

31 July 2020

## **Chesser Resources Limited – ASX Announcement – Notice of Extraordinary General Meeting**

Please find attached hereto a Notice of Extraordinary General Meeting and Proxy form for meeting of the shareholders of Chesser Resources Limited (ASX: CHZ) to be held at Level 14, 167 Eagle Street Brisbane at 10.00am on Tuesday 1 September 2020.

The Board considers that the health, safety and welfare of the Company's staff, its Shareholders and other stakeholders to be paramount. Accordingly, the number of physical attendees at the meeting will be limited to the maximum number of attendees permitted based on the relevant Government regulations and guidelines in force at the time of the meeting. As it is unlikely that all Shareholders will be permitted to attend the Meeting in person should they choose to do so, the Meeting will be accessible to all Shareholders virtually via a live webinar, further details of which are set out in the Notice of Meeting.

The release of this announcement on the ASX announcements platform has been approved by Stephen Kelly, the Company Secretary.

### **For Further information in relation to the Extraordinary General Meeting, please contact:**

For Further information, please contact:

**Mike Brown, Managing Director**

[Mikeb@chesserresources.com.au](mailto:Mikeb@chesserresources.com.au)

Mobile: +1 778 822 4345

**Stephen Kelly, Company Secretary**

[stephenk@chesserresources.com.au](mailto:stephenk@chesserresources.com.au)

Phone: + 61 415 719 695

### **ABOUT CHESSER RESOURCES**

Chesser Resources is an ASX listed exploration company with gold projects located in Senegal, West Africa. The Company's focus is its extensive landholding of gold projects within Senegal's most prospective gold belts. The Company has a corporate office located in Brisbane, Australia and a corporate and technical team based in Dakar, Senegal.

**CHESSER RESOURCES LIMITED**

**ACN 118 619 042**

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**NOTICE OF EXTRAORDINARY GENERAL  
MEETING EXPLANATORY MEMORANDUM  
PROXY FORM**

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**Date of Meeting**

Tuesday, 1 September 2020

**Time of Meeting**

10.00am (Australian Eastern Standard time)

**Place of Meeting**

**Level 14, 167 Eagle Street Brisbane  
QLD 4000**

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

## NOTICE OF EXTRAORDINARY GENERAL MEETING

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Notice is hereby given that an Extraordinary General Meeting (**Meeting**) of the Shareholders of Chesser Resources Limited ACN 118 619 042 (**Company**) will be held on Tuesday, 1 September 2020 commencing at 10.00am (Australian Eastern Standard time) at **Level 14, 167 Eagle Street Brisbane QLD 4000**. Registration will commence immediately prior to the Meeting.

This Notice of Meeting incorporates, and should be read together with, the Explanatory Memorandum and Proxy Form. Shareholders are specifically referred to the Glossary in the Explanatory Memorandum which contains definitions of capitalised terms used in both this Notice of Meeting and the Explanatory Memorandum.

### ORDINARY BUSINESS

#### Resolutions

- **Ratification of prior issue of Shares under Listing Rule 7.1**

To consider and, if thought fit, to pass 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 803,441 Shares utilising the Company's placement capacity under ASX Listing Rule 7.1 on the terms and conditions set out in the Explanatory Memorandum."*

**Voting Exclusion:** The Company will disregard any votes cast in favour of this Resolution by or on behalf of a Placement Participant or any associates of such persons.

However, this exclusion does not apply to a vote cast in favour of this Resolution by:

- (a) A person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way: or
- (b) The Chair of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) A holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - (i) The beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting on the Resolution; and
  - (ii) The holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

- **Ratification of prior issue of Shares under Listing Rule 7.1A**

To consider and, if thought fit, to pass 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 28,535,627 Shares utilising the Company's placement capacity under ASX Listing Rule 7.1A on the terms and conditions set out in the Explanatory Memorandum."*

**Voting Exclusion:** The Company will disregard any votes cast in favour of this Resolution by or on behalf of a Placement Participant or any associates of such persons.

However, this exclusion does not apply to a vote cast in favour of this Resolution by:

- (a) A person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way:

or

- (b) The Chair of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) A holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - (i) The beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting on the Resolution; and
  - (ii) The holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

- **Approval of Tranche 2 Placement**

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, Shareholders approve the issue of up to 45,660,932 Shares on the terms and conditions set out in the Explanatory Memorandum."*

**Voting Exclusion:** The Company will disregard any votes cast in favour of this Resolution by or on behalf of a Placement Participant or any associates of such persons.

However, this exclusion does not apply to a vote cast in favour of this Resolution by:

- (a) A person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way: or
- (b) The Chair of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) A holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - (i) The beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting on the Resolution; and
  - (ii) The holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

- **Approval to issue Options**

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

*"That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, Shareholders ratify the issue of 2,000,000 Broker Options to Taylor Collison Pty Ltd (or its nominees) on the terms and conditions set out in the Explanatory Memorandum."*

**Voting Exclusion:** The Company will disregard any votes cast in favour of this Resolution by or on behalf of a Placement Participant or any associates of such persons.

However, this exclusion does not apply to a vote cast in favour of this Resolution by:

- (a) A person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way:

or

- (b) The Chair of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) A holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - (i) The beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting on the Resolution; and
  - (ii) The holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

## **ATTENDANCE AND VOTING AT THE MEETING**

### **COVID-19 and attendance at the Meeting**

In light of the current global outbreak of the Coronavirus (COVID-19) and the implementation of social distancing requirements and the restriction imposed by State Governments on gatherings of individuals and inter and intra state travel, the Board of Chesser Resources Limited has decided that special arrangements will apply for the Meeting.

The Board considers that the health, safety and welfare of the Company's staff, its Shareholders, and other stakeholders to be paramount. Accordingly, the number of physical attendees at the meeting will be limited to the maximum number of attendees permitted based on the relevant Government regulations and guidelines in force at the time of the meeting. As it is unlikely that all Shareholders will be permitted to attend the Meeting in person should they choose to do so, the Meeting will be accessible to all Shareholders virtually via a live webinar, further details of which are set out below.

### **Questions**

Shareholders may submit questions to the Company in advance of the Meeting. Questions must be submitted via email to the Company Secretary at [stephenk@chesserresources.com.au](mailto:stephenk@chesserresources.com.au). Responses to all valid questions received prior to 5.00pm (AEST) on Thursday 27 August 2020 will be lodged on the ASX Announcements Platform prior to the commencement of the Meeting.

Shareholders will also have the opportunity to submit questions during the meeting in respect to the formal items of business to be conducted at the Meeting.

### **Webinar**

The Meeting will be accessible to all Shareholders via a live webinar which will allow Shareholders to participate in the meeting virtually. To register and access the Meeting by webinar, Shareholders should register by copying the link below to their web browser <https://web.lumiagm.com/315627855>

### **Voting entitlement**

In accordance with regulation 7.11.37 of the *Corporations Regulations 2001* (Cth), the Board has determined that Shareholders who are on the Company's share register at 7.00pm (Australian Eastern Daylight Savings time) on Sunday, 30 August 2020 shall, for the purposes of the Meeting, be entitled to attend and vote at the Meeting.

If you are not the registered holder of a relevant Share at that time, you will not be entitled to vote at the Meeting.

## Voting at the Meeting

The passing of each Resolution arising at this meeting will be decided by a poll. Upon a poll, every person who is present in person or by proxy, corporate representative, or attorney, will have one vote for each Share held by that person.

Ordinary resolutions require the support of more than 50% of the votes cast. Special resolutions require the support of at least 75% of the votes cast. No special resolutions have been proposed for this Meeting.

**Shareholders are strongly urged to vote by proxy prior to the meeting and to appoint the Chair of the Meeting as their proxy. Shareholders can complete the proxy form to provide specific instructions on how their vote is to be exercised on each Resolution. The Chair of the meeting MUST follow the Shareholder's instructions. Instructions for voting by proxy are set out below.**

Shareholders participating virtually will be able to submit poll votes immediately after the Chair calls for a vote on each Resolution and up to the close of the Meeting. This means that the outcome of each Resolution will not be able to be determined until after the conclusion of the Meeting to allow the Company Secretary sufficient time to finalise the counting of poll votes submitted.

## Voting by proxy

A Shareholder who is entitled to attend and vote at this Meeting may appoint a proxy to attend and vote on the Shareholder's behalf. A proxy need not be a Shareholder. If the Shareholder is entitled to cast two or more votes at the Meeting, the Shareholder may appoint two proxies and may specify the proportion or number of votes that each proxy is appointed to exercise.

A Proxy Form accompanies this Notice. To be valid, the Proxy Form must be received no later than 10.00am (AEST time) on Monday, 31 August 2020, being 24 hours prior to the commencement of the Meeting.

To record a valid proxy vote, a Shareholder will need to take the following steps:

- (a) cast the Shareholder's vote online by visiting [www.investorvote.com.au](http://www.investorvote.com.au) and entering the Shareholder's Control Number, SRN/HIN and postcode, which are shown on the first page of the enclosed Proxy Form;
- (b) complete and lodge the Proxy Form at the share registry of the Company, Computershare Investor Services Pty Limited:
  - (i) by post at the following address:  
  
Computershare Investor Services Pty Limited GPO Box 242  
MELBOURNE VIC 3001  
  
OR
  - (ii) by facsimile on 1800 783 447 (within Australia) or +61 9473 2555 (outside Australia);
- (c) enter [www.investorvote.com.au](http://www.investorvote.com.au) directly into your smart phone and follow the instructions on your personalised proxy form or scanning the QR Code on the front of your proxy form. To scan the QR code you will have needed to download and installed a QR Code Scanner application for your smart phone; or
- (d) for Intermediary Online subscribers only (custodians), cast the Shareholder's vote online by visiting [www.intermediaryonline.com](http://www.intermediaryonline.com).

If you choose to appoint a proxy, you are encouraged to direct your proxy how to vote on each of the Resolutions by marking either **For**, **Against** or **Abstain** on the voting form for each item of business.

Pursuant to section 250BB of the Corporations Act, an appointment of a proxy may specify the way the proxy is to vote on a particular Resolution and, if it does:

- (a) the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (i.e. as directed);
- (b) if the proxy has 2 or more appointments that specify different ways to vote on the Resolution, the proxy must not vote on a show of hands;
- (c) if the proxy is the Chair of the meeting at which the Resolution is voted on, the proxy must vote on a poll, and must vote that way (i.e. as directed); and
- (d) if the proxy is not the Chair, the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (i.e. as directed).

Under section 250BC of the Corporations Act, if:

- (a) an appointment of a proxy specifies the way the proxy is to vote on a particular Resolution at a meeting of a company's members;
- (b) the appointed proxy is not the Chair of the meeting;
- (c) at the meeting, a poll is duly demanded on the Resolution; and
- (d) either of the following applies:
  - (i) the proxy is not recorded as attending the meeting;
  - (ii) the proxy does not vote on the resolution,

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

### **Voting prohibition by Proxy Holders**

In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote on the basis of that appointment on resolutions related to the remuneration of Key Management Personnel if:

- (a) the proxy is either:
  - (i) a member of the Key Management Personnel of the Company; or
  - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if:

- (a) the proxy is the Chair of the Meeting; and
- (b) the appointment expressly authorises the Chair of the Meeting to exercise the proxy even though the Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel of the Company.

There are no resolutions relating to the remuneration of Key Management Personnel to be considered at the meeting.

The Chair intends to vote undirected proxies in favour of each item of business.

### **Voting by corporate representative**

A Shareholder or proxy that is a corporation and entitled to attend and vote at the Meeting may appoint an individual to act as its corporate representative.

Evidence of the appointment of a corporate representative must be in accordance with section 250D of the Corporations Act and be lodged with the Company before the Meeting or at the registration desk on the day of the Meeting.

### **Voting by attorney**

A Shareholder entitled to attend and vote at the Meeting is entitled to appoint an attorney to attend and vote at the Meeting on the Shareholder's behalf.

An attorney need not be a holder of Shares.

An instrument conferring the power of attorney or a certified copy of the authority must be produced to the Company at least 24 hours prior to the commencement of the Meeting.

## **Enquiries**

Shareholders are encouraged to contact the Company Secretary on + 61 7 3854 2387 or by email at [stephenk@chesserresources.com.au](mailto:stephenk@chesserresources.com.au) if they have any questions regarding the special arrangements applying to the Meeting.

DATED 29 July 2020

**BY ORDER OF THE BOARD  
CHESSEER RESOURCES LIMITED**

A handwritten signature in dark ink, appearing to read 'Stephen Kelly', written in a cursive style.

**STEPHEN KELLY  
COMPANY SECRETARY**



## EXPLANATORY MEMORANDUM

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### IMPORTANT NOTICE

This Explanatory Memorandum forms part of the Notice convening the Extraordinary General Meeting of Shareholders of Chesser Resources Limited to be held on 1 September 2020 at 10.00am (AEST). This Explanatory Memorandum is to assist Shareholders in understanding the background to, and the legal and other implications of, the Notice and the reasons for the Resolutions proposed. Both documents should be read in their entirety and in conjunction with each other.

Other than the information set out in this Explanatory Memorandum, the Directors believe that there is no other information that could reasonably be required by Shareholders to consider the Resolutions.

If you are in doubt about what to do in relation to the Resolutions, you should consult your financial or other professional adviser.

Words or expressions used in the Notice of Meeting and in this Explanatory Memorandum are defined in the Glossary. Unless otherwise stated, all references to sums of money, '\$' and 'dollars' are references to Australian currency.

This Explanatory Memorandum is dated 29 July 2020.

### BACKGROUND TO THE RESOLUTIONS

#### *ORDINARY BUSINESS*

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#### **1. Resolutions 1,2,3 and 4 – Resolutions relating to share capital**

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All the Resolutions to be put to the Extraordinary General Meeting are Resolutions relating to the Company's share capital.

**Table 1** below sets out the potential dilutionary impact of Resolutions 1,2,3 and 4 on the capital structure of the Company.

**Table 1 – Potential Dilutionary Effect of Resolutions 1,2,3 and 4**

Resolution Number	Description	Shares (number)	Shares (cumulative)	% (at issue)	% (after issue of all Shares per Resolution)	Options, Performance Shares and Salary Sacrifice Rights	Options, Performance Shares and Salary Sacrifice Rights	% (at issue)	% (fully diluted)	Total equities (number)	Total equities (cumulative)
1 and 2	Current issued capital (including Shares to be ratified pursuant to Resolution 1 and Resolution 2)	356,695,339	356,695,339	100%	89%	60,109,524	60,109,524	100%	14%	416,804,863	416,804,863
3	Approval to issue Shares	45,660,932	402,356,271	11%	100%	-	60,109,524	0%	13%	45,660,932	462,465,795
4	Approval to issue Broker Options	-	402,356,271	0%	100%	2,000,000	62,109,524	3%	13%	2,000,000	464,465,795

The above table reflects the maximum number of equity securities that may be issued by the Company if the relevant Resolution is approved and assuming that no other equity securities are issued by the Company.

Please refer to the explanatory information for each of the Resolutions included in this Notice of Meeting for additional information.

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## 2. Resolution 1 and Resolution 2 – Ratification of prior issue of Shares

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- 2.1 On 3 July 2019 the Company announced that it had received firm acceptances from Exempt Investors for approximately 75 million fully paid ordinary shares at a price of A\$0.08 per share to raise \$0.89 million before costs via a two tranche placement led by Taylor Collison Pty Ltd and Canaccord Genuity (Australia) Limited as Joint Lead Managers (**JLM's**) and Bridge Street Capital Partners acting as Corporate Advisor.

The placement consisting of two tranches:

- Tranche 1 comprises 29,339,068 Shares at an issue price of \$0.08 per share to raise \$2,347,125 before costs (**Tranche 1 Placement**); and
- Tranche 2 comprises of 45,660,932 Shares at an issue price of \$0.08 per share to raise \$3,652,875 before costs (**Tranche 2 Placement**), to be issued subject to shareholders approval at the Meeting, (together, the **Placement**).

The Tranche 1 Placement has been issued within the Company's placement capacity under the ASX Listing Rules as follows:

- 803,441 Shares issued pursuant to the Company's existing 15% placement capacity under ASX Listing Rule 7.1; and
- 28,535,627 Shares issued pursuant to the Company's existing 10% placement capacity under ASX Listing Rule 7.1A which was approved by Shareholders at the annual general meeting held on 26 November 2019.

As announced on 20 July 2020, the Company completed the Tranche 1 Placement to Exempt Investors pursuant to section 708(8) of the Corporations Act on 17 July 2020. The allottees were professional and sophisticated applicants as determined by the Board, and the JLM's, none of whom are related parties of the Company.

Resolutions 1 and 2 seek Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of the Tranche 1 Placement Shares. Resolution 3 seeks Shareholder approval of the issue of the Tranche 2 Placement Shares.

### 2.2 *Issue Pursuant to ASX Listing Rule 7.1*

As described in section 2.1, 803,441 Shares were issued pursuant to the Company's existing capacity under ASX Listing Rule 7.1.

ASX Listing Rule 7.1 prohibits the Company (subject to certain exceptions such as pro-rata issues) from issuing or agreeing to issue equity securities (such as Shares and Options) representing more than 15% of the Company's total issued securities, during a rolling 12-month period, without Shareholder approval (15% Threshold).

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.

Resolution 1 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of the 803,441 Shares issued pursuant to 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 capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

## 2.3 *Issue Pursuant to ASX Listing Rule 7.1A*

As described in section 2.1, 28,535,627 Shares were issued pursuant to the Company's existing capacity under ASX Listing Rule 7.1A which was approved by Shareholders at the annual general meeting held on 26 November 2019.

ASX Listing Rule 7.1A provides that in addition to issues permitted without prior shareholder approval under ASX Listing Rule 7.1, an entity that is eligible and obtains shareholder approval under ASX Listing Rule 7.1A may issue or agree to issue during the period for which the approval is valid a number of quoted equity securities which represents 10% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period as adjusted in accordance with the formula in ASX Listing Rule 7.1.

Where an eligible entity obtains shareholder approval to increase its placement capacity under ASX Listing Rule 7.1A then any ordinary securities issued under that additional placement capacity:

- a) will not be counted in variable "A" in the formula in ASX Listing Rule 7.1A; and
- b) are counted in variable "E",

until their issue has been ratified under ASX Listing Rule 7.4 (and provided that the previous issue did not breach ASX Listing Rule 7.1A) or 12 months has passed since their issue.

Resolution 2 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of the 28,535,627 Shares issued pursuant to ASX Listing Rule 7.1A

By ratifying the issue the subject of Resolutions 1 and 2, the base figure (ie variable "A") in which the Company's 15% and 10% annual placement capacities are calculated will be a higher number which in turn will allow a proportionately higher number of securities to be issued without prior Shareholder approval. It is noted that the Company's use of the 10% annual placement capacity following this Meeting remains conditional on Resolution 2 being passed by the requisite majority.

## 2.4 *Technical information*

In accordance with the requirements of Listing Rule 7.5, the following information is provided in relation to Resolution 1 and Resolution 2:

- (a) 803,441 Shares were issued pursuant to ASX Listing Rule 7.1 and 28,535,627 Shares were issued pursuant to ASX Listing Rule 7.1A;
- (b) the issue price for all Shares was \$0.08 per Share;
- (c) the Shares issued were all fully paid ordinary shares in the capital of the Company and issued on the same terms and conditions as the Company's existing Shares;
- (d) the Shares were issued to Exempt Investors pursuant to section 708(8) of the Corporations Act. The allottees were professional and sophisticated applicants as determined by the Board, and the JLM's, none of whom are related parties of the Company; and
- (e) After paying the expenses of the Tranche 1 Placement, the funds raised are intended to be used for the following purposes:
  - i. fund a large-scale drilling program at the Diamba Sud high-grade gold discovery
  - ii. fund initial metallurgical test work studies at the Diamba Sud high-grade gold discovery; and
  - iii. general working capital purposes.

## **2.5     *Board Recommendation***

- (a)     The Board recommends that Shareholders vote in favour of Resolution 1.
- (b)     The Board recommends that Shareholders vote in favour of Resolution 2.
- (c)     The Chair intends to vote undirected proxies in favour of Resolution 1.
- (d)     The Chair intends to vote undirected proxies in favour of Resolution 2.

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### **3 Resolution 3 – Approval of Tranche 2 Placement**

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#### **3.1 Background**

As noted in Section 2, the Company has received firm acceptances to the Placement. The Tranche 1 Placement was issued and completed pursuant to the Company's existing Listing Rule 7.1 and Listing Rule 7.1A capacity as set out in Section 2.

Resolution 3 seeks Shareholder approval pursuant to Listing Rule 7.1, and for all other purposes of the issue of the Tranche 2 Placement Shares.

The effect of Resolution 3 will be to allow the Company to issue the Tranche 2 Placement Shares 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 under Listing Rule 7.1.

#### **3.2 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 issue of the Tranche 2 Placement Shares:

- (a) the maximum number of Tranche 2 Placement Shares to be issued is 45,660,932;
- (b) the Tranche 2 Placement Shares 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). The issue of the Tranche 2 Placement Shares may occur in multiple tranches;
- (c) the Tranche 2 Placement Shares will be issued at an issue price of \$0.08 per Share;
- (d) the Tranche 2 Placement Shares will be issued to Exempt Investors;
- (e) the Tranche 2 Placement Shares will be issued on the same terms and conditions as the Company's existing fully paid ordinary shares; and
- (f) up to \$3,652,875 will be received by the Company pursuant to the Tranche 2 Placement. After paying the expenses of the Tranche 2 Placement, the funds raised are intended to be used for the following purposes:
  - i. fund a large-scale drilling program at the Diamba Sud high-grade gold discovery
  - ii. fund initial metallurgical test work studies at the Diamba Sud high-grade gold discovery; and
  - iii. general working capital purposes.

#### **3.3 Directors Recommendation**

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

The Chair intends to vote undirected proxies in favour of Resolution 3.

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#### **4 Resolution 4 – Approval to issue Options to Taylor Collison Pty Ltd**

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This Resolution seeks Shareholder approval for the issue of up to 2,000,000 Options in consideration for services to be provided by Taylor Collison Pty Ltd as the Lead Manager for a Capital Raising completed by the Company on 6 April 2020 (**Broker Options**).

The 6 April 2020 Capital Raising raised \$1,680,000 before costs through the issue of 42,000,000 Shares at an issue price of \$0.04 per Share to sophisticated and exempt investors pursuant to section 708(8) of the Corporations Act utilising the Company's placement capacity under ASX Listing Rule 7.1. The April 2020 Capital Raising was ratified by shareholders at an extraordinary general meeting held on 14 July 2020. The Broker Options are to be issued on the terms and conditions set out in **Schedule 1**.

The Company engaged Taylor Collison Pty Ltd to act as Lead Manager for the Capital Raising. In consideration for services provided in connection with the Capital Raising, the Company agreed to pay to Taylor Collison Pty Ltd a capital raising fee of 6% of the gross proceeds raised under any capital raising. The Company has also agreed to issue to Taylor Collison Pty Ltd and / or their nominees the Broker Options described above.

The effect of this Resolution will be to allow the Company to issue the Broker Options 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.

##### **4.1 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 issue of the Options:

- (a) the maximum number of Broker Options to be issued is 2,000,000;
- (b) the Broker 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). The issue of the Broker Options is expected to occur in one tranche;
- (c) the Broker Options will be issued for nil cash consideration, as consideration for services provided by Taylor Collison Pty Ltd and / or their nominees in connection with the 6 April 2020 Capital Raising;
- (d) the Broker Options will be issued to Taylor Collison Pty Ltd and / or their nominees who are not a related party of the Company;
- (e) the Broker Options will be issued on the terms and conditions set out in Schedule 1; and
- (f) no funds will be raised from the issue of the Broker Options as they are being issued in consideration for corporate broking and advisory services provided by Taylor Collison Pty Ltd and / or their nominees.

##### **4.2 Directors Recommendation**

The Board recommends that Shareholders vote **FOR** Resolution 4.

The Chair intends to vote undirected proxies in favour of Resolution 4.

## Glossary

In this Explanatory Memorandum and the Notice of Meeting:

**6 April 2020 Capital Raising** means the issue of 42,000,000 Shares announced on 30 March 2020 to Sophisticated and Exempt Investors at \$0.04 per Share to raise \$1,680,000 as described in Section 42.1

**AUD, \$, AU\$** are references to the Australian Dollar.

**Broker Options** means the 2,000,000 unlisted options with an exercise price of \$0.08 and an expiry of 30 November 2023 proposed to be issued to Taylor Collison Pty Ltd (or their nominees) for services provided in relation to the 6 April 2020 Capital Raising.

**Extraordinary General Meeting** or **Meeting** means the Extraordinary General Meeting of the Company to be convened by this Notice of Meeting (unless the context otherwise requires).

**Associate(s)** has the meaning given in the Corporations Act.

**ASX** means the Australian Securities Exchange or ASX Limited ACN 008 624 691.

**Board** means the board of Directors of the Company at the date of this Notice.

**Chair** means the chair of the Meeting.

**Company** means Chesser Resources Limited ACN 118 619 042.

**Constitution** means the constitution of the Company in effect at the time of the Meeting.

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

**Directors** means the directors of the Company as at the date of this Notice of Meeting, being Mark Connelly, Simon O'Loughlin, Simon Taylor, Robert Greenslade and Michael Brown.

**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.

**Exempt Investors** means an investor to whom securities can be issued without a disclosure document.

**Explanatory Memorandum** means this explanatory memorandum that accompanies and forms part of the Notice of Meeting;

**Listing Rules** means the official Listing Rules of ASX;

**Notice of Meeting** means the notice of Extraordinary General Meeting dated 29 July 2020 which this Explanatory Memorandum accompanies and in which the Resolutions are set out;

**Ordinary Securities** has the meaning set out in the ASX Listing Rules.

**Placement** means the issue of up to 75,000,000 Shares announced on 10 July 2020 to Sophisticated and Exempt Investors at \$0.08 per Share to raise \$6,000,000 as described in Section 2.1

**Placement Participant** means the exempt investors to whom Placement Shares were issued pursuant to the Placement.

**Placement Shares** means the Shares issued to Placement Participants pursuant to the Placement.

**Proxy Form** means a valid proxy form for this Extraordinary General Meeting (unless the context otherwise requires);

**Resolution** or **Resolutions** means the resolutions referred to in the Notice of Meeting.



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

**Shareholder** means a holder of Shares.

## ANNEXURE A – TERMS OF BROKER OPTIONS

1. Each Broker Option entitles the holder to one ordinary share in the Company subject to payment of the exercise price.
2. The Broker Options shall be issued as a single tranche with an exercise price of \$0.08 per Placement Option.
3. The expiry date of the Broker Options is 30 November 2023.
4. Broker Options not exercised before the expiry of the exercise period will lapse.
5. Broker Options are exercisable by notice in writing to the Board delivered to the registered office of the Company and payment of the exercise price per option in cleared funds.
6. The Company will not apply to ASX for official quotation of the Broker Options.
7. The Company will make application for official quotation on ASX of new shares allotted on exercise of the Broker Options. Those shares will participate equally in all respects with existing issued ordinary shares, and new shares allotted on exercise of the options will qualify for dividends declared after the date of their allotment.
8. Broker Options can only be transferred with Board approval, except that if at any time before expiry of the exercise period the option holder dies, the legal personal representative of the deceased option holder may:
  - (i) elect to be registered as the new holder of the Broker Options;
  - (ii) whether or not he or she becomes so registered, exercise those options in accordance with the terms and conditions on which they were granted; and
  - (iii) if the deceased has already exercised options, pay the exercise price in respect of those options.
9. An option holder may only participate in new issues of securities to holders of ordinary shares in the Company if the option has been exercised and shares allotted in respect of the option before the record date for determining entitlements to the issue. The Company must give prior notice to the option holder of any new issue before the record date for determining entitlements to the issue in accordance with the ASX Listing Rules.
10. If there is a bonus issue to the holders of ordinary shares in the capital of the Company, the number of ordinary shares over which the option is exercisable will be increased by the number of ordinary shares which the holder of the option would have received if the option had been exercised before the record date for the bonus issue.
11. If, during the currency of the options the issued capital of the Company is reorganised, those options will be reorganised to the extent necessary to comply with ASX Listing Rules.









ACN 118 619 042



CHZ

MR SAM SAMPLE  
FLAT 123  
123 SAMPLE STREET  
THE SAMPLE HILL  
SAMPLE ESTATE  
SAMPLEVILLE VIC 3030

## Need assistance?



**Phone:**

1300 850 505 (within Australia)  
+61 3 9415 4000 (outside Australia)



**Online:**

[www.investorcentre.com/contact](http://www.investorcentre.com/contact)



## YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **10.00am (AEST) Monday, 31st August 2020.**

# Proxy Form

## How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

### APPOINTMENT OF PROXY

**Voting 100% of your holding:** Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

**Voting a portion of your holding:** Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

**Appointing a second proxy:** You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

**A proxy need not be a securityholder of the Company.**

## SIGNING INSTRUCTIONS FOR POSTAL FORMS

**Individual:** Where the holding is in one name, the securityholder must sign.

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

**Power of Attorney:** If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

**Companies:** Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

## ATTENDING THE MEETING

**If you are attending in person, please bring this form with you to assist registration.**

### Corporate Representative

If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Appointment of Corporate Representative" prior to admission. A form may be obtained from Computershare or online at [www.investorcentre.com](http://www.investorcentre.com) under the help tab, "Printable Forms".

## Lodge your Proxy Form:

**XX**

### Online:

Lodge your vote online at [www.investorvote.com.au](http://www.investorvote.com.au) using your secure access information or use your mobile device to scan the personalised QR code.

Your secure access information is



**Control Number: 999999**

**SRN/HIN: I9999999999**

**PIN: 99999**

For Intermediary Online subscribers (custodians) go to [www.intermediaryonline.com](http://www.intermediaryonline.com)

### By Mail:

Computershare Investor Services Pty Limited  
GPO Box 242  
Melbourne VIC 3001  
Australia

### By Fax:

1800 783 447 within Australia or  
+61 3 9473 2555 outside Australia



**PLEASE NOTE:** For security reasons it is important that you keep your SRN/HIN confidential.

MR SAM SAMPLE  
FLAT 123  
123 SAMPLE STREET  
THE SAMPLE HILL  
SAMPLE ESTATE  
SAMPLEVILLE VIC 3030

☐

**Change of address.** If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



I 9999999999

I ND

## Proxy Form

Please mark ☒ to indicate your directions

### Step 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Chesser Resources Limited hereby appoint

☐

the Chairman  
of the Meeting

OR

**PLEASE NOTE:** Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Chesser Resources Limited to be held at **Level 14, 167 Eagle Street Brisbane QLD 4000, on Tuesday, 1 September 2020 at 10.00am or via a live webinar via <https://web.lumiagm.com/315627855>** and at any adjournment or postponement of that meeting.

### Step 2 Items of Business

**PLEASE NOTE:** If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

	For	Against	Abstain
1. Ratification of prior issue of Shares under Listing Rule 7.1	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Ratification of prior issue of Shares under Listing Rule 7.1A	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Approval of Tranche 2 Placement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Approval to issue Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

### Step 3 Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director & Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

/ /

Date

**Update your communication details** (Optional)

Mobile Number

Email Address

By providing your email address, you consent to receive future Notice of Meeting & Proxy communications electronically

CHZ

2 6 6 4 0 3 A



Computershare

