SILVER CITY MINERALS LIMITED ACN 130 933 309

NOTICE OF GENERAL MEETING

Notice is given that the Meeting will be held at:

TIME: 10:00 AM (WST)

DATE: 31 December 2019

PLACE: Holiday Inn, 778-788 Hay Street Perth WA 6000 Australia

The Directors unanimously recommend Shareholders

Vote Against Resolutions 1 to 7 and

Vote In Favour of Resolutions 8 and 9.

set out in the Notice of Meeting. Directors do not consider Resolutions 1 to 7 to be in the best interests of the Company or its Shareholders.

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

This Notice of Meeting 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.

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 Shareholders at 4:00 PM WST on 29 December 2019.

PURPOSE OF THE MEETING

On 5 November 2019, the Company received a notice to call a general meeting to consider various resolutions relating to the removal of three (3) of the directors of the Company and the election of three (3) new directors of the Company (**Requisition Notice**).

The Requisition Notice was issued under sections 249D and 203D of the Corporations Act 2001 (Cth) (Corporations Act) by shareholders Jennings Family Investments Pty Ltd, L&M Group Limited, Inkex Pty Ltd ATF Inkex Super Fund and Mr Archibald Geoffrey Loudon (Requisitioning Shareholders). The Requisition Notice was dated 5 November 2019.

Resolutions 1 to 3 are for the respective appointment of Professor Ian Rutherford Plimer, Mr Lindsay Bernard Gilligan and Mr Nicholas Howard Martin, as directors of the Company. Resolutions 4 to 6 are for the removal of Mr Josh Puckridge, Mr Darren Jude Wates and Mr Thomas Pickett as directors of the Company.

The Notice of Meeting and Explanatory Statement are important documents and should be read in their entirety. The Resolutions to be considered at the Meeting are important and have significant implications for the future of your Company and investment.

If you are unable to attend the Meeting, you are encouraged to complete and return the enclosed Proxy Form by 4:00 PM WST on 29 December 2019.

THE CHAIRMAN OF THE MEETING INTENDS TO VOTE ALL UNDIRECTED PROXIES AGAINST RESOLUTIONS 1 TO 7 AND VOTE IN FAVOUR OF RESOLUTIONS 8 AND 9.

Statement of Director proposed to be appointed

Section 249P of the Corporations Act permits the shareholders who have requisitioned the meeting to submit a statement for circulation to shareholders regarding the resolutions and any other matter that may be properly considered at the meeting.

The Requisitioning Shareholders have provided the Company with a statement under section 249P (**Requisitioning Shareholders' Statement**). The statement is included in Schedule 1 to the Explanatory Statement.

The Company is not responsible for the content of the Requisitioning Shareholders' Statement.

The Directors recommend Shareholders vote AGAINST Resolutions 1 to 7 and IN FAVOUR of Resolutions 8 and 9.

BUSINESS OF THE MEETING

AGENDA

1. RESOLUTION 1 – APPOINTMENT OF PROFESSOR IAN RUTHERFORD PLIMER AS A DIRECTOR

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

"That, pursuant to and in accordance with the Company's Constitution and for all other purposes, Ian Rutherford Plimer, having consented to act as a director of the Company, be and is hereby appointed a director of the Company, with effect from the close of the Meeting."

2. RESOLUTION 2 - APPOINTMENT OF MR LINDSAY BERNARD GILLIGAN AS A DIRECTOR

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

"That, pursuant to and in accordance with the Company's Constitution and for all other purposes, Mr Lindsay Bernard Gilligan, having consented to act as a director of the Company, be and is hereby appointed a director of the Company, with effect from the close of the Meeting."

3. RESOLUTION 3 - APPOINTMENT OF MR NICHOLAS HOWARD MARTIN AS A DIRECTOR

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

"That, pursuant to and in accordance with the Company's Constitution and for all other purposes, Mr Nicholas Howard Martin, having consented to act as a director of the Company, be and is hereby appointed a director of the Company, with effect from the close of the Meeting."

4. RESOLUTION 4 – REMOVAL OF MR JOSH PUCKRIDGE

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

"That pursuant to, and in accordance with, section 203D of the Corporations Act and the Company's Constitution, Mr Josh Puckridge be and is hereby removed as a director of the Company, with effect from the close of the Meeting."

5. RESOLUTION 5 – REMOVAL OF MR DARREN JUDE WATES

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

"That pursuant to, and in accordance with, section 203D of the Corporations Act and the Company's Constitution, Mr Darren Jude Wates be and is hereby removed as a director of the Company, with effect from the close of the Meeting."

6. RESOLUTION 6 – REMOVAL OF MR THOMAS PICKETT

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

"That pursuant to, and in accordance with, section 203D of the Corporations Act and the Company's Constitution, Mr Thomas Pickett be and is hereby removed as a director of the Company, with effect from the close of the Meeting."

7. RESOLUTION 7 – REMOVAL OF NEW DIRECTORS

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

"That pursuant to and in accordance with section 203D of the Corporations Act 2001 (Cth) and the Company's constitution, each person appointed as a Director of the Company between 1 November 2019 and the commencement of this general meeting is hereby removed as a Director of the Company (effective immediately on the passing of this resolution).

8. RESOLUTION 8 – RATIFICATION OF PRIOR ISSUE OF SHARES

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

"That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 30,000,000 Shares on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who participated in the issue or any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, 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.

9. RESOLUTION 9 – ISSUE OF FREE ATTACHING OPTIONS

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

"That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 30,000,000 Options on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person (or those persons). However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, 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.

Dated: 21 November 2019

By order of the Board

Sonu Cheema Company Secretary

Voting in person

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

Voting by proxy

To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

In accordance with section 249L of the Corporations Act, Shareholders are advised that:

- each Shareholder has a right to appoint a proxy;
- the proxy need not be a Shareholder of the Company; and
- a Shareholder who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints 2 proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

Shareholders and their proxies should be aware that changes to the Corporations Act made in 2011 mean that:

- if proxy holders vote, they must cast all directed proxies as directed; and
- any directed proxies which are not voted will automatically default to the Chair, who
 must vote the proxies as directed.

THE CHAIRMAN OF THE MEETING INTENDS TO VOTE ALL UNDIRECTED PROXIES AGAINST RESOLUTIONS 1 TO 7 AND IN FAVOUR OF RESOLUTIONS 8 AND 9.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 8 6489 1600.

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions.

10. RESOLUTIONS 1 TO 3 – APPOINTMENT OF PROPOSED DIRECTORS

The Company's Constitution provides that the Company may elect a person as a director by resolution passed in general meeting.

The Requisitioning Shareholders have given notice of their intentions to move the following resolutions:

- (a) Resolution 1 Appointment of Professor Ian Rutherford Plimer;
- (b) Resolution 2 Appointment of Mr Lindsay Bernard Gilligan; and
- (c) Resolution 3 Appointment of Mr Nicholas Howard Martin.

Subject to the passing of Resolutions 1 to 3, the appointment of Professor Ian Rutherford Plimer, Mr Lindsay Bernard Gilligan and Mr Nicholas Howard Martin as Directors will take effect from the close of the Meeting.

Section 249P of the Corporations Act permits the shareholders who have requisitioned the meeting to submit a statement for circulation to Shareholders regarding the resolutions and any other matter than may be properly considered at the meeting.

The Requisitioning Shareholders have provided the Company with the Requisitioning Shareholders' Statement, as set out in Schedule 1 to the Explanatory Statement. The Company is not responsible for the content of the Requisitioning Shareholders' Statement.

10.2 Biographies of nominated directors

Ian Plimer BSc (Hons), PhD, Hon. FGS, FTSE

Ian is Emeritus Professor of Earth Sciences at The University of Melbourne where he was Professor and Head (1991-2005). He was Professor and Head of Geology (University of Newcastle 1985-1991), Professor of Ore Deposit Geology at Ludwig Maximilians Universitat (Munich, 1991) and Professor of Mining Geology (University of Adelaide 2006-2011). Professor Plimer has published more than 130 scientific papers (including scores of papers on Broken Hill), edited the five-volume Encyclopedia of Geology and is author of eleven books for the general public.

Mid-career, he was senior research geologist with North Broken Hill Ltd and has consulted worldwide to major exploration companies and governments on mineral exploration and ore deposits. He has served on the boards of the listed exploration companies Ivanhoe Australia Ltd (ASX:IVA, TSX: IVA, taken over by Rio), CBH Resources Ltd (ASX:CBH; taken over by Toho Zinc) and Kefi Minerals pie (AIM:KEFI); sits on the board of Niuminco Group Ltd (ASX:NIU) and represents Hancock Prospecting interests on the board of Lakes Oil NL (ASX:LKO); represented Hancock Prospecting Pty Ltd interests on the board of Sun Resources NL (ASX:SUR); sits on the boards of unlisted Hancock Prospecting Pty

Ltd companies (Roy Hill Holdings, Queensland Coal Investments, Atlas Iron) arid sits on the board of the Ivanhoe Mines unlisted entity HPXploration Inc.

For his scientific activities, Ian has won the Eureka Prize (twice), Daley Prize, Centenary Medal, Leopold van Buch Plakette, Clarke Medal, Goldfields Prize and had a new Broken Hill zinc mineral named after him. For his exploration activities, he has been awarded the Rio Tinto Excellence in Exploration Award, Sir Williss Connolly Medal of the Australasian Institute of Mining and Metallurgy, Australian Mining and Exploration Council Identity of the Year, Excellence in Mining and Exploration Legend in Mining, Precious Metals Hall of Fame and Resources Stocks Best Industry Identity. He is Patron of Lifeline (Broken Hill) and Patron of the Broken Hill Geocentre.

Lindsay Gilligan PSM, BSc(Hons), MAppSc, MBA, FAIG, FSEG

Lindsay was formerly director of the Geological Survey of New South Wales. His career has focused on the geology of mineral resources and fostering mineral exploration and discovery of NSW and he has over 40 years' experience as a geologist. Lindsay has extensive experience in government geoscience. He has published widely on aspects of mineral deposits. Whilst director, he led the NSW State Government's highly successful New Frontiers exploration initiative. He has actively promoted mineral exploration investment in New South Wales both nationally and internationally.

He has a broad network across the exploration industry, government and research organisations, as well as internationally in both government and industry and has a high public profile in the minerals industry. He was non-executive Chairman of Thomson Resources Ltd, a NSW-based junior explorer, from 2009 to 2019. He was a director from 2010 to 2018 on the governing body of the Deep Exploration Technologies Cooperative Research Centre (DET CRC). In 2019, he was appointed to the board of the newly formed Mineral Exploration Cooperative Research Centre (MinEx CRC) which is arguably the largest mineral exploration research organisation in the world: He has also consulted to Commonwealth and State agencies on government geoscience issues.

Lindsay has been on the committee of the Sydney Mineral Exploration Discussion Group (SMEDG) since 2002 and has played a major part in the organisation of the immensely successful Mines and Wines mineral exploration conference since its inception in 2006.

Lindsay was awarded the Public Service Medal in the 2008 Queen's Birthday Honours and, in the same year, was also awarded the Australian Mining magazine's "Most Outstanding Contribution to Australian Mining" Award.

Nicholas Martin BSc (Hons), MBA

Nick has over 25 years' experience in the mining sector as an exploration geologist, investment banker and corporate advisor.

Nick is a Partner at Blackbird Commodity Partners, an independent advisory firm focused on the mining sector providing advice in relation to structured finance, corporate acquisitions, equity raisings, transaction due diligence and general corporate advice to clients with projects located worldwide.

Prior to this Nick spent 10 years in investment banking with N M Rothschild & Sons (Australia), Westpac, WestLB and finally as Head of Natural Resources for Natixis (Australia). During this time, he developed an extensive track record of providing

project finance facilities for new mine developments in Australia, SE Asia and the Pacific.

Nick started his career spending 7 years as an exploration geologist working throughout Australia and in Indonesia.

Nick holds a BSc (Hons) in Geology from the University of Adelaide plus an MBA from the Australian Graduate School of Management.

11. RESOLUTIONS 4 TO 6 – REMOVAL OF DIRECTORS

Under section 203D of the Corporations Act, a company may by resolution remove a director from office.

The Company's Constitution provides that the Company may remove any director from office by resolution passed in general meeting.

The Requisitioning Shareholders have given notice of their intentions to move Resolutions 4 to 6 for the removal of three (3) of the existing directors (being Mr Josh Puckridge, Mr Darren Jude Wates and Mr Thomas Pickett).

If Resolutions 4 to 6 are successful, all of the existing Directors (being Mr Josh Puckridge, Mr Darren Jude Wates and Mr Thomas Pickett) will be removed from their office as Directors of the Company.

11.1 Biographies of current directors

Josh Puckridge

Josh is a Corporate Finance Executive formerly working as a specialist Equity Capital Markets Advisor for Fleming Australia, a Corporate Advisory and Funds Management firm. He has significant experience within funds management, capital raising, mergers, acquisitions and divestments of projects by companies listed on the Australian Securities Exchange.

Formerly Executive Director and Chief Executive of Discovery Resources Limited, Mr Puckridge structured the acquisition of the Canberra Casino and the relisting of the Company as Aquis Entertainment Limited. He was a founding Director of Windward Resources Limited, seeding and listing the Company and raising more than \$11m. Mr Puckridge coordinated the change of Board of TopTung Ltd (then, Krucible Metals Limited), returning \$5m to its shareholders in 2015; subsequently, the Company acquired a NSW based tungsten project. Mr Puckridge also holds various positions on private company boards.

Darren Jude Wates

Darren is a corporate lawyer with over 20 years' experience in equity capital markets, merger and acquisitions, resources, project acquisitions and corporate governance gained through private practice and in-house roles in Western Australia.

Darren holds Bachelor degrees in Law and Commerce and a Graduate Diploma in Applied Finance and Investment.

Thomas Pickett

Tom has experience in a range of sectors including mining, exploration, law, tourism and hotels, having held executive appointments in these areas for both

ASX listed and private companies. Tom is currently the Executive Chairman of Cannindah Resources and has held numerous board positions on other ASX listed companies over the past 15 years. His experience in the management of exploration activity across a number of projects in North Queensland for both gold and copper is a valuable asset to Cannindah Resources Limited. Tom holds a Law Degree from Bond University, along with a Graduate Certificate in Applied Finance and Investment.

12. RESOLUTION 7 – REMOVAL OF NEW DIRECTORS

Resolution 7 is put to Shareholders to consider the removal of any persons appointed as a Director of the Company on and from 1 November 2019 until the commencement of this general meeting.

Pursuant to Section 203D of the Corporations Act, a public company may by resolution remove a director from office regardless of any provision in that company's constitution or any agreement between the director and the company.

The Requisitioning Shareholders have provided the Company with the Requisitioning Shareholders' Statement, as set out in Schedule 1 to the Explanatory Statement. The Company is not responsible for the content of the Requisitioning Shareholders' Statement.

All available and undirected proxies will be voted at the discretion of the Chairman.

Your Board is not proposing Resolution 7. The Company is required to put Resolution 7 to Shareholders due to the request made by the Requisitioning Shareholders.

Your Board recommends Shareholders vote against this Resolution 7 and each Director will be voting all Shares that he or she holds or controls AGAINST this Resolution 7.

13. RESOLUTION 8 – RATIFICATION OF PRIOR ISSUE OF SHARES

13.1 General

On 7 November 2019, the Company issued 30,000,000 Shares at an issue price of \$0.01 per Share to raise \$300,000 (Capital Raising).

Resolution 8 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of those Shares (**Ratification**).

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1. It provides that where a company in general meeting ratifies the previous issue of securities made pursuant to ASX Listing Rule 7.1 (and provided that the previous issue did not breach ASX Listing Rule 7.1) those securities will be deemed to have been made with shareholder approval for the purpose of ASX Listing Rule 7.1.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

13.2 Technical information required by ASX Listing Rule 7.4

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to the Ratification:

- (a) 30,000,000 Shares were issued;
- (b) the issue price was \$0.01 per Share;
- (c) the Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (d) the Shares were issued to sophisticated investors. None of these subscribers are related parties of the Company; and
- (e) the funds raised from this issue were used for general working capital, to progress the assessment of the Company's projects and for other business development activities.

14. RESOLUTION 9 – ISSUE OF FREE ATTACHING OPTIONS

14.1 General

Resolution 9 seeks Shareholder approval for the issue of up to 30,000,000 Options for nil cash consideration to subscribers in the Capital Raising on the basis of one (1) Option for every one (1) Share subscribed for and issued (**Option Placement**).

A summary of ASX Listing Rule 7.1 is set out in section 13.1 above.

The effect of Resolution 9 will be to allow the Company to issue the Options pursuant to the Option Placement during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

14.2 Technical information required by ASX Listing Rule 7.1

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to the Option Placement:

- (a) the maximum number of Options to be issued is 30,000,000;
- (b) the Options will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that issue of the Options will occur progressively;
- (c) the issue price of the Options will be nil as they will be issued free attaching with the Shares issued pursuant to the Capital Raising on a one for one basis
- (d) the Options will be issued to the subscribers in the Capital Raising the subject of Resolution 8 on the basis of one (1) Option for every one (1) Share subscribed for and issued:

- (e) the Options will be issued on the terms and conditions set out in Schedule 2; and
- (f) no funds will be raised from the Option Placement as the Options are being issued for nil cash consideration.

GLOSSARY

\$ means Australian dollars.

ASIC means the Australian Securities & Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by ASX Limited, as the context requires.

ASX Listing Rules means the Listing Rules of ASX.

Board means the current board of directors of the Company.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

Chair means the chair of the Meeting.

Company means Silver City Minerals Limited (ACN 130 933 309).

Constitution means the Company's constitution.

Corporations Act means the Corporations Act 2001 (Cth).

Directors means the current directors of the Company.

Explanatory Statement means the explanatory statement accompanying the Notice.

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

Notice or **Notice** of **Meeting** means this notice of meeting including the Explanatory Statement and the Proxy Form.

Option means an option to acquire a Share, on the terms as at Schedule 2.

Proxy Form means the proxy form accompanying the Notice.

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

Section means a section of the Explanatory Statement.

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

Shareholder means a registered holder of a Share.

WST means Western Standard Time as observed in Perth, Western Australia.

SCHEDULE 1 - REQUISITIONING SHAREHOLDERS' STATEMENT

Archibald Geoffrey Loudon, L&M Group Ltd, Inkex Pty Ltd and Jennings Family Investments Pty Ltd (together the **Shareholder Group**) hold more than 13% of the shares in Silver City Minerals Ltd (**Company**). The Shareholder Group has requisitioned a General Meeting of the Company to consider and pass resolutions for the removal of all of the current directors of the Company and their replacement by Professor Ian Plimer, Mr Lindsay Gilligan and Mr Nicholas Martin.

The Shareholder Group has taken this action to protect and enhance the value of their shareholdings in the Company. It is the view of the Shareholder Group that the passing of the proposed resolutions is in the best interests of all of the Company's shareholders and other stakeholders.

1. The Shareholder Group's concerns regarding Silver City Minerals and reasons for the proposed removal of the current directors

On 2 January 2019, the Company issued 47.5 million shares at an issue price of 1.2 cents per share that raised \$570,000 (before costs) for further exploration at the Copper Blow project at Broken Hill, NSW.

Despite the Company making a number of statements that the Copper Blow project remains a focus, this work has not been undertaken. In the ASX release on 28 February 2019 (appointment of new directors) it was stated that the Company is undertaking a strategic review of current projects and best way to add value. There appears to be no results announced to date relating to that review.

At the beginning of 2019 three members of the Board with technical experience resigned and were replaced. This resulted in the current Board of 3 with no technical experience. It appears that there is effectively no executive management in place. For a company like Silver City Minerals, experienced management is crucial and in the absence of such management the appointment of directors with an appropriate mix of skills, and in particular technical expertise, is imperative.

During 2019, the share price has languished, and no additional projects have been acquired.

The Company is an exploration company yet since the changes to the Board the Annual Report, the Half-Yearly Report, the Quarterly Reports and Appendix 5B show that no on-ground exploration has taken place at Copper Blow or the other tenements at Broken Hill (NSW) and Cobar (NSW) – as stated above, this is despite these being stated to be the principal focus of the Company.

All technical information in the Annual, Half-Yearly and Quarterly reports for 2019 is information that was previously reported by Silver City Minerals in 2018 and earlier confirming that there has been no material exploration activity since the changes to the Board in February 2019.

The Appendix 5B documents for the quarters ended 31 March 2019, 30 June 2019 and 30 September 2019 show that total staff, administration and corporate costs were \$412,000 and total exploration and evaluation costs were just \$132,000.

In addition, the current directors of the Company hold no shares.

The Company has no technical person listed in the Annual Report who is responsible for reporting to the NSW Government. This places NSW exploration

licences in jeopardy. The September 2019 Quarterly Report of the Company showed that EL8454 (Yanco) was granted. This highly prospective tenement wherein there are numerous old mines was not renewed by the current Board and accordingly expired on 9 August 2019.

CBH Resources Limited owns between 15% and 25% of much of the Silver City Minerals tenure at Broken Hill. The Shareholder Group understands that CBH has expressed concerns to the Company that tenements which are part of a large joint venture arrangement between the two companies may be in jeopardy due to the lack of work conducted and the apparent absence of a Technical Manager as required under NSW regulations. The Shareholder Group understands that this concern of CBH is compounded by the fact that, despite several attempts at communication by CBH, it has received no response from the Company in response to its queries about joint venture programs and required budgets.

2. The Shareholder Group support the appointment of new directors to the Silver City Minerals Ltd board

It is considered that the Company and its shareholders will benefit from a newly constituted board with extensive exploration experience, especially in the Broken Hill district, peer recognition of their excellence, a blend of exploration, corporate and financial experience.

The Shareholder Group supports the appointment of Professor Ian Plimer, Mr Lindsay Gilligan and Mr Nicholas Martin as directors of the Company.

3. How to vote

The Shareholder Group strongly believes that reconstituting the Company's board is in the best interests of all of the Company's shareholders and urges that shareholders vote in favour of all of the Resolutions set out in the Notice of General Meeting.

SCHEDULE 2 - TERMS AND CONDITIONS OF OPTIONS

(a) **Entitlement**

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

(b) Exercise Price

Subject to paragraph (i), the amount payable upon exercise of each Option will be \$0.02 (Exercise Price)

(c) Expiry Date

Each Option will expire at 5:00 pm (WST) on 31 October 2022 (**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) 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;
- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- (iii) 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.

If a notice delivered under (g)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company

must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(h) Shares issued on exercise

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

(i) Reconstruction of capital

If at any time the issued capital of the Company is 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 reconstruction.

(j) Participation in new issues

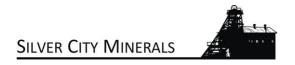
There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

(k) 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.

(I) Transferability

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



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 10:00am (WST) on Sunday 29 December 2019.

■ TO VOTE ONLINE

ICIT https://www.vetinespeline.com.cu/esiam

STEP 1: VISIT https://www.votingonline.com.au/scigm

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:

(a) 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.

(b) 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 10:00am (WST) on Sunday, 29 December 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/scigm

■ By Fax + 61 2 9290 9655

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.

Silver City Minerals Limited ACN 130 933 309

			If this is incorrect, pleas correction in the space to broker should advise the	t appears on the company's share register. se mark the box with an "X" and make the to the left. Securityholders sponsored by a eir broker of any changes. ot change ownership of your securities
		PROXY FORM		
STEP 1	APPOINT A PROXY			
I/We being a m	ember/s of Silver City Minerals Limited (Company) and entitled to attend and vote he	ereby appoint:	
	the Chair of the Meeting (mark box)			
	NOT appointing the Chair of the Meeting a your proxy below	as your proxy, please write the name of the p	person or body corporate (excludin	g the registered securityholder) you are
to be held at th	e Holiday Inn, 778-788 Hay Street Perth \	individual or body corporate is named, the Cl WA 6000 on Tuesday, 31 December, 2019 a ions or if no directions have been given, as the	at 10:00am (WST) and at any adjou	
The Chair of the	ne Meeting intends to vote undirected proxi	es AGAINST resolutions 1 – 7 and FOR reso	olutions 8 - 9	
STEP 2	VOTING DIRECTIONS * If you mark the Abstain box for a partic be counted in calculating the required m	cular item, you are directing your proxy not to ajority if a poll is called.	vote on your behalf on a show of h	nands or on a poll and your vote will not
				For Against Abstain*
Resolution 1	Appointment of Professor Ian Rutherford	l Plimer as a Director		
Resolution 2	Appointment of Mr Lindsay Bernard Gilli	gan as a Director		
Resolution 3	Appointment of Mr Nicholas Howard Ma	rtin as a Director		
Resolution 4	Removal of Mr Josh Puckridge as a Dire	ector		
Resolution 5	Removal of Mr Darren Jude Wates as a	Director		
Resolution 6	Removal of Mr Thomas Pickett as a Dire	ector		
Resolution 7	Removal of New Directors as a Director			
Resolution 8	Ratification of Prior Issue of Shares			
Resolution 9	Issue of Free Attaching Options			
STEP 3	SIGNATURE OF SECURITY This form must be signed to enable your			
Individual or Securityholder 1		Securityholder 2		Securityholder 3
Sole Director and Sole Company Secretary		Director	ו	Director / Company Secretary
Contact Name		Contact Daytime Telephone		Date / / 2019