p> | <p>The Company considered raising equity by way of an offering of its Shares (by way of a placement, share purchase plan or entitlement offer) and non-convertible debt.</p> <p>In the Company's view, any equity raising may (i) have involved an unattractive discount and (ii) not have been underwritten and so involve a degree of uncertainty. Accordingly, the Convertible Notes, under which financial accommodation is being provided by existing Shareholders, was considered to be preferable to an equity raising because of the certainty of the commitment of funds and the fact that the most likely scenario involves conversion at the current market price, meaning that dilution is minimised as the Noteholders will not receive the benefit of conversion at a discount.</p> <p>The Convertible Notes are superior to 'pure' debt because they are mandatorily convertible into Shares upon drawdown under the Project Financing. This will assist the Company to comply with its obligations under the Project Financing and effectively eliminates the risk of cross-default beyond that point. In addition, 'pure' debt for bridging finance in connection with a project such as the Project would be more expensive for the Company than the Convertible Notes.</p> |
| 7D.2 | <p>*Is a party referred to in listing rule 10.11 participating in the proposed issue?</p> <p><i>Answer this question if the issuer is an ASX Listing.</i></p> <p><i>Note: If your response is "Yes", this will require security holder approval under listing rule 10.11.</i></p> | <p>Yes – the EMR Subscribers are associated with EMR Fund 1 which is a substantial holder of shares in the Company. The issue of the Notes to the EMR Subscribers without first obtaining Shareholder approval is prohibited under ASX Listing Rule 10.11 as it does not fall within any of the exceptions to that rule as set out in ASX Listing Rule 10.12.</p> |
| 7D.3 | <p>*Will any of the +securities to be issued be +restricted securities for the purposes of the listing rules?</p> <p><i>Note: the entity should not apply for quotation of restricted securities</i></p> | No |
| 7D.3a | <p>*Please enter, the number and +class of the +restricted securities and the date from which they will cease to be +restricted securities</p> <p><i>Answer this question if your response to Q7D.3 is "Yes".</i></p> | Not Applicable |
| 7D.4 | <p>*Will any of the +securities to be issued be subject to +voluntary escrow?</p> | No |

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|-------|--|----------------|
| 7D.4a | <p>*Please enter the number and +class of the +securities subject to +voluntary escrow and the date from which they will cease to be subject to +voluntary escrow</p> <p><i>Answer this question if your response to Q7D.4 is "Yes".</i></p> | Not Applicable |
|-------|--|----------------|

Part 7E – Proposed placement or other issue – fees and expenses

| Question No. | Question | Answer |
|--------------|--|----------------|
| 7E.1 | *Will there be a lead manager or broker to the proposed issue? | No |
| 7E.1a | <p>*Who is the lead manager/broker?</p> <p><i>Answer this question if your response to Q7E.1 is "Yes".</i></p> | Not Applicable |
| 7E.1b | <p>*What fee, commission or other consideration is payable to them for acting as lead manager/broker?</p> <p><i>Answer this question if your response to Q7E.1 is "Yes".</i></p> | Not Applicable |
| 7E.2 | *Is the proposed issue to be underwritten? | No |
| 7E.2a | <p>*Who are the underwriter(s)?</p> <p><i>Answer this question if your response to Q7E.2 is "Yes".</i></p> | Not Applicable |
| 7E.2b | <p>*What is the extent of the underwriting (i.e. the amount or proportion of the issue that is underwritten)?</p> <p><i>Answer this question if your response to Q7E.2 is "Yes".</i></p> | Not Applicable |
| 7E.2c | <p>*What fees, commissions or other consideration are payable to them for acting as underwriter(s)?</p> <p><i>Answer this question if your response to Q7E.2 is "Yes".</i></p> <p><i>Note: This includes any applicable discount the underwriter receives to the issue price payable by participants in the issue.</i></p> | Not Applicable |
| 7E.2d | <p>*Provide a summary of the significant events that could lead to the underwriting being terminated</p> <p><i>Answer this question if your response to Q7E.2 is "Yes".</i></p> <p><i>Note: You may cross-refer to a covering announcement or to a separate annexure with this information.</i></p> | Not Applicable |
| 7E.3 | <p>*Is a party referred to in listing rule 10.11 underwriting or sub-underwriting the proposed issue?</p> <p><i>Answer this question if the issuer is an ASX Listing (i.e. not an ASX Debt Listing or ASX Foreign Exempt Listing) and your response to Q7E.2 is "Yes".</i></p> <p><i>Note: If your response is "Yes", this will require security holder approval under listing rule 10.11.</i></p> | No |

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| 7E.3a | <p>*What is the name of that party?</p> <p><i>Answer this question if the issuer is an ASX Listing and your response to Q7E.3 is "Yes".</i></p> <p><i>Note: If there is more than one such party acting as underwriter or sub-underwriter include all of their details in this and the next 2 questions.</i></p> | Not Applicable |
| 7E.3b | <p>*What is the extent of their underwriting or sub-underwriting (i.e. the amount or proportion of the issue they have underwritten or sub-underwritten)?</p> <p><i>Answer this question if the issuer is an ASX Listing and your response to Q7E.3 is "Yes".</i></p> | Not Applicable |
| 7E.3c | <p>*What fee, commission or other consideration is payable to them for acting as underwriter or sub-underwriter?</p> <p><i>Answer this question if the issuer is an ASX Listing and your response to Q7E.3 is "Yes".</i></p> <p><i>Note: This includes any applicable discount the underwriter or sub-underwriter receives to the issue price payable by participants in the issue.</i></p> | Not Applicable |
| 7E.4 | Details of any other material fees or costs to be incurred by the entity in connection with the proposed issue | Not Applicable |

Part 7F – Proposed placement or other issue – further information

| Question No. | Question | Answer |
|--------------|--|---|
| 7F.1 | <p>*The purpose(s) for which the entity is issuing the securities</p> <p><i>You may select one or more of the items in the list.</i></p> | <p><input checked="" type="checkbox"/> To raise additional working capital</p> <p><input type="checkbox"/> To fund the retirement of debt</p> <p><input type="checkbox"/> To pay for the acquisition of an asset [provide details below]</p> <p><input type="checkbox"/> To pay for services rendered [provide details below]</p> <p><input type="checkbox"/> Other [provide details below]</p> <p>Additional details:</p> <ul style="list-style-type: none"> ■ Pre-development costs such as long lead-time items, land acquisitions, technical studies, construction taxes and preparation for construction; ■ Project finance costs; ■ Corporate G&A / working capital costs of the Company; ■ Strategic investor due diligence and legal costs; and ■ Transaction and financing costs. |
| 7F.2 | *Will the entity be changing its dividend/distribution policy if the proposed issue proceeds? | No |
| 7F.2a | <p>*Please explain how the entity will change its dividend/distribution policy if the proposed issue proceeds</p> <p><i>Answer this question if your response to Q7F.2 is "Yes".</i></p> | Not Applicable |

| | | |
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| 7F.3 | Any other information the entity wishes to provide about the proposed issue | No |
|------|---|----|

Part 8 – details of +securities proposed to be issued

Answer the relevant questions in this part for the type of +securities the entity proposes to issue. If the entity is proposing to issue more than one class of security, including free attaching securities, please complete a separate version of Part 8 for each class of security proposed to be issued.

Part 8A – type of +securities proposed to be issued

| Question No. | Question | Answer |
|--------------|--|--|
| 8A.1 | <p>*The +securities proposed to be issued are:</p> <p><i>Tick whichever is applicable</i></p> <p><i>Note: SPP offers must select "existing quoted class"</i></p> | <p><input type="checkbox"/> Additional +securities in a class that is already quoted on ASX ("existing quoted class")</p> <p><input type="checkbox"/> Additional +securities in a class that is not currently quoted, and not intended to be quoted, on ASX ("existing unquoted class")</p> <p><input type="checkbox"/> New +securities in a class that is not yet quoted, but is intended to be quoted, on ASX ("new quoted class")</p> <p><input checked="" type="checkbox"/> New +securities in a class that is not quoted, and not intended to be quoted, on ASX ("new unquoted class")</p> |
| 8A.2 | <p>*Any on-sale of the +securities proposed to be issued within 12 months of their date of issue will comply with the secondary sale provisions in sections 707(3) and 1012C(6) of the Corporations Act by virtue of:</p> <p><i>Answer this question if your response to Q1.6 is "A standard pro rata issue (non-renounceable or renounceable)", "An accelerated offer", "A non-pro rata offer to wholesale investors under an information memorandum" or "A placement or other type of issue" and your response to Q8A.1 is "existing quoted class" or "new quoted class".</i></p> <p><i>Note: Under Appendix 2A of the Listing Rules, when the entity applies for quotation of the securities proposed to be issued, it gives a warranty that an offer of the securities for sale within 12 months after their issue will not require disclosure under section 707(3) or 1012C(6) of the Corporations Act.</i></p> <p><i>If you are in any doubt as to the application of, or the entity's capacity to give, this warranty, please see ASIC Regulatory Guide 173 Disclosure for on-sale of securities and other financial products and consult your legal adviser.</i></p> | <p><input type="checkbox"/> The publication of a +disclosure document or +PDS for the +securities proposed to be issued</p> <p><input checked="" type="checkbox"/> The publication of a cleansing notice under section 708A(5), 708AA(2)(f), 1012DA(5) or 1012DAA(2)(f)</p> <p><input type="checkbox"/> The publication of a +disclosure document or +PDS involving the same class of securities as the +securities proposed to be issued that meets the requirements of section 708A(11) or 1012DA(11)</p> <p><input type="checkbox"/> An applicable ASIC instrument or class order</p> <p><input type="checkbox"/> Not applicable – the entity has arrangements in place with the holder that ensure the securities cannot be on-sold within 12 months in a manner that would breach section 707(3) or 1012C(6)</p> <p><i>Note: Absent relief from ASIC, a listed entity can only issue a cleansing notice where trading in the relevant securities has not been suspended for more than 5 days during the shorter of: (a) the period during which the class of securities are quoted; and (b) the period of 12 months before the date on which the relevant securities were issued.</i></p> |

Note: If the +securities referred to in this form are being offered under a +disclosure document or +PDS and the entity selects the first or third option in its response to question 8A.1 above (existing quoted class or new quoted class), then by lodging this form with ASX, the entity is taken to have applied for quotation of all of the +securities that may be issued under the +disclosure document or +PDS on the terms set out in Appendix 2A of the ASX Listing Rules (on the understanding that once the final number of +securities issued under the +disclosure document or +PDS is known, in accordance with Listing Rule 3.10.3C, the entity will complete and lodge with ASX an Appendix 2A online form notifying ASX of their issue and applying for their quotation).

Part 8C – details of +securities proposed to be issued (new quoted class or new unquoted class)

Answer the questions in this Part if your response to Q8A.1 is “new quoted class” or “new unquoted class”.

| Question No. | Question | Answer |
|--------------|--|---|
| 8C.1 | *+Security description <i>The ASX security code for this security will be confirmed by ASX in due course.</i> | Unlisted Convertible Notes (December 2023) |
| 8C.2 | *Security type <i>Select one item from the list. Please select the most appropriate security type from the list. This will determine more detailed questions to be asked about the security later in this section. Select “ordinary fully or partly paid shares/units” for stapled securities or CDIs. For interest rate securities, please select the appropriate choice from either “Convertible debt securities” or “Non-convertible debt securities” (tradeable securities); or “Wholesale debt securities” (non-tradeable). Select “Other” for performance shares/units and performance options/rights or if the selections available in the list do not appropriately describe the security being issued.</i> | <input type="checkbox"/> Ordinary fully or partly paid shares/units <input type="checkbox"/> Options <input checked="" type="checkbox"/> +Convertible debt securities <input type="checkbox"/> Non-convertible +debt securities <input type="checkbox"/> Redeemable preference shares/units <input type="checkbox"/> Wholesale debt securities <input type="checkbox"/> Other |
| 8C.3 | ISIN code <i>Answer this question if you are an entity incorporated outside Australia and you are proposing to issue a new class of securities other than CDIs. See also the note at the top of this form.</i> | |
| 8C.3a | ISIN Code for the entitlement or right to participate in a non-renounceable issue; or for the tradeable rights created under a renounceable right issue (if Issuer is foreign company and +securities are non CDIs) | |
| 8C.4a | *Will all the +securities proposed to be issued in this class rank equally in all respects from the issue date? | Yes |
| 8C.4b | *Is the actual date from which the +securities will rank equally (non-ranking end date) known? <i>Answer this question if your response to Q8C.4a is “No”.</i> | Not Applicable |
| 8C.4c | *Provide the actual non-ranking end date <i>Answer this question if your response to Q8C.4a is “No” and your response to Q8C.4b is “Yes”.</i> | Not Applicable |
| 8C.4d | *Provide the estimated non-ranking end period <i>Answer this question if your response to Q8C.4a is “No” and your response to Q8C.4b is “No”.</i> | Not Applicable |

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| 8C.4e | <p>*Please state the extent to which the +securities do not rank equally:</p> <ul style="list-style-type: none"> in relation to the next dividend, distribution or interest payment; or for any other reason <p><i>Answer this question if your response to Q8C.4a is "No".</i></p> <p><i>For example, the securities may not rank at all, or may rank proportionately based on the percentage of the period in question they have been on issue, for the next dividend, distribution or interest payment; or they may not be entitled to participate in some other event, such as an entitlement issue.</i></p> | Not Applicable |
| 8C.5 | <p>Please attach a document or provide a URL link for a document lodged with ASX setting out the material terms of the +securities proposed to be issued or provide the information by separate announcement.</p> <p><i>You may cross-reference a disclosure document, PDS, information memorandum, investor presentation or other announcement with this information provided it has been released to the ASX Market Announcements Platform.</i></p> | <p>See announcement dated 22 December 2023 available at:</p> <p>HFR share price and company information for ASX:HFR</p> |
| 8C.6 | <p>*Have you received confirmation from ASX that the terms of the +securities are appropriate and equitable under listing rule 6.1?</p> <p><i>Answer this question only if you are an ASX Listing. (ASX Foreign Exempt Listings and ASX Debt Listings do not have to answer this question).</i></p> <p><i>If your response is "No" and the securities have any unusual terms, you should approach ASX as soon as possible for confirmation under listing rule 6.1 that the terms are appropriate and equitable.</i></p> | No |
| 8C.7a | <p>Ordinary fully or partly paid shares/units details</p> <p><i>Answer the questions in this section if you selected this security type in your response to Question 8C.2.</i></p> | |
| | <p>*+Security currency</p> <p><i>This is the currency in which the face amount of an issue is denominated. It will also typically be the currency in which distributions are declared.</i></p> | |
| | <p>*Will there be CDIs issued over the +securities?</p> | Yes or No |
| | <p>*CDI ratio</p> <p><i>Answer this question if you answered "Yes" to the previous question. This is the ratio at which CDIs can be transmuted into the underlying security (e.g. 4:1 means 4 CDIs represent 1 underlying security whereas 1:4 means 1 CDI represents 4 underlying securities).</i></p> | X:Y |
| | <p>*Is it a partly paid class of +security?</p> | Yes or No |
| | <p>*Paid up amount: unpaid amount</p> <p><i>Answer this question if answered "Yes" to the previous question.</i></p> <p><i>The paid up amount represents the amount of application money and/or calls which have been paid on any security considered 'partly paid'</i></p> <p><i>The unpaid amount represents the unpaid or yet to be called amount on any security considered 'partly paid'.</i></p> <p><i>The amounts should be provided per the security currency (e.g. if the security currency is AUD, then the paid up and unpaid amount per security in AUD).</i></p> | X:Y |

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| | <p>*Is it a stapled +security?</p> <p><i>This is a security class that comprises a number of ordinary shares and/or ordinary units issued by separate entities that are stapled together for the purposes of trading.</i></p> | Yes or No |
| 8C.7b | <p>Option details</p> <p><i>Answer the questions in this section if you selected this security type in your response to Question Q8C.2.</i></p> | |
| | <p>*+Security currency</p> <p><i>This is the currency in which the exercise price is payable.</i></p> | |
| | <p>*Exercise price</p> <p><i>The price at which each option can be exercised and convert into the underlying security.</i></p> <p><i>The exercise price should be provided per the security currency (i.e. if the security currency is AUD, the exercise price should be expressed in AUD).</i></p> | |
| | <p>*Expiry date</p> <p><i>The date on which the options expire or terminate.</i></p> | |
| | <p>*Details of the number and type of +security (including its ASX security code if the +security is quoted on ASX) that will be issued if an option is exercised</p> <p><i>For example, if the option can be exercised to receive one fully paid ordinary share with ASX security code ABC, please insert "One fully paid ordinary share (ASX:ABC)".</i></p> | |
| 8C.7c | <p>Details of non-convertible +debt securities, +convertible debt securities, or redeemable preference shares/units</p> <p><i>Answer the questions in this section if you selected one of these security types in your response to Question Q8C.2.</i></p> <p><i>Refer to Guidance Note 34 and the "Guide to the Naming Conventions and Security Descriptions for ASX Quoted Debt and Hybrid Securities" for further information on certain terms used in this section</i></p> | |
| | <p>*Type of +security</p> <p><i>Select one item from the list</i></p> | <p><input type="checkbox"/> Simple corporate bond</p> <p><input type="checkbox"/> Non-convertible note or bond</p> <p><input checked="" type="checkbox"/> Convertible note or bond</p> <p><input type="checkbox"/> Preference share/unit</p> <p><input type="checkbox"/> Capital note</p> <p><input type="checkbox"/> Hybrid security</p> <p><input type="checkbox"/> Other</p> |
| | <p>*+Security currency</p> <p><i>This is the currency in which the face value of the security is denominated. It will also typically be the currency in which interest or distributions are paid.</i></p> | USD and AUD |
| | <p>*Face value</p> <p><i>This is the principal amount of each security.</i></p> <p><i>The face value should be provided per the security currency (i.e. if security currency is AUD, then the face value per security in AUD).</i></p> | <p>\$10,000 USD (EMR Subscribers and the institutional investor participating in the note issuance)</p> <p>\$10,000 AUD (Tectonic)</p> |

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| | <p>*Interest or dividend rate type <i>Select one item from the list</i> <i>Select the appropriate interest rate type per the terms of the security. Definitions for each type are provided in the Guide to the Naming Conventions and Security Descriptions for ASX Quoted Debt and Hybrid Securities</i> <i>Note, this and the following questions also refer to dividend rates and payments, as would be relevant to preference securities.</i></p> | <input checked="" type="checkbox"/> Fixed rate <input type="checkbox"/> Floating rate <input type="checkbox"/> Indexed rate <input type="checkbox"/> Variable rate <input type="checkbox"/> Zero coupon/no interest <input type="checkbox"/> Other |
| | <p>*Frequency of coupon/interest/dividend payments per year <i>Select one item from the list.</i></p> | <input type="checkbox"/> Monthly <input checked="" type="checkbox"/> Quarterly <input type="checkbox"/> Semi-annual <input type="checkbox"/> Annual <input type="checkbox"/> No coupon/interest payments <input type="checkbox"/> Other |
| | <p>*First interest/dividend payment date <i>A response is not required if you have selected "No coupon/interest payments" in response to the question above on the frequency of coupon/interest payments</i></p> | On or about 22 March 2024. |
| | <p>*Interest/dividend rate per annum <i>Answer this question if the interest rate type is fixed.</i></p> | 14% p.a. Further detail available in announcement dated 22 December 2023. |
| | <p>*Is the interest/dividend rate per annum estimated at this time? <i>Answer this question if the interest rate type is fixed.</i></p> | No |
| | <p>*If the interest/dividend rate per annum is estimated, then what is the date for this information to be announced to the market (if known) <i>Answer this question if the interest rate type is fixed and your response to the previous question is "Yes".</i> <i>Answer "Unknown" if the date is not known at this time.</i></p> | Not applicable |
| | <p>*Does the interest/dividend rate include a reference rate, base rate or market rate (e.g. BBSW or CPI)? <i>Answer this question if the interest rate type is floating or indexed.</i></p> | No |
| | <p>*What is the reference rate, base rate or market rate? <i>Answer this question if the interest rate type is floating or indexed and your response to the previous question is "Yes".</i></p> | Not Applicable |
| | <p>*Does the interest/dividend rate include a margin above the reference rate, base rate or market rate? <i>Answer this question if the interest rate type is floating or indexed.</i></p> | Not Applicable |
| | <p>*What is the margin above the reference rate, base rate or market rate (expressed as a percent per annum) <i>Answer this question if the interest rate type is floating or indexed and your response to the previous question is "Yes".</i></p> | Not Applicable |

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| | <p>*Is the margin estimated at this time?</p> <p><i>Answer this question if the interest rate type is floating or indexed.</i></p> | Not Applicable |
| | <p>*If the margin is estimated, then what is the date for this information to be announced to the market (if known)</p> <p><i>Answer this question if the interest rate type is floating or indexed and your response to the previous question is "Yes".</i></p> <p><i>Answer "Unknown" if the date is not known at this time.</i></p> | Not Applicable |
| | <p>*S128F of the Income Tax Assessment Act status applicable to the +security</p> <p><i>Select one item from the list</i></p> <p><i>For financial products which are likely to give rise to a payment to which s128F of the Income Tax Assessment Act applies, ASX requests issuers to confirm the s128F status of the security:</i></p> <ul style="list-style-type: none"> • "s128F exempt" means interest payments are not taxable to non-residents; • "Not s128F exempt" means interest payments are taxable to non-residents; • "s128F exemption status unknown" means the issuer is unable to advise the status; <p><i>"Not applicable" means s128F is not applicable to this security</i></p> | <input type="checkbox"/> s128F exempt <input type="checkbox"/> Not s128F exempt <input type="checkbox"/> s128F exemption status unknown <input type="checkbox"/> Not applicable |
| | <p>*Is the +security perpetual (i.e. no maturity date)?</p> | No |
| | <p>*Maturity date</p> <p><i>Answer this question if the security is not perpetual</i></p> | 22 June 2025 |
| | <p>*Select other features applicable to the +security</p> <p><i>Up to 4 features can be selected. Further information is available in the Guide to the Naming Conventions and Security Descriptions for ASX Quoted Debt and Hybrid Securities.</i></p> | <input type="checkbox"/> Simple <input type="checkbox"/> Subordinated <input checked="" type="checkbox"/> Secured <input type="checkbox"/> Converting <input checked="" type="checkbox"/> Convertible <input type="checkbox"/> Transformable <input type="checkbox"/> Exchangeable <input type="checkbox"/> Cumulative <input type="checkbox"/> Non-Cumulative <input type="checkbox"/> Redeemable <input type="checkbox"/> Extendable <input type="checkbox"/> Reset <input type="checkbox"/> Step-Down <input type="checkbox"/> Step-Up <input type="checkbox"/> Stapled <input type="checkbox"/> None of the above |
| | <p>*Is there a first trigger date on which a right of conversion, redemption, call or put can be exercised (whichever is first)?</p> | No |
| | <p>*If yes, what is the first trigger date</p> <p><i>Answer this question if your response to the previous question is "Yes".</i></p> | Not Applicable |

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| | <p>*Details of the number and type of +security (including its ASX security code if the +security is quoted on ASX) that will be issued if the +securities are converted, transformed or exchanged (including, if applicable, any interest)</p> <p><i>Answer this question if the security features include "converting", "convertible", "transformable" or "exchangeable".</i></p> <p><i>For example, if the security can be converted into 1,000 fully paid ordinary shares with ASX security code ABC, please insert "1,000 fully paid ordinary shares (ASX:ABC)".</i></p> | <p>Ordinary Fully Paid Shares in the Company (ASX:HFR), 14,386,072 Ordinary Shares based on the volume weighted average price (VWAP) of the Shares as traded on ASX over the 20 trading days prior to the date of the CND (Convertible Note Deed) being \$0.3147 to Other Subscribers.</p> <p>Ordinary Fully Paid Shares in the Company (ASX:HFR), 14,386,072 to EMR Subscribers assuming the Convertible Note issue to the EMR Subscribers is approved by Securityholders.</p> <p>Total of 28,772,144 Ordinary Fully Paid Shares.</p> |
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