



Dear Shareholder,

2020 ANNUAL GENERAL MEETING -COVID-19 ARRANGEMENTS

Coppermoly Limited ("the Company") advises that the 2020 Annual General Meeting of the shareholders of the Company is scheduled to be held by virtual technology on Thursday, 19th November 2020 at 11.00am AEDST.

In accordance with the temporary modifications to the Corporations Act under the Corporations (Coronavirus Economic Response) Determination (No.1) 2020, hard copies of the Notice of the 2020 Annual General Meeting are not being mailed to shareholders. The Notice of the 2020 Annual General Meeting can be viewed and downloaded at www.coppermoly.com.au and through the Company's announcement page on ASX by searching the code "COY".

The health and safety of shareholders, Company personnel, and other stakeholders, is the highest priority in the current circumstances resulting from COVID-19. While the COVID-19 situation remains volatile and uncertain, based on the best information available to the Directors at the time of the Notice of the 2020 Annual General Meeting, the Company intends to conduct the meeting virtually on an online platform provided by the Company's share registry.

More information regarding virtual attendance at the Annual General Meeting (including how to vote and ask questions virtually during the meeting) is set out in the Virtual Meeting Guide at <https://boardroomlimited.com.au/agm/Coppermoly2020>

Shareholders are strongly encouraged to vote by lodging a directed proxy appointing the Chairman as your proxy before 11.00am on 17th November 2020. Your personalised Proxy Form is enclosed for your convenience. Please complete and return the attached Proxy Form to the Company's share registry in accordance with the instructions set out in the Proxy Form.

The notice of meeting is important and should be read in its entirety. If you are in doubt as to the course of action you should follow, you should consult your financial adviser, lawyer, accountant, or other professional advisor. If you have any difficulties obtaining a copy of the Notice of Meeting, please contact the Company's share registry Boardroom Pty Limited on + 1 300 737 760.

The Company will continue to closely monitor guidance from the Federal and State Governments for any impact on the proposed arrangements for the Annual General Meeting. If any changes are required, the details will be made available on our website at www.coppermoly.com.au.

Authorised by the Board of Coppermoly Limited.

For further information please contact:

Stephen Kelly
Company Secretary
+ 61 415 719 695
skelly@coppermoly.com.au



ACN 126 490 855

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

Date of Meeting

Thursday, 19 November 2020

Time of Meeting

11.00 am (Brisbane time)

Place of Meeting

The Meeting will be conducted as a virtual meeting, accessible online.
There will be no physical meeting where shareholders or proxies can attend in person.

Due to the COVID-19 pandemic, the Meeting will be held as a virtual meeting. Instructions on how to attend the meeting virtually are contained within this Notice of Meeting.

Shareholders are strongly encouraged to lodge their proxy form in accordance with the instructions within this Notice of Meeting even if they intend to participate in the Meeting online.

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.

HOW TO PARTICIPATE IN THE 2020 AGM

Consistent with the temporary modifications to the Corporations Act 2001 (Cth) introduced by the Corporations (Coronavirus Economic Response) Determination (No. 1) 2020, the Board has determined to conduct the Meeting as a virtual meeting and that Shareholders will have the opportunity to participate in the Meeting by electronic means through an online platform. There will be no physical meeting where shareholders or proxies can attend in person.

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> and entering the **Meeting ID: 388-479-738**. Further instructions are included in the Online Voting User Guide attached to this Notice of Meeting.

If you choose to participate in the Meeting, you will be able to view the Meeting live, lodge a direct vote in real time and ask questions online.

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.

More information regarding online participation in the Meeting (including how to vote and ask questions online during the Meeting) is available in the User Guide. The User Guide is attached to this Notice of Meeting, will be lodged with the ASX and will be available on our website.

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that an Annual General Meeting (**Meeting**) of the Shareholders of Coppermoly Limited ACN 126 490 855 (**Company**) will be held on Thursday, 19 November 2020, commencing at 11.00am (Brisbane time). The meeting will be conducted as a virtual meeting.

An online version of the Company's 2020 Annual Report can be downloaded or viewed at www.coppermoly.com.au. The 2020 Annual Report has also been sent by post to those Shareholders who have previously elected to receive a hard copy.

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

Receipt of financial statements and reports

To receive and consider the Directors' report, the Auditor's report and the financial statements of the Company for the financial year ended 30 June 2020.

Resolutions

1. Adoption of Remuneration Report (non-binding resolution)

To consider and if thought fit, pass, with or without amendment, the following Resolution as an ordinary Resolution under section 250R (2) of the Corporations Act:

"That the Remuneration Report for the financial year ended 30 June 2020 as set out in the Company's 2020 Annual Report be adopted."

Note: Under the Corporations Act, this Resolution is advisory only and does not bind the Directors or the Company. However, if 25% or more votes that are cast are voted against the adoption of the Remuneration Report at two consecutive annual general meetings, Shareholders will be required to vote at that second annual general meeting on an additional resolution on whether another meeting should be held at which all of the Directors, other than the Managing Director, must stand for re- election. Please see the Explanatory Memorandum for further information.

Voting Exclusion:

A vote on Resolution 1 must not be cast (in any capacity) by or on behalf of any of the following persons:

- (a) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or
- (b) a Closely Related Party of such a member.

However, a person described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:

- (a) the person is appointed as a proxy by writing that specifies the way the proxy is to vote on the Resolution; or
- (b) the person is the Chair of the Meeting and the appointment of the Chair as proxy:
 - (i) does not specify the way the proxy is to vote on the Resolution; and

- (ii) expressly authorises the Chair to exercise the proxy even if the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel for the Company.

2. Re-election of Director, Mr Kevin Grice

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

"That Mr Kevin Grice, who retires as a Director of the Company pursuant to rule 15.4 of the Company's Constitution and being eligible and offering himself for re-election, be re-elected as a Director of the Company."

3. Issue of Shares to Director – Wanfu Huang

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

"That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue Shares in the Company up to the value of \$83,333 to Dr Wanfu Huang and / or his nominees in accordance with 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) Dr Wanfu Huang (and his nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the entity); or
- (b) an associate of that person or persons.

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

- (a) a person or 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.

4. Issue of Shares to Director – Kevin Grice

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

"That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue Shares in the Company up to the value of \$46,577 to Mr Kevin Grice and / or his nominees in accordance with 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) Mr Kevin Grice (and his nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the entity); or
- (b) an associate of that person or persons.

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

- (a) a person or 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.

5. Issue of Shares to Director – Lin Zule

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 10.11 and for all other purposes, approval is given for the Company to issue Shares in the Company up to the value of \$130,000 to Mr Lin Zule and / or his nominees in accordance with 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) Mr Lin Zule (and his nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the entity); or
- (b) an associate of that person or persons.

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

- (a) a person or 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.

6. Issue of Shares to Director – Jincheng Yao

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 10.11 and for all other purposes, approval is given for the Company to issue Shares in the Company up to the value of \$130,000 to Mr Jincheng Yao and / or his nominees in accordance with 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) Mr Jincheng Yao (and his nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the entity); or
- (b) an associate of that person or persons.

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

- (a) a person or 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.

7. Issue of Shares to Director – Xuan Jian

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 10.11 and for all other purposes, approval is given for the Company to issue Shares in the Company up to the value of \$33,333 to Mr Xuan Jian and / or his nominees in accordance with 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) Mr Xuan Jian (and his nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the entity); or
- (b) an associate of that person or persons.

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

- (a) a person or 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.

8. Issue of Shares to Director – Wanfu Huang

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

“That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 14,285,715 Shares in the Company to Dr Wanfu Huang and / or his nominees in accordance with 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:

- (c) Dr Wanfu Huang (and his nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the entity); or
- (d) an associate of that person or persons.

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

- (d) a person or 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
- (e) 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
- (f) 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.

SPECIAL BUSINESS

9 Approval of additional 10% placement capacity

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a special resolution:

“That, for the purposes of ASX Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of Equity Securities up to 10% of the issued capital of the Company (at the time of the issue) (10% Placement Capacity) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions in the Explanatory Memorandum.”

ATTENDANCE AND VOTING AT THE MEETING

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 (Brisbane time) on Tuesday, 17 November 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

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. Resolution 9 is a Special Resolution; all other resolutions are ordinary resolutions.

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

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 declares voting open 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 11.00 am (Brisbane time) on Tuesday, 17 November 2020, being 48 hours prior to the commencement of the Meeting.

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

- (a) To vote online, follow the instructions on the Proxy Form

OR

- (b) complete and lodge the Proxy Form at the share registry of the Company, Boardroom Pty Limited:

- (i) by post at the following address:
Boardroom Pty Limited
GPO Box 3993
SYDNEY NSW 2001

OR

- (ii) by hand at the following address:
Boardroom Pty Limited
Level 12, 225 George Street
SYDNEY NSW 2000

- (c) complete and lodge the Proxy Form at the share registry of the Company, Boardroom Pty Limited by facsimile on + 61 2 9290 9655.

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. As explained further below, your vote on Resolution 1 may not be counted if you do not direct your proxy how to vote.

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.

Undirected proxies

Please note that if the Chair of the Meeting is appointed as your proxy (or becomes your proxy by default), you expressly authorise the Chair to exercise your proxy on Resolution even though they may be connected directly or indirectly with the remuneration of a member of the Key Management Personnel of the Company, which includes the Chair. If you appoint the Chair as your proxy you can direct the Chair to vote for or against or abstain from voting on any of Resolutions by marking the appropriate box on the Proxy Form.

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

Please also note that if you appoint a Director or a member of the Key Management Personnel (or their Closely Related Parties) as your proxy, in accordance with section 250R (5) of the Corporations Act you must direct your proxy how to vote on Resolution 1, otherwise your vote will not be counted. Follow the instructions on the proxy form to direct your proxy how to vote.

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.

DATED 19 October 2020

**BY ORDER OF THE BOARD
COPPERMOLY LIMITED**

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

**STEPHEN KELLY
COMPANY SECRETARY**

EXPLANATORY MEMORANDUM

IMPORTANT NOTICE

This Explanatory Memorandum forms part of the Notice convening the Annual General Meeting of Shareholders of Coppermoly Limited to be held on 19 November 2020 at 11.00 am (Brisbane time). 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 19 October 2020.

BACKGROUND TO THE RESOLUTIONS

ORDINARY BUSINESS

Receipt of financial statements and reports

This item does not require voting by Shareholders. It is intended to provide an opportunity for Shareholders to raise questions on the financial statements and reports. The Company's auditor will be present at the Meeting and available to answer any questions.

In addition to asking questions at the Meeting, Shareholders may address written questions to the Chair of the Meeting about the management of the Company or to the Company's Auditor, BDO Audit Pty Ltd, if the question is relevant to:

- i. the content of the Auditor's report; or
- ii. the conduct of its audit of the financial statements to be considered at the Meeting.

Note: Under section 250PA(1) of the Corporations Act a Shareholder must submit the question to the Company no later than the fifth business day before the day on which the Annual General Meeting is held.

Written questions for BDO Audit Pty Ltd must be delivered by 12 November 2020 to the address listed on the Proxy Form attached to this Notice of Meeting.

Resolution 1 – Adoption of Remuneration Report (non-binding resolution)

1.1 Background

The Annual Report for the year ended 30 June 2020 contains a Remuneration Report that sets out the remuneration policy of the Company and the remuneration details for each Director and for each member of the Company's senior executive management team.

An electronic copy of the 2020 Annual Report is available to download or view on the Company's website at www.coppermoly.com.au. The 2020 Annual Report has also been sent by post to those Shareholders who have previously elected to receive a hard copy. In addition, the Company has also enabled online voting, details of which are explained on the Proxy Form.

The Corporations Act requires that a resolution to adopt the Remuneration Report be put to the vote of the Company. Shareholders should note that the vote on Resolution 1 is advisory only and, subject to the matters outlined below, will not bind the Company or the Directors. However, the Directors will take the outcome of the vote into consideration when reviewing the Company's remuneration policy.

1.2 Two strikes

If 25% or more of votes that are cast on this non-binding Resolution are voted against the adoption of the Remuneration Report at two consecutive annual general meetings, Shareholders will be required to vote at the second of these annual general meetings on a resolution (a **Spill Resolution**) that another meeting be held within 90 days (**Spill Meeting**), at which:

- (i) all of the Company's Directors (other than the Managing Director) cease to hold office immediately before the end of the Spill Meeting; and
- (ii) Resolutions to appoint persons to offices that will be vacated immediately before the end of the Spill Meeting will be put to the vote at the Spill Meeting.

The approval threshold for the Spill Resolution is 50% or more of votes that are cast on the Spill Resolution. At the 2019 Annual General Meeting, Shareholders voted in favour of the Remuneration Report.

1.3 Board Recommendation

As the Remuneration Report sets out the remuneration details for each Director, the Board does not wish to make a recommendation as to how Shareholders ought to vote on Resolution 1.

The Chair intends to vote undirected proxies in favour of Resolution 1.

Resolution 2 – Re-election of Director, Mr Kevin Grice

2.1 Background

The Constitution sets out the requirements for determining which Directors are to retire by rotation at an annual general meeting.

Mr Kevin Grice, who has served as a director since 15 July 2014, retires by rotation and seeks re-election.

2.2 Qualifications

Mr Grice, BComm CPA MAICD, is a successful finance executive with significant experience with listed and unlisted exploration companies and general management experience, including as acting Chief Executive and Chief Financial Officer of Renison Consolidated Mines NL (now Laneway Resources Ltd), Chief Financial Officer of ASX Listed Highlands Pacific Limited and various other roles with Ensham Resources, Century Gold Resources Pty Ltd and others.

2.3 Board Recommendation

The Board (with Mr Grice abstaining) recommends that Shareholders vote **FOR** Resolution 2.

The Chair intends to vote undirected proxies in favour of Resolution 2.

Resolutions 3 to 9 – Resolutions relating to share capital

Resolutions 3 to 9 (inclusive) are Resolutions relating to the Company's share capital.

Table 1 – Potential Dilutionary Effect of Resolutions 3 to 9

Resolution Number	Description	Shares (number)	Shares (cumulative)	% (at issue)	% (after issue of all Shares per Resolution)	Options and Performance Shares (number)	Options and Performance Shares (cumulative)	% (at issue)	% (fully diluted)	Total equities (number)	Total equities (cumulative)
	Current issued capital	2,127,213,989	2,127,213,989	100%	90%	60,000,000	60,000,000	100%	3%	2,187,213,989	2,187,213,989
3	Approval to issue Shares to Director Wanfu Huang	3,058,092	2,130,272,081	0%	90%	-	60,000,000	0%	3%	3,058,092	2,190,272,081
4	Approval to issue Shares to Director Kevin Grice	1,709,248	2,131,981,329	0%	90%	-	60,000,000	0%	3%	1,709,248	2,191,981,329
5	Approval to issue Shares to Director Lin Zule	4,770,642	2,136,751,971	0%	90%	-	60,000,000	0%	3%	4,770,642	2,196,751,971
6	Approval to issue Shares to Director Jincheng Yao	4,770,642	2,141,522,613	0%	90%	-	60,000,000	0%	3%	4,770,642	2,201,522,613
7	Approval to issue Shares to Director Xuan Jian	1,223,229	2,142,745,842	0%	90%	-	60,000,000	0%	3%	1,223,229	2,202,745,842
8	Approval to issue Shares to Director Wanfu Huang	14,285,715	2,157,031,557	1%	91%	-	60,000,000	0%	3%	14,285,715	2,217,031,557
9	Approval of additional 10% placement capacity under ASX Listing Rule 7.1A	212,721,399	2,369,752,956	9%	100%	-	60,000,000	0%	2%	212,721,399	2,429,752,956

The above tables reflect 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.

For Resolutions 3 to 7 inclusive, the number of Shares included in the above table represents the maximum number of Shares that would be issued based on the 10-day VWAP for the Company's Shares as at 2 October 2020 of \$0.027.

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

Resolutions 3 to 7 – Issues of Shares to Directors

5.1 Background

The share issues proposed under Resolutions 3 to 6 (inclusive) are the result of agreements between each current Director and the Company to receive Shares in lieu of cash, subject to obtaining Shareholder approval, for the accrued but unpaid Director's fees for the period 1 April 2017 to 30 June 2020 for all Directors except Dr Wanfu Huang for whom the fees are accrued for the period to 1 May 2019 being the date on which he was appointed as the Company's Managing Director (**Directors' fee Shares**).

In addition, under the terms of Dr Wanfu Huang's employment contract as Managing Director which became effective on 1 May 2019, Dr Huang is, subject to shareholder approval, entitled to receive 14,285,715 Shares in the Company on the first anniversary of his appointment as the Company's Managing Director.

The Shares are to be issued to Directors in lieu of their Directors' fees and, as such, the Shares will be granted for nil consideration and no funds will be raised as a result. They are not 'additional' payments to Directors.

The Directors' fee Shares will be issued as fully paid Shares and on the same terms as the Company's existing Shares.

The number of Shares to be issued will be using the following formula:

$$A = \frac{B}{C}$$

Where:

A= the number of Shares to be issued

B= accrued Directors fees as at 30 June 2020 (or 1 May 2019 for Dr Huang)

C= 10-day VWAP of the Company's Shares on the trading day immediately preceding the date of issue of the Shares

The table below sets out the maximum number of Shares that may be issued to each Director assuming different issue prices at the date of issue:

Table 2 Maximum number of Shares that may be issued to each Director assuming different issue prices at the date of issue

			Maximum number of Shares to be issued assuming a 10 day VWAP of:				
	Annual Director fees	Accrued Director fees at 30 June 2020	10 day VWAP at 2 October 2020 \$0.027	50% decrease in VWAP \$0.014	25% decrease in VWAP \$0.020	25% increase in VWAP \$0.034	50% increase in VWAP \$0.041
Director		\$	No.	No.	No.	No.	No.
Wanfu Huang [#]	\$ 40,000	\$ 83,333	3,058,092	6,116,183	4,077,456	2,446,473	2,038,728
Kevin Grice	\$ 40,000	\$ 46,577	1,709,248	3,418,495	2,278,997	1,367,398	1,139,498
Lin Zule	\$ 40,000	\$ 130,000	4,770,642	9,541,284	6,360,856	3,816,514	3,180,428
Jincheng Yao	\$ 40,000	\$ 130,000	4,770,642	9,541,284	6,360,856	3,816,514	3,180,428
Xuan Jian	\$ 40,000	\$ 33,333	1,223,229	2,446,459	1,630,972	978,583	815,486
		\$ 423,243	15,531,852	31,063,705	20,709,137	12,425,482	10,354,568

[#]The information presented for Dr Wanfu Huang in Table 2 represents accrued Non-Executive Director fees to 30 April 2019. On 1 May 2019 Dr Huang was appointed the Company's Managing Director. Resolution 8 considers the issue of Shares to Dr Huang for the period 1 May 2019 to 31 May 2020.

Resolutions 3 to 7 seek Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of those Shares.

5.2 Chapter 2E of the Corporations Act

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The issue of the Shares constitutes the giving of a financial benefit and each of the Directors to whom the Shares are proposed to be issued, is a related party of the Company by virtue of being a Director.

The Directors consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issues of the Shares the subject of Resolutions 3 to 7 inclusive, for the following reasons:

- (a) the Shares are proposed to be issued to Directors in settlement of accrued and unpaid Director remuneration to 30 June 2020 (except for Dr Huang for who the accrued and unpaid fees are calculated to 30 April 2019);
- (b) the settlement of the accrued Director in remuneration through the issue of Shares will preserve the Company's cash resources enabling the Company to spend a greater proportion of its cash reserves on its operations than it would if the Director remuneration were to be settled in cash;
- (c) each Director's remuneration arrangements have been negotiated at arm's length, and are not more favourable to the Director on than other commensurate agreements for persons in similar roles in entities similar to the Company; and
- (d) it is not considered that there are any significant opportunity costs to the Company or benefits foregone by the Company in settling the accrued Director remuneration on the terms proposed.

5.3 ASX Listing Rule 10.11

ASX Listing Rule 10.11 requires shareholder approval to be obtained where an entity issues, or agrees to issue, securities to a director of the entity, an associate of the director, or a person whose relationship with the entity, director or associate of the director is, in ASX's opinion, such that approval should be obtained unless an exception in ASX Listing Rule 10.12 applies.

As the Director Placement involves the issue of Shares to related parties of the Company, Shareholder approval pursuant to ASX Listing Rule 10.11 is required unless an exception applies. It is the view of the Directors that the exceptions set out in ASX Listing Rule 10.12 do not apply in the current circumstances.

5.4 Technical information

Pursuant to and in accordance with the requirements of ASX Listing Rule 10.13, the following information is provided in relation to the proposed issue of Shares to Directors and / or their nominees pursuant to Resolutions 3 to 7 inclusive:

- (a) The names of the Directors to whom the Shares are to be issued are Dr Wanfu Huang, Mr Kevin Grice, Mr Lin Zule, Mr Jincheng Yao and Mr Xuan Jian and /or their nominees;

- (b) The maximum number of Shares to be issued in settled of the accrued Director remuneration will be determined by dividing the amount of remuneration to be paid in the form Shares by the 10-day VWAP on the trading day immediately preceding the issue of the Shares (rounded down to the nearest whole number). The maximum number of Shares to be issued under a range of assumed issue prices is set out in section 5.1 of this Explanatory Memorandum;
- (c) The Shares will be issue for Nil consideration and no funds will be raised;
- (d) the Shares will rank equally in all respects with existing the Company's existing fully paid ordinary Shares; and
- (e) the Shares will be issued no later than 1 month after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the ASX Listing Rules) and it is anticipated the Shares will be issued on one date.

Approval pursuant to ASX Listing Rule 7.1 is not required to issue the Shares to the Directors as approval is being obtained under ASX Listing Rule 10.11. Accordingly, the issue of Shares to the Directors will not be included in the 15% calculation of the Company's annual placement capacity pursuant to ASX Listing Rule 7.1.

5.5 *Directors Recommendation*

The Board (with Dr Huang abstaining) recommends that Shareholders vote **FOR** Resolution 3.

The Board (with Mr Grice abstaining) recommends that Shareholders vote **FOR** Resolution 4.

The Board (with Mr Zule abstaining) recommends that Shareholders vote **FOR** Resolution 5.

The Board (with Mr Yao abstaining) recommends that Shareholders vote **FOR** Resolution 6.

The Board (with Mr Jian abstaining) recommends that Shareholders vote **FOR** Resolution 7.

The Chair intends to vote undirected proxies in favour of Resolutions 3 to 7.

Resolutions 8 – Issue of Shares to Director Dr Wanfu Huang

6.1 *Background*

On 1 May 2019, Dr Wanfu Huang who had previously served as a Non-Executive Director of the Company was appointed as the Company's Managing Director. On 30 April 2019, the Company disclosed in an announcement lodged with the ASX the following terms of Dr Huang's contract:

- i. **Appointment date:** 1 May 2019
- ii. **Term:** No fixed term.
- iii. **Termination:** 3 months' notice by either party
- iv. **Remuneration:** Gross cash salary of \$150,000 per annum (excluding statutory superannuation) plus an equity component comprising 14,285,715 shares to be issued on the 12-month anniversary of appointment (equivalent value of \$100,000 at date of appointment) subject to shareholder approval.

Resolutions 8 seeks Shareholder approval for the issue of 14,285,715 Shares to Dr Wanfu Huang in accordance with the terms of his employment contract.

6.2 *Chapter 2E of the Corporations Act*

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The issue of the Shares constitutes the giving of a financial benefit to Dr Huang who is a related party of the Company by virtue of being a Director.

The Directors (in the absence of Dr Huang) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issues of the Shares the subject of Resolutions 8, for the following reasons:

- (a) the Shares constitute part of Dr Huang's remuneration as the Managing Director and Chief Executive Officer of the Company;
- (b) the Shares are a reasonable form of equity-based remuneration to Dr Huang given the circumstances of the Company and Dr Huang's role within it;
- (c) the Shares represent a cost-effective form of remuneration, enabling the Company to spend a greater proportion of its cash reserves on its operations than it would if alternative cash forms of remuneration were given to Dr Huang;
- (d) Dr Huang's remuneration arrangements have been negotiated at arm's length, and are not more favourable to Dr Huang than other commensurate agreements for persons in similar roles in entities similar to the Company; and
- (e) it is not considered that there are any significant opportunity costs to the Company or benefits foregone by the Company in conducting the issue of the Shares on the terms proposed.

6.3 *ASX Listing Rule 10.11*

ASX Listing Rule 10.11 requires shareholder approval to be obtained where an entity issues, or agrees to issue, securities to a director of the entity, an associate of the director, or a person whose relationship with the entity, director or associate of the director is, in ASX's opinion, such that approval should be obtained unless an exception in ASX Listing Rule 10.12 applies.

As issue involves the issue of Shares to related parties of the Company, Shareholder approval pursuant to ASX Listing Rule 10.11 is required unless an exception applies. It is the view of the Directors that the exceptions set out in ASX Listing Rule 10.12 do not apply in the current circumstances.

6.4 *Technical information*

Pursuant to and in accordance with the requirements of ASX Listing Rule 10.13, the following information is provided in relation to the proposed issue of Shares to Dr Huang and / or his nominees pursuant to Resolution 8:

- (a) The name of the Director to whom the Shares are to be issued is Dr Wanfu Huang, and /or his nominees;
- (b) The maximum number of Shares to be issued is 14,285,715 Shares;
- (c) The Shares will be issue for Nil consideration and no funds will be raised;
- (d) the Shares will rank equally in all respects with existing the Company's existing fully paid ordinary Shares; and
- (e) the Shares will be issued no later than 1 month after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the ASX Listing Rules) and it is anticipated the Shares will be issued on one date.

Approval pursuant to ASX Listing Rule 7.1 is not required to issue the Shares to Dr Huang as approval is being obtained under ASX Listing Rule 10.11. Accordingly, the issue of Shares to the Dr Huang will not be included in the 15% calculation of the Company's annual placement capacity pursuant to ASX Listing Rule 7.1.

6.5 *Directors Recommendation*

The Board (with Dr Huang abstaining) recommends that Shareholders vote **FOR** Resolution 8.

The Chair intends to vote undirected proxies in favour of Resolution 8.

Special Business

Resolution 9 – Approval of additional 10% placement capacity

3.1 General

ASX Listing Rule 7.1A provides that an Eligible Entity may seek Shareholder approval at its annual general meeting to allow it to issue Equity Securities up to 10% of its issued capital (**10% Placement Capacity**) without using the Company's 15% placement capacity under Listing Rule 7.1.

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 as it is not included in the S&P/ASX 300 Index and has a current market capitalisation of approximately \$36 million as at 2 October 2020.

The Company is now seeking Shareholder approval by way of a special resolution to have the ability to issue Equity Securities under the 10% Placement Facility. Resolution 9 is a special resolution. Accordingly, at least 75% of votes cast by Shareholders present and eligible to vote at the Meeting must be in favour of Resolution 9 for it to be passed. 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 (see below).

The Company obtained Shareholder approval for additional placement capacity under Listing Rule 7.1A at its Annual General Meeting held on 28 November 2019.

3.2 ASX Listing Rule 7.1A

(a) Period

An approval under ASX Listing Rule 7.1A must be for a period commencing on the date of the Annual General Meeting at which the approval is obtained and expiring on the first to occur of the following:

- (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 ASX Listing Rule 11.1.2 or 11.2.

(b) 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.

(c) 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.

The Company, as at the date of the Notice, has on issue 2 classes of Equity Securities, being Shares and Convertible Notes. Only the Company's Shares are quoted securities.

(d) Formula for calculating 10% Placement Capacity

Listing Rule 7.1A.2 provides that eligible entities that have obtained Shareholder approval at an AGM may issue or agree to issue, during the 12-month period after the date of the AGM, a number of Equity Securities calculated in accordance with the following formula:

$(A \times D) - E$

Where:

A is the number of Shares on issue 12 months before the date of issue or agreement:

- plus, the number of Shares issued in the previous 12 months under an exception in ASX Listing Rule 7.2;
- plus, the number of partly paid shares that became fully paid in the previous 12 months;
- plus, the number of Shares issued in the previous 12 months with approval of Shareholders of Shares under Listing Rules 7.1 and 7.4. This does not include an issue of fully paid ordinary shares under the entity's 15% placement capacity without Shareholder approval; and
- less the number of Shares cancelled in the previous 12 months.

D is 10%.

E is the number of Equity Securities issued or agreed to be issued under ASX Listing Rule 7.1A.2 in the 12 months before the date of issue or agreement to issue that are not issued with the approval of holders of Ordinary Securities under ASX Listing Rule 7.1 or 7.4.

(e) 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.

At the date of this Notice, the Company has on issue 2,127,213,989 Shares. The Company therefore has a capacity to issue:

- (i) 319,082,098 Equity Securities under Listing Rule 7.1; and
- (ii) 212,721,399 Equity Securities under Listing Rule 7.1A.

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 3.2.1 (c) below).

3.2.1 Technical information required by ASX Listing Rule 7.1A

Pursuant to and in accordance with ASX Listing Rule 7.3A, the information below is provided in relation to this Resolution 9:

(a) Minimum Price

The minimum price at which the Equity Securities may be issued is 75% of the volume weighted average price of Equity Securities in that class, calculated over the 15 ASX trading days on which trades in that class were recorded 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 4.2(a)(i) the date on which the Equity Securities are issued.

(b) Date of Issue

The Equity Securities may be issued under the 10% Placement Capacity commencing on the date of the Meeting and expiring on the first to occur of the following:

- (i) 12 months after the date of this Meeting; and
- (ii) the date of approval by Shareholders of any transaction under ASX Listing Rules 11.1.2 (a significant change to the nature or scale of the Company's activities) or 11.2 (disposal of the Company's main undertaking) (after which date, an approval under Listing Rule 7.1A ceases to be valid), (10% Placement Capacity Period).

(c) Risk of voting dilution

Any issue of Equity Securities under the 10% Placement Capacity will dilute the interests of Shareholders who do not receive any Shares under the issue.

If Resolution 9 is approved by Shareholders and the Company issues the maximum number of Equity Securities available under the 10% Placement Capacity, the economic and voting dilution of existing Shares would be as shown in the table below.

The table below shows the dilution of existing Shareholders calculated in accordance with the formula outlined in ASX Listing Rule 7.1A(2), on the basis of the current market price of Shares and the current number of Equity Securities on issue as at the date of this Notice.

The table also shows the voting dilution impact where the number of Shares on issue (variable A in the formula) changes and the economic dilution where there are changes in the issue price of Shares issued under the 10% Placement Capacity.

Table 2 – Potential dilutionary impact of Resolution 9

Number of Shares on Issue (Variable 'A' in ASX Listing Rule 7.1A2)	Dilution			
	Issue Price (per Share)	\$0.0085 (50% decrease in issue price)	\$0.017 (issue price)	\$0.02125 (25% increase in issue price)
2,127,213,989 (Current Variable "A")	Shares issued - 10% voting dilution	212,721,399 Shares	212,721,399 Shares	212,721,399 Shares
	Funds Raised	\$1,808,132	\$3,616,264	\$4,520,330
3,190,820,984 (50% increase in Variable 'A')*	Shares issued - 10% voting dilution	319,082,098 Shares	319,082,098 Shares	319,082,098 Shares
	Funds Raised	\$2,712,198	\$5,414,396	\$6,780,495
4,254,427,978 (100% increase in Variable 'A')*	Shares issued - 10% voting dilution	425,442,798 Shares	425,442,798 Shares	425,442,798 Shares
	Funds Raised	\$3,616,264	\$7,232,528	\$9,040,659

**The number of Shares on issue (Variable A in the formula) could increase as a result of the issue of Shares that do not require Shareholder approval (such as under a pro-rata rights issue or scrip issued under a takeover offer) or that are issued with Shareholder approval under ASX Listing Rule 7.1.*

The table above uses the following assumptions:

1. There are currently 2,127,213,989 Shares on issue as at the date of this Notice of Meeting.
2. The current issue price set out above is the closing price of the Shares on the ASX on 2 October 2020, being \$0.017.
3. The Company issues the maximum possible number of Equity Securities under the 10% Placement Capacity.
4. The Company has not previously issued any securities under Listing Rule 7.1A.
5. The issue of Equity Securities under the 10% Placement Capacity consists only of Shares. It is assumed that no Convertible Notes are exercised into Shares before the date of issue of the Equity Securities.
6. The calculations above do not show the dilution that any one particular Shareholder will be subject to. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.
7. This table does not set out any dilution pursuant to approvals under ASX Listing Rule 7.1.
8. 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%.
9. 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 Capacity, based on that Shareholder's holding at the date of the Meeting.

Shareholders should note that there is a risk that:

- (i) the market price for the Company's Shares may be significantly lower on the issue date than on the date of the Meeting; and
- (ii) the Shares may be issued at a price that is at a discount to the market price for those Shares on the date of issue.

(d) Purpose of Issue under 10% Placement Capacity

The Company may issue Equity Securities under the 10% Placement Capacity as cash consideration in which case the Company intends to use funds raised for exploration on the Company's exploration projects located in Papua New Guinea and for general working capital purposes.

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

(e) Allocation under the 10% Placement Capacity

The Company's allocation policy for the issue of Equity Securities under the 10% Placement Capacity will be dependent on the prevailing market conditions at the time of the proposed placement(s).

The recipients of the Equity Securities to be issued under the 10% Placement Capacity have not yet been determined. However, the recipients of Equity Securities could consist of current Shareholders or new investors (or both), none of whom will be related parties of the Company.

The Company will determine the recipients at the time of the issue under the 10% Placement Capacity, having regard to the following factors:

- (i) the purpose of the issue;
- (ii) alternative methods for raising funds available to the Company at that time, including, but not limited to, an entitlement issue or other offer where existing Shareholders may participate;
- (iii) the effect of the issue of the Equity Securities on the control of the Company;
- (iv) the circumstances of the Company, including, but not limited to, the financial position and solvency of the Company;
- (v) prevailing market conditions; and
- (vi) advice from corporate, financial and broking advisers (if applicable).

Further, if the Company is successful in acquiring new resources, assets or investments, it is likely that the recipients under the 10% Placement Capacity will be vendors of the new resources, assets or investments.

(f) Previous Approval under ASX Listing Rule 7.1A and disclosure required by ASX Listing Rule 7.3A.6

The Company has previously obtained approval from Shareholders pursuant to ASX Listing Rule 7.1A at its Annual General Meeting held on 28 November 2019.

In accordance with ASX Listing Rule 7.3A.6, the Company makes the following disclosure:

- (i) In the 12 months preceding the date of the Annual General Meeting to be held on 19 November 2019, the Company has issued NIL equity securities representing NIL per cent of the Company's issued equity securities on issue on 19 November 2019 pursuant to the previous approval obtained under ASX Listing Rule 7.1A;
- (ii) The Company issued NIL other equity securities during the 12-month period preceding the date of the Meeting
- (iii) The total Equity Securities issued by the Company during the 12-month period preceding the date of the Meeting as a percentage of the total diluted number of Equity Securities on issue in the Company at 19 November 2019 was NIL.

(g) Compliance with ASX Listing Rules 7.1A.4 and 3.10.5A

When the Company issues Equity Securities pursuant to the 10% Placement Capacity, it will give to ASX:

- (i) a list of the recipients of the Equity Securities and the number of Equity Securities allotted to each (not for release to the market), in accordance with ASX Listing Rule 7.1A.4; and
- (ii) the information required by ASX Listing Rule 3.10.5A for release to the market.

3.3 Voting Exclusion

As at the date of this Notice, the Company has not invited any existing Shareholder to participate in an issue of Equity Securities under ASX Listing Rule 7.1A. Therefore, no existing Shareholders will be excluded from voting on Resolution 98.

3.4 Directors Recommendation

The Directors recommend that Shareholders vote in favour of Resolution 9.

The Chair intends to vote undirected proxies in favour of Resolution 9.

Glossary

In this Explanatory Memorandum and the Notice of Meeting:

AUD, \$, AU\$ are references to the Australian Dollar;

Annual General Meeting or **Meeting** means the annual 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;

Closely Related Party of a member of the Key Management Personnel for an entity, includes:

- i. a spouse or child of the member;
- ii. a child of the member's spouse;
- iii. a dependent of the member or of the member's spouse;
- iv. anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealings with the entity;
- v. a company the member controls; or
- vi. a person prescribed as such by the *Corporations Regulations 2001* (Cth);

Company means Coppermoly 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 being as at the date of this Notice of Meeting, being Kevin Grice, Jincheng Yao, Wanfu Huang, Zule Lin and Xuan Jian

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

Financial Report means the 30 June 2020 financial report of the Company, a copy of which was lodged with ASX on 30 September 2020 under the announcement "Annual Report";

Key Management Personnel means 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 means the official Listing Rules of ASX;

Notice of Meeting means the notice of annual general meeting dated 9 October 2020 which this Explanatory Memorandum accompanies and in which the Resolutions are set out;

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

Remuneration Report means the remuneration report of the Company for the year ended 30 June 2020 contained in the Financial Report;

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;

Spill Meeting has the meaning given in Resolution 1; and

Spill Resolution has the meaning given in Resolution 1.

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 11:00am (Brisbane Time) on Tuesday 17 November 2020.**

🖥 TO VOTE ONLINE

- STEP 1: VISIT** <https://www.votingonline.com.au/coyagm2020>
- STEP 2: Enter your Postcode OR Country of Residence (if outside Australia)**
- STEP 3: Enter your Voting Access Code (VAC):**

📱 BY SMARTPHONE



Scan QR Code using smartphone
QR Reader App

TO VOTE BY COMPLETING THE PROXY FORM

STEP 1 APPOINTMENT OF PROXY

Indicate who you want to appoint as your Proxy.

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

Appointment of a Second Proxy

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

To appoint a second proxy you must:

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

STEP 2 VOTING DIRECTIONS TO YOUR PROXY

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

Proxy which is a Body Corporate

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

STEP 3 SIGN THE FORM

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

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

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

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

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

STEP 4 LODGEMENT

Proxy forms (and any Power of Attorney under which it is signed) must be received no later than 48 hours before the commencement of the meeting, therefore by **11:00am (Brisbane Time) on Tuesday 17 November 2020**. 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/coyagm2020>
- 📠 **By Fax** + 61 2 9290 9655
- ✉ **By Mail** Boardroom Pty Limited
GPO Box 3993,
Sydney NSW 2001 Australia
- 👤 **In Person** Boardroom Pty Limited
Level 12, 225 George Street,
Sydney NSW 2000 Australia

☐
Your Address

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

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

PROXY FORM

STEP 1 APPOINT A PROXY

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

☐

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

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

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chair of the Meeting as my/our proxy at the Annual General Meeting of the Company to be held **Virtually on Thursday, 19 November, 2020 at 11:00am (Brisbane Time)** and at any adjournment of that meeting, to act on my/our behalf and to vote in accordance with the following directions or if no directions have been given, as the proxy sees fit.

Chair of the Meeting authorised to exercise undirected proxies on remuneration related matters: If I/we have appointed the Chair of the Meeting as my/our proxy or the Chair of the Meeting becomes my/our proxy by default and I/we have not directed my/our proxy how to vote in respect of Resolutions 1,3,4,5,6,7 and 8, I/we expressly authorise the Chair of the Meeting to exercise my/our proxy in respect of these Resolutions even though Resolutions 1, 3,4,5,6,7 and 8 are connected with the remuneration of a member of the key management personnel for the Company.

The Chair of the Meeting will vote all undirected proxies in favour of all Items of business (including Resolutions 1,3,4,5,6,7 and 8). If you wish to appoint the Chair of the Meeting as your proxy with a direction to vote against, or to abstain from voting on an item, you must provide a direction by marking the 'Against' or 'Abstain' box opposite that resolution.

STEP 2 VOTING DIRECTIONS

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

		For	Against	Abstain*
Resolution 1	Adoption of Remuneration Report (non-binding resolution)	☐	☐	☐
Resolution 2	Re-election of Director, Mr Kevin Grice	☐	☐	☐
Resolution 3	Issue of Shares to Director – Wanfu Huang	☐	☐	☐
Resolution 4	Issue of Shares to Director – Kevin Grice	☐	☐	☐
Resolution 5	Issue of Shares to Director – Lin Zule	☐	☐	☐
Resolution 6	Issue of Shares to Director – Jincheng Yao	☐	☐	☐
Resolution 7	Issue of Shares to Director – Xuan Jian	☐	☐	☐
Resolution 8	Issue of Shares to Director – Wanfu Huang	☐	☐	☐
Resolution 9	Approval of additional 10% placement capacity	☐	☐	☐

STEP 3 SIGNATURE OF SECURITYHOLDERS

This form must be signed to enable your directions to be implemented.

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director / Company Secretary