



**SYRAH** RESOURCES

# **Notice of Annual General Meeting and Explanatory Memorandum**

*The Annual General Meeting of*

**SYRAH RESOURCES LIMITED**

*ACN 125 242 284*

*Will be held at*

*10.00am (AEST) on Thursday 17 May 2018*

*at*

*RACV Club*

*Level 2, Bourke Rooms 1 & 2*

*501 Bourke Street, Melbourne, Victoria, 3000*

This Notice of Annual General 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 advisor without delay.

# SYRAH RESOURCES LIMITED

ACN 125 242 284

Registered Office: Level 28, 360 Collins Street, Melbourne VIC 3000

## NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Annual General Meeting of Shareholders of Syrah Resources Limited (**Syrah** or the **Company**) will be held at:

**Venue:** the RACV Club,  
Level 2, Bourke Rooms 1 & 2,  
501 Bourke Street,  
Melbourne, Victoria, 3000

**Date:** Thursday 17 May 2018

**Time:** 10.00am (AEST)

## AGENDA

The Explanatory Memorandum and Proxy Form which accompany and form part of this Notice, describe in more detail the matters to be considered. Please consider this Notice, the Explanatory Memorandum and the Proxy Form in their entirety.

Capitalised terms not otherwise defined in this Notice have the meaning given in the Explanatory Memorandum which accompanies this Notice. References to the "Corporations Act" are to the *Corporations Act 2001* (Cth), unless the context requires otherwise.

### ORDINARY BUSINESS

#### Receipt and consideration of Accounts and Reports

To receive and consider the financial report of the Company and the related reports of the Directors and the auditor of the Company for the year ended 31 December 2017.

*Note: Except as set out in Resolution 1, there is no requirement for Shareholders to approve these reports. Accordingly, no resolution will be put to Shareholders on this item of business.*

#### Resolution 1: Adoption of Remuneration Report

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

*"That the Remuneration Report for the financial year ended 31 December 2017 be adopted."*

The Remuneration Report is set out in the Company's Annual Report.

### **Voting Exclusion**

*The Company will disregard any votes cast on Resolution 1 by or on behalf of:*

- (a) a person who is a member of the Key Management Personnel (KMP) whose remuneration details are included in the Remuneration Report for the year ended 31 December 2017 or a Closely Related Party of such KMP (regardless of the capacity in which the vote is cast); and*
- (b) as proxy by a person who is a member of the KMP on the date of the annual general meeting or a Closely Related Party of such a member.*

*However, the Company need not disregard a vote on this Resolution 1 if:*

- (c) it is cast as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or*
- (d) it is cast by the Chairman for a person who is entitled to vote, in accordance with the direction on the proxy form to vote as the proxy decides, including where the proxy form provides an express authorisation for the Chairman to exercise the proxy as the Chairman decides even though Resolution 1 is connected directly or indirectly with the remuneration of the KMP.*

### **Resolution 2: Re-election of Mr Jose Caldeira as a Director of the Company**

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

*"That Mr Jose Caldeira, being a director who retires by rotation pursuant to the Constitution and, being eligible, offers himself for re-election, is hereby re-elected as a Director of the Company."*

### **Resolution 3: Election of Mr Stefano Giorgini as a Director of the Company**

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

*"That Mr Stefano Giorgini, having been appointed to the Board since the last annual general meeting of the Company, retires as a Director in accordance with the Constitution and having consented and being eligible for election, be elected as a Director."*

### **Resolution 4: Ratification of Prior Issue of Shares**

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

*"That, for the purpose of Listing Rule 7.4 and for all other purposes, Shareholders approve, ratify and confirm the allotment and issue of 7,412,856 Shares on 19 September 2017, made by way of placement to institutional and sophisticated investors, as described in the Explanatory Memorandum."*

### **Voting Exclusion**

*The Company will disregard any votes cast in favour of Resolution 4 by or on behalf of:*

- (a) any person who participated in the issue; and*
- (b) any associates of those persons.*

*However, the Company need not disregard a vote on this Resolution 4 if:*

- (c) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or*
- (d) it is cast by the Chairman as proxy for a person who is entitled to vote, in accordance with the direction on the Proxy Form to vote as the proxy decides, including where the proxy form provides an express authorisation for the Chairman to exercise the proxy as the Chairman decides.*

**Resolution 5: Approval to issue 42,220 fully paid ordinary Shares to Mr Shaun Verner (or his nominee) comprising half Mr Verner's 2017 Short Term Incentive**

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

*"That, for the purposes of Listing Rule 10.14, and for all other purposes, approval be given to the issue of 42,220 fully paid ordinary shares to Mr Shaun Verner, a Director, or his nominee, which represents half Mr Verner's 2017 Short Term Incentive, to be issued under the LTI Plan and on the terms described in the Explanatory Memorandum."*

**Voting Exclusion**

*The Company will disregard any votes cast on Resolution 5:*

- (a) in favour of the resolution by a Director (except a Director ineligible to participate in the scheme) or their associates (regardless of the capacity in which the vote is cast); and*
- (b) as proxy by a person who is a member of the KMP on the date of the annual general meeting or a Closely Related Party of such a member.*

*However, the Company need not disregard a vote on Resolution 5 if:*

- (c) it is cast as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or*
- (d) it is cast by the Chairman as proxy for a person who is entitled to vote, in accordance with the direction on the proxy form to vote as the proxy decides, including where the proxy form provides an express authorisation for the Chairman to exercise the proxy as the Chairman decides even though this Resolution 5 is connected directly or indirectly with the remuneration of the KMP.*

**Resolution 6: Approval to grant Performance Rights to Mr Shaun Verner (or his nominee) as his 2018 Long Term Incentive**

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

*"That for the purposes of Listing Rule 10.14, sections 200B and 200E of the Corporations Act and for all other purposes, approval be given to grant 93,974 Performance Rights (being a right to acquire up to 93,974 Shares subject to satisfaction of relevant conditions) for no cash consideration to Mr Shaun Verner, a Director, or his nominee, under the LTI Plan and on the terms described in the Explanatory Memorandum."*

**Voting Exclusion**

*The Company will disregard any votes cast on Resolution 6:*

- (a) in favour of the resolution by a Director (except a Director ineligible to participate in the scheme) or their associates (regardless of the capacity in which the vote is cast); and*
- (b) as a proxy by a person who is a member of the KMP on the date of the annual general meeting or a Closely Related Party of such a member.*

*However, the Company need not disregard a vote on Resolution 6 if:*

- (c) it is cast as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or*
- (d) it is cast by the Chairman as proxy for a person who is entitled to vote, in accordance with the direction on the proxy form to vote as the proxy decides, including where the proxy form provides an express authorisation for the Chairman to exercise the proxy as the Chairman decides even though this Resolution 6 is connected directly or indirectly with the remuneration of the KMP.*

## **Resolution 7: Correction of error in the vesting schedule for certain 2017 Performance Rights**

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

*"That approval be given to amend the vesting schedule applying to the Performance Rights issued to affected participants in 2017, on the basis set out in the Explanatory Memorandum."*

### **Voting Exclusion**

*The Company will disregard any votes cast on this Resolution 7:*

- (a) in favour of the resolution by or on behalf of a person that holds a Performance Right that is the subject of the approval in Resolution 7 or their associates (regardless of the capacity in which the vote is cast); and*
- (b) as a proxy by a person who is a member of the KMP on the date of the annual general meeting or a Closely Related Party of such a member.*

*However, the Company need not disregard a vote on Resolution 7 if:*

- (c) it is cast as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or*
- (d) it is cast by the Chairman as proxy for a person who is entitled to vote, in accordance with the direction on the proxy form to vote as the proxy decides, including where the proxy form provides an express authorisation for the Chairman to exercise the proxy as the Chairman decides even though this Resolution 7 is connected directly or indirectly with the remuneration of the KMP.*

## **Resolution 8: Approval of issue of securities under the Company's new Equity Incentive Plan**

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

*"That the Company's new Equity Incentive Plan, the terms and conditions of which are summarised in the Explanatory Memorandum accompanying this Notice of Meeting, be approved and the issue of securities under the Company's new Equity Incentive Plan, as described in the Explanatory Memorandum, be approved for all purposes including ASX Listing Rule 7.2, Exception 9."*

### **Voting Exclusion**

*The Company will disregard any votes cast on Resolution 8:*

- (a) in favour of the resolution by a Director (except a Director ineligible to participate in the scheme) or their associates (regardless of the capacity in which the vote is cast); and*
- (b) as proxy by a person who is a member of the KMP on the date of the annual general meeting or a Closely Related Party of such a member.*

*However, the Company need not disregard votes on Resolution 8 if:*

- (c) it is cast as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or*
- (d) it is cast by the Chairman as proxy for a person who is entitled to vote, in accordance with the direction on the proxy form to vote as the proxy decides, including where the proxy form provides an express authorisation for the Chairman to exercise the proxy as the Chairman decides even though this Resolution 8 is connected directly or indirectly with the remuneration of the KMP.*

**Undirected proxies**

If you appoint the Chairman as your proxy and you do not direct the Chairman how to vote, by completing and submitting your Proxy Form you will be expressly authorising the Chairman to exercise the proxy, even if the relevant resolution is connected directly or indirectly with the remuneration of Key Management Personnel of the Company. Shareholders should note that the Chairman intends to vote all available undirected proxies in favour of all Resolutions.

By order of the Board

A handwritten signature in black ink that reads "Jennifer Currie". The script is cursive and fluid, with the first letters of each word being capitalized and prominent.

**Jennifer Currie**  
**Company Secretary**

Dated: 12 April 2018

# **SYRAH RESOURCES LIMITED**

**ABN 77 125 242 284**

## **EXPLANATORY MEMORANDUM**

### **Receipt and consideration of Accounts and Reports**

Under the Corporations Act, the Directors of the Company must table the Financial Report, the Directors' Report (including the Remuneration Report) and the Auditor's Report for the year ended 31 December 2017.

These reports are set out in the 2017 Annual Report. Shareholders who elected to receive a printed copy of annual reports should have received the 2017 Annual Report with this Notice of Annual General Meeting. In accordance with section 314(1AA)(c) of the Corporations Act, you may access the 2017 Annual Report at the Company's website: [www.syrahresources.com.au](http://www.syrahresources.com.au) or via the Company's announcement platform on ASX. Except as set out in Resolution 1 (adoption of the Remuneration Report), no resolution is required on these reports.

### **Resolution 1: Adoption of Remuneration Report – Non Binding Resolution**

The Directors Report for the period ended 31 December 2017 contains a Remuneration Report which sets out in detail the Company's policy for determining remuneration for Directors and members of the executive team. It includes information on the elements of remuneration that are performance based, the performance conditions that apply and the methodology used to assess the achievement of these performance conditions.

Shareholders are asked to adopt the Remuneration Report for the year ended 31 December 2017. The Company's remuneration strategy is designed to provide a link between the achievement of the Company's strategic objectives and executive rewards. It is designed to reward, motivate and retain the Company's executive team through market competitive remuneration and benefits, to support the continued success of the Company's businesses and ultimately to create shareholder value.

The vote on Resolution 1 is advisory only, and does not bind the Directors or the Company. However, a reasonable opportunity for discussion of the Remuneration Report will be provided at the Meeting. The Board will take into account the discussion on this resolution and the outcome of the vote when considering the future remuneration arrangements of the Company.

### **Board recommendation**

The Board unanimously recommends that Shareholders vote in favour of Resolution 1.

### **Resolution 2: Re-election of Mr Jose Caldeira as a Director of the Company**

The Constitution requires that at every annual general meeting one-third of the Directors (rounded down, if necessary) shall retire from office and provides that such Directors are eligible for re-election at the meeting.

Mr Jose Caldeira will retire at the conclusion of the annual general meeting and, being eligible for re-election, offers himself for re-election as a Director. Mr Caldeira was appointed as a Non-Executive Director by the Board on 22 July 2014.

Mr Caldeira is a highly experienced legal and regulatory professional with over 30 years' experience in the legal industry. He is one of the prominent lawyers in Mozambique and is currently a senior partner at Sal & Caldeira Advogados, Lda in Mozambique, one of the leading law firms in Mozambique. Mr Caldeira is a former judge of the Maputo City Court and in the past has acted as a legal advisor to the Ministry of Mineral Resources. He is a founding member of the Mozambique Bar and holds a law degree from Eduardo Mondlane University and an accounting qualification from Instituto Comercial da Beira.

Mr Caldeira is a Senior Partner of Sal & Caldeira Advogados Lda, which provides legal services to the Company and its subsidiaries, and accordingly is not considered by the Board to be an independent director. Mr Caldeira's business acumen and strong connections to the mining sector, business community and government in Mozambique enable a strong contribution to the Board of the Company.

#### **Board recommendation**

The Board (Mr Caldeira abstaining) recommends that Shareholders vote in favour of Resolution 2.

#### **Resolution 3: Election of Mr Stefano Giorgini as a Director of the Company**

Mr Stefano Giorgini was appointed as a Non-Executive Director by the Board on 16 October 2017. The Constitution requires that a director appointed by the Board must retire from office at the next annual general meeting following his or her appointment. Mr Giorgini, being eligible for election, offers himself for re-election as a Director. Mr Giorgini is considered by the Board to be an independent director.

Mr Giorgini is a finance executive with over 30 years' experience in senior finance, risk and assurance, governance, business development and commercial roles in the international resource and metals manufacturing industries. He holds a Bachelor of Business(Accounting), is a Fellow of CPA Australia and is a Graduate of the Australian Institute of Company Directors.

During his career with BHP, Mr Giorgini's responsibilities included Vice President Finance/ CFO for the Aluminium, Manganese and Nickel Business and Head of Group Risk Assessment & Assurance.

Mr Giorgini was formerly Chairman of BHP Marine & General Insurances Pty Ltd and has held executive director roles for numerous international resource ventures based in Australia, South America and Africa including Mozal Aluminium.

#### **Board recommendation**

The Board (with Mr Giorgini abstaining) recommend that Shareholders vote in favour of Resolution 3.

#### **Resolution 4: Ratification of Prior Issue of Shares**

On 19 September 2017, the Company announced a placement of 7,412,856 new Shares, at an issue price of \$3.38 per Share, to raise approximately \$25 million (**Placement**) from certain eligible institutional, professional and sophisticated investors. The Shares issued under the Placement represented approximately 3% of the Company's undiluted share capital following completion of the entitlement offer, under which Shareholders were offered a 1 for 10.5 pro rata accelerated non-renounceable entitlement offer of new Shares at the offer price of \$3.38, to raise approximately \$85 million.

The Company is seeking Shareholder approval to ratify the issue of 7,412,856 Shares to institutional, professional and sophisticated investors. The 7,412,856 Shares were issued under the Company's 15% placement capacity pursuant to Listing Rule 7.1.

Listing Rule 7.4 provides that a company may reinstate its capacity to issue up to 15% of the ordinary securities on issue in a 12-month period if Shareholders ratify the previous issue of securities.

Listing Rule 7.5 requires that the following information be provided to Shareholders for the purpose of obtaining Shareholder approval pursuant to Listing Rule 7.4:

- (a) the total number of Shares in the Company that were issued was 7,412,856;
- (b) the Shares were issued at a price of \$3.38 per Share;
- (c) the Shares allotted and issued were fully paid ordinary Shares and rank equally in all respects with the Company's other Shares on issue;
- (d) the Shares were allotted and issued to professional, sophisticated and institutional investors;



- (e) the funds raised from the issue of Shares will be used to fund working capital requirements and costs associated with the ramp up of production of the Balama Graphite Project to positive cashflows; project development and other costs associated with the commercial acceleration of the Syrah's BAM strategy; and other corporate, general and administrative costs.

### **Board Recommendation**

The Board recommends that the Shareholders vote in favour of Resolution 4.

### **Resolution 5: Approval to issue 42,220 fully paid ordinary Shares to Mr Shaun Verner (or his nominee) comprising half Mr Verner's 2017 Short Term Incentive**

Short Term Incentives in respect of the financial year ended 31 December 2017 were awarded 50% in cash and 50% in Shares to encourage executives to hold Shares in the Company and to align their interests with Shareholders.

For 2017, the Company's Managing Director and Chief Executive Officer, Mr Shaun Verner, was entitled to receive a Short Term Incentive award of up to 75% of his total fixed remuneration with:

- 50% of his award payable in cash; and
- 50% awarded in fully paid Shares, subject to shareholder approval.

As disclosed in the 2017 Remuneration Report, Mr Verner was awarded a total Short Term Incentive of \$284,564 for 2017. This award equates to an achievement of 77% of his Short Term Incentive opportunity. 50% of this is to be awarded in the form of Shares.

Listing Rule 10.14 requires a listed company to obtain Shareholder approval prior to the issue of equity securities to a Director of the Company under an employee incentive scheme. As Mr Verner is a director of the Company, Shareholder approval is sought to issue him (or his nominee) 42,200 Shares under the Company's Long Term Incentive Plan. The number of Shares to be issued was calculated by dividing the Share-based component of Mr Verner's Short Term Incentive award (being \$142,282) by the deemed price of \$3.37 per Share, which was based on the 5 day VWAP of the Company's Shares from 5 February 2018, being the same price used for all other share-based Short Term Incentive grants.

If Shareholder approval is obtained, the Shares will be issued shortly after the Meeting but in any event no later than 12 months after the Meeting subject to Mr Verner remaining employed by the Company (or one of its subsidiaries) at the date of the grant and neither Mr Verner or the Company having issued a notice of termination as at the grant date. There are no vesting conditions attached to the Shares.

The Shares issued will rank equally in all respects with other Shares on issue at that time.

### **Restrictions on dealing**

Mr Verner will be free to deal with the Shares issued to him (or his nominee), subject to the requirements of the Company's securities trading policy.

In the event that the Company does not receive Shareholder approval for Resolution 5, the relevant amount (\$142,282) will be paid in cash in accordance with the terms of the Executive Services Agreement between Mr Verner and the Company.

The following disclosures are made for the purposes of Listing Rule 10.15:

- (a) the Shares will be granted for nil cash consideration;
- (b) no loan will be made by the Company in relation to the issue of Shares to Mr Verner (or his nominee);
- (c) at the 2017 annual general meeting, Shareholders approved the grant of securities to Mr Shaun Verner (or his nominee) under the LTI Plan. In accordance with those approvals, Mr Verner was granted 121,773 Performance Rights. More details on the LTI Performance Rights are contained in the notes to Resolution 6;

- (d) at the 2017 annual general meeting, Shareholders approved the grant of securities to Mr James Askew (or his nominee) as a one-off issue of 60,790 Shares, in recognition of Mr Askew assuming the role of interim Executive Chairman for the period from 5 October 2016 to 3 February 2017, until a permanent replacement Managing Director and Chief Executive Officer was appointed to the Company; and
- (e) all Directors (executive or non-executive) are entitled to participate in the LTI Plan, but for the purposes of Resolution 5, the Company is only seeking to issue to Mr Verner (or his nominee). The other persons referred to in Listing Rule 10.14 who are entitled to participate in the LTI Plan are James Askew, Sam Riggall, Stefano Giorgini, Jose Caldeira and Christina Lampe-Onnerud, being current Directors.

### **Board Recommendation**

The Board (Mr Verner abstaining) recommends that Shareholders vote in favour of Resolution 5.

### **Resolution 6: Approval to Grant Performance Rights to Mr Shaun Verner (or his nominee) as his 2018 Long Term Incentive**

Resolution 6 of this Notice seeks Shareholder approval to grant 93,974 Performance Rights to Mr Shaun Verner (or his nominee) as his 2018 long term incentive on the terms described below and in accordance with the LTI Plan, as well as approval for the issue of any Shares on vesting and exercise of the 2018 Performance Rights.

In accordance with the LTI Plan, Performance Rights are proposed to be granted to Mr Verner (or his nominee) to align his interests with the interests of Shareholders.

It is proposed that Mr Verner be granted 93,974 Performance Rights, which has been determined by dividing Mr Verner's maximum LTI opportunity (being \$369,563) by the VWAP of the Company's shares on the ASX for the 60 trading days prior to the commencement of the performance period (being \$3.93), noting that these numbers have been rounded.

As the Performance Rights will form part of Mr Verner's remuneration, they will be granted at no cost and there will be no amount payable on vesting and exercise. The vested Performance Rights will be exercised upon the Company's receipt of a valid exercise notice. Performance Rights will be exercisable from the vesting date until the date that is two years after the vesting date, subject to the Company's securities trading policy. Each Performance Right entitles Mr Verner to one ordinary fully paid Share in the Company on vesting and exercise. Prior to vesting and exercise, Performance Rights do not entitle Mr Verner to any dividends or voting rights.

Under the terms of the issue, the Performance Rights will only vest upon a significant improvement in the market capitalisation of the Company based on the comparators detailed below. This will align Mr Verner's interests with the interests of all Shareholders. It should be recognised that the achievement of these objectives will be to the benefit of all Shareholders, and the vesting of the Performance Rights can only occur if these benefits are realised.

Consistent with the desire to minimise cash expenditures, the Board believes that having regard to the Company's current cash position and in order to compensate Mr Verner in line with current market practices, Performance Rights provide an appropriate and meaningful remuneration component that is aligned with Shareholder interests.

Approval is being sought in Resolution 6 in respect of the proposed grant of Performance Rights to Mr Verner (or his nominee) under the LTI Plan as a component of his overall executive remuneration package put in place on his commencement as Managing Director & Chief Executive Officer of the Company.

### **Performance Rights offered**

A total of 93,974 Performance Rights will be granted to Mr Verner (or his nominee), subject to Shareholder approval. The vesting of the Performance Rights is contingent on the Company achieving the Performance Hurdles over a three year performance period. In the event that the Performance Rights issued pursuant to Resolution 6 vest and are exercised, the issue of Shares will be equal to approximately 0.0316% of the Company's fully-diluted share capital (based on the number of Shares on issue as at the date of this Notice).

## Performance Hurdles

The Performance Rights are subject to the satisfaction of two Performance Hurdles:

- 50% of the Performance Rights vest based on the satisfaction of a relative total shareholder return (**TSR**) performance hurdle; and
- 50% of the Performance Rights vest based on the absolute total shareholder return performance of the Company.

### 1. Relative TSR Performance Hurdle

The portion of the Performance Rights that are subject to the Relative TSR Performance Hurdle will only be eligible to vest and become exercisable into Shares at the end of the Performance Period if the Company's TSR is at least equal to the median of the comparator group performance ("**Relative TSR Performance Hurdle**"). The entire annual allocation will vest if the Company's TSR is at the 75th percentile or higher than the comparator group performance. The percentage of Performance Rights subject to the Relative TSR Performance Hurdle that vest will be determined by reference to the following vesting schedule:

- 0% vesting if the Company TSR performance is below the median performance of the comparator group;
- 50% to 100% vesting if the Company TSR performance is at or above the median performance of the comparator group, but below the 75th percentile performance of the comparator group; and
- 100% vesting if the Company TSR performance is at or above the 75th percentile performance of the comparator group.

Under the LTI Plan there will be a straight line pro-rata vesting of Performance Rights where the Company's TSR performance is between the median and 75th percentile performance.

For these purposes, the comparator group is as follows, provided that it will not include any company that suffers an insolvency event, undertakes a material merger or acquisition or is delisted from the ASX during the performance period:

Alacer Gold Corp. (ASX:AQG)	Newcrest Mining Limited (ASX:NCM)
Alumina Limited (ASX:AWC)	Northern Star Resources Limited (ASX:NST)
Ausdrill Limited (ASX:ASL)	OceanaGold Corporation (ASX:OGC)
Beadell Resources Limited (ASX:BDR)	Orocobre Limited (ASX:ORE)
BHP Billiton Limited (ASX:BHP)	OZ Minerals Limited (ASX:OZL)
BlueScope Steel Limited (ASX:BSL)	Perseus Mining Limited (ASX:PRU)
Dacian Gold Limited (ASX:DCN)	Pilbara Minerals Limited (ASX:PLS)
Evolution Mining Limited (ASX:EVN)	Regis Resources Limited (ASX:RRL)
Fortescue Metals Group Limited (ASX:FMG)	Resolute Mining Limited (ASX:RSG)
Galaxy Resources Limited (ASX:GXY)	Rio Tinto Limited (ASX:RIO)
Gold Road Resources Limited (ASX:GOR)	Sandfire Resources NL (ASX:SFR)
Iluka Resources Limited (ASX:ILU)	Saracen Mineral Holdings Limited (ASX:SAR)
Imdex Limited (ASX:IMD)	Silver Lake Resources Limited (ASX:SLR)
Independence Group NL (ASX:IGO)	Sims Metal Management Limited (ASX:SGM)

Lynas Corporation Limited (ASX:LYC)	South32 Limited (ASX:S32)
MACA Limited (ASX:MLD)	St Barbara Limited (ASX:SBM)
Magnis Resources Limited (ASX:MNS)	Syrah Resources Limited (ASX:SYR)
Metals X Limited (ASX:MLX)	Western Areas Limited (ASX:WSA)
Minerals Resources Limited (ASX:MIN)	Westgold Resources Limited (ASX:WGX)

## **2. Absolute TSR Performance Hurdle**

The portion of Performance Rights subject to the Absolute TSR Performance Hurdle will only vest and become exercisable into Shares at the end of the Performance Period if the Company's Absolute TSR outcome is between the threshold and maximum performance TSR targets, being 8.5% and 18.8% respectively of the compound annualised growth rate, as set by the Board for the Performance Period ("**Absolute TSR Performance Hurdle**"). The entire annual allocation will vest if the Company's Absolute TSR outcome is above maximum performance. The percentage of Performance Rights subject to the Absolute TSR Performance Hurdle that vest will be determined by reference to the following vesting schedule:

- 0% vesting if the Company Absolute TSR outcome is at or below threshold performance;
- 50% to 100% vesting if the Company Absolute TSR outcome is between threshold and maximum performance; and
- 100% vesting if the Company Absolute TSR outcome is above maximum performance.

There will be a straight line pro-rata vesting of Performance Rights where the Company's Absolute TSR outcome is between threshold and maximum performance.

### ***Vesting and testing***

The performance period will run from 1 January 2018 to 31 December 2020.

The Plan Committee will test performance against the Performance Hurdles to determine whether the Performance Rights are eligible to vest shortly after the end of the Performance Period.

If the Performance Hurdles are not satisfied on the Performance Date, the Performance Rights will lapse unless the Plan Committee exercises its discretion to waive the Performance Hurdle in whole or in part.

There is no re-testing of the Performance Hurdles.

The number of Performance Rights which vest is determined by assessing the performance of the Company against the Relative TSR Performance Hurdle and Absolute TSR Performance Hurdle outlined above.

The VWAP of the Shares in the one-month preceding the Performance Date compared to the VWAP of the Shares in the one month preceding the commencement of the Performance Period (which commences on 1 January 2018), will be used in calculating TSR over the three year Performance Period. The TSR incorporates capital returns as well as dividends notionally reinvested and is considered the most appropriate means of measuring the Company's performance.

### ***Issue of Shares on vesting of Performance Rights***

Under the LTI Plan, the Company is required to issue, or procure the transfer of, Shares to Mr Verner (or his nominee) in respect of Performance Rights for nil cash consideration on:

- (a) the satisfaction of the Performance Hurdles (to the extent of the satisfaction of those hurdles) for the relevant Performance Period provided that, except were Mr Verner is a 'good leaver', Mr Verner remains employed by the Company; or
- (b) the occurrence of a corporate control event,

and conditional up the Company's receipt of a valid notice of exercise.

### **Cessation of employment**

Where Mr Verner ceases employment as a 'bad leaver' (which includes by resignation or dismissal for cause or poor performance), unvested Performance Rights will immediately lapse. Any vested Performance Rights may be exercised within 60 days of ceasing employment if permitted by the Company's securities dealing policy, or within 60 days of restrictions ceasing to apply under the Company's securities dealing policy. Vested Performance Rights that are not exercised by this time will lapse.

In all other circumstances, a pro rata portion of Unvested Performance Rights will remain on foot and will vest and become exercisable in the normal course subject to the original conditions, as though Mr Verner had not ceased employment. The remaining portion of unvested Performance Rights will lapse immediately. The remaining portion of unvested Performance Rights will lapse immediately.

However, pursuant to the LTI Plan Rules, the Plan Committee retains discretion to determine to treat any unvested Performance Rights held by the relevant Participant other than in the manner set out above if the Plan Committee determines that the relevant circumstances warrant such treatment.

### **Change of control**

If a corporate control event occurs, all Performance Rights granted will automatically vest and become exercisable into Shares, irrespective of whether Performance Hurdles have been achieved.

### **Clawback**

The Plan Committee has broad "clawback" powers to determine that the Performance Rights lapse or any Shares allocated on vesting are forfeited in certain circumstances, including for example in the case of a breach of duties to a Group company or fraud or misconduct.

### **Restrictions on dealing**

Mr Verner may not deal with, or enter into any arrangement for the purpose of hedging, Performance Rights prior to vesting and exercise.

### **Legal Requirements - ASX Listing Rule 10.14**

ASX Listing Rule 10.14 provides that a company must not permit a Director or their associates to acquire securities under an employee incentive scheme without Shareholder approval (unless an exception applies). The LTI Plan constitutes an "employee incentive scheme" under the Listing Rules.

### **Disclosures for the purposes of ASX Listing Rule 10.14**

As Mr Verner is a Director of the Company, Shareholder approval is required in respect of the proposed grant of Performance Rights to Mr Verner (or his nominee), on the terms described above.

The following disclosures are made for the purposes of Listing Rule 10.15A:

- (a) subject to Shareholder approval, the maximum number of Performance Rights to be awarded is 93,974. Subject to the satisfaction of the vesting and exercise conditions described above, Mr Verner (or his nominee) will receive one Share in the Company for each Performance Right granted;
- (b) the Performance Rights will be granted for nil cash consideration, and accordingly, no funds will be raised from the grant of the Performance Rights;
- (c) no loan will be made by the Company in relation to the grant of Performance Rights to Mr Verner;
- (d) at the 2017 annual general meeting, Shareholders approved the grant of securities to Mr Shaun Verner (or his nominee) under the LTI Plan. In accordance with those approvals, Mr Verner was granted 121,773 Performance Rights, which were acquired for nil consideration and could be exercised for nil cash consideration. The vesting conditions attached to those performance rights were described in Syrah's 2017 notice of annual general meeting and propose to be amended by Resolution 7;

- (e) at the 2017 annual general meeting, Shareholders approved the grant of securities to Mr James Askew (or his nominee) as a one-off issue of 60,790 shares, in recognition of Mr Askew assuming the role of interim Executive Chairman for the period from 5 October 2016 to 3 February 2017, until a permanent replacement Managing Director and Chief Executive Officer was appointed to the Company;
- (f) all Directors (executive or non-executive) are entitled to participate in the LTI Plan, but for the purposes of Resolution 6, the Company is only seeking to grant Performance Rights to Mr Verner (or his nominee). The other persons referred to in Listing Rule 10.14 who are entitled to participate in the LTI Plan are Mr James Askew, Mr Sam Riggall, Mr Stefano Giorgini, Mr Jose Caldeira and Ms Christina Lampe-Onnerud, being current Directors;
- (g) details of any Performance Rights issued under the LTI Plan will be published in each annual report of the Company relating to a period in which the Performance Rights have been issued;
- (h) any additional persons referred to in Listing Rule 10.14 who become entitled to participate in the LTI Plan after this Resolution is approved and who were not named in this Notice will not participate until approval is obtained under Listing Rule 10.14; and
- (i) if Shareholder approval is obtained, the Performance Rights will be granted shortly after the Meeting, but in any event no later than 3 years after the Meeting.

### **Advantages and Disadvantages**

The Board notes that there may be advantages and disadvantages to the Company and members as a result of the passing of Resolution 6. The advantages include the alignment of Mr Verner's interests with those of members, with a strong focus on the delivery of long term total shareholder return. The disadvantages include dilution to members' interest in the Company as a result of the issue of Shares on vesting of the Performance Rights. The fair value of the Performance Rights over the Performance Periods will be expensed in the Company's Consolidated Statement of Comprehensive Income.

### **Termination Benefits**

Sections 200B and 200E of the Corporations Act prohibit the Company from giving a benefit to a person who holds (or has held in the previous 3 years) a managerial or executive office with the Company or its subsidiaries, if that benefit is given in connection with that person's retirement from office and is in excess of that person's average annual base salary over the relevant period, unless the benefit is approved by Shareholders or an exemption applies.

Approval is therefore sought under sections 200E of the Corporations Act to allow for the Plan Committee to determine to accelerate vesting of some or all of Mr Verner's unvested Performance Rights in the event of cessation of any of the respective engagements of Mr Verner in certain 'good leaver' circumstances (which would otherwise be deemed, and treated as, a termination benefit). The Plan Committee would not exercise its discretion should Mr Verner cease as a 'bad leaver' (which includes by resignation or dismissal for poor performance), in which event all unvested Performance Rights would immediately lapse.

If Shareholder approval is obtained, the value of the approved benefits will be disregarded when calculating Mr Verner's termination benefits cap for the purpose of subsection 200F(2)(b) or subsection 200G(1)(c) of the Corporations Act.

The value of any benefit relating to the Performance Rights given in connection with Mr Verner ceasing to hold managerial or executive office cannot presently be ascertained. However, matters, events and circumstances that will, or are likely to, affect the calculation of that value are:

- the number of Performance Rights held by Mr Verner prior to cessation of his employment;
- the date when, and circumstances in which, Mr Verner ceases employment;

- whether Performance Hurdles are waived or (if not waived) met, and the number of Performance Rights that vest (which could be all of the Performance Rights held by Mr Verner (or his nominee)); and
- the market price of Syrah shares on ASX on the date Shares are provided to Mr Verner upon vesting of the Performance Rights.

#### **Board Recommendation**

The Board (Mr Verner abstaining) recommends that Shareholders vote in favour of Resolution 6.

### **Resolution 7: Correction of an error in the vesting schedule for 2017 Performance Rights for affected participants**

#### **Background**

In 2017, Shareholders approved the issue of 121,773 Performance Rights to Mr Shaun Verner (or his nominee) as his 2017 Long Term Incentive on the terms described in the Explanatory Statement in the 2017 Notice of Meeting. Other executives were also granted Performance Rights under the Company's LTI Plan in 2017.

The Notice of Meeting incorrectly described the terms of vesting applicable to Mr Verner's Performance Rights (**Error**).

This approval is seeking to correct the vesting schedule of 2017 Performance Rights for affected participants. The Company is aware of two participants that are affected by this Error, Mr Verner, the Company's Managing Director & CEO, and Mr Robert Schaefer, Chief Commercial Officer. The Company's records indicate that all other Performance Rights issued to other employees in 2017 were issued on the correct basis. In the unlikely event that the Company identifies any other participants affected by the Error, this approval will apply to their 2017 Performance Rights as well.

#### **Proposed correction**

The Company is seeking approval in accordance with ASX Listing Rule 6.23.4 to correct the Error so that the vesting schedule applicable to affected LTI Plan participants' 2017 Performance Rights aligns with the vesting schedule for all other executives who received grant of Performance Rights in 2017.

The correction would result in the vesting schedule applicable to all 2017 Performance Rights granted being as follows:

- 0% vesting if the Company TSR performance is below the median performance of the comparator group;
- 50% (not 0% as incorrectly stated in the 2017 notice of meeting) to 100% vesting if the Company TSR performance is at or above the median performance of the comparator group, but below the 75th percentile performance of the comparator group; and
- 100% vesting if the Company TSR performance is at or above the 75th percentile performance of the comparator group.

Under the LTI Plan there will be a straight line pro-rata vesting of Performance Rights where the Company's TSR performance is between the median and 75<sup>th</sup> percentile performance.

The vesting schedule outlined above is consistent with the vesting scheduled applied in 2016 and is consistent with the terms of the 2018 Performance Rights grants.

The terms of the 2017 Performance Rights would otherwise remain unchanged.

#### **Board Recommendation**

The Board (Mr Verner abstaining) recommends that Shareholders vote in favour of Resolution 7.

## **Resolution 8: Approval of issue of securities under the Company's new Equity Incentive Plan**

In 2018, the Company established the Equity Incentive Plan (Plan) for eligible employees.

The Plan is designed to align the interests of eligible employees with the interests of Shareholders by providing the opportunity for participants in the Plan to receive an equity interest in the Company through the granting of incentive securities subject to the achievement of conditions and the terms of the Plan.

Shareholder approval for the issue of any securities under the Plan is being sought so that the securities granted or issued by the Company under the Plan do not count towards the Company's 15% annual limit on issuing securities without shareholder approval.

ASX Listing Rule 7.1 prohibits an entity from issuing more than 15% of its securities in any 12 month period, without obtaining Shareholder approval (unless an exception applies).

ASX Listing Rule 7.2, Exception 9, provides that an issue of securities under an employee incentive scheme will not count towards the 15% placement capacity if, within 3 years before the date of the issue, holders of ordinary securities have approved the issue of securities under the scheme as an exception to ASX Listing Rule 7.1.

This approval continues for 3 years, at which time it must be renewed, or it will expire. In the absence of such an approval, issues of securities under the Plan may still be made, but must fall within the 15% placement capacity at the time of issue.

The Company previously obtained Shareholder approval of its LTI Plan in November 2015

The terms and conditions of the Plan may be summarised as follows:

### ***Offers under the Plan and eligibility***

Under the Plan, the Board may invite eligible employees (being an employee of the Group (including a Director employed in an executive capacity)) or any other person who is declared by the Board to be eligible to receive a grant of incentive securities under the Plan) to participate in a grant of incentive securities, which may comprise restricted shares, performance rights and/or options (**Incentive Securities**) and/or shares. Offers will be made to eligible employees on the terms set out in the Plan and on any additional terms as the Board determines.

### ***Vesting and exercise***

Restricted shares, options and/or performance rights granted under the Plan will vest, and in the case of options, become exercisable, where any performance condition and any other relevant conditions advised to the participant by the Board have been satisfied.

On vesting of a performance right or following the exercise of an option (as the case may be), the Board will allocate the number of shares in respect of which the performance rights have vested, or the options have been exercised. Any shares issued under the Plan will rank equally in all respects with other Shares on issue at that time (except as regards any rights attaching to such shares by reference to a record date prior to the date of their issue).

### ***Cessation of employment***

Where a participant ceases to be an employee of the Group, the Board may determine (in its absolute discretion) that some or all of a participant's Incentive Securities lapse, vest, are forfeited, are exercisable for a prescribed period (if applicable), or are no longer subject to some of the restrictions that previously applied. Alternatively, the Board may specify in any offer to the participant how the participant's Incentive Securities are to be treated on cessation of employment.

### ***Change of control***

In the event of a takeover bid, transaction, event or state of affairs that, in the Board's opinion, is likely to result in a change of control of the Company, the Board may, in its absolute discretion, determine that all or a specified number of a participant's Incentive Securities vest or cease to be subject to restrictions (as applicable).



In the event of an actual change in the control of the Company then, unless the Board determines otherwise, a pro rata portion of all unvested Incentive Securities will immediately vest or cease to be subject to restrictions (as applicable) based on the portion of the vesting period that has elapsed.

Alternatively, the Board may specify in any offer to the participant how the participant's Incentive Securities are to be treated on a change of control of the Company.

#### ***Corporate actions/reconstructions***

In accordance with the terms of the Plan, prior to the allocation of shares to a participant upon vesting of performance rights or exercise of options (as the case may be), the Board may make any adjustments it considers appropriate to the terms of a performance right and/or option granted to a participant in order to minimise or eliminate any material advantage or disadvantage to a participant resulting from a corporate action or capital reconstruction.

#### ***Dealings in Incentive Securities***

Subject to the Company's Securities Trading Policy, any dealing in respect of an Incentive Security is prohibited unless the Board determines otherwise or the dealing is required by law.

#### ***Clawback***

If, in the opinion of the Board, a participant's Incentive Securities vest or may vest as a result of the fraud, dishonesty or breach of duties or obligations of any other person, the Board may determine that Incentive Securities held on behalf of the participant will lapse or be forfeited, and/or that the participant must pay or repay as a debt proceeds from shares allocated to the participant under the Plan.

#### ***Administration of the Plan***

The Plan is administered by the Board which has the power to determine appropriate procedures for administration of the Plan including to implement an employee share trust for the purposes of delivering and holding shares on behalf of participants upon the grant or exercise of Incentive Securities (as applicable), and may delegate their power arising under the Plan.

#### ***Other Information***

No Shares or Incentive Securities have been granted to eligible employees under the Plan.

#### ***Recommendation***

The Board recommends that Shareholders vote in favour of Resolution 8.

## PROXY AND VOTING INSTRUCTIONS

1. Certain categories of persons (including Directors and the Chairman) are prohibited from voting on resolutions relating to the remuneration of Key Management Personnel, including as a proxy, in some circumstances. If you are appointing a proxy, to ensure that your vote counts, please read the instructions on the Proxy Form carefully.
2. For the purposes of the Corporations Act, the Company has determined that all securities of the Company recorded on the Company's register as at 7.00pm (AEST) on 15 May 2018 will be taken, for the purposes of the Meeting, to be held by the persons who held them at that time.
3. The details of the Resolutions contained in the Explanatory Memorandum accompanying this Notice should be read together with, and form part of, this Notice.
4. On a poll, ordinary Shareholders have one vote for every Share held.
5. A Shareholder entitled to attend and vote is entitled to appoint not more than two proxies. Where more than one proxy is appointed, each proxy must be appointed to represent a specified proportion of the Shareholder's voting rights. If the Shareholder appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half of the votes. A proxy need not be a Shareholder.
6. A proxy may be either an individual or a body corporate. If you wish to appoint a body corporate as your proxy, you must specify on the Proxy Form:
  - the full name of the body corporate appointed as proxy; and
  - the full name or title of the individual representative of the body corporate to attend the Meeting.
7. Proxy appointments in favour of the Chairman, the secretary or any Director that do not contain a direction on how to vote are intended to be voted by the proxy in favour of each of the Resolutions proposed in this Notice (subject to any application voting exclusions that apply to your proxy). You should note that if you appoint the Chairman as your proxy, or the Chairman is appointed your proxy by default, by completing and submitting the Proxy Form you will be taken to authorise the Chairman to exercise the proxy even if the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.
8. Voting exclusions apply to Resolutions 1, 5, 6, 7 and 8. If you intend to appoint a member of KMP or their Closely Related Parties as your proxy, you should read the voting exclusions carefully and ensure that you direct them how to vote on Resolutions 1, 5, 6, 7 and 8 by marking either "For", "Against" or "Abstain" on the Proxy Form.
9. Proxy Forms must be signed by a Shareholder or the Shareholder's attorney or, if a corporation, executed under seal or in accordance with section 127 of the Corporations Act, or signed by an authorised officer or agent.
10. A Proxy Form is attached. If required it should be completed, signed (and if the appointment is signed by the appointer's attorney, the original authority under which the appointment was signed or a certified copy of the authority). Proxy forms must be returned to Computershare Investor Services Pty Limited in accordance with the instructions set out in the Proxy Form by no later than 10.00am (AEST) on 15 May 2018. You may lodge your proxy form:
  - electronically via [www.investorvote.com.au](http://www.investorvote.com.au); for intermediary online subscribers only (custodians) – please visit [www.intermediaryonline.com](http://www.intermediaryonline.com)
  - by hand delivery to Computershare Investor Services Pty Ltd, Yarra Falls, 452 Johnston Street, Abbotsford, Victoria 3067;
  - by post to Computershare Investor Services Pty Ltd, GPO Box 242, Melbourne, Victoria 3001; or
  - by fax to 1800 783 447 (within Australia), or +61 3 9473 2555 (outside Australia).

## GLOSSARY

The following terms have the following meanings in this Explanatory Memorandum:

“\$” means Australian Dollars;

“**Annual Report**” means the Directors’ Report, the Financial Report, and Auditor’s Report, in respect of the year ended 31 December 2017;

“**ASIC**” means the Australian Securities and Investments Commission;

“**associate**” has the meaning given to it in the Listing Rules;

“**ASX**” means ASX Limited ABN 98 008 624 691 or the Australian Securities Exchange, as the context requires;

“**Auditor’s Report**” means the auditor’s report on the Financial Report, in respect of the year ended 31 December 2017;

“**AEST**” means Australian Eastern Standard Time;

“**Board**” means the Directors acting as the board of Directors of the Company;

“**Chairman**” means the person appointed to chair the Meeting of the Company convened by the Notice;

“**Closely Related Party**” has the meaning given in section 9 of the Corporations Act;

“**Company**” or “**Syrah**” means Syrah Resources Limited ABN 77 125 242 284;

“**Constitution**” means the constitution of the Company as at the date of the Meeting;

“**Corporations Act**” means the *Corporations Act 2001* (Cth);

“**Director**” means a Director of the Company;

“**Directors’ Report**” means the annual directors’ report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities, in respect of the year ended 31 December 2017;

“**Explanatory Memorandum**” means the explanatory memorandum which forms part of the Notice;

“**Financial Report**” means the financial report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities, in respect of the year ended 31 December 2017;

“**Group**” means the Company and its subsidiaries;

“**KMP or Key Management Personnel**” means 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 Listing Rules of the ASX;

“**LTI Plan**” means the Long Term Incentive Plan governed under the *Syrah Resources Limited – Long Term Incentive Plan Rules*;

“**Meeting**” the Annual General Meeting of Shareholders of the Company referred to in the introductory paragraph of the Notice;

“**NED**” means each of the non-executive Directors of the Company;

“**Notice**” means the Notice of Meeting accompanying this Explanatory Memorandum;

“**Performance Date**” means the final day of the Performance Period;

“**Performance Hurdles**” has the meaning given to it in the Explanatory Memorandum;

“**Performance Period**” means the period under which the Performance Hurdle is assessed in relation to the Performance Rights, being 3 years from the date of grant of the Performance Rights;

**"Performance Rights"** means options to acquire Shares (on a one for one basis), proposed to be granted on the terms and conditions set out in Resolution 6;

**"Plan Committee"** means the committee which has been delegated power by the Board to administer the LTI Plan or, if there has been no delegation, the Board;

**"Proxy Form"** means the proxy form attached to the Notice;

**"Remuneration and Nomination Committee"** means the Remuneration and Nomination Committee of the Company;

**"Remuneration Report"** means the remuneration report, which forms part of the Directors' Report and which is set out in the Annual Report;

**"Resolution"** means a resolution referred to in the Notice;

**"Share"** means a fully paid ordinary share in the capital of the Company;

**"Shareholder"** means shareholder of the Company;

**"VWAP"** means the volume weighted average price of the shares in the Company.



**Lodge your proxy:**



**Online:**

[www.investorvote.com.au](http://www.investorvote.com.au)



**By Mail:**

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

Alternatively you can fax your form to  
(within Australia) 1800 783 447  
(outside Australia) +61 3 9473 2555

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

**For all enquiries call:**

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

## Proxy Form



### Lodge proxy and view the annual report online

- Go to [www.investorvote.com.au](http://www.investorvote.com.au) or scan the QR Code with your mobile device.
- Follow the instructions on the secure website to vote.

### Your access information that you will need to lodge your proxy:

**Control Number: 181489**

**SRN/HIN:**

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

**For your proxy to be effective it must be received by 10.00am (AEST) on Tuesday 15 May 2018**

### How to Vote on Items of Business

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

#### Appointment of Proxy

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

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

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

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

**Appointing the Chairman as proxy:** If you wish to appoint the Chairman of the Meeting as your proxy, mark the first box in Step 1. If you leave Step 1 blank, or you direct your proxy how to vote and your proxy does not attend the meeting or does not vote on a poll in accordance with your instructions, the Chairman of the Meeting will become your proxy by default.

### Signing Instructions for Postal Forms

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

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

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

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

### Attending the Meeting

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

**GO ONLINE TO LODGE YOUR PROXY,  
or turn over to complete the form →**



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

# Proxy Form

Please mark ☒ to indicate your directions

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

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

☐

the Chairman  
of the Meeting **OR**



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

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the Meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Syrah Resources Limited to be held at the RACV Club, Level 2, Bourke Rooms 1 & 2, 501 Bourke Street, Melbourne, Victoria, 3000 on Thursday, 17 May 2018 at 10.00am (AEST) and at any adjournment or postponement of that Meeting.

**Chairman authorised to exercise undirected proxies on remuneration related resolutions:** Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), by completing and submitting this form, I/we expressly authorise the Chairman to exercise my/our proxy on Resolutions 1, 5, 6, 7 and 8 (except where I/we have indicated a different voting intention below) even though Resolutions 1, 5, 6, 7 and 8 are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

**Important Note:** If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Resolutions 1, 5, 6, 7 and 8 by marking the appropriate box in step 2 below.

## STEP 2 Items of Business



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

		For	Against	Abstain
Resolution 1	Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Re-election of Mr Jose Caldeira as a Director of the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Election of Mr Stefano Giorgini as a Director of the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Ratification of Prior Issue of Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Approval to issue 42,220 fully paid ordinary Shares to Mr Shaun Verner (or his nominee) comprising half Mr Verner's 2017 Short Term Incentive	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Approval to grant Performance Rights to Mr Shaun Verner (or his nominee) as his 2018 Long Term Incentive	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7	Correction of error in the vesting schedule for certain 2017 Performance Rights	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 8	Approval of issue of securities under the Company's new Equity Incentive Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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

## SIGN

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

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact  
Name

\_\_\_\_\_

Contact  
Daytime  
Telephone

\_\_\_\_\_

Date

/ /