

NIUMINCO GROUP LIMITED
ABN 44 009 163 919

NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Annual General Meeting of Shareholders of Niuminco Group Limited (ACN 009 163 919) ("**Company**") will be held at Narrabeen Beach Surf Life Saving Club, Ocean Street (corner Albert Street), Narrabeen NSW Australia on 9 October, 2020 commencing at 11.00 am.

ORDINARY BUSINESS

1. Financial Statements and Reports

To receive and consider the annual financial report, together with the Director's and auditor's reports for the year ending 30 June 2019

2. Resolution 1 – Re-election of a Director – Mr Lawrence Chartres

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

"That, in accordance with the Company's Constitution, Mr Lawrence Chartres, who retires by rotation and, being eligible, offers himself for re-election, is re-elected as a Director."

3. Resolution 2 - Approval of Remuneration Report

To consider and, if thought fit, pass the following advisory only resolution:

"That, for the purposes of section 250R of the Corporations Act and for all other purposes, Shareholders approve the Remuneration Report for the year ending 30 June 2019."

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

Voting Exclusion

The Company will disregard any votes cast on this Resolution 2 by any member of the Key Management Personnel or their Closely Related Parties.

However, the Company will not disregard a vote if:

(a) it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or

(b) it is cast by the Chairman as proxy for a person who is entitled to vote, if the Chairman is expressly authorised to vote as the Chairman decides by the Proxy Form. The Chairman of the meeting is so authorised and intends to vote all available undirected proxies in favour of Resolution 2.

4. Resolution 3 – Ratification and Approval of Previous Redeemable Convertible Note Issue under ASX Listing Rule 10.11.5

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

"That for the purpose of ASX Listing Rule 10.11.5 and for all other purposes, Shareholders approve and ratify the prior issue of a Redeemable Convertible Note, convertible into a maximum of 277,777,778 Shares at a minimum price of \$0.0009 cents per Share, on 29 October 2019 to Sydney Metro Properties Pty Ltd, a sophisticated and professional investor for general working capital purposes."

Voting Exclusion

The Company will disregard any votes cast in favour of resolution 3 by or on behalf of Sydney Metro Properties Pty Ltd or an associate of Sydney Metro Properties Pty Ltd who participated in the issue.

However, the Company need not disregard a vote cast in favour of the resolution if:

- (a) it is cast by a person as proxy or attorney for a person who is entitled to vote, in accordance with the directions given to the proxy or attorney to vote on the resolution in that way; or
- (b) it is cast by the Chair as proxy or attorney for a person who is entitled to vote, in accordance with a direction given to the Chair to vote as the proxy decides; or
- (c) A holder acting solely in a nominee, trustee, custodian or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - 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
 - the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

5. Resolution 4 – Consolidation of Shares:

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

"That, for the purposes of Section 254H(1) of the Corporations Act and for all other purposes, the Shares of the Company be consolidated through the conversion of every twenty (20) Shares held by a Shareholder into one (1) Share with any resulting fractions of a Share being rounded up to the next whole number of Shares with the consolidation to take effect in accordance with the timetable and otherwise on the terms and conditions set down in the Explanatory Memorandum attached to and forming part of this Notice of Meeting."

6. Resolution 5– Approval of 10% Placement Facility

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

"That, for the purposes of Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of equity securities totaling up to 10% of the issued capital of the Company (at the time of issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions in the Explanatory Statement."

Voting Exclusion

The Company will disregard any votes cast in favour of Resolution 5 by a person (and any associates of such a person) who may participate in the 10% Placement Facility and a person who might obtain a material benefit, except a benefit solely in the capacity of a holder of Shares, if this Resolution 5 is passed.

However, the Company will not disregard a vote cast in favour of the resolution if:

- (a) it is cast by the person as proxy or attorney for a person who is entitled to vote, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- (b) it is cast by the Chair as proxy or attorney for a person who is entitled to vote, in accordance with a direction given to the Chair to vote as the Chair decides; or
- c) A holder acting solely in a nominee, trustee, custodian or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - 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
 - the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.”

7. Resolution 6 – Spill Resolution (if required)

Subject to 25% or more of the votes that are cast on Resolution 2 being voted against the adoption of the Directors' Remuneration Report, to consider and, if thought fit, to pass the following ordinary resolution (a 'Spill Resolution'):

“That, for the purposes of section 250V of the Corporations Act, another meeting of Shareholders ('spill meeting') be held within 90 days of this Annual General meeting ('AGM') and;

- (a) *all the Company's Directors (other than the Managing Director) who were in office when the Directors' resolution to make the Directors' Remuneration Report for the year ending 30 June 2019 considered at the AGM was passed, cease to hold office immediately before the end of the spill meeting; and*
- (b) *resolutions to appoint persons to offices that will be vacated immediately before the end of the spill meeting be put to the vote at the spill meeting.*

Voting Exclusion

The Company will disregard any votes cast on this Resolution 6 by any member of the Key Management Personnel or their Closely Related Parties.

However, the Company will not disregard a vote if:

- (a) it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or,
- (b) it is cast by the Chairman as proxy for a person who is entitled to vote, if the Chairman is expressly authorised to vote as the Chairman decides by the Proxy Form. The Chairman of the meeting is so authorised and intends to vote all available undirected proxies against Resolution 6.

Explanatory Statement

The accompanying Explanatory Statement forms part of this Notice and should be read in conjunction with it.

Proxies

Please note that:

- (a) a Shareholder entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy;
- (b) a proxy need not be a member of the Company;
- (c) a Shareholder may appoint a body corporate or an individual as its proxy;
- (d) a body corporate appointed as a Shareholder's proxy may appoint an individual as its representative to exercise any of the powers that the body may exercise as the Shareholder's proxy; and
- (e) Shareholders entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise, but where the proportion or number is not specified, each proxy may exercise half of the votes.

The enclosed proxy form provides further details on appointing proxies and lodging proxy forms. If a Shareholder appoints a body corporate as its proxy and the body corporate wishes to appoint an individual as its representative, the body corporate 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 or its share registry in advance of the Annual General Meeting or handed in at the Annual General Meeting when registering as a corporate representative.

Voting Entitlements

In accordance with Regulations 7.11.37 and 7.11.38 of the *Corporations Regulations 2001* (Cth), the Board has determined that a person's entitlement to vote at the Annual General Meeting will be the entitlement of that person set out in the register of Shareholders as at 11.00am (AEST) on 7 October 2020. Accordingly, transactions registered after that time will be disregarded in determining Shareholder's entitlement to attend and vote at the Annual General Meeting.

By Order of the Board of Directors

A handwritten signature in blue ink, appearing to read 'Tracey Lake', is written over a light yellow rectangular background.

Tracey Lake
Company Secretary
9 September, 2020

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared for the information of Shareholders in relation to the business to be conducted at the Company's Annual General Meeting.

The purpose of this Explanatory Statement is to provide Shareholders with all information known to the Company which is material to a decision on how to vote on the resolution in the accompanying Notice.

This Explanatory Statement should be read in conjunction with the Notice.

1. Financial Statements and Reports

The *Corporations Act 2001* (Cth) ("**Corporations Act**") requires the annual financial report, the directors' report and the auditor's report for the last financial year to be laid before the Annual General Meeting. The financial statements and reports are contained in the Company's Annual Report. Shareholders who have elected to receive the Annual Report will have been provided with a copy. The Annual Report is also available on ASX's website.

While no resolution is required in relation to this item, Shareholders will be given the opportunity to ask questions and make comments on the financial statements and reports.

2. Resolution 1 – Re-election of a Director – Mr Lawrence Chartres

In accordance with the Constitution, Mr Chartres retires by rotation. He now offers himself for re-election.

Mr Chartres is a non-executive director of the Company. He holds a Bachelor of Commerce degree, and qualified as a Chartered Accountant in 1978. He has held positions as a senior professional accountant in a top-tier accounting firm, including four years full time in Papua New Guinea, and as a company secretary and director of both listed and private companies over the past forty years. He speaks fluent Pidgin English and brings extensive commercial experience to the Company.

Mr Chartres has served on the Board since 9 March 2018 and is an independent director.

The Board (excluding Mr Chartres) recommends that Shareholders vote in favour of Resolution 1.

3. Resolution 2 – Approval of Remuneration Report

Section 249L(2) of the Corporations Act requires a company to inform shareholders that a resolution on the Remuneration Report will be put at the Annual General Meeting. However, section 250R(3) of the Corporations Act expressly provides that the vote on this Resolution is advisory only and does not bind the Directors of the Company.

The Remuneration Report sets out the Company's remuneration arrangements for the Directors and senior management of the Company. The Remuneration Report is part of the Directors' report contained in the Annual Report.

If at least 25% of the votes on the Resolution are voted against adoption of the Remuneration Report at two consecutive annual general meetings a spill resolution will be required to be put to the vote at the second of those annual general meetings. As more than 25% of votes cast at the Company's 2018 Annual General Meeting voted against the adoption of the Remuneration Report, the spill resolution requirements will be triggered should the same occur at this meeting. Further details are set out under item 6.

If more than 50% of Shareholders vote in favour of the Spill Resolution, the Company must convene the extraordinary general meeting ("**Spill Meeting**") within 90 days of this annual general meeting. All of the Directors who were in office when the Company's 2019 Directors' report was approved, other than the Managing Director of the Company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting.

Following the Spill Meeting those persons whose election or re-election as Directors is approved will be the Directors of the Company.

Pursuant to the Corporations Act, if you elect to appoint a member of Key Management Personnel or any Closely Related Party as your proxy, other than the Chairman, to vote on Resolution 2 then **you must direct the proxy on how they are to vote**. If your proxy is a member of Key Management Personnel or any Closely Related Party, other than the Chairman, and you do not direct your proxy on how to vote on Resolution 2, your vote will not be counted in computing the required majority.

If you appoint the Chairman as your proxy, and do not direct him how to vote, the Chairman will vote your proxy as he decides. The Chairman intends voting all undirected proxies in favour of Resolution 2.

Please see the Proxy Form for further information on such appointments.

In accordance with section 250SA of the Corporations Act, the Chairman will provide a reasonable opportunity for discussion of the Remuneration Report at the Annual General Meeting.

4. Resolution 3 – Ratification of Previous Redeemable Convertible Note Issue

On 29 October 2019, the Company issued a Redeemable Convertible Note, convertible to a maximum of 277,777,778 Shares at a minimum price of 0.09 cents per Share.

Listing Rule 7.1 provides that, unless an exemption applies, a company must not, without prior approval of shareholders, issue or agree to issue Equity Securities if the Equity Securities will in themselves or when aggregated with the ordinary securities issued by the company during the previous 12 months, exceed 15% of the number of ordinary securities on issue at the commencement of that 12 month period.

Listing Rule 10.11 states that “Unless one of the exceptions in rule 10.12 applies, an entity must not issue or agree to issue equity securities to any of the following persons without the approval of the holders of its ordinary securities.” which includes under listing Rule 10.11.5 “A person whose relationship with the entity or a person referred to in rule 10.11.1 to 10.11.4 is such that, in ASX’s opinion, the issue or agreement should be approved by security holders.”

ASX has advised that, in its opinion, the agreement should be approved by security holders.

Accordingly, under Resolutions 3, the Company seeks from Shareholders approval under Listing Rule 10.11.5 for, and ratification of, the issue of a Redeemable Convertible Note, convertible to a maximum of 277,777,778 Shares so as to limit the restrictive effect of Listing Rule 7.1 on any further issues of Equity Securities in the 12 months since the date of issue.

The 277,777,778 Shares to be potentially issued, for which approval and ratification is sought under Resolution 3, would comprise 9.02% of the Company’s fully diluted issued capital (based on the number of Shares on issue as at the date of this Notice of General Meeting. In compliance with the information requirements of Listing Rule 10.13, Shareholders are advised of the following information:

(a) the Redeemable Convertible Note was issued to Sydney Metro Properties Pty Ltd. One of its directors is a partner of Rothsay Chartered Accountants, who are related to Niuminco’s auditors, Rothsay Audit and Assurance Pty Ltd.

(b) one Redeemable Convertible Note was issued. The maximum number of Shares to be allotted and issued on conversion of the Convertible Redeemable Note is 277,777,778.

The Shares would be issued at a minimum issue price of 0.09 cents(\$0.0009)per Share.

(c) The terms of the Redeemable Convertible Note are set out in the Schedule to this Explanatory Statement. The Shares into which the Redeemable Convertible Note would convert would be fully paid ordinary shares in the capital of the Company on the same terms and conditions as the Company’s existing Shares and rank equally in all

respects with the existing Shares. The Company will apply to ASX for official quotation of the Shares if conversion occurs;

(d) The Note was issued on 29 October 2019;

(e) The Company received \$250,000 on issue of the Redeemable Convertible Note;

(f) The funds raised from the issue of the Redeemable Convertible Note were used by the Company for general working capital purposes.

A voting exclusion statement for Resolution 3 is included in the Notice of Meeting preceding this Explanatory Statement.

The Board believes that the ratification of the issue is beneficial for the Company as it allows the Company to retain the flexibility to issue further securities representing up to 15% of the Company's share capital during the next 12 months without the requirement to obtain prior Shareholder approval. Accordingly, the Board recommends Shareholders vote in favour of Resolution 3.

5. Resolution 4 – Consolidation of Shares

Resolution 4 seeks Shareholder approval for the Company to consolidate its issued Share capital through the conversion of every twenty (20) Shares into one (1) Share (**Consolidation**).

Regulatory requirements

Pursuant to section 254H(1) of the Corporations Act, the Company may convert all or any of its Shares into a larger or smaller number of Shares by ordinary resolution passed at a general meeting. The result of the Consolidation is that each member's security holding will be reduced to 5% of its current level.

In compliance with the information requirements of Listing Rule 7.20, Shareholders are advised of the information:

Effect of the Consolidation

If this Resolution is approved, every twenty (20) Shares on issue will be consolidated into one (1) Share (subject to rounding). Overall, this will result in the number of Shares on issue reducing from 2,800,160,070 to approximately 140,008,003 (subject to rounding).

As the Consolidation applies equally to all Shareholders, individual shareholdings will be reduced in the same ratio as the total number of Shares (subject to rounding). Accordingly, assuming no other market movements or impacts occur, the Consolidation will have no effect on the percentage interest in the Company of each Shareholder.

The Consolidation will not result in any change to the substantive rights and obligations of existing Shareholders.

Fractional entitlements

Where the Consolidation results in an entitlement to a fraction of a Share, that fraction will be rounded up to the next whole number of Shares. Each member's proportional interest in the Company's issued capital will, however, remain unchanged as a result of the Consolidation (other than minor variations resulting from rounding).

Proposed treatment of convertible securities

In accordance with their terms, the Company's convertible securities will be consolidated on the same basis as the Company's Shares – that is, on the basis of one security for each twenty currently on issue; and any exercise price will be amended in inverse proportion to that ratio.

Purpose of proposed resolution

The Directors propose the resolution as the Consolidation will result in a more appropriate and effective capital structure for the Company and a share price more appealing to a wider range of investors.

The Company currently has 2,800,160,070 Shares on issue which for a company of its size is a very large number and subjects Shareholders to several disadvantages, including:

- (a) poor market perception as investors equate the low share price with the perception of a troubled or poorly performing company;
- (b) vulnerability to speculative day-trading and short selling, which generates share price volatility; and
- (c) discouraging quality, long term institutional investors, equity funds and lending institutions seeking stability and long-term growth.

The Board believes these factors can be minimised by the Consolidation.

(a) Holding statements

Taking effect from the date of the Consolidation, all existing holding statements will cease to have any effect, except as evidence of entitlement to a certain number of securities on a post-Consolidation basis. New holding statements will be issued to security holders, who are encouraged to check their holdings after the Consolidation.

(b) Taxation

The Consolidation should not result in a capital gains tax event for Australian tax residents. The cost base of the Shares held after the Consolidation will be the sum of the cost bases of the original Shares pre-consolidation. The acquisition date of Shares held after the Consolidation will be the same as the date on which the original Shares were acquired.

This Explanatory Statement does not however consider the tax implications in respect of Shares or other securities held on revenue account, as trading stock or by non-resident Shareholders. Shareholders should consider their own circumstances and seek their own professional advice in relation to their tax position. Neither the Company nor any of its officers or employees assumes any liability or responsibility for advising Shareholders or other security holders about the tax consequences of the proposed Consolidation.

Indicative timetable

If approved by Shareholders, the proposed Consolidation will take effect on 9 October 2020. The following is an indicative timetable (subject to change) of the key events:

Event	Date
General Meeting	9 October 2020
Notification to ASX that Consolidation is approved	9 October 2020
Last day for Trading in pre-consolidation securities	12 October 2020
Record Date – Last day for registration of transfers on a pre-consolidation basis	14 October 2020
First day of Registration of securities on a post-Consolidation basis	15 October 2020
Dispatch of new holding statements	15 October 2020
Last day to update Register and dispatch holding statements reflecting change in number of securities held and notification to ASX that this has occurred	21 October 2020

Board recommendation

The Directors unanimously recommend that Shareholders vote in favour of Resolution 4.

6. Resolution 5 – Approval of 10% Placement Facility

6.1 General

Listing Rule 7.1A enables eligible entities to issue equity securities totalling up to 10% of its issued share capital through placements over a 12-month period after the entity's annual general meeting ("**10% Placement Facility**").

As a temporary measure, ASX has increased the 15% placement capacity under Listing Rule 7.1 to 25%, subject to there being a follow-on accelerated pro rata entitlement offer or Share Purchase Plan Offer. If shareholders approve Resolution 4, the Company may elect to either use the capacity under Listing Rule 7.1A or under the temporary measure, but not both.

An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. The Company is an eligible entity.

The Company is now seeking shareholder approval by way of a special resolution to have the ability to issue equity securities under the Listing Rule 7.1A 10% Placement Facility.

The exact number of equity securities to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to Section 5.2(c) below).

The Board believes that Resolution 5 is in the best interests of the Company and unanimously recommends that Shareholders vote in favour of this Resolution.

6.2 Description of Listing Rule 7.1A

(a) Shareholder approval

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

(b) Equity Securities

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

As at the date of the Notice, the Company has the following equity securities on issue:

- (i) 2,800,160,070 Ordinary Shares.

(c) Formula for calculating 10% Placement Facility

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

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

A is the number of fully paid shares on issue 12 months before the date of issue or agreement:

(A) plus, the number of fully paid Shares issued in the 12 months under an exception in Listing Rule 7.2 other than exception 9, 16 or 17;

(B) plus the number of fully paid Shares issued in the 12 months on conversion of convertible securities within Listing Rule 7.2 exception 9 where such securities were issued or agreed to be issued before the commencement of the period, or such issue or agreement was approved or taken to have been approved under Listing Rule 7.1 or 7.4;

(C) plus the number of fully paid Shares issued in the 12 months under an agreement within Listing Rule 7.2 exception 16, where the agreement was entered into before the commencement of the period or the agreement or issue was approved under Listing Rule 7.1 or 7.4.

(D) plus the number of partly paid shares that became fully paid in the 12 months;

(E) plus the number of fully paid shares issued in the 12 months with approval of holders of shares under Listing Rule 7.1 and 7.4.

(F) less the number of fully paid shares cancelled in the 12 months.

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

D is 10%.

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

(d) Listing Rule 7.1 and Listing Rule 7.1A

The ability of an entity to issue equity securities under Listing Rule 7.1A is in addition to the entity's 15% placement capacity under Listing Rule 7.1, but is an alternative to the additional 10% available under temporary relief allowed under Listing Rule 7.1 by ASX, as described above.

The actual number of equity securities that the Company will have capacity to issue under Listing Rule 7.1A will be calculated at the date of issue of the equity securities in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to Section 5.2(c) above).

(e) Minimum Issue Price

The issue price of equity securities issued under Listing Rule 7.1A must be not less than 75% of the VWAP of equity securities in the same class calculated over the 15 Trading Days immediately before:

(i) the date on which the price at which the equity securities are to be issued is agreed; or

(ii) if the equity securities are not issued within 5 Trading Days of the date in paragraph (i) above, the date on which the equity securities are issued.

(f) 10% Placement Period

Shareholder approval of the 10% Placement Facility under Listing Rule 7.1A is valid from the date of the annual general meeting at which the approval is obtained and expires on the earlier to occur of:

- (i) the date that is 12 months after the date of the annual general meeting at which the approval is obtained; or
- (ii) the date of the approval by shareholders of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking),

or such longer period if allowed by ASX (“**10% Placement Period**”).

6.3 Specific information required by Listing Rule 7.3A

Pursuant to and in accordance with Listing Rule 7.3A, the following additional information is provided in relation to the approval of the 10% Placement Facility as follows:

(a) The equity securities will be issued at an issue price of not less than 75% of the VWAP for the Company's equity securities over the 15 ASX trading days immediately before:

- (i) the date on which the price at which the equity securities are to be issued is agreed; or
- (ii) if the equity securities are not issued within 5 ASX trading days of the date in paragraph (i) above, the date on which the equity securities are issued.

(b) If Resolution 5 is approved by Shareholders and the Company issues equity securities under the 10% Placement Facility, the existing Shareholders' voting power in the Company will be diluted as shown in the below table. There is a risk that:

- (i) the market price for the Company's equity securities may be significantly lower on the date of the issue of the equity securities than on the date of the Annual General Meeting; and
- (ii) the equity securities may be issued at a price that is at a discount to the market price for the Company's equity securities on the issue date or the equity securities are issued as part of consideration for the acquisition of a new asset, which may have an effect on the amount of funds raised by the issue of the equity securities.

The below table shows the dilution of existing Shareholders on the basis of the current market price of Shares and the current number of ordinary securities for variable "A" calculated in accordance with the formula in Listing Rule 7.1A.2 as at the date of this Notice.

The table also shows:

- (iii) two examples where variable "A" has increased, by 50% and 100%. Variable "A" is based on the number of ordinary securities the Company has on issue. The number of ordinary securities on issue may increase as a result of issues of ordinary securities that do not require Shareholder approval (for example, a pro rata entitlements issue or scrip issued under a takeover offer) or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders' meeting; and
- (iv) two examples of where the issue price of ordinary securities has decreased by 50% and increased by 100% as against the current market price.

Variable A in Listing Rule 7.1A.2		Dilution		
		\$0.000550% decrease in Market Price	\$0.001 Current Market Price	\$0.002100% increase in Market Price
Current Variable A 2,800,160,070	10% Voting Dilution	280,016,007 Shares	280,016,007 Shares	280,016,007 Shares
	Funds raised	\$140,008	\$280,016	\$560,032
50% increase in current Variable A 4,200,240,105	10% Voting Dilution	420,024,010 Shares	420,024,010 Shares	420,024,010 Shares
	Funds raised	\$210,012	\$420,024	\$840,048
100% increase in current Variable A 5,600,320,140	10% Voting Dilution	560,032,014 Shares	560,032,014 Shares	560,032,014 Shares
	Funds raised	\$280,016	\$560,032	\$1,120,064

The table has been prepared on the following assumptions:

1. The Company issues the maximum number of equity securities available under the 10% Placement Facility.
2. The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
3. The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on that Shareholder's holding at the date of the Annual General Meeting.
4. The table shows only the effect of issues of equity securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.
5. The issue of equity securities under the 10% Placement Facility consists only of Shares.
6. Current market price is based on the last traded price of \$0.001.

(c) The Company will only issue and allot the equity securities during the 10% Placement Period. The approval under Resolution 5 for the issue of the equity securities will cease to be valid in the event that Shareholders approve a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or Listing Rule 11.2 (disposal of main undertaking).

(d) The Company may seek to issue the equity securities under the 10% Placement Facility to raise funds for working capital, for geochemical sampling and drilling on the Company's projects and for the acquisition of assets.

The Company will comply with the disclosure obligations under Listing Rules 7.1A.4 and 3.10.5A upon issue of any equity securities.

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

- (i) the purpose of the issue;
- (ii) the methods of raising funds that are available to the Company including, but not limited to, rights issue or other issue in which existing security holders can participate;
- (iii) the effect of the issue of the equity securities on the control of the Company;

- (iv) the financial situation and solvency of the Company;
- (v) prevailing market conditions; and
- (vi) advice from corporate, financial and broking advisers (if applicable).

The allottees under the 10% Placement Facility have not been determined as at the date of this Notice but are likely to be investors which are sophisticated or professional investors (or both) for the purposes of section 708 of the Corporations Act.

- (f) The Company obtained Shareholder approval under Listing Rule 7.1A at its 2018 Annual General Meeting.

There were no issues of equity securities during the 12 months preceding the date of the meeting.

- (g) A voting exclusion statement is included in the Notice. At the date of the Notice, the Company has not approached any particular existing Shareholder or security holder or an identifiable class of existing security holder to participate in the issue of the equity securities. No existing Shareholder's votes will therefore be excluded under the voting exclusion in the Notice.

7. Resolution 6 – Spill Resolution (if required)

At the 2018 Annual general meeting more than 25% of votes were cast against the adoption of the 2018 Directors' Remuneration Report.

If 25% or more of the votes cast on the Remuneration Report resolution are against Resolution 2 (second strike), members will need to consider and vote on Resolution 6 ('Spill Resolution'). This is required under section 250V of the Corporations Act.

If more than 75% of votes cast in relation to Resolution 2 are in favour of that resolution, the Spill Resolution will not be put before shareholders.

The Spill Resolution will be passed if 50% or more of votes are cast in favour of the Spill Resolution. If this occurs, another meeting (the spill meeting) of the Company's members will be held within 90 days of the AGM. Those directors of the Company who were in office at the time the resolution to make the Remuneration Report considered at the AGM, was passed (Current Directors) will cease to hold office immediately before the end of the spill meeting. The relevant directors will have the opportunity to stand for re-election at the spill meeting.

At the spill meeting, resolutions to elect Directors to the vacated offices will be put to the vote.

Members should note the following

- The Current Directors will continue to hold office until immediately before the end of the spill meeting and any directors elected at the spill meeting will hold office at the end of that meeting.
- If such a meeting is required, the sole purpose of the spill meeting will be to elect the Directors of the Company
- The Company will provide at least 28 days' notice of the spill meeting as required under the Corporations Act
- If any person intends to move a resolution to the election of a Director of the Company, that person must comply with the minimum notice periods contained in the Company's Constitution.

The Chairman of the AGM intends to vote all undirected proxies against this resolution.

Recommendation: Notwithstanding that the Directors have an interest in the proposed Resolution, the Directors unanimously recommend that Shareholders vote against the Resolution, as they consider that a spill meeting would be disruptive to the management of the Company, as well as imposing additional cost on the Company.

SCHEDULE

The Redeemable Convertible Note is exercisable 12 months from issue date at the strike price, being the lower of \$0.001 per share or at a 10% discount to the VWAP of the previous 5 days trading on the ASX.

The secured note bears interest (which is capitalized) at the rate of 12.0% per annum and is payable upon conversion, redemption or at the expiry of the note term on 28 October 2020.

The Note is secured by an unregistered Encumbrance over Niuminco (ND) Ltd.

The relevant clauses in respect of either redeeming or converting the shares are Clause 4 and Clause 5 respectively of the "Conditions of Issue of Redeemable Convertible Notes" and are reproduced here for shareholders information.

Redemption (Clause 4)

4.1 The Parties may at any time by agreement between them terminate the Redeemable Convertible Note by the Company Redeeming the Redeemable Convertible Note under this clause 4 or the Noteholder Converting the Redeemable Convertible Note under clause 5 below.

4.2 On 60 (sixty) days' notice by the Noteholder or that day which is 12 months after the Issue Date, the holder of this Convertible Note for the time being has the right to call upon the Company to Redeem the Total Outstanding by delivering to Company a duly completed and executed Redemption Notice.

4.3 If the Noteholder delivers a Redemption Notice in a timely manner as set out in this clause 4, the Company must repay to the Noteholder the Total Outstanding on or before the Repayment Date.

4.4 On Redemption, the Redeemable Convertible Note will automatically be cancelled and may not be re-issued.

4.5 Notwithstanding the rights of the Noteholder under clause 5 below, upon receipt by the Company of a Conversion Notice, the Company may elect to instead redeem the Redeemable Convertible Note by repaying the Total Outstanding to the Noteholder within 7 days of receipt of the Conversion Notice. An election by the Company to redeem the Redeemable Convertible Note is binding on the Noteholder.

4.6 Notwithstanding anything contained herein, the Redeemable Convertible Note may be Redeemed without 60 (sixty) days' notice, at the sole discretion of the Noteholder, if prior to expiry of 12 months from the Issue Date any of the following events occur:

- (a) there is a sale event in relation to the Shares of the Company; or
- (b) the Company's shares become quoted on the ASX; or
- (c) funds are raised by the Company through re-quotations or otherwise.

Conversion (Clause 5)

5.1 Subject to clause 0 above, on any day which is 12 months after the Issue Date the holder of this Convertible Note for the time being has the right to convert the Total Outstanding (as at that date of the Conversion Notice and at the Strike Price) into Shares.

5.2 To exercise its right, the Noteholder must deliver to the Company a duly completed and executed Conversion Notice.

5.3 If that Noteholder delivers a Conversion Notice in a timely manner as set out in this clause 5 but subject to the rights of the company under clause 4.5, the Company must Convert the Total Outstanding into Shares at the Strike Price.

5.4 The Strike Price will be the lower of \$0.001 (that is, 0.1 cents) per share or at a 10% discount to the volume weighted average selling price recorded at the close of ASX trading on the 5 trading days prior to and including the date of the Conversion Notice:

5.5 On Conversion, the Redeemable Convertible Note will be automatically cancelled and may not be re-issued.

The process of Conversion under this clause is completed on delivery of Share certificate to the Noteholder (or the transferee under clause 11) regarding the Conversion Shares.

Glossary

In this Notice and Explanatory Statement, the following terms have the following meanings unless the context otherwise requires:

TERM	MEANING
10% Placement Facility	as defined in section 6.1 of the Explanatory Statement
10% Placement Period	as defined in section 6.2(f) of the Explanatory Statement
Annual General Meeting	the annual general meeting convened by this Notice
ASX	ASX Limited (ACN 008 624 691) trading as the Australian Securities Exchange
Chairman	Professor Ian Plimer or any other person who may chair the Annual General Meeting

Closely Related Party	<p>a closely related party of a member of Key Management Personnel as defined in Section 9 of the Corporations Act, being:</p> <p>(a)</p> <p>a spouse or child of the member;</p> <p>(b)</p> <p>a child of that member's spouse;</p> <p>(c)</p> <p>a dependent of that member or of that member's spouse;</p> <p>(d)</p> <p>anyone else who is one of that member's family and may be expected to influence that member, or be influenced by that member, in that member's dealings with the Company;</p> <p>(e)</p> <p>a company that is controlled by that member; or</p> <p>(f)</p> <p>any other person prescribed by the regulations.</p>
Company	Niuminco Group Limited
Constitution	the Constitution of the Company
Corporations Act	the <i>Corporations Act 2001</i> (Cth)
Current Directors	as defined in section 6 of the Explanatory Statement
Director	a Director of the Company
Explanatory Statement	the explanatory statement accompanying and forming part of the Notice
Key Management Personnel	the key management personnel of the Company as defined in Section 9 of the Corporations Act and Australian Accounting Standards Board accounting standard 124, being 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).
Listing Rules	the Listing Rules of the ASX

Notice	this Notice of Annual General Meeting of which the Explanatory Statement forms part
Proxy Form	the proxy form attached to the Notice
Remuneration Report	the section of the Directors' Report contained in the Annual Report entitled "Remuneration Report"
Resolution	a resolution contained in this Notice
Share	an ordinary fully paid share in the capital of the Company
Shareholder	a holder of Shares
Spill Resolution	as defined in the text of Resolution 6
VWAP	the volume weighted average price