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## **MARQUEE RESOURCES LIMITED**

**ACN 616 200 312**

## **NOTICE OF GENERAL MEETING**

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**TIME:** 9.00 am WST

**DATE:** 22 May 2017

**PLACE:** BGC Conference Centre  
Ground Floor  
28 The Esplanade  
Perth WA 6000

***This Notice of Meeting and accompanying Explanatory Statement should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.***

***Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 8 9381 6773.***

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## NOTICE OF GENERAL MEETING

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Notice is given that the general meeting of shareholders of Marquee Resources Limited (**Marquee or the Company**) will be held at **9.00 am WST on 22 May 2017 at BGC Conference Centre, Ground Floor, 28 The Esplanade, Perth, WA 6000.**

The Explanatory Statement provides additional information on matters to be considered at the General Meeting. The Explanatory Statement and the Proxy Form are part of this 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 General Meeting are those who are registered Shareholders at 9.00 am WST on 20 May 2017.

Terms and abbreviations used in this Notice and Explanatory Statement are defined in the Glossary.

### AGENDA

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#### 1. **RESOLUTION 1 – APPROVAL OF PAYMENT OF REMUNERATION TO CHARLES WILLIAM THOMAS (OR HIS NOMINEE) PURSUANT TO CORPORATIONS ACT**

To consider and, if thought fit, to pass, the following resolution as an **ordinary resolution**:

*“That for the purpose of Chapter 2E of the Corporations Act, approval be given for the Company to pay to Mr Thomas (or his nominee) remuneration pursuant to the Employment Contract between Mr Thomas and the Company, on the terms and conditions set out in the Explanatory Statement.”*

**Voting Exclusion:** The Company will disregard any votes cast on this Resolution by Mr Thomas and any associate of Mr Thomas. However, the Company need not disregard a vote if (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or, (b) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Further, a member of the Key Management Personnel or any closely related party who is appointed as a proxy will not vote on this Resolution if the appointment does not specify the way the proxy is to vote on the Resolution, unless the proxy is the Chair of the Meeting and the appointment expressly authorises the Chair to exercise the proxy even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

Shareholders should note that the Chair intends to vote any undirected proxies in favour of this Resolution. Shareholders may also choose to direct the Chair to vote against this Resolution or to abstain from voting.

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#### 2. **RESOLUTION 2 – APPROVAL OF OPTION ISSUE TO CHARLES WILLIAM THOMAS PURSUANT TO CORPORATIONS ACT**

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

*“That for the purpose of Chapter 2E of the Corporations Act, shareholders approve the grant of 5,000,000 Options to Charles William Thomas or his nominee on the terms and conditions set out in the Explanatory Statement.”*

**Voting Exclusion:** The Company will disregard any votes cast on this Resolution by Mr Thomas and any associate of Mr Thomas. However, the Company need not disregard a vote if (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or, (b) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Further, a member of the Key Management Personnel or any closely related party who is appointed as a proxy will not vote on this Resolution if the appointment does not specify the way the proxy is to vote on the Resolution, unless the proxy is the Chair of the Meeting and the appointment expressly authorises the Chair to exercise the proxy even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

Shareholders should note that the Chair intends to vote any undirected proxies in favour of this Resolution. Shareholders may also choose to direct the Chair to vote against this Resolution or to abstain from voting.

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**3. RESOLUTION 3 – APPROVAL OF PAYMENT OF FEES TO GTT VENTURES PTY LTD (OR ITS NOMINEE) PURSUANT TO CORPORATIONS ACT**

To consider and, if thought fit, to pass, the following resolution as an **ordinary resolution**:

*"That for the purpose of Chapter 2E of the Corporations Act, approval be given for the Company to pay to GTT Ventures Pty Ltd (or its nominee) the fees proposed to be paid to GTT Ventures Pty Ltd pursuant to the Lead Broker and Corporate Advisory Mandate between GTT Ventures Pty Ltd and the Company on the terms and conditions set out in the Explanatory Statement."*

**Voting Exclusion:** The Company will disregard any votes cast on this Resolution by GTT Ventures Pty Ltd and any associate of GTT Ventures Pty Ltd. However, the Company need not disregard a vote if (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or, (b) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

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**4. RESOLUTION 4 – APPROVAL FOR ISSUE OF SHARES TO GTT VENTURES PTY LTD (OR ITS NOMINEE) PURSUANT TO CORPORATIONS ACT**

To consider and, if thought fit, to pass, the following resolution as an **ordinary resolution**:

*"That for the purposes of Chapter 2E of the Corporations Act, approval be given for the Company to issue to GTT Ventures Pty Ltd (or its nominees) the Broker Pool Shares pursuant to Lead Broker and Corporate Advisory Mandate between GTT Ventures Pty Ltd and the Company on the terms and conditions set out in the Explanatory Statement."*

**Voting Exclusion:** The Company will disregard any votes cast on this Resolution by GTT Ventures Pty Ltd and any associate of GTT Ventures Pty Ltd. However, the Company need not disregard a vote if (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or, (b) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

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**5. RESOLUTION 5 – APPROVAL OF OPTION ISSUE TO CHARLES WILLIAM THOMAS PURSUANT TO ASX LISTING RULES**

To consider and, if thought fit, to pass, the following resolution as an **ordinary resolution**:

*"That for the purpose of ASX Listing Rule 10.11, shareholders approve the grant of 5,000,000 Options to Charles William Thomas or his nominee on the terms and conditions set out in the Explanatory Statement."*

**Voting Exclusion:** The Company will disregard any votes cast on this Resolution by Mr Thomas and any associate of Mr Thomas and Force Commodities Limited and any associate of Force Commodities Limited. However, the Company need not disregard a vote if (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or, (b) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Further, a member of the Key Management Personnel or any closely related party who is appointed as a proxy will not vote on this Resolution if the appointment does not specify the way the proxy is to vote on the Resolution, unless the proxy is the Chair of the Meeting and the appointment expressly authorises the Chair to exercise the proxy even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

Shareholders should note that the Chair intends to vote any undirected proxies in favour of this Resolution. Shareholders may also choose to direct the Chair to vote against this Resolution or to abstain from voting.

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**6. RESOLUTION 6 – APPROVAL FOR ISSUE OF SHARES TO GTT VENTURES PTY LTD (OR ITS NOMINEE) PURSUANT TO ASX LISTING RULES**

To consider and, if thought fit, to pass, the following resolution as an **ordinary resolution**:

*"That for the purposes of ASX Listing Rule 10.11, approval be given for the Company to issue to GTT Ventures Pty Ltd (or its nominees) the Broker Pool Shares pursuant to Lead Broker and Corporate Advisory Mandate between GTT Ventures Pty Ltd and the Company on the terms and conditions set out in the Explanatory Statement."*

**Voting Exclusion:** The Company will disregard any votes cast on this Resolution by GTT Ventures Pty Ltd and any associate of GTT Ventures Pty Ltd and Force Commodities Limited and any associate of Force Commodities Limited. However, the Company need not disregard a vote if (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or, (b) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Further, a member of the Key Management Personnel or any closely related party who is appointed as a proxy will not vote on this Resolution if the appointment does not specify the way the proxy is to vote on the Resolution, unless the proxy is the Chair of the Meeting and the appointment expressly authorises the Chair to exercise the proxy even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

Shareholders should note that the Chair intends to vote any undirected proxies in favour of this Resolution. Shareholders may also choose to direct the Chair to vote against this Resolution or to abstain from voting.

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**DATED: 18 April 2017**

**BY ORDER OF THE BOARD**

**ANNA MACKINTOSH  
COMPANY SECRETARY  
MARQUEE RESOURCES LIMITED**

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## HOW TO VOTE

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### **YOUR VOTE IS IMPORTANT**

The business of the General Meeting affects your shareholding and your vote is important.

### **VOTING IN PERSON**

To vote in person, attend the General Meeting on the date and at the place set out above.

### **VOTING BY PROXY**

You can appoint a proxy to attend and vote on your behalf as an alternative to attending the meeting in person or casting a direct vote.

A proxy need not be a Shareholder and may be an individual or a company. If you are entitled to cast two or more votes at the Meeting, you may appoint up to two proxies, and may specify the proportion or number of votes each proxy is appointed to exercise.

If you do not specify a proportion or number, each proxy may exercise half of the votes. To vote by proxy, please complete and sign the enclosed Proxy Form in accordance with the instructions set out on the form and send the Proxy Form:

- (a) by post, to Marquee Resources Limited, C/- Bennett + Co, Ground Floor, BGC Centre, 28 The Esplanade, Perth WA 6000; or
- (b) by facsimile, to the Company on facsimile number (08) 6316 2211,

so that it is received not later than **9.00 am WST** on **20 May 2017**.

**Proxy forms received later than this time will be invalid.**

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## EXPLANATORY STATEMENT

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This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders in deciding how to vote on the Resolutions. The Directors recommend that Shareholders read this Explanatory Statement in full, together with the accompanying Notice.

As set out in the Company's IPO Replacement Prospectus the Company engaged GTT to provide services to the Company pursuant to the Lead Broker and Corporate Advisory Mandate and engaged Mr Charles Thomas to act as an Executive Director of the Company pursuant to the Employment Contract. Full details of the proposed remuneration for both GTT and Mr Thomas were set out in the Replacement Prospectus.

Prior to its listing on ASX the Company was a wholly owned subsidiary of Force Commodities Limited. In circumstances where at the time the Replacement Prospectus was issued Mr Thomas was a director of each of Force Commodities Limited, GTT and the Company, and the other directors of GTT were also directors of both Force Commodities Limited and the Company, to save the expense for Force Commodities Limited shareholders of holding a shareholder meeting to approve the proposed remuneration of each of Mr Tassone and GTT and also the resultant delay in the Company's IPO proceeding, Force Commodities Limited requested Mr Thomas and GTT to forego the proposed remuneration as part of the Company's IPO and instead seek approval from the Company's shareholders after the IPO for the remuneration. Further details in this regard were set out in the Company's Supplementary Prospectus.

The purpose of the General Meeting, therefore, is to seek approval from the Company's shareholders to remunerate Mr Thomas as a director and GTT as an adviser on the basis originally agreed between those parties and the Company as detailed in the IPO Replacement Prospectus. In the event that the Company's shareholders do not approve the remuneration (or aspects of the remuneration) the Company will seek to agree alternative remuneration for Mr Thomas and GTT for the services that they have provided and for their services going forward.

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### **1. RESOLUTION 1 – APPROVAL OF PAYMENT OF REMUNERATION TO CHARLES WILLIAM THOMAS (OR HIS NOMINEE) PURSUANT TO CORPORATIONS ACT**

#### **1.1 General**

Resolution 1 seeks Shareholder approval in accordance with Chapter 2E of the Corporations Act for the payment to Mr Thomas (or his nominee) of the remuneration proposed to be paid to Mr Thomas pursuant to the Employment Contract between Mr Thomas and the Company.

#### **1.2 Reason approval required**

Shareholder approval is being sought under Section 208 of the Corporations Act because Mr Thomas is a director and thereby a related party of the Company.

#### **1.3 Specific information required by Section 219 of the Corporations Act**

In accordance with Section 219 of the Corporations Act the following information is provided in relation to Resolution 1:

- (a) Mr Thomas (or his nominee) will be entitled to remuneration of \$60,000 per annum plus statutory superannuation from 1 March 2017 for the period he is an executive director, subject to review annually. Mr Thomas will also be entitled to statutory leave entitlements. Either party is entitled to terminate the Employment Contract by notice of not less than 6 months, and the Company can terminate the Employment Contract on 2 months' notice for incapacity or summarily in the event of serious breach or insolvency.
- (b) The services to be provided by Mr Thomas under the Employment Contract required him to effectively manage the Company including with respect to business development, systems development and corporate positioning.
- (c) The remuneration payable pursuant to the Employment Contract is substantially less than the remuneration paid to executive directors or management of other early stage exploration companies listed on ASX and therefore the terms on which Mr Thomas has been engaged to provide executive management services are considered to be of significant benefit to the Company.
- (d) The current relevant interests in securities in the Company of Mr Thomas are set out below.

	Shares	Options
Charles William Thomas	Nil	Nil

If Resolution 2 and Resolution 5 are approved Mr Thomas (or his nominee) will be entitled to be issued 5,000,000 Options. Full details in relation the proposed issue of Options are set out in relation to Resolution 2 and Resolution 5.

- (e) A voting exclusion statement is included in the Notice.
- (f) Other than the information above and otherwise in this Explanatory Statement, the Company believes that there is no other information that would be reasonably required by Shareholders to consider Resolution 1.

#### 1.4 Directors' recommendation and basis of recommendation

Mr Thomas has an interest in Resolution 1 and so he declines to make a recommendation to Shareholders.

Messrs Ashley and Bontempo recommend the Shareholders vote in favour of Resolution 1 for the following reasons:

- (a) As set out in section 1.3(c) above the remuneration payable to Mr Thomas is substantially less than the remuneration paid to executive directors or management of comparable ASX-listed companies and the terms of the Employment Contract are therefore considered to be of significant benefit to the Company.
- (b) The proposed remuneration was disclosed in the Company's Replacement Prospectus and was approved at that time by each of the other Directors and proposed Directors of the Company.



- (c) If the proposed remuneration to Mr Thomas is not approved Mr Thomas may seek alternative remuneration from the Company or alternatively may decline to provide any further services to the Company on the basis that he is not being remunerated for his services.

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## **2. RESOLUTION 2 – APPROVAL OF OPTION ISSUE TO CHARLES WILLIAM THOMAS (OR HIS NOMINEE) PURSUANT TO CORPORATIONS ACT**

### **2.1 General**

Resolution 2 seeks Shareholder approval in accordance with Chapter 2E of the Corporations Act for the grant of a total of 5,000,000 Options to Mr Thomas (or his nominee).

As part of the Company's IPO the Company's other Directors were issued equity in the Company. The Company's Chairman, Mr Mark Ashley, has been issued at total of 3,000,000 Options and the Company's Non-Executive Director, Mr Jason Bontempo's nominee, has been issued a total of 1,000,000 Options and 125,000 Shares.

The Board excluding Mr Thomas considers the issue of Options pursuant to Resolution 2 to be reasonable in the circumstances given the Company's size, stage of development, and the need to attract and retain directors of high calibre, whilst still maintaining cash reserves. Given the speculative nature of the Company's activities and the small management team responsible for its running, it is considered the performance of Mr Thomas and the performance and value of the Company are closely related. As such, the Director Options proposed to be granted will generally only be of benefit if Mr Thomas performs to the level whereby the value of the Company increases sufficiently to warrant exercising those Director Options.

### **2.2 Reason approval required**

Shareholder approval is required under section 208 of the Corporations Act because Mr Thomas is a Director and thereby a related party of the Company.

### **2.3 Specific information required by Section 219 of the Corporations Act**

Section 219 of the Corporations Act requires that the following information be provided to Shareholders for the purpose of obtaining Shareholder approval for the grant:

- (a) The Options will be offered to Mr Thomas (or his nominee).
- (b) The number of Options offered will be 5,000,000.
- (c) The Options will issued in consideration of Mr Thomas acting as a director.
- (d) The Options will be exercisable at \$0.30 each at any time on or prior to the Expiry Date, being 5.00 pm (WST) on 10 March 2020.
- (e) The full terms and conditions of the Options are set out in Appendix A.
- (f) The Options will be subject to ASX imposed escrow for a period of 2 years from the date of listing of the Company on 15 March 2017.

- (g) No funds will be raised by the issue of the Options. In the event the Options are exercised the cash raised from exercise of the Options will be used to meet the Company's objectives at that time.
- (h) The Company will issue the Options no later than one month after the date of the General Meeting or such longer period of time as ASX may in its discretion allow.
- (i) As set out at the beginning of this Explanatory Statement Mr Thomas has agreed to forego any remuneration from the Company pending shareholder approval. In the event Resolution 1 is passed, Mr Thomas will be entitled to remuneration as an executive director as detailed in the explanatory information in relation to Resolution 1.
- (j) The current relevant interests in securities in the Company of Mr Thomas are set out below.

	<b>Shares</b>	<b>Options</b>
Charles William Thomas	Nil	Nil

- (k) The dilutive effect if all of the Options granted are exercised is as follows:

Current number of Shares on issue	19,875,000 <sup>1</sup>
Number of Options to be issued under Resolution 2	5,000,000
Dilution effect if Options are exercised and no other Shares are issued	20.1% <sup>2</sup>

1. If Resolution 4 and Resolution 6 are approved a further 4,125,000 Shares will be issued to GTT (or its nominees).
2. The Company is not seeking shareholder approval pursuant to Item 7 of Section 611 of the Corporations Act. Accordingly, Mr Thomas will not be entitled to exercise Options to the extent that the exercise of those Options would increase his voting power in the Company above 20% without such shareholder approval unless one of the other exceptions in Section 611 of the Corporations Act applies.

- (l) On the basis of the assumptions below the Company has determined the economic value of one Option is approximately A\$0.154. This valuation imputes a total value of A\$770,000 to the Options.

The value may go up or down after that date as it will depend on the future price of a Share.

Black & Scholes methodology has been used, together with the following assumptions:

- interest rate set at 1.91% which is based on indicative rate of the capital market bonds by the Reserve bank of Australia for a similar term;
- the date of valuation for the purposes of settling the current market value of a Share is 12 April 2017;
- at this date the Share price was A\$0.23 which is the price used in the valuation;

- the exercise price of \$0.30;
  - volatility of 120%; and
  - the Options will be exercisable in accordance with their terms.
- (m) There is no cash cost to the Company in issuing the Options. The market price of Shares would normally determine whether Mr Thomas will exercise the Options or not. If the Options are exercised at a price that is lower than the price at which Shares are trading on ASX, there may be a perceived cost to the Company.
- (n) The Company's IPO price was \$0.20. Historical Share price information since the Company listed on ASX on 15 March 2017 is as follows:

	<b>Price</b>	<b>Date</b>
<b>Highest</b>	\$0.27	17 March 2017
<b>Lowest</b>	\$0.21	15 March 2017
<b>Last</b>	\$0.23	12 April 2017

- (o) A voting exclusion statement is included in the Notice.
- (p) Shareholder approval for the grant of Options is also required pursuant to ASX Listing Rule 10.11. This approval is the subject of Resolution 5.
- (q) Other than the information above and otherwise in this Explanatory Memorandum, the Company believes that there is no other information that would be reasonably required by Shareholders to consider Resolution 2.

## **2.4 Directors' recommendation and basis of recommendation**

Mr Thomas has an interest in and will benefit from the issue of Options and so he declines to make a recommendation to Shareholders.

Messrs Ashley and Bontempo recommend that Shareholders vote in favour of Resolution 2 for the following reasons:

- (a) As set out in section 2.1 the issue of Options is considered to be reasonable in the circumstances given the Company's size, stage of development, and the need to attract and retain Directors of high calibre, while still maintaining cash reserves.
- (b) The proposed issue of Options was disclosed in the Company's Replacement Prospectus and was approved at that time by each of the other Directors and proposed Directors of the Company and Options and Shares have been issued to the other Directors pursuant to the IPO process.
- (c) The exercise price of the Options is a 50% premium to the IPO price and accordingly for the Options to be 'in the money' subscribers to the IPO will have seen a 50% increase in the market value of their investment.

- (d) In the event the Options are exercised the Company will receive significant additional funds at a 50% premium to the funds raised pursuant to the IPO which funds can be used towards furtherance of the Company's objectives including exploration, project acquisition and project development.
- (e) If the proposed issue of Options is not approved Mr Thomas may seek alternative remuneration from the Company.

The Chairman intends to vote all available proxies in favour of Resolution 2.

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### **3. RESOLUTION 3 – APPROVAL OF PAYMENT OF FEES TO GTT VENTURES PTY LTD (OR ITS NOMINEE) PURSUANT TO CORPORATIONS ACT**

#### **3.1 General**

Resolution 3 seeks Shareholder approval in accordance with Chapter 2E of the Corporations Act to pay to GTT (or its nominees) all fees proposed to be paid to GTT pursuant to the Lead Broker and Corporate Advisory Mandate for services provided to the Company as lead broker to the Offer and corporate advisor to the Company.

#### **3.2 Reason approval required**

Shareholder approval is being sought under Section 208 of the Corporations Act because GTT is a related party of the Company by reason of the fact GTT is jointly controlled by Mr Charles Thomas (a director of the Company) and Messrs Rocco Tassone and Patrick Thomas (former directors of the Company).

#### **3.3 Specific information required by Section 219 of the Corporations Act**

In accordance with Section 219 of the Corporations Act the following information is provided in relation to Resolution 3:

- (a) The following fees are proposed to be paid to GTT (or its nominees) pursuant to the Lead Broker and Corporate Advisory Mandate:
  - (i) a lead broker fee of \$50,000 in relation to the Offer (exclusive of GST);
  - (ii) a management fee of \$35,000, being 1% (exclusive of GST) of all funds raised pursuant to the Offer;
  - (iii) a capital raising fee of \$51,175, being 5% (exclusive of GST) of the value of Shares taken up under the Offer by parties introduced by GTT;
  - (iv) a corporate advisory services fee of \$10,000 (exclusive of GST) per month for a period of eighteen (18) months from the date of completion of the Offer.
- (b) The services provided or to be provided by GTT in relation to the proposed fees are as follows:
  - (i) acting as lead broker to the Offer including managing the Offer and assisting the Company to raise funds pursuant to the Offer; and

- (ii) acting as corporate advisor to the Company for a minimum period of 18 months from the date of completion of the Offer including, to the extent appropriate, providing the Company with introductions with a view to raising additional funds on behalf of the Company and providing general promotion and corporate advisory advice.
- (c) GTT does not have a relevant interest in securities in the Company. If Resolution 4 and Resolution 6 are approved GTT (or its nominees) will be entitled to be issued 4,125,000 Shares. Full details in relation to the proposed issue of Shares are set out in relation to Resolution 4 and Resolution 6.
- (d) The current relevant interests in securities in the Company of the directors of GTT are set out below:

	Shares	Options
Charles William Thomas	Nil	Nil <sup>1</sup>
Rocco Tassone	Nil	Nil
Patrick Glovac	Nil	Nil

1. If Resolution 2 and Resolution 5 are approved Mr Thomas (or his nominee) will be entitled to be issued 5,000,000 Options. Full details in relation the proposed issue of Options are set out in relation to Resolution 2 and Resolution 5.

- (e) If Resolution 1 is approved Mr Thomas will be entitled to remuneration as an executive director as detailed in the explanatory information in relation to Resolution 1.  
  
Messrs Tassone and Glovac are not entitled to any other remuneration from the Company.
- (f) A voting exclusion statement is included in the Notice.
- (g) Other than the information above and otherwise in this Explanatory Statement, the Company believes that there is no other information that would be reasonably required by Shareholders to consider Resolution 3.

### 3.4 Directors' recommendation and basis of recommendation

Mr Thomas has an interest as he is a director and shareholder of GTT so he declines to make a recommendation to Shareholders.

Messrs Ashley and Bontempo recommend that Shareholders vote in favour of Resolution 3 for the following reasons:

- (a) The proposed remuneration was disclosed in the Company's Replacement Prospectus and was approved at that time by each of the current Directors of the Company (other than Mr Thomas) on the basis that the fees were considered to be reasonable fees payable for the services provided.
- (b) If the proposed remuneration to GTT is not approved GTT may seek alternative remuneration from the Company for the services provided and may decline to provide any further services to the Company on the basis that GTT is not being remunerated for its services.

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## **4. RESOLUTION 4 – APPROVAL FOR ISSUE OF SHARES TO GTT VENTURES PTY LTD (OR ITS NOMINEE) PURSUANT TO CORPORATIONS ACT**

### **4.1 General**

Resolution 4 seeks Shareholder approval in accordance with Chapter 2E of the Corporations Act for the issue of 4,125,000 Broker Pool Shares to GTT (or its nominees).

This issue of Shares provides a means by which the Company can remunerate GTT for its services provided to the Company as lead manager to the Offer as set out in the Mandate.

The proposal to issue Shares to GTT or its nominees was to enable the Shares to be distributed to brokers who assisted in raising capital for the Offer (including GTT) to align the interests of those brokers with the Company for the long term, in circumstances where the Shares will be subject to ASX imposed escrow for a period of 2 years from the date of listing of the Company.

### **4.2 Reason approval required**

Shareholder approval is required under Section 208 of the Corporations Act because GTT is a Related Party of the Company by reason of the fact GTT is jointly controlled by Mr Charles Thomas (a director of the Company) and Messrs Rocco Tassone and Patrick Glovac (former directors of the Company) and various nominees of GTT who are proposed recipients of Shares are also Related Parties of the Company.

### **4.3 Specific information required**

Section 219 of the Corporations Act requires that the following information be provided to Shareholders for the purpose of obtaining Shareholder approval for the grant:

- (a) The Shares will be issued to GTT (or its nominees). Any nominees of GTT will be parties who hold an AFSL or are authorised representatives of an AFSL holder who introduced parties who subscribed for the Offer, or nominees of such parties. GTT has now been advised by the relevant AFSL holders and authorised representatives of AFSL holders as to the identity of the nominees to which they would like the Shares to be issued. For taxation reasons (in particular in circumstances where the Shares will be subject to ASX imposed escrow for a period of 2 years as noted below) the majority of AFSL holders or authorised representatives have nominated entities associated with them or their shareholders as the recipients of the Shares rather than the AFSL holders or authorised representatives themselves.
- (b) The number of Shares to be issued will be 4,125,000. The number of Shares to be issued to parties associated with the shareholders of GTT will be 3,542,000. As noted above GTT is a Related Party of the Company. GTT is an authorised representative of an AFSL holder, namely Armada Capital Pty Ltd. For the reasons noted in paragraph (a) above GTT has nominated parties associated with the shareholders of GTT as the proposed recipient of the Shares. As noted above these nominees are also Related Parties of the Company. It is proposed that 1,000,000 Shares be issued to entities controlled by each of Messrs Charles Thomas, Rocco Tassone and Patrick Glovac respectively and 542,500 Shares be issued to a company controlled jointly by Messrs Thomas, Tassone and Glovac. As

noted in paragraph (c) below, the issue of these Shares is in consideration of the services provided by GTT to the Company as lead manager to the Offer and not as remuneration for services provided by these individuals in their capacity as officers or former officers of the Company or Force Commodities Limited.

- (c) The Shares will be issued in consideration of lead broker services provided by GTT in relation to the Offer, in addition to the proposed lead broker fee referred to in relation to Resolution 3.
- (d) The Shares to be issued will rank equal in all respects to the existing Shares on issue.
- (e) The Shares will be subject to ASX imposed escrow for a period of 2 years from the date of listing of the Company on 15 March 2017.
- (f) The Company will issue the Shares no later than one month after the date of the General Meeting or such longer period of time as ASX may in its discretion allow.
- (g) The current relevant interests in securities in the Company of the directors of GTT are set out below:

	<b>Shares</b>	<b>Options</b>
Charles William Thomas	Nil	Nil <sup>1</sup>
Rocco Tassone	Nil	Nil
Patrick Glovac	Nil	Nil

1. If Resolution 2 and Resolution 5 are approved Mr Thomas (or his nominee) will be entitled to be issued 5,000,000 Options. Full details in relation the proposed issue of Options are set out in relation to Resolution 2 and Resolution 5.

In the event the Shares are issued the relevant interest of each of the directors of GTT in securities in the Company will be as set out below GTT will not itself have a relevant interest in any of the securities:

	<b>Shares</b>	<b>Options</b>
Charles William Thomas	1,542,500 <sup>2</sup>	Nil <sup>1</sup>
Rocco Tassone	1,542,500 <sup>2</sup>	Nil
Patrick Glovac	1,542,500 <sup>2</sup>	Nil

1. If Resolution 2 and Resolution 5 are approved Mr Thomas (or his nominee) will be entitled to be issued 5,000,000 Options. Full details in relation the proposed issue of Options are set out in relation to Resolution 2 and Resolution 5.
2. Each of Messrs Thomas, Tassone and Glovac will have a relevant interest in the 1,000,000 Shares to be issued to the entities they control as well as the 542,500 Shares to be issued to the company they jointly control.

- (h) If Resolution 1 is approved Mr Thomas will be entitled to remuneration as an executive director as detailed in the explanatory information in relation to Resolution 1.

Messrs Tassone and Glovac are not entitled to any other remuneration from the Company.

- (i) The dilutive effect if the Shares are issued are as follows:

Current number of Shares on issue	19,875,000
Number of Shares to be issued under Resolution 4	4,125,000
Dilution effect	17.2%

- (j) No funds will be raised by the issue of the Shares.
- (k) There is no cash cost to the Company in issuing the Shares. The issue of Shares will, however, dilute the holdings of all other shareholders as set out in the table above.
- (l) The Company's IPO price was \$0.20. Historical Share price information since the Company listed on ASX on 15 March 2017 is as follows:

	Price	Date
<b>Highest</b>	\$0.27	17 March 2017
<b>Lowest</b>	\$0.21	15 March 2017
<b>Last</b>	\$0.23	12 April 2017

- (m) A voting exclusion statement is included in the Notice.
- (n) Shareholder approval for the issue of the Broker Pool Shares is also required pursuant to ASX Listing Rule 10.11. This approval is the subject of Resolution 6.
- (o) Other than the information above and otherwise in this Explanatory Statement, the Company believes that there is no other information that would be reasonably required by Shareholders to consider Resolution 4.

#### 4.4 Directors' recommendation and basis of recommendation

Mr Thomas has an interest as he is a director and shareholder of GTT so he declines to make a recommendation to Shareholders.

Messrs Ashley and Bontempo recommend that Shareholders vote in favour of Resolution 4 for the following reasons:

- (a) As set out in section 4.1 the issue of Shares is intended to align the interests of those brokers who assisted in raising capital for the Offer (including GTT) with the Company for the long term in circumstances where the Shares will be subject to ASX imposed escrow for 2 years from the date of listing of the Company.



- (b) The proposed issue of Shares was disclosed in the Company's Replacement Prospectus and was approved at the time by each of the current Directors (other than Mr Thomas) on the basis that the proposed issue was considered to be reasonable remuneration for the services provided.
- (c) If the proposed issue of Shares is not approved GTT may seek alternative remuneration for the services provided.

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## **5. RESOLUTION 5 – APPROVAL OF OPTION ISSUE TO CHARLES WILLIAM THOMAS (OR HIS NOMINEE) PURSUANT TO ASX LISTING RULES**

### **5.1 General**

As noted above in relation to Resolution 2, the proposed grant of Options to Mr Thomas (or his nominee) also requires approval pursuant to ASX Listing Rule 10.11.

Resolution 5 seeks Shareholder approval in accordance with Listing Rule 10.11 for the grant of a total of 5,000,000 Options to Mr Thomas (or his nominee).

### **5.2 Reason approval required**

Shareholder approval is required under Listing Rule 10.11 because Mr Thomas is a Director and thereby a related party of the Company.

If Shareholder approval is given under Listing Rule 10.11, approval is not required under Listing Rule 7.1.

Furthermore, Shareholder approval of the issue of Options means that the grant will not reduce the Company's 15% placement capacity under Listing Rule 7.1.

### **5.3 Specific information required by Listing Rule 10.13**

Listing Rule 10.13 requires that the following information be provided to Shareholders for the purpose of obtaining Shareholder approval for the grant:

- (a) The Options will be offered to Mr Thomas (or his nominee).
- (b) The number of Options offered will be 5,000,000.
- (c) The Options will be issued in consideration of Mr Thomas acting as a director.
- (d) The Options will be exercisable at \$0.30 each at any time on or prior to the Expiry Date, being 5.00 pm (WST) on 10 March 2020.
- (e) The full terms and conditions of the Options are set out in Appendix A.
- (f) The Options will be subject to ASX imposed escrow for a period of 2 years from the date of listing of the Company on 15 March 2017.
- (g) No funds will be raised by the issue of the Options. In the event the Options are exercised the cash raised from exercise of the Options will be used to meet the Company's objectives at that time.
- (h) The Company will issue the Options no later than one month after the date of the General Meeting or such longer period of time as ASX may in its discretion allow.

- (i) A voting exclusion statement is included in the Notice.

#### **5.4 Directors' recommendation and basis of recommendation**

Mr Thomas has an interest in and will benefit from the issue of Options and so he declines to make a recommendation to Shareholders.

Messrs Ashley and Bontempo recommend that Shareholders vote in favour of Resolution 5 for the following reasons:

- (a) As set out in section 2.1 the issue of Options is considered to be reasonable in the circumstances given the Company's size, stage of development, and the need to attract and retain Directors of high calibre, while still maintaining cash reserves.
- (b) The proposed issue of Options was disclosed in the Company's Replacement Prospectus and was approved at that time by each of the other Directors and proposed Directors of the Company and Options and Shares have been issued to the other Directors pursuant to the IPO process.
- (c) The exercise price of the Options is a 50% premium to the IPO price and accordingly for the Options to be 'in the money' subscribers to the IPO will have seen a 50% increase in the market value of their investment.
- (d) In the event the Options are exercised the Company will receive significant additional funds at a 50% premium to the funds raised pursuant to the IPO which funds can be used towards furtherance of the Company's objectives including exploration, project acquisition and project development.
- (e) If the proposed issue of Options is not approved Mr Thomas may seek alternative remuneration from the Company.

The Chairman intends to vote all available proxies in favour of Resolution 5.

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#### **6. RESOLUTION 6 – APPROVAL FOR ISSUE OF SHARES TO GTT VENTURES PTY LTD (OR ITS NOMINEE) PURSUANT TO ASX LISTING RULES**

##### **6.1 General**

As noted above in relation to Resolution 4, the proposed issue of the Broker Pool Shares also requires approval pursuant to ASX Listing Rule 10.11.

Resolution 6 seeks Shareholder approval in accordance with Listing Rule 10.11 for the issue of 4,125,000 Broker Pool Shares to GTT (or its nominees).

##### **6.2 Reason approval required**

Shareholder approval is required under Listing Rule 10.11 because GTT is a Related Party of the Company by reason of the fact GTT is jointly controlled by Mr Charles Thomas (a director of the Company) and Messrs Rocco Tassone and Patrick Thomas (former directors of the Company).

If Shareholder approval is given under Listing Rule 10.11, approval is not required under Listing Rule 7.1.

Furthermore, Shareholder approval of the issue of Shares means that the issue will not reduce the Company's 15% placement capacity under Listing Rule 7.1.

### **6.3 Specific information required**

Listing Rule 10.13 requires that the following information be provided to Shareholders for the purpose of obtaining Shareholder approval for the grant:

- (a) The Shares will be issued to GTT (or its nominees). Any nominees of GTT will be parties who hold an AFSL or are authorised representatives of an AFSL holder who introduced parties who subscribed for the Offer, or nominees of such parties.
- (b) The number of Shares to be issued will be 4,125,000.
- (c) The Shares will be issued in consideration of lead broker services provided by GTT in relation to the Offer, in addition to the proposed lead broker fee referred to in relation to Resolution 3.
- (d) The Shares to be issued will rank equal in all respects to the existing Shares on issue.
- (e) The Shares will be subject to ASX imposed escrow for a period of 2 years from the date of listing of the Company on 15 March 2017.
- (f) The Company will issue the Shares no later than one month after the date of the General Meeting or such longer period of time as ASX may in its discretion allow.
- (g) A voting exclusion statement is included in the Notice.

### **6.4 Directors' recommendation and basis of recommendation**

Mr Thomas has an interest as he is a director and shareholder of GTT so he declines to make a recommendation to Shareholders.

Messrs Ashley and Bontempo recommend that Shareholders vote in favour of Resolution 6 for the following reasons:

- (a) As set out in section 6.1 the issue of Shares is intended to align the interests of those brokers who assisted in raising capital for the Offer (including GTT) with the Company for the long term in circumstances where the Shares will be subject to ASX imposed escrow for 2 years from the date of listing of the Company.
- (b) The proposed issue of Shares was disclosed in the Company's Replacement Prospectus and was approved at the time by each of the current Directors (other than Mr Thomas) on the basis that the proposed issue was considered to be reasonable remuneration for the services provided.
- (c) If the proposed issue of Shares is not approved GTT may seek alternative remuneration for the services provided.

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## GLOSSARY

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In this Explanatory Statement, the following terms have the following meaning unless the context otherwise requires:

**\$** means Australian dollars.

**10% Placement Capacity** has the meaning given in section 9 of this Explanatory Statement.

**General Meeting** or **Meeting** means the meeting convened by the Notice.

**ASIC** means Australian Securities and Investments Commission.

**ASX** means ASX Limited (ACN 008 724 791).

**ASX Listing Rules** or **Listing Rules** means the official Listing Rules of ASX.

**Board** means the Board of Directors of the Company.

**Broker Pool** means Shares to be provided as part of capital raising fee pursuant to the Offer.

**Company** or **Marquee Resources** means Marquee Resources Limited (ACN 616 200 312).

**Constitution** means the Company's constitution.

**Corporations Act** means the *Corporations Act 2001* (Cth).

**Directors** mean the current directors of the Company.

**Employment Contract** means the employment contract between Mr Thomas and the Company dated 30 November 2016.

**Equity Securities** includes a Share, a right to a Share or Option, an Option, a convertible security and any security that ASX decides to classify as an Equity Security.

**Explanatory Statement** means the explanatory statement to this Notice.

**GTT** means GTT Ventures Pty Ltd (ACN 601 029 636).

**Key Management Personnel** has the same meaning as in the accounting standards and broadly includes those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any director (whether executive or otherwise) of the Company.

**Lead Broker and Corporate Advisory Mandate** means the agreement between GTT and the Company dated 16 December 2016.

**Meeting** means the meeting convened by the Notice.

**Notice** means the notice of meeting accompanying this Explanatory Statement.

**Offer** means the offer of 17,500,000 Shares pursuant to and in accordance with the Company's Replacement Prospectus dated 8 February 2017 and the Company's Supplementary Prospectus dated 3 March 2017.

**Option** means an option to acquire a Share.

**Proxy Form** means the proxy form accompanying this Explanatory Statement.

**Resolutions** means the resolutions set out in the Notice of Meeting, or any one of them, as the context requires.

**Share** means a fully paid ordinary share in the capital of the Company.

**Shareholder** means a shareholder of the Company.

**WST** means Western Standard Time.

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## Appendix A – Terms and Conditions of Director Options

### OPTION TERMS

**(a) Entitlement**

Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

**(b) Exercise Price**

Subject to paragraph (j), the amount payable upon exercise of each Option will be \$0.30 (**Exercise Price**).

**(c) Expiry Date**

Each Option will expire at 5:00 pm (WST) on the 10 March 2020 (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

**(d) Exercise Period**

The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

**(e) Notice of Exercise**

The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

**(f) Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

**(g) Timing of issue of Shares on exercise**

Within 15 Business Days after the Exercise Date, the Company will:

- (i) allot and issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company; and
- (ii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

**(h) Shares issued on exercise**

Shares issued on exercise of the Options rank equally with the then issued shares of the Company.

**(i) Quotation of Shares issued on exercise**

If admitted to the official list of ASX at the time, application will be made by the Company to ASX for quotation of the Shares issued upon the exercise of the Options.

**(j) Reconstruction of capital**

If at any time the issued capital of the Company is reorganised or reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reorganisation or reconstruction.

**(k) Participation in new issues**

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

**(l) Change in exercise price**

An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

**(m) Quotation of Options**

If admitted to the official list of ASX at the time, the Company will apply for quotation of the Options on ASX. However, if the criterion for quotation of the Options on ASX is unable to be satisfied, the Options will not be quoted.

**(n) Transferability**

The Options are transferable with the consent of the Company subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.





PROXY FORM

APPOINTMENT OF PROXY  
MARQUEE RESOURCES LIMITED  
ACN 616 200 312

GENERAL MEETING

I/We

of

being a member of Marquee Resources Limited entitled to attend and vote at the General Meeting, hereby Appoint

Name of proxy

OR

☐

the Chair of the General Meeting as your proxy

or failing the person so named or, if no person is named, the Chair of the General Meeting, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, as the proxy sees fit, at the General Meeting to be held at BGC Conference Centre, Ground Floor 28 The Esplanade, Perth 6000, Western Australia at 9.00 am WST on 22 May 2017, and at any adjournment thereof.

**AUTHORITY FOR CHAIR TO VOTE UNDIRECTED PROXIES ON REMUNERATION RELATED RESOLUTIONS**

Where I/we have appointed the Chair as my/our proxy (or where the Chair becomes my/our proxy by default), I/we expressly authorise the Chair to exercise my/our proxy on Resolutions 1, 2 and 5 even though Resolutions 1, 2 and 5 are connected directly or indirectly with the remuneration of a member of the Key Management Personnel, which includes the Chair.

**CHAIR'S VOTING INTENTION IN RELATION TO UNDIRECTED PROXIES**

The Chair intends to vote undirected proxies in favour of all Resolutions.

**Voting on Business of the General Meeting**

		FOR	AGAINST	ABSTAIN
Resolution 1	Approval of Payment of Remuneration to Charles William Thomas (or his nominee) pursuant to Corporations Act	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Approval of Option Issue to Charles William Thomas (or his nominee) pursuant to Corporations Act	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Approval of Payment of Fees to GTT Ventures Pty Ltd (or its nominee) pursuant to Corporations Act	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Approval For Issue of Shares to GTT Ventures Pty Ltd (or its nominee) pursuant to Corporations Act	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Approval of Option Issue to Charles William Thomas (or his nominee) pursuant to ASX Listing Rules	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Approval For Issue of Shares to GTT Ventures Pty Ltd (or its nominee) pursuant to ASX Listing Rules	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**Please note:** If you mark the abstain box for a particular Resolution, you are directing your proxy not to vote on that Resolution on a show of hands or on a poll and your votes will not to be counted in computing the required majority on a poll.

If two proxies are being appointed, the proportion of voting rights this proxy represents is \_\_\_\_\_%

Signature of Member(s): \_\_\_\_\_ Date: \_\_\_\_\_

Individual or Member 1

Sole Director/Company Secretary

Member 2

Director

Member 3

Director/Company Secretary

Contact Name: \_\_\_\_\_ Contact Ph (daytime): \_\_\_\_\_

E-mail Address: \_\_\_\_\_ Consent for contact by e-mail YES ☐ NO ☐

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## Instructions for Completing 'Appointment of Proxy' Form

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1. A Shareholder entitled to attend and vote at a meeting is entitled to appoint not more than two proxies to attend and vote on their behalf. Where more than one proxy is appointed, such proxy must be allocated a proportion of the shareholder's voting rights. If the Shareholder appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half the votes.
2. A duly appointed proxy need not be a Shareholder of the Company. In the case of joint holders, all must sign.
3. Corporate Shareholders should comply with the execution requirements set out on the proxy form or otherwise with the provisions of Section 127 of the Corporations Act. Section 127 of the Corporations Act provides that a company may execute a document without using its common seal if the document is signed by:
  - Directors of the Company;
  - a Director and a company secretary of the Company; or
  - for a proprietary company that has a sole Director who is also the sole company secretary – that Director.

For the Company to rely on the assumptions set out in Section 129(5) and (6) of the Corporations Act, a document must appear to have been executed in accordance with Section 127(1) or (2). This effectively means that the status of the persons signing the document or witnessing the affixing of the seal must be set out and conform to the requirements of Section 127(1) or (2) as applicable. In particular, a person who witnesses the affixing of a common seal and who is the sole Director and sole company secretary of the company must state that next to his or her signature.

4. Completion of a proxy form will not prevent individual shareholders from attending the meeting in person if they wish. Where a shareholder completes and lodges a valid proxy form and attends the meeting in person, then the proxy's authority to speak and vote for that shareholder is suspended while the shareholder is present at the meeting.
5. Where a proxy form or form of appointment of corporate representative is lodged and is executed under power of attorney, the power of attorney must be lodged in like manner as this proxy.
6. To vote by proxy, please complete and sign the Proxy Form enclosed and send the Proxy Form:
  - (a) by post, to Marquee Resources Limited, C/- Bennett + Co, Ground Floor, BGC Centre, 28 The Esplanade, Perth WA 6000; or
  - (b) by facsimile, to the Company on facsimile number (08) 6316 2211,

so that it is received not later than **9.00 am WST on 20 May 2017**.

**Proxy forms received later than this time will be invalid.**

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