



VARISCAN MINES LIMITED

ACN 003 254 395

NOTICE OF EXTRAORDINARY GENERAL MEETING

EXPLANATORY MEMORANDUM

PROXY FORM

Date of Meeting

Monday 14 January 2019

Time of Meeting

9:30am (Perth time)

Place of Meeting

The offices of HLB Mann Judd, Level 4, 130 Stirling Street Perth WA 6000

This Notice of Meeting and Explanatory Memorandum should be read in their entirety. If you do not understand these documents or are in any doubt as to how to deal with them, you should consult your stockbroker, solicitor, accountant or other professional adviser immediately.

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NOTICE OF EXTRAORDINARY GENERAL MEETING

VARISCAN MINES LIMITED

ACN 003 254 395

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting of the members of Variscan Mines Limited (the "Company") will be held at the offices of HLB Mann Judd, Level 4, 130 Stirling Street Perth WA on Monday, 14 January 2019 commencing at 9.30 am (Perth time).

The business to be considered at the meeting is set out below. This Notice of Meeting should be read in conjunction with the accompanying Explanatory Memorandum, which contains information in relation to each of the Resolutions. A Proxy Form also accompanies this Notice of Meeting.

BUSINESS OF THE EXTRAORDINARY GENERAL MEETING

Resolution 1 – Re-Election of Dr Foo Fatt Kah as a Director

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

"That Dr Foo Fatt Kah, being a director of the Company who will cease to hold office immediately before the end of this extraordinary general meeting in accordance with section 250V of the Corporations Act and, being eligible, is re-elected as a director of the Company."

Resolution 2 – Re-Election of Mr Michael Moore as a Director

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

"That Mr Michael Moore, being a director of the Company who will cease to hold office immediately before the end of this extraordinary general meeting in accordance with section 250V of the Corporations Act and, being eligible, is re-elected as a director of the Company."

BY ORDER OF THE BOARD

A handwritten signature in blue ink, appearing to read 'Mark Pitts'.

Mark Pitts

Director and Company Secretary

Dated 30 November 2018



NOTICE OF EXTRAORDINARY GENERAL MEETING

IMPORTANT INFORMATION

The Explanatory Memorandum accompanying this Notice of Extraordinary General Meeting is incorporated in and comprises part of this Notice of Extraordinary General Meeting, and should be read in conjunction with this Notice of Extraordinary General Meeting.

Shareholders are specifically referred to the Glossary in the Explanatory Memorandum which contains definitions of capitalised terms used both in this Notice of Extraordinary General Meeting and the Explanatory Memorandum.

Proxies

- (a) Votes at the Extraordinary General Meeting may be given personally or by proxy, attorney or representative;
- (b) Each shareholder has a right to appoint one or two proxies;
- (c) A proxy need not be a shareholder of the Company;
- (d) If a shareholder is a company it must execute under its common seal or otherwise in accordance with its constitution;
- (e) Where a shareholder is entitled to cast two or more votes, the Shareholder may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise;
- (f) If a shareholder appoints two proxies, and the appointment does not specify the proportion or number of the Shareholder's votes, each proxy may exercise half of the votes. If a shareholder appoints two proxies, neither proxy may vote on a show of hands;
- (g) A proxy must be signed by the Shareholder or his or her power of attorney who has not received any notice of revocation of the authority. Proxies given by corporations must be signed in accordance with the Company's Constitution and the Corporations Act.
- (h) To be effective, proxy forms must be received by the Company's share registry (Boardroom Pty Limited) no later than 48 hours before the commencement of the Extraordinary General Meeting, that is no later than 9.30am Perth time on Saturday 12 January 2019. Any proxy form received after that time will not be valid for the scheduled meeting.

Hand Delivery

Boardroom Pty Limited
Level 12,
225 George St
SYDNEY NSW 2000

By Mail

Boardroom Pty Limited
GPO Box 3993
SYDNEY NSW 2001

By Facsimile

(02) 9290 9655

Record date

The Company has determined, in accordance with regulation 7.11.37 of the Corporations Regulations 2001 (Cth), that the holders of shares of the Company recorded in the Company's register as at 5pm (Perth time) on 12 January 2019 shall, for the purposes of determining voting entitlements at the Extraordinary General Meeting, be taken to be held by the persons registered as holding the shares at that time.

Corporate Representative

Any corporate Shareholder who has appointed a person to act as its corporate representative at the Meeting should provide that person with a certificate or letter executed in accordance with the Corporations Act authorising him or her to act as that company's representative. The authority may be sent to the Company and/or registry in advance of the Meeting or handed in at the Meeting when registering as a corporate representative.

This Explanatory Memorandum sets out information in connection with the business to be considered at the Variscan Mines Limited Extraordinary General Meeting to be held on 14 January 2019.

The Directors recommend Shareholders read this Explanatory Memorandum in full before making any decision in relation to the Resolutions. Terms used in this Explanatory Memorandum will, unless the context otherwise requires, have the meaning given to them in the Glossary to this Explanatory Memorandum.

The following information should be noted in respect of the various matters contained in the accompanying Notice of Meeting.



EXPLANATORY MEMORANDUM

BACKGROUND

At the Company's 2018 Annual General Meeting (AGM) more than 25% of votes cast were against the adoption of the Remuneration Report for the 2018 financial year (a second strike). As a result, shareholders were required to vote on a resolution ('Spill Resolution') on whether an extraordinary general meeting of the Company should be held ('Spill Meeting') at which all the Company's Directors (other than the Company's Managing Director, Mr Stewart Dickson, who may continue to hold office without re-election under the Corporations Act and Listing Rules, and those current Directors who were not in office at the time the Board resolutions to approve the 2018 Director Report was passed, namely, Mr Mark Pitts, must stand for re-election, should they wish to continue as Directors. These requirements are as prescribed in section 250V of the Corporations Act.

The Spill Resolution (which is an ordinary resolution) was passed at the 2018 AGM. As such, section 250V of the Corporations Act requires the Company to hold a Spill Meeting within 90 days after the spill resolution was passed. This Notice is intended to serve as notice for that Spill Meeting.

At the Spill Meeting, all of the Company's directors who were in office when the Board Resolution to approve the Directors Report was passed will cease to hold office immediately before the end of the Spill Meeting. Those Directors elected or re-elected at the Spill Meeting will commence to hold office at the end of the Spill Meeting. Dr Foo and Mr Moore were Directors of the Company when the Board Resolution to approve the Director's Report was passed and have not subsequently resigned.

Notwithstanding the results of the Spill Meeting, the Company must retain three Directors (at least 2 of whom must reside in Australia), being the minimum number of Directors required for a public company under the Corporations Act. If no person receives sufficient votes to be elected as a Director by way of ordinary resolution, then the Director or Directors that are retained to maintain the statutory minimum will be those candidates for election with the most votes in favour of their appointment. If two or more persons have the same percentage of votes in favour of their appointment, the other Directors will choose one of those persons as the appointed Director.

For the purposes of determining the length of time in office for future retirements by rotation, each Director who is re-elected at a Spill Meeting is considered to have been in office from the time of their previous election (i.e. their term in office runs as if the cessation and appointment at the Spill Meeting had not happened).

Resolution 1

Re-election of Director – Dr Foo Fatt Kah

Dr Foo Fatt Kah, being a Director of the Company, will cease to hold office immediately before the end of the Spill Meeting, and being eligible, offers himself for re-election as a Director of the Company.

Dr Foo Fatt Kah currently serves as the Chairman of the Company.

The Company provides the following information concerning Dr Foo:

Biographical details

Dr Foo was appointed a Director of the Company on 7 October 2009. Dr Foo is the Managing Director and co-founder of Luminor Capital, a private equity fund management company based in Singapore. He has over 20 years' experience in the investment banking, fund management and advisory businesses spanning Europe and Asia. He was previously Head of Asian Equities for SG Securities Asia (the Asian Investment Banking business for Societe Generale) covering 10 Asian countries ex-Japan. Since 2004 Dr Foo has been active as an investor, overseeing investments in Resources, Energy and Healthcare.

Dr Foo is qualified in Medicine (MB, B Ch, BAO) and Business Administration (M.B.A.) from the Queen's University, United Kingdom, with further continuing education qualifications from Insead on Economic Value Added (EVA) and International Project Management. He has experience with listed companies in Singapore, being previously Executive Director of CyberVillage Holdings Ltd and currently Lead Independent Director of PEC Ltd and a Non Executive Director of Anchor Resources Limited and Ayondo Limited.

Details of relationships between the Candidate and the Company

Dr Foo is the non-executive Chairman of the Company.

Details of relationships between the Candidate and Directors of the Company

Not applicable.

Other directorships held

PEC Limited; Anchor Resources Limited and Ayondo Limited.



EXPLANATORY MEMORANDUM

The term of office already served by Dr Foo

Dr Foo joined the Board on 7 October 2009.

The Directors (other than Dr Foo) do not have an interest in the outcome of Resolution 1 and recommend that shareholders vote in favour of Resolution 1.

The Chair intends to exercise all available proxies in favour of Resolution 1.

Resolution 2

Re-election of Director – Mr Michael Moore

Mr Michael Moore, being a Director of the Company, will cease to hold office immediately before the end of the Spill Meeting, and being eligible, offers himself for re-election as a Director of the Company.

Mr Michael Moore currently serves as a Non-Executive Director of the Company.

The Company provides the following information concerning Mr Moore:

Biographical details

Mr Moore is a mining engineer from the Camborne School of Mines with over 15 years' operational and executive management experience across a diverse range of commodities in Ausdtralia, West Africa and Europe. He has previously held senior and executive management roles with a number of companies including Rock Australia Mining & Civil Pty Ltd, Carnegie Minerals PLC and, more recently, with ASX listed Monezuma Mining Company Ltd where he was CEO. Mr Moore's experience includes mine feasibility studies and mine operations, important in supporting Variscan's strategy to successfully identify and advance it's projects towards production. Mr Moore is the Managing Director of Golden State Mining Limited

He has previously been a director of Carnegie Minerals Gambia Ltd and Cordier Mines SAS (France).

Details of relationships between the Candidate and the Company

Mr Moore is a non-executive Director of the Company.

Details of relationships between the Candidate and Directors of the Company

Not applicable.

Other directorships held

Golden State Mining Limited.

The term of office already served by Mr Moore

Mr Moore joined the Board on 4 August 2015.

The Directors (other than Mr Moore) do not have an interest in the outcome of Resolution 2 and recommend that shareholders vote in favour of Resolution 2.

The Chair intends to exercise all available proxies in favour of Resolution 2.



EXPLANATORY MEMORANDUM

GLOSSARY

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

Annual General Meeting or AGM means the Annual General Meeting of the Company held on 5 November 2018.

ASX means ASX Limited ACN 008 624 691;

Board means the board of Directors;

Company means Variscan Mines Limited ACN 003 254 395;

Constitution means the constitution of the Company;

Corporations Act means *Corporations Act 2001* (Cth);

Directors means the directors of the Company;

Explanatory Memorandum means the explanatory memorandum attached to and forming part of the Notice;

Key Management Personnel has the same meaning as in the accounting standards (so the term 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);

Listing Rules means the ASX Listing Rules as published by the ASX from time to time;

Meeting or Spill Meeting means the meeting of Shareholders convened by the Notice of Extraordinary General Meeting;

Notice or Notice of Extraordinary General Meeting means the notice of Extraordinary General Meeting to which this Explanatory Memorandum is attached;

Remuneration Report means the report set out in the Directors' Report section of the Company's 2018 Annual Report detailing the remuneration of Key Management Personnel;

Resolution means each resolution to be considered at the Meeting as set out in this Notice;

Share means a fully paid share in the issued share capital of the Company; and

Shareholder means a holder of Shares in the Company who is eligible to attend the Meeting.

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All Correspondence to:

- ✉ **By Mail** Boardroom Pty Limited
GPO Box 3993
Sydney NSW 2001 Australia
- 📠 **By Fax:** +61 2 9290 9655
- 💻 **Online:** www.boardroomlimited.com.au
- ☎ **By Phone:** (within Australia) 1300 737 760
(outside Australia) +61 2 9290 9600

YOUR VOTE IS IMPORTANT

For your vote to be effective it must be recorded **before 9:30am (Perth Time) on Saturday 12 January 2019.**

🖥 TO VOTE ONLINE

- STEP 1: VISIT** <https://www.votingonline.com.au/varegm2019>
- STEP 2: Enter your Postcode OR Country of Residence (if outside Australia)**
- STEP 3: Enter your Voting Access Code (VAC):**

📱 BY SMARTPHONE

Scan QR Code using smartphone
QR Reader App

TO VOTE BY COMPLETING THE PROXY FORM**STEP 1 APPOINTMENT OF PROXY**

Indicate who you want to appoint as your Proxy.

If you wish to appoint the Chair of the Meeting as your proxy, mark the box. If you wish to appoint someone other than the Chair of the Meeting as your proxy please write the full name of that individual or body corporate. If you leave this section blank, or your named proxy does not attend the meeting, the Chair of the Meeting will be your proxy. A proxy need not be a securityholder of the company. Do not write the name of the issuer company or the registered securityholder in the space.

Appointment of a Second Proxy

You are entitled to appoint up to two proxies to attend the meeting and vote. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by contacting the company's securities registry or you may copy this form.

To appoint a second proxy you must:

- complete two Proxy Forms. On each Proxy Form state the percentage of your voting rights or the number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded.
- return both forms together in the same envelope.

STEP 2 VOTING DIRECTIONS TO YOUR PROXY

To direct your proxy how to vote, mark one of the boxes opposite each item of business. All your securities will be voted in accordance with such a direction unless you indicate only a portion of securities are to be voted on any item by inserting the percentage or number that you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given item, your proxy may vote as he or she chooses. If you mark more than one box on an item for all your securities your vote on that item will be invalid.

Proxy which is a Body Corporate

Where a body corporate is appointed as your proxy, the representative of that body corporate attending the meeting must have provided an "Appointment of Corporate Representative" prior to admission. An Appointment of Corporate Representative form can be obtained from the company's securities registry.

STEP 3 SIGN THE FORM

The form **must** be signed as follows:

Individual: This form is to be signed by the securityholder.

Joint Holding: where the holding is in more than one name, all the securityholders should sign.

Power of Attorney: to sign under a Power of Attorney, you must have already lodged it with the registry. Alternatively, attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: this form must be signed by a Director jointly with either another Director or a Company Secretary. Where the company has a Sole Director who is also the Sole Company Secretary, this form should be signed by that person. **Please indicate the office held by signing in the appropriate place.**

STEP 4 LODGEMENT

Proxy forms (and any Power of Attorney under which it is signed) must be received no later than 48 hours before the commencement of the meeting, therefore by **9:30am (Perth Time) on Saturday, 12 January 2019.** Any Proxy Form received after that time will not be valid for the scheduled meeting.

Proxy forms may be lodged using the enclosed Reply Paid Envelope or:

💻 **Online** <https://www.votingonline.com.au/varegm2019>

📠 **By Fax** + 61 2 9290 9655

✉ **By Mail** Boardroom Pty Limited
GPO Box 3993,
Sydney NSW 2001 Australia

👤 **In Person** Boardroom Pty Limited
Level 12, 225 George Street,
Sydney NSW 2000 Australia

Attending the Meeting

If you wish to attend the meeting please bring this form with you to assist registration.

Your Address

This is your address as it appears on the company's share register. If this is incorrect, please mark the box with an "X" and make the correction in the space to the left. Securityholders sponsored by a broker should advise their broker of any changes.

Please note, you cannot change ownership of your securities using this form.

PROXY FORM

STEP 1 APPOINT A PROXY

I/We being a member/s of **Variscan Mines Limited** (Company) and entitled to attend and vote hereby appoint:

the **Chair of the Meeting (mark box)**

OR if you are **NOT** appointing the Chair of the Meeting as your proxy, please write the name of the person or body corporate (excluding the registered securityholder) you are appointing as your proxy below

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chair of the Meeting as my/our proxy at the Extraordinary General Meeting of the Company to be held at **The offices of HLB Mann Judd, Level 4, 130 Stirling Street, Perth WA 6000 on Monday, 14 January 2019 at 9:30am (Perth Time)** and at any adjournment of that meeting, to act on my/our behalf and to vote in accordance with the following directions or if no directions have been given, as the proxy sees fit.

The Chair of the Meeting intends to vote undirected proxies in favour of each of the items of business.

STEP 2 VOTING DIRECTIONS
* If you mark the Abstain box for a particular item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your vote will not be counted in calculating the required majority if a poll is called.

		For	Against	Abstain*
Resolution 1	Re-Election of Dr Foo Fatt Kah as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Re-Election of Mr Michael Moore as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

STEP 3 SIGNATURE OF SECURITYHOLDERS
This form must be signed to enable your directions to be implemented.

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director / Company Secretary

Contact Name.....

Contact Daytime Telephone.....

Date / /