

Notice of Annual General Meeting

Notice is hereby given that the Annual General Meeting of Shareholders of Los Cerros Limited (**'Los Cerros'** or **'Company'**) will be held at the office of our auditor, Grant Thornton, Level 43 Central Park, 152-158 St Georges Terrace, Perth WA 6000, in the Cable Beach meeting room, on 31 May 2022 at 10:00am (WST).

In accordance with the Corporation Amendment (Meetings and Documents) Act 2022, the Company will not be dispatching physical copies of the Notice of Annual General Meeting, unless a shareholder has previously requested a hard copy. The accompanying explanatory statements and annexures (**'Meeting Materials'**) are being made available to shareholders electronically. You will be able to access the Meeting Materials using the links below or the ASX market announcements page on the Company's website.

- You can access the Meeting Materials online at the Company's website www.loscerros.com.au/site/news/ASX-Announcements/.
- A complete copy of the Meeting Materials has been posted to the Company's ASX Market announcements page at www.asx.com.au under the Company's ASX code "LCL".

If you have provided an email address and have elected to receive electronic communications from the Company, you will receive an email to your nominated email address with a link to an electronic copy of the Meeting Materials and the voting instruction form.

To **vote** please go to this site at our share registry Automic: <https://investor.automic.com.au/#/loginsah> or complete and return the attached proxy form. Your proxy voting instruction must be received by 10.00 am (WST) on 29 May 2022, being not less than 48 hours before the commencement of the Meeting.

If you have not yet registered, you will need your shareholder information including SRN/HIN details.

If you are unable to access the Meeting Materials online, please contact our share registry Automic by emailing hello@automicgroup.com.au or by phone on 1300 288 664 (within Australia) or on +61 2 9698 5414 (Outside Australia) between 8:30am and 5:30pm (AEST) Monday to Friday, to obtain a copy.

Sustainable communications

We hope you will help us better the environment and support the Company, by reducing paper usage and the thousands of dollars spent on printing and postage each year, by electing to receive communications through secure email.

If you would like to receive electronic communications from the Company in the future, please update your communication elections online at: <https://investor.automic.com.au/#/home>

For the purpose of Listing Rule 15.5, the Board has authorised for this announcement to be released.

Michael Allen
Company Secretary

Los Cerros Limited
ACN 119 759 349

Notice of Annual General Meeting

The Annual General Meeting of the Company will be held at the office of our auditor, Grant Thornton, Level 43 Central Park, 152-158 St Georges Terrace, Perth WA 6000, in the Cable Beach meeting room, on 31 May 2022 at 10:00am (WST) or as otherwise specified.

The Notice of Annual General Meeting and Explanatory Memorandum should be read in their entirety. If Shareholders are in doubt as to how to vote, they should seek advice from their accountant, solicitor or other professional advisor prior to voting.

Should you wish to discuss any matter, please do not hesitate to contact the Company Secretary, Michael Allen, by telephone on +61 8 6245 2050.

Important Notice - Accessing the Company's 2021 Annual Report

The Company's 2021 Annual Report is now available on the Company's website at [Los Cerros Audited Financial Statements 31 December 2021](#).

You will only receive a printed copy of the Annual Report if you have elected to continue receiving shareholder communications in hard copy.

Shareholders are urged to vote by lodging the proxy form attached to the Notice

Los Cerros Limited
ACN 119 759 349
(Company)

Notice of Annual General Meeting

Notice is hereby given that the Annual General Meeting of Shareholders of Los Cerros Limited ('**Los Cerros**' or the '**Company**') will be held at the office of our auditor, Grant Thornton, Level 43 Central Park, 152-158 St Georges Terrace, Perth WA 6000, in the Cable Beach meeting room, on 31 May 2022 at 10:00am (WST) (**Meeting**).

The Board continues to monitor the rapidly changing coronavirus (COVID-19) pandemic closely. The health of the Company's Shareholders, employees and other stakeholders is of paramount importance.

While the Board would like to host all Shareholders in person, in order to minimise the risk to Shareholders and to the Company and its ongoing operations, the Company suggests that Shareholders do not attend the Meeting in person.

It may not be possible to admit all shareholders who wish to attend the AGM due to any applicable venue capacity or other COVID-19 related restrictions. Please be aware that there is a vaccination policy at the venue which requires all attendees at the venue premises to be vaccinated. Social distancing rules will be observed and we will not be offering refreshments at the AGM.

Accordingly, the Directors strongly encourage all Shareholders to lodge Proxy Forms prior to the Meeting. The Company advises that a poll will be conducted for each of the Resolutions.

The Board will continue to monitor Australian Government restrictions on public gatherings. If it becomes necessary or appropriate to make alternative arrangements to those set out in this Notice, the Company will notify Shareholders accordingly via the Company's website at www.loscerros.com.au/site/news/ASX-Announcements and the ASX announcement platform.

The Explanatory Memorandum provides additional information on matters to be considered at the Meeting. The Explanatory Memorandum and the Proxy Form comprise part of the Notice.

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 on 29 May 2022 at 10:00am (WST).

Terms and abbreviations used in the Notice are defined in Schedule 1.

Agenda

Ordinary Business

Annual Accounts and Reports

To receive and consider the Annual Report, including the Financial Report, Directors' Report and Auditor's Report of the Company for the year ended 31 December 2021.

Resolution 1 - Remuneration Report (non-binding resolution)

To consider and, if thought fit, to pass with or without amendment, as a **non-binding** resolution the following:

'That, for the purpose of section 250R(2) of the Corporations Act and for all other purposes, the Remuneration Report set out in the Annual Report of the Company for the financial year ended 31 December 2021 be adopted.'

Note: the vote on this Resolution is advisory only and does not bind the Directors or the Company.

Voting Prohibition

In accordance with sections 250BD and 250R of the Corporations Act, a vote on this Resolution must not be cast (in any capacity) by or on behalf of a member of the Key Management Personnel details of whose remuneration are included in the Remuneration Report, or a Closely Related Party of such a member.

A vote may be cast by such person if the vote is not cast on behalf of a person who is excluded from voting on this Resolution, and:

- (a) the person is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or
- (b) the voter is the Chair and the appointment of the Chair as proxy does not specify the way the proxy is to vote on this Resolution, but expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

Resolution 2 - Re-election of Ross Ashton as a Director

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

'That, Mr Ross Ashton, being a director of the Company who was previously re-elected at the Annual General Meeting held on 23 June 2020 and who retires in accordance with Article 7.2(b) of the Constitution, Listing Rule 14.5 and for all other purposes, and, being eligible and offering himself for re-election, is re-elected as a director of the Company on the terms and conditions in the Explanatory Memorandum.'

Resolution 3 - Approval of 10% Placement Facility

To consider and, if thought fit, to pass as a **special resolution** the following:

'That, for the purposes of Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of Equity Securities of up to 10% of the issued capital of the Company at the time of issue, calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and otherwise on the terms and conditions in the Explanatory Memorandum.'

Resolution 4 - Amendment of Constitution

To consider and, if thought fit, to pass as a **special resolution** the following:

'That, for the purposes of section 136(2) of the Corporations Act, and for all other purposes, with effect from the conclusion of the meeting, the Constitution of the Company be amended on the manner described in the Explanatory Memorandum to the Notice of Meeting.'

BY ORDER OF THE BOARD

Michael Allen
Company Secretary
Los Cerros Limited
Dated: 26 April 2022

Los Cerros Limited
ACN 119 759 349
(Company)

Explanatory Memorandum

1. Introduction

The Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be conducted at the office of our auditor, Grant Thornton, Level 43 Central Park, 152-158 St Georges Terrace, Perth WA 6000, in the Cable Beach meeting room, on 31 May 2022 at 10:00am (WST).

The Explanatory Memorandum forms part of the Notice which should be read in its entirety. The Explanatory Memorandum contains the terms and conditions on which the Resolutions will be voted.

The Explanatory Memorandum includes the following information to assist Shareholders in deciding how to vote on the Resolutions:

Section 1	Introduction
Section 2	Action to be taken by Shareholders
Section 3	Annual Accounts and Reports
Section 4	Resolution 1 - Remuneration Report (non-binding resolution)
Section 5	Resolution 2 - Re-election of Ross Ashton as a Director
Section 6	Resolution 3 - Approval of 10% Placement Facility
Section 7	Resolution 4 - Amendment of Constitution
Schedule 1	Definitions
Schedule 2	Securities issued in the previous 12 months under rule 7.1A.2

A Proxy Form is located at the end of the Explanatory Memorandum.

2. Action to be taken by Shareholders

Shareholders should read the Notice including the Explanatory Memorandum carefully before deciding how to vote on the Resolutions.

2.1 Voting in person

To vote in person, attend the Meeting on the date and at the place set out above, subject to further notice from the Company.

The Board recognises that the coronavirus (COVID-19) pandemic raises a risk that legislation or Government directives may prevent the Meeting from being convened in person, or restrict the manner in which the Meeting may be convened. In the event that, in the lead up to the Meeting, it appears likely that restrictions on indoor gatherings will be in effect, the Company will provide an update at least 10 business days before the Meeting, on the manner on which it will convene the meeting. The Board encourages Shareholders to monitor the ASX and the Company's website for any updates in relation to the Meeting that may need to be provided.

2.2 Proxies

(a) Voting by proxy

A Proxy Form is attached to the Notice. This is to be used by Shareholders if they wish to appoint a representative (a 'proxy') to vote in their place. All Shareholders are invited and encouraged to attend the Meeting or, if they are unable to attend in person, sign and return the Proxy Form to the Company in accordance with the instructions thereon. Lodgement of a Proxy Form will not preclude a Shareholder from attending and voting at the Meeting in person.

Please note that:

- (i) a member of the Company entitled to attend and vote at the Meeting is entitled to appoint a proxy;
- (ii) a proxy need not be a member of the Company; and
- (iii) a member of the Company entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise, but where the proportion or number is not specified, each proxy may exercise half of the votes.

The enclosed Proxy Form provides further details on appointing proxies and lodging Proxy Forms.

Proxy Forms must be received by the Company no later than 10:00am (WST) on 29 May 2022, being at least 48 hours before the Meeting.

(b) Proxy vote if appointment specifies way to vote

Section 250BB(1) of the Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, if it does:

- (i) 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 directed);
- (ii) if the proxy has two or more appointments that specify different ways to vote on the resolution – the proxy must not vote on a show of hands;
- (iii) 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 directed); and
- (iv) if the proxy is not the chair – the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (i.e. as directed).

(c) Transfer of non-chair proxy to chair in certain circumstances

Section 250BC of the Corporations Act provides that, if:

- (i) 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;
- (ii) the appointed proxy is not the chair of the meeting;
- (iii) at the meeting, a poll is duly demanded on the resolution; and
- (iv) either the proxy is not recorded as attending the meeting or the proxy does not vote on the resolution,

the chair of the meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the meeting.

2.3 Chair's voting intentions

The Chair intends to exercise all available proxies in favour of all Resolutions, unless the Shareholder has expressly indicated a different voting intention.

If the Chair is appointed as your proxy, either by appointment or default, and you have not specified the way the Chair is to vote on Resolution 1 by signing and returning the Proxy Form, you are considered to have provided the Chair with an express authorisation for the Chair to exercise the proxy in accordance with the Chair's intention, even though Resolution 1 is connected directly or indirectly with the remuneration of a member of the Key Management Personnel of the Company.

2.1 Remote attendance via teleconference

If the Company determines that it is necessary for the Meeting to be accessible to all Shareholders via a teleconference, it will provide an update no later than 10 business days before the Meeting.

In such circumstances, the Company will provide the Shareholders who wish to participate in the Meeting remotely with the required details to join the teleconference.

3. Annual Accounts and Reports

In accordance with section 317 of the Corporations Act, Shareholders will be offered the opportunity to discuss the Annual Report, including the Financial Report, the Directors' Report and the Auditor's Report for the financial year ended 31 December 2021.

There is no requirement for Shareholders to approve the Annual Report.

At the Meeting, Shareholders will be offered the opportunity to:

- (a) discuss the Annual Report which is available online at <https://www.losceros.com.au/site/news/Annual-Reports-Archive;>
- (b) ask questions about, or comment on, the management of the Company; and

- (c) ask the auditor questions about the conduct of the audit and the preparation and content of the Auditor's Report.

4. **Resolution 1 - Remuneration Report (non-binding resolution)**

The Remuneration Report for the financial year ended 31 December 2021 is set out in the Company's 2021 Annual Report. By way of summary, the Remuneration Report sets out the Company's remuneration policies and sets out remuneration details for each Director and other Key Management Personnel of the Company.

Shareholders attending the Meeting will be given a reasonable opportunity to ask questions about, or make comments on, the Remuneration Report.

Under the Corporations Act, a listed entity is required to put to the vote a resolution that the Remuneration Report be adopted. The vote on this resolution is advisory only and does not bind the Directors or the Company.

Of itself, a failure of members to vote in favour of Resolution 1 will not require the Directors to alter any of the arrangements contemplated by the Remuneration Report. However, the Corporations Act requires that, if a company's remuneration report receives an "against" vote of 25% or more at two consecutive annual general meetings, a resolution must be put at the later of the two annual general meetings that another meeting of Shareholders be held (within 90 days) at which all Directors (other than the Managing Director) who were in office at the date of that resolution must stand for re-election. In summary, members will be entitled to vote on whether a general meeting to re-elect the Board should be held if the Remuneration Report receives "two strikes".

Less than 25% of votes cast at the last Annual General Meeting of the Company were cast against the resolution to adopt the Remuneration Report for the year ended 31 December 2020.

Given the material personal interests of all Directors in this Resolution, the Board makes no recommendation to Shareholders regarding this Resolution.

5. **Resolution 2 - Re-election of Ross Ashton as a Director**

5.1 **General**

Pursuant to Article 7.2(b) of the Constitution and Listing Rule 14.5, provides that an entity which has directors must hold an election of directors at each annual general meeting.

The Constitution sets out the requirements for determining which Directors are to retire by rotation at an annual general meeting.

Mr Ashton, who has served as a Director of the Company since 16 August 2019 and was last re-elected on 23 June 2020, retires by rotation and seeks re-election pursuant to Resolution 2.

If elected, the Board does not consider Mr Ashton to be an independent director.

5.2 **Bio of Mr Ashton**

Mr Ashton was appointed to the Board on 16 August 2019 as part of Los Cerros' merger with Andes Resources where he also held the role of Chairman. Mr Ashton has over 50 years' experience as a geologist specialising in mineral exploration and resource development internationally. Mr Ashton was founder of Red Back Mining Limited, a company subsequently acquired by Kinross Gold Corporation for US\$7.2 billion in 2010. Mr Ashton was also a director of TSX/ASX listed PMI Gold Ltd and ASX listed Brockman Resources Ltd. Both companies were involved in corporate transactions following the discovery of significant mineral resources.

5.3 **Board recommendation**

Resolution 2 is an ordinary resolution.

The Board, other than Mr Ashton, recommends that Shareholders vote in favour of Resolution 2 for the following reasons:

- (a) Mr Ashton has a wealth of experience and expertise that is valuable to the Company; and
- (b) All Directors (excluding Mr Ashton) consider it is in the best interests of the Company.

6. **Resolution 3 - Approval of 10% Placement Facility**

6.1 **General**

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

Listing Rule 7.1A enables eligible entities to issue Equity Securities up to 10% of its issued share capital through placements over a 12 month period after the annual general meeting (**10% Placement Facility**). The 10% Placement Facility is in addition to the Company's 15% placement capacity under Listing Rule 7.1.

An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. Based on the ASX closing price on 22 April 2022 (\$0.10 per Share) the Company has a market capitalisation of approximately \$64.851 million. The Company is therefore an eligible entity for these purposes.

If on the date of the Meeting, the Company's market capitalisation exceeds \$300 million or it has been included in the S&P/ASX 300 Index, this Resolution 3 will be withdrawn.

The Company is now seeking Shareholder approval by way of a **special** resolution to have the ability to issue Equity Securities under the 10% Placement Facility. The number of Equity Securities to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to Section 6.2(c) below).

If Resolution 3 is passed, the Company will be able to issue Equity Securities up to the combined 25% limit in the Listing Rules 7.1 and 7.1A without any further Shareholder approval.

If Resolution 3 is not passed, the Company will not be able to access the 10% Placement Facility to issue Equity Securities without Shareholder approval provided for in Listing Rule 7.1A. The Company will therefore remain subject to the 15% limit on issuing Equity Securities without Shareholder approval set out in Listing Rule 7.1.

The Board unanimously recommends that Shareholders vote in favour of Resolution 3.

Resolution 3 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

6.2 **Listing Rule 7.1A**

(a) **Shareholder approval**

The ability to issue Equity Securities under the 10% Placement Facility is subject to Shareholder approval by way of a special resolution at an annual general meeting.

(b) **Equity Securities**

Any Equity Securities issued under the 10% Placement Facility must be in the same class as an existing quoted class of Equity Securities of the Company.

The Company, as at the date of the Notice, has on issue one quoted class of Equity Securities - Ordinary Shares.

(c) **Formula for calculating 10% Placement Facility**

Listing Rule 7.1A.2 provides that eligible entities which have obtained shareholder approval at an annual general meeting may issue or agree to issue during the 12 month period after the date of the annual general meeting, a number of Equity Securities calculated in accordance with the following formula:

$$(A \times D) - E$$

Where:

- A** is the number of fully paid ordinary securities on issue at the commencement of the relevant period,
- plus the number of fully paid ordinary securities issued in the relevant period under an exemption in Listing Rule 7.2 other than exception 9, 16 or 17,
 - plus the number of fully paid ordinary securities issued in the relevant period on the conversion of convertible securities within Listing Rule 7.2 exception 9 where:
 - the convertible securities were issued or agreed to be issued before the commencement of the relevant period; or
 - the issue of, or agreement of issue, the convertible securities was approved, or taken under the Listing Rules to have been approved, under Listing Rule 7.1 or 7.4,

- plus the number of fully paid ordinary securities issued in the relevant period under an agreement to issue securities within Listing Rule 7.2 exception 16 where:
 - the agreement was entered into before the commencement of the relevant period; or
 - the agreement or issue was approved, or taken under the Listing Rules to have been approved, under Listing Rule 7.1 or 7.4,
- plus the number of any other fully paid ordinary securities issued in the relevant period with approval under Listing Rule 7.1 or 7.4,
- plus the number of party paid ordinary securities that became fully paid in the relevant period,
- less the number of fully paid ordinary securities cancelled in the relevant period;

Note that 'A' has the same meaning in Listing Rule 7.1 when calculating the Company's 15% annual placement capacity.

D is 10%.

E is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue that are not issued with Shareholder approval under Listing Rule 7.1 or 7.4.

"relevant period" means:

- if the entity has been admitted to the official list for 12 months or more, the 12 month period immediately preceding the date of the issue or agreement; or
- if the entity has been admitted to the official list for less than 12 months, the period from the date the entity was admitted to the official list to the date immediately preceding the date of the issue or agreement.

(d) **Listing Rule 7.1 and Listing Rule 7.1A**

The ability of an entity to issue Equity Securities under Listing Rule 7.1A is in addition to the entity's 15% placement capacity under Listing Rule 7.1.

The actual number of Equity Securities that the Company will have capacity to issue under Listing Rule 7.1A will be calculated at the date of issue of the Equity Securities in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to Section 6.2(c)).

(e) **Minimum Issue Price**

Any Equity Securities issued under Listing Rule 7.1A must be issued for a cash consideration per security which is not less than 75% of the VWAP of Equity Securities in the same class calculated over the 15 trading days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed by the Company and the recipient of the Equity Securities; or
- (ii) if the Equity Securities are not issued within 10 trading days of the date in paragraph (i) above, the date on which the Equity Securities are issued,

(Minimum Issue Price).

(f) **10% Placement Period**

An approval under Listing Rule 7.1A commences on the date of the annual general meeting at which the approval is obtained and expires on the first to occur of the following:

- (i) the date that is 12 months after the date of the annual general meeting at which the approval is obtained;
- (ii) the time and date of the entity's next annual general meeting; and
- (iii) the date of Shareholder approval of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking).

(10% Placement Period).

(g) **What is the effect of Resolution 3?**

The effect of Resolution 3 will be to allow the Directors to issue the Equity Securities under Listing Rule 7.1A during the 10% Placement Period without further Shareholder approval or without using the Company's 15% placement capacity under Listing Rule 7.1.

6.3 Specific information required by Listing Rule 7.3A

In accordance with Listing Rule 7.3A, information is provided as follows:

(a) **Minimum issue price**

Where the Company issues Equity Securities under the 10% Placement Facility, it will only do so for cash consideration and the issue price will be not less than the Minimum Issue Price (refer to Section 6.2(e) above).

(b) **Risk of economic and voting dilution**

If this Resolution is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Facility, the existing Shareholders' voting power in the Company will be diluted as shown in the below tables (in the case of Options, only if the Options are converted into Shares). There is a risk that:

- (i) the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date of the Meeting; and
- (ii) the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date,

which may have an effect on the amount of funds raised by the issue of the Equity Securities.

The below table shows:

- (iii) the dilution of existing Shareholders on the basis of the current market price of Shares and the current number of ordinary securities for variable "A" calculated in accordance with the formula in Listing Rule 7.1A.2 as at the date of the Notice (see note 8 below for further details);
- (iv) two examples where variable "A" has increased, by 50% and 100%. Variable "A" is based on the number of ordinary securities the Company has on issue; and
- (v) two examples of where the issue price of ordinary securities has decreased by 50% and increased by 100% as against the current market price.

Variable 'A' in Listing Rule 7.1A.2*		Dilution		
		\$0.05 50% decrease in Issue Price	\$0.10 Issue Price	\$0.15 100% increase in Issue Price
Current Variable A 648,511,355 Shares	10% Voting Dilution	64,851,135 Shares	64,851,135 Shares	64,851,135 Shares
	Funds raised	\$3,242,566	\$6,485,113	\$9,727,670
50% increase in current Variable A 972,767,033 Shares	10% Voting Dilution	97,276,703 Shares	97,276,703 Shares	97,276,703 Shares
	Funds raised	\$4,863,835	\$9,727,670	\$14,591,505
100% increase in current Variable A 1,297,022,710 Shares	10% Voting Dilution	129,702,271 Shares	129,702,271 Shares	129,702,271 Shares
	Funds raised	\$6,485,113	\$12,970,227	\$19,455,340

* The number of Shares on issue (Variable A in the formula) could increase as a result of the issue of Shares that do not require Shareholder approval (such as under a pro rata rights issue, scrip issued under a takeover offer or upon exercise of convertible securities) or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders' meeting.

The table has been prepared on the following assumptions:

1. The Company issues the maximum number of Equity Securities available under the 10% Placement Facility.

2. No convertible Securities (including any issued under the 10% Placement Facility) are exercised or converted into Shares before the date of the issue of the Equity Securities.
3. The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
4. The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on that Shareholder's holding at the date of the Meeting.
5. The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.
6. The issue of Equity Securities under the 10% Placement Facility consists only of Shares. If the issue of Equity Securities includes Quoted Options, it is assumed that those Quoted Options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.
7. The issue price is the current market price (\$0.10), being the closing price of the Shares on ASX on 22 April 2022, being the last day that the Company's Shares traded on the ASX before this Notice was printed.
8. Variable A is 648,511,355, being the number of existing Shares on issue as at the date of this Meeting, assuming the Company has not issued any Shares in the 12 months prior to the Meeting that were not issued under an exception in Listing Rule 7.2 or with Shareholder approval under Listing Rules 7.1 and 7.4.

(c) **Final date for issue**

The Company will only issue the Equity Securities under the 10% Placement Facility during the 10% Placement Period (refer to Section 6.2(f) above).

Shareholder approval of the 10% Placement Facility will cease to be valid if Shareholders approve a transaction under Listing Rule 11.1.2 or 11.2.

(d) **Purposes of issues under 10% Placement Facility**

The Company may seek to issue the Equity Securities for cash consideration, in which case the Company intends to use funds raised for the acquisition of new assets or investments (including expenses associated with such acquisition), continued exploration and scoping and feasibility study expenditure on the Company's current assets and/or general working capital.

The Company will comply with the disclosure obligations under Listing Rules 7.1A.4 and 3.10.3 upon issue of any Equity Securities.

(e) **Allocation policy**

The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility. The identity of the allottees of Equity Securities will be determined on a case-by-case basis having regard to the factors including but not limited to the following:

- (i) the methods of raising funds that are available to the Company, including but not limited to, rights issue or other issue in which existing security holders can participate;
- (ii) the effect of the issue of the Equity Securities on the control of the Company;
- (iii) financial situation and solvency of the Company; and
- (iv) advice from corporate, financial and broking advisers (if applicable).

The allottees under the 10% Placement Facility have not been determined as at the date of the Notice but may include existing substantial Shareholders and/or new Shareholders who are not a related party or an associate of a related party of the Company.

(f) **Issues in the past 12 months**

The Company has previously obtained Shareholder approval under Listing Rule 7.1A at its Annual General Meeting held on 26 May 2021.

In the 12 months preceding the date of the Meeting and as at the date of this Notice, the Company has issued 47,774,164 Equity Securities under rule 7.1A. This represents 7.87% of the total number of Equity Securities on issue at the commencement of that 12 month period.

Details of each issue of Equity Securities by the Company during the 12 months preceding the date of the Meeting are set out in Schedule 2.

(g) **Voting exclusion statement**

As at the date of this Notice, the Company is not proposing to make an issue of Equity Securities under Listing Rule 7.1A. Accordingly, a voting exclusion statement is not included in this Notice.

7. **Resolution 4 - Amendment to Constitution**

A company may modify or repeal its Constitution or a provision of its Constitution by special resolution of Shareholders.

Resolution 5 is a special resolution which will enable the Company to amend its existing Constitution (**Amended Constitution**) to insert an additional clause 6A, which permits the use of technology at general meetings, including wholly virtual meetings, to the extent permitted under the Corporations Act, Listing Rules and applicable law as follows:

6A Use of Technology at General Meetings

6A.1 Use of technology

- (a) *To the extent permitted under the Corporations Act, Listing Rules and any other applicable law, a general meeting may be convened using virtual technology only, or at two or more venues, provided that the form of technology used provides all shareholders entitled to attend the meeting, as a whole, a reasonable opportunity to participate in the meeting without being physically present in the same place.*
- (b) *The provisions of this Constitution relating to general meetings apply, so far as they can and with any necessary changes to ensure compliance*

with the Corporations Act, Listing Rules and any other applicable law, to general meetings held using that technology.

- (c) *Where a general meeting is held using virtual technology only or at two or more venues using any form of technology:*
 - (i) *a Shareholder participating in the meeting is taken to be present in person at the meeting;*
 - (ii) *any documents required or permitted to be tabled at the meeting will be taken to have been tabled at the meeting if the document is given, or made available, to the persons entitled to attend the meeting (whether physically or using technology) before or during the meeting; and*
 - (iii) *the meeting is taken to be held at the physical venue set out in the notice of meeting, or at the registered office of the Company if the meeting is held using virtual technology only.*

6A.2 Communication of meeting documents

To the extent permitted under the Corporations Act, Listing Rules and any other applicable law, any document that is required or permitted to be given to a Shareholder that relates to a Shareholders' meeting (including, but not limited to, the notice of meeting) may be distributed:

- (a) *by means of electronic communication; or*
- (b) *by giving the Shareholder (by means of an electronic communication or otherwise) sufficient information to allow the person to access the document electronically,*
in accordance with the Corporations Act.

A copy of the Amended Constitution is available for review by Shareholders at the office of the Company. A copy of the Amended Constitution can also be sent to Shareholders upon request to the Company Secretary. Shareholders are invited to contact the Company if they have any queries or concerns.

Schedule 1 Definitions

In the Notice, words importing the singular include the plural and vice versa.

10% Placement Facility	has the meaning given in Section 6.1.
10% Placement Period	has the meaning given in Section 6.2(f).
\$	means Australian Dollars.
ASX	means the ASX Limited (ABN 98 008 624 691) and, where the context permits, the Australian Securities Exchange operated by ASX Limited.
Annual Report	means the annual report of the Company for the financial year ended 31 December 2021.
Auditor' s Report	means the auditor's report contained in the Annual Report.
Board	means the Board of Directors.
Chair	means the person appointed to chair the Meeting of the Company convened by the Notice.
Closely Related Party	of a member of the Key Management Personnel means: <ul style="list-style-type: none">(a) a spouse or child of the member;(b) a child of the member's spouse;(c) a dependent of the member or the member's spouse;(d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;(e) a company the member controls; or(f) a person prescribed by the <i>Corporations Regulations 2001</i> (Cth) for the purposes of the definition of 'closely related party' in the Corporations Act.
Company	means Los Cerros Limited (ACN 119 759 349).
Constitution	means the Constitution of the Company as at the date of the Meeting.
Corporations Act	means the <i>Corporations Act 2001</i> (Cth).
Director	means a director of the Company.
Equity Security	has the same meaning as in the Listing Rules.
Explanatory Memorandum	means the explanatory memorandum which forms part of the Notice.

Key Management Personnel	has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, of the consolidated entity, directly or indirectly, including any Director (whether executive or otherwise) of the Company, or if the Company is part of a consolidated entity, of an entity within the consolidated group.
Listing Rules	means the listing rules of ASX.
Meeting	has the meaning given in the introductory paragraph of the Notice.
Minimum Issue Price	has the meaning given in Section 6.2(e).
Notice	means this notice of Annual General Meeting.
Proxy Form	means the proxy form attached to the Notice.
Remuneration Report	means the remuneration report set out in the Annual Report.
Resolution	means a resolution referred to in the Notice.
Schedule	means a schedule to the Notice.
Section	means a section of the Explanatory Memorandum.
Securities	means any Equity Securities of the Company.
Share	means a fully paid ordinary share in the capital of the Company.
Shareholder	means the holder of a Share.
VWAP	Means the volume weighted average price of the shares for the specified period.
WST	means Western Standard Time being the time in Perth, Western Australia.

Schedule 2 Securities issued in the previous 12 months under rule 7.1A.2

Details of each issue of Equity Securities by the Company during the 12 months preceding the date of the meeting are set out in the table below:

Date of Issue	Number of Securities	Type of Security	Recipient of Security	Issue Price and details of any discount to Market Price ¹ (if applicable)	Consideration and Use of Funds as at the date of this Notice
26 July 2021	47,774,164	Shares	Sophisticated and professional investors participating in the placement announced by the Company on 16 July 2021.	\$0.16 per Share, representing an equal price on 26 July 2021.	Approximately \$20 million (before costs) was raised for the Company's cash reserves and to be primarily applied to exploration at the Quinchía Gold Project (100% owned) and the Andes Gold Project (90% owned) in Colombia. As at the date of this Notice, approximately \$17.4 million remains from the funds raised.

Notes:

- "Market Price" means the closing price on ASX (excluding special crossings, overnight sales and exchange traded option exercises). For the purposes of this table the discount is calculated on the Market Price on the last trading day on which a sale was recorded prior to the date of agreement or issue of the relevant Equity Securities.

If you are attending the meeting
in person, please bring this with you
for Securityholder registration.

Holder Number:

Your proxy voting instruction must be received by **10.00am (WST) on Sunday, 29 May 2022**, 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 VOTE ONLINE

Vote online at <https://investor.automic.com.au/#/loginsah>

Login & Click on 'Meetings'. Use the Holder Number as shown at the top of this Proxy Voting form.

- ✓ **Save Money:** help minimise unnecessary print and mail costs for the Company.
- ✓ **It's Quick and Secure:** provides you with greater privacy, eliminates any postal delays and the risk of potentially getting lost in transit.
- ✓ **Receive Vote Confirmation:** instant confirmation that your vote has been processed. It also allows you to amend your vote if required.



SUBMIT YOUR PROXY VOTE BY PAPER

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 KMP.

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>.



