



ACN 116 800 269

## NOTICE OF ANNUAL GENERAL MEETING

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**TIME:** 11.00 am (WST)  
**DATE:** Thursday, 27 November 2014  
**PLACE:** Level 7  
1008 Hay Street  
Perth, Western Australia

*This Notice of Annual General Meeting 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.*

***Should you wish to discuss any matter please do not hesitate to contact the Company by telephone on (08) 9389 2000.***

## **NOTICE OF ANNUAL GENERAL MEETING**

Notice is hereby given that an annual general meeting of Shareholders of Erin Resources Limited (**Company**) will be held at Level 7, 1008 Hay Street, Perth, Western Australia on Thursday 27 November 2014 at 11.00 am (WST) (**Meeting**).

The business of this meeting affects your shareholding and your vote is important.

The Explanatory Memorandum provides additional information on matters to be considered at the Meeting. The Explanatory Memorandum and the Proxy Form form part of this Notice.

The Directors have determined pursuant to regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered as Shareholders on Tuesday 25 November 2014 at 5.00 pm (WST).

### **Voting in person**

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

### **Voting by proxy**

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

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

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

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

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

Further details on these changes are set out below.

### ***Proxy vote if appointment specifies way to vote***

Section 250BB(1) of the Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, **if it does**:

- the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (ie as directed); and

- 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; and
- 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 (ie as directed); and
- 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 (ie as directed).

***Transfer of non-chair proxy to chair in certain circumstances***

Section 250BC of the Corporations Act provides that, if:

- an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's members; and
- the appointed proxy is not the chair of the meeting; and
- at the meeting, a poll is duly demanded on the resolution; and
- either of the following applies:
  - the proxy is not recorded as attending the meeting; or
  - 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.

Terms and abbreviations used in this Notice and Explanatory Memorandum are defined in Schedule 1.

## **AGENDA**

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### **1. Annual Report**

To receive and consider the Annual Report of the Company and its controlled entities for the year ended 30 June 2014, which includes the Financial Report, the Remuneration Report, the Directors' Report and the Auditor's Report, together with the declaration of the Directors.

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### **2. Resolution 1 – Adoption of Remuneration Report**

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

*"That for the purposes of Section 250 R(2) of the Corporations Act and for all other purposes the Remuneration Report as contained in the Company's Annual Report be adopted by the Shareholders."*

**Voting Prohibition Statement:**

In accordance with section 250R of the Corporations Act, a vote on this Resolution must not be cast (in any capacity) by or on behalf of a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such member.

However, a vote may be cast by a person described above, as a proxy, if the vote is not cast on behalf of a person who is excluded from voting on this Resolution (i.e. described above), and:

- (a) the person is appointed as proxy by writing that specifies the way the proxy is to vote on the Resolution; or
- (b) the person is the Chairman and the appointment of the Chairman as proxy does not specify the way the proxy is to vote on this Resolution, and expressly authorises the Chairman to exercise the proxy even if this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

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### **3. Resolution 2 – Re-election of Director – Mr Brett Mitchell**

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

*"That in accordance with clause 13.2 of the Constitution, ASX Listing Rule 14.4 and for all other purposes, Mr Brett Mitchell, a Director, retire by rotation and, being eligible, be re-elected as a Director on the terms and conditions in the Explanatory Memorandum."*

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### **4. Resolution 3 – Election of Director – Mr Nicholas Castleden**

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

*"That in accordance with article 13.2 of the Constitution, ASX Listing Rule 14.4 and for all other purposes, Mr Nicholas Castleden, a Director who was appointed on 12 May 2014, retire and, being eligible, be elected as a Director on the terms and conditions in the Explanatory Memorandum."*

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### **5. Resolution 4 – Approval of Placement Facility**

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

*"That for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the issue of up to 100,000,000 Shares (**Placement Shares**) on the terms and conditions in the Explanatory Memorandum."*

#### **Voting Exclusion**

The Company will disregard any votes cast on this resolution by a person who may participate in the issue of the Placement Shares and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the resolution is passed, and any associates of that person. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides..

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### **6. Resolution 5 – Approval of 10% Placement Facility**

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

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

**Voting Exclusion**

The Company will disregard any votes cast on this Resolution by a person (and any associates of such a person) who may participate in the 10% Placement Facility and a person who might obtain a benefit if this Resolution is passed, except a benefit solely in the capacity of a holder of Shares, and any associate of that person (or those persons). However, the Company will not disregard a vote if:

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

Dated 24 October 2014

**BY ORDER OF THE BOARD**

A handwritten signature in black ink, appearing to read 'Brett Mitchell', with a stylized flourish at the end.

**Brett Mitchell**  
Executive Director

## EXPLANATORY MEMORANDUM

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### 1. Introduction

This Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be conducted at the Meeting to be held at Level 7, 1008 Hay Street, Perth, Western Australia on Thursday 27 November 2014 at 11.00 am (WST).

The Explanatory Memorandum should be read in conjunction with and forms part of the accompanying Notice. The purpose of the Explanatory Memorandum is to provide information to Shareholders in deciding whether or not to pass the Resolutions.

A Proxy Form is located at the end of the Explanatory Memorandum.

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### 2. Action to be taken by Shareholders

Shareholders should read the Notice (including the Explanatory Memorandum) carefully before deciding how to vote on the Resolutions.

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### 3. Annual Report

In accordance with section 317 of the Corporations Act, the business of the Meeting will include receipt and consideration of the Annual Report and Shareholders will be offered the opportunity to discuss the Annual Report, including the Financial Report, the Directors' Report and the Auditor's Report for the financial year ended 30 June 2014.

There is no requirement for Shareholders to approve the Annual Report.

At the Meeting, Shareholders will be offered the opportunity to:

- (a) discuss the Annual Report which is available online at <http://www.erinresources.com.au>;
- (b) ask questions about, or comment on, the management of the Company;
- (c) ask questions about, or comment on, the Remuneration Report; and
- (d) ask the auditor questions about:
  - (i) the conduct of the audit;
  - (ii) the preparation and content of the Auditor's Report;
  - (iii) the accounting policies adopted by the Company in relation to the preparation of the financial statements; and
  - (iv) the independence of the auditor in relation to the conduct of the audit.

In addition to taking questions at the Meeting, written questions to the Chairman about the management of the Company, or to the Company's auditor about:

- (a) the content of the Auditor's Report; or
- (b) the conduct of the audit of the Financial Report,

may be submitted no later than 5 business days before the Meeting to the Company Secretary at the Company's registered office.

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## 4. Resolution 1 – Adoption of Remuneration Report

In accordance with subsection 250R(2) of the Corporations Act, the Company must put the Remuneration Report to the vote of Shareholders. The Directors' Report contains the Remuneration Report which sets out the remuneration policy for the Company and the remuneration arrangements in place for the Executive Directors, specified executives and Non-Executive Directors.

In accordance with subsection 250R(3) of the Corporations Act, Resolution 1 is advisory only and does not bind the Directors or the Company. If Resolution 1 is not passed, the Directors will not be required to alter any of the arrangements in the Remuneration Report.

### 4.1 Voting consequences

Under changes to the Corporations Act which came into effect on 1 July 2011, a company is required to put to its shareholders a resolution proposing the calling of another meeting of shareholders to consider the appointment of directors of the company (**Spill Resolution**) if, at consecutive annual general meetings, at least 25% of the votes cast on a remuneration report resolution are voted against adoption of the remuneration report and at the first of those annual general meetings a Spill Resolution was not put to vote. If required, the Spill Resolution must be put to vote at the second of those annual general meetings.

If more than 50% of votes cast are in favour of the Spill Resolution, the company must convene a shareholder meeting (Spill Meeting) within 90 days of the second annual general meeting.

All of the directors of the company who were in office when the directors' report (as included in the company's annual financial report for the most recent financial year) was approved, other than the managing director of the company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting.

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

### 4.2 Previous voting results

At the Company's previous annual general meeting the votes cast against the remuneration report considered at that annual general meeting were less than 25%. Accordingly, the Spill Resolution is not relevant for this Annual General Meeting.

### 4.3 Proxy voting restrictions

Shareholders appointing a proxy for this Resolution should note the following:

Proxy	Directions given	No directions given
Key Management Personnel <sup>1</sup>	Vote as directed	Unable to vote <sup>3</sup>
Chair <sup>2</sup>	Vote as directed	Able to vote at discretion of Proxy <sup>4</sup>
Other	Vote as directed	Able to vote at discretion of Proxy

Notes:

<sup>1</sup> Refers to Key Management Personnel (other than the Chair) whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such a member.

<sup>2</sup> Refers to the Chair (where he/she is also a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report), or a Closely Related Party of such a member).

<sup>3</sup> Undirected proxies granted to these persons will not be voted and will not be counted in calculating the required majority if a poll is called on this Resolution.

<sup>4</sup> The Proxy Form notes it is the Chair's intention to vote all undirected proxies in favour of all Resolutions.

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## 5. Resolution 2 – Re-election of Director – Mr Brett Mitchell

Listing Rule 14.4 provides that a director of a company must not hold office (without re-election) past the third Annual General Meeting following the director's appointment or 3 years, whichever is the longer.

Clause 13.2 of the Constitution provides that:

- (a) at the Company's annual general meeting in every year, one-third of the Directors for the time being, or, if their number is not a multiple of 3, then the number nearest one-third (rounded upwards in case of doubt) shall retire from office, provided always that no Director (except a Managing Director) shall hold office for a period in excess of 3 years, or until the third annual general meeting following his or her appointment, whichever is the longer, without submitting himself or herself for re-election;
- (b) the Directors to retire at an annual general meeting are those who have been longest in office since their last election, but, as between persons who became Directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by drawing lots;
- (c) a Director who retires by rotation under clause 13.2 of the Constitution is eligible for re-election; and
- (d) in determining the number of Directors to retire, no account is to be taken of:
  - (i) a Director who only holds office until the next annual general meeting pursuant to clause 13.4 of the Constitution; and/ or
  - (ii) a Managing Director.

The Company currently has three (3) Directors and accordingly one (1) must retire.

Brett Mitchell, the Director longest in office since his last election, retires by rotation and seeks re-election. A short resume for Mr Brett Mitchell is included in the Directors' Report. Resolution 2 is an ordinary resolution. The Board supports the re-election of Mr Mitchell.

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## **6. Resolution 3 – Election of Director – Mr Nicholas Castleden**

Clause 13.4 of the Constitution allows the Directors to appoint at any time a person to be a Director as an addition to the existing Directors, but only where the total number of Directors does not at any time exceed the maximum number specified by the Constitution.

In accordance with Listing Rule 14.4 and the Constitution, any Director so appointed holds office only until the next following Annual General Meeting and is then eligible for re-election.

Mr Nicholas Castleden, having been appointed as a Director on 12 May 2014, will retire in accordance with clause 13.4 of the Constitution and Listing Rule 14.4 and, being eligible, seek re-election. A short resume for Mr Nicholas Castleden is included in the Directors' Report.

Resolution 3 is an ordinary resolution. The Board supports the re-election of Mr Castleden.

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## **7. Resolution 4 – Approval of Placement Facility**

### **7.1 General**

Resolution 4 seeks Shareholder approval pursuant to Listing Rule 7.1 for the issue of up to 100,000,000 Shares each at an issue price of not less than 80% of the volume weighted average price of Shares for the last five days on which sales of Shares are recorded before the day on which the issue will be made or, if there is a prospectus relating to the issue, over the last five days on which sales of Shares are recorded before the date the prospectus is signed (**Placement Shares**).

The funds raised from the issue of the Placement Shares would be used to fund the additional exploration activities at the Company's priority Lingokoto and Maleko gold exploration projects in Senegal, and for general working capital purposes.



## 7.2 Listing Rule 7.1

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

The effect of Resolution 4 will be to allow the Directors to issue the Placement Shares during the period of three months after the Meeting (or a longer period if allowed by ASX) without using the Company's 15% annual placement capacity.

Resolution 4 is an ordinary resolution.

## 7.3 Specific information required by Listing Rule 7.3

Pursuant to and in accordance with Listing Rule 7.3, information is provided in relation to the approval of the issue of the Placement Shares as follows:

- (a) The maximum number of Shares to be issued is 100,000,000.
- (b) The Company will issue and allot the Placement Shares no later than three months after the date of the Meeting (or such longer period of time as ASX may in its discretion allow).
- (c) The Shares will be allotted at an issue price of not less than 80% of the volume weighted average price of Shares calculated over the last five days on which sales of Shares are recorded before the day on which the issue will be made or, if there is a prospectus relating to the issue, over the last five days on which sales of the Shares are recorded before the date the prospectus is signed.
- (d) The Shares issued will be fully paid ordinary shares in the capital of the Company and rank equally in all respects with the Company's existing Shares on issue.
- (e) The Shares will be issued to professional and sophisticated investors of the Company to whom the issue of Shares does not require a disclosure document under Section 708 of the Corporations Act. None of the subscribers will be related parties of the Company.
- (f) The funds raised from the issue of the Placement Shares will be used to fund the additional exploration activities at the Company's priority Lingokoto and Maleko gold exploration projects in Senegal, and for general working capital purposes.
- (g) The allotment of the Placement Shares may occur progressively.
- (h) A voting exclusion statement is included in the Notice.

## 7.4 Dilution

Set out below is a worked example of the number of Shares that may be issued under Resolution 4.

Maximum number of Shares which the Company could issue pursuant to Resolution 4	Current Shares on issue*	Increased number of Shares on issue assuming the Company issued the maximum amount pursuant to Resolution 4	Approximate Dilution effect on existing Shareholders
100,000,000	257,707,934	357,707,934	27.96%

\*Taken from last Appendix 3B filed with ASX

Assuming no Options are exercised or other Shares issued and the maximum number of Shares as approved under Resolution 4 are issued, the number of Shares on issue would increase from 257,707,934 (being the number of Shares on issue as at the date of this Notice) to 357,707,934 and the shareholding of existing Shareholders would be diluted by approximately 27.96%.

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## 8. Resolution 5 – Approval of 10% Placement Facility

### 8.1 General

Listing Rule 7.1A enables an eligible entity to seek Shareholder approval at its annual general meeting to allow for the issue of Equity Securities up to 10% of its issued share capital through placements over a 12 month period after the annual general meeting (**10% Placement Facility**). The 10% Placement Facility is in addition to 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 capitalization 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 \$1,803,956.

If Shareholders approve Resolution 5, the number of Equity Securities the Eligible Entity may issue under the 10% Placement Capacity will be determined in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 (as set out in section 8.2 below).

The effect of Resolution 5 will be to allow the Company to issue Equity Securities up to 10% of the Company's fully paid ordinary securities on issue under the 10% Placement Capacity during the period up to 12 months after the Meeting, without subsequent Shareholder approval and without using the Company's 15% annual placement capacity granted under Listing Rule 7.1.

As disclosed in the Company's announcements to the ASX, the Company has undertaken significant exploration activities on its acquired Senegalese gold exploration properties during 2013/14 and is focused on developing these assets. The Company may use the funds raised from the issue of Equity Securities under the 10% Placement Facility to further develop these assets and potentially acquire new resource assets or investments.

The Board unanimously recommends that Shareholders vote in favour of Resolution 5.

Resolution 5 is a special resolution and therefore requires approval of at least 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

### 8.2 Description of Listing Rule 7.1 A

#### a) Shareholder approval

The ability to issue Equity Securities under the 10% Placement Facility is subject to Shareholder approval by way of a special resolution at an Annual General Meeting.

#### b) Equity Securities

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

The Company, as at the date of the Notice, has on issue two classes of quoted Equity Securities, Shares (240,539,584) and Listed Options (119,344,890).

#### c) Formula for calculating 10% Placement Facility

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

#### (A x D) - E

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

(A) plus the number of fully paid shares issued in the 12 months under an exception in Listing Rule 7.2;

- (B) plus the number of partly paid shares that become fully paid in the 12 months;
  - (C) plus the number of fully paid shares issued in the 12 months with approval of holders of shares under Listing Rule 7.1 or 7.4. This does not include an issue of fully paid shares under the entity's 15% placement capacity without shareholder approval;
  - (D) less the number of fully paid shares cancelled in the 12 months.
- Note: that A has the same meaning in Listing Rule 7.1 when calculating an entity's 15% placement capacity.

**D** is 10%.

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

**d) Listing Rule 7.1 and Listing Rule 7.1A**

The ability of an entity to issue Equity Securities under Listing Rule 7.1A is in addition to the entity's 15% placement capacity under Listing Rule 7.1.

At the date of the Notice, the current number of ordinary securities for variable "A" calculated in accordance with the formula in Listing Rule 7.1A(2) is 257,707,934 Shares and therefore the Company has a capacity to issue, subject to Shareholder approval being received under Resolution 5, 25,770,793 Equity Securities under Listing Rule 7.1A. See table at 7.4(b) below for further details, note that the table below also takes into account the Shares to be issued pursuant to Resolution 4.

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 8.2(c) above).

**e) Minimum Issue Price**

The issue price of Equity Securities issued under Listing Rule 7.1A must be not less than 75% of the VWAP of Equity Securities in the same class calculated over the 15 Trading Days 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 Trading Days of the date in paragraph 8.2(e)(i) above, the date on which the Equity Securities are issued.

**f) 10% Placement Period**

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

- (i) the date that is 12 months after the date of the Annual General Meeting at which the approval is obtained; or
- (ii) the date of the approval by Shareholders of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking) (after which date, an approval under Listing Rule 7.1A ceases to be valid),

or such longer period as allowed by ASX (**10% Placement Period**).

### **8.3 Specific information required by Listing Rule 7.3A**

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

- (a) The Equity Securities will be issued at an issue price of not less than 75% of the VWAP for the Company's Equity Securities over the 15 Trading Days immediately before:
  - (i) the date on which the price at which the Equity Securities are to be issued is agreed; or

- (ii) if the Equity Securities are not issued within 5 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.
- (b) 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 Resolutions 4 and 5 are 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. There is a risk that:
- (i) the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date of the Meeting; and
- (ii) the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities (in the same class) on the issue date or the Equity Securities are issued as part of consideration for the acquisition of a new asset,
- which may have an effect on the amount of funds raised by the issue of the Equity Securities.
- (c) The below table shows the dilution of existing Shareholders on the basis of the current market price of Shares and the current number of ordinary securities together with the Shares to be issued pursuant to Resolution 4 for variable "A", calculated in accordance with the formula in Listing Rule 7.1A(2) as at the date of this Notice.
- (d) The table also shows:
- (i) two examples where variable "A" has increased, by 50% and 100%. Variable "A" is based on the number of ordinary securities the Company has on issue as at the date of this Notice, together with the Shares to be issued pursuant to Resolution 4. The number of ordinary securities on issue may increase as a result of issues of ordinary securities that do not require Shareholder approval (for example, a pro rata entitlements issue or scrip issued under a takeover offer) or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders' meeting; and
- (ii) two examples of where the issue price of ordinary securities has decreased by 50% and increased by 50% as against the current market price.

Variable "A" in Listing Rule 7.1A.2		Dilution		
		\$0.00350 50% decrease in Issue Price	\$0.00700* Issue Price	\$0.01400 100% increase in Issue Price
Current Variable A 357,707,934	10% voting Dilution	35,770,793 shares	35,770,793 shares	35,770,793 shares
	Funds Raised	\$125,198	\$250,396	\$500,791
50% increase in current Variable A 536,561,901	10% voting Dilution	53,656,190 shares	53,656,190 shares	53,656,190 shares
	Funds Raised	\$187,797	\$375,594	\$751,187
100% increase in current Variable A 715,415,868	10% voting Dilution	71,541,587 shares	71,541,587 shares	71,541,587 shares
	Funds Raised	\$250,396	\$500,791	\$1,001,582

The table has been prepared on the following assumptions:

- The Company issues the maximum number of Equity Securities available under the 10% Placement Facility.
- No Listed Options (including any Listed Options issued under the 10% Placement Facility) are exercised into Shares before the date of issue of the Equity Securities.
- 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%.
- The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on that Shareholder's holding at the date of the Meeting.
- The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.
- The issue of Equity Securities under the 10% Placement Facility consists only of Shares. If the issue of Equity Securities includes Listed Options, it is assumed that those Listed Options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.
- The issue price is \$0.007, being the closing price of the Shares on the ASX on 23 October 2014.

- (e) The Company will only issue the Equity Securities during the 10% Placement Period. The approval under Resolution 5 for the issue of the Equity Securities will cease to be valid in the event that Shareholders approve a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or Listing Rule 11.2 (disposal of main undertaking).
- (f) The Company may seek to issue the Equity Securities for the following purposes:
  - (i) non-cash consideration for the acquisition of the new resources assets and investments. In such circumstances the Company will provide a valuation of the non-cash consideration as required by Listing Rule 7.1A.3; or
  - (ii) cash consideration. In such circumstances, the Company intends to use the funds raised to further develop the Senegal assets and potentially acquire, explore and develop new resource assets or investments.
- (g) The Company will comply with the disclosure obligations under Listing Rules 7.1A(4) and 3.10.5A upon issue of any Equity Securities.
- (h) The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility. The identity of the allottees of Equity Securities will be determined on a case-by-case basis having regard to factors, including but not limited to the following:
  - (i) the methods of raising funds that are available to the Company, including but not limited to, rights issues or other issues in which existing security holders can participate;
  - (ii) the effect of the issue of the Equity Securities on the control of the Company;
  - (iii) the financial situation and solvency of the Company; and
  - (iv) advice from corporate, financial and broking advisors (if applicable).
- (i) The allottees under the 10% Placement Facility have not been determined as at the date of this Notice but may include existing substantial Shareholders and/or new Shareholders who are not related parties or associates of a related party of the Company.
- (j) Further, if the Company is successful in acquiring new resources assets or investments, it is likely that the allottees under the 10% Placement Facility could be the vendors of the new resources assets or investments.
- (k) The Company has previously obtained Shareholder approval under Listing Rule 7.1A at its annual general meeting held on 26 November 2013.
- (l) A voting exclusion statement is included in the Notice.
- (m) In the 12 months preceding the date of this Notice, the Company issued a total of 166,354,246 Equity Securities which represents 107.6% of the total number of Equity Securities on issue at 21 October 2013. The Equity Securities issued in the preceding 12 months were as shown in Schedule 2.
- (n) The Company's cash balance on 31 October 2013 was approximately \$454,589. Cash raised from issues in the previous 12 months totals \$1,030,833. The Company's cash balance at the date of this Notice is approximately \$244,586. Funds expended during the 12 months have been on exploration, evaluation and development of the Company's projects (including drilling, seismic surveys, geology, geophysics and geochemistry costs and camp and site costs), community, environmental, legal and regulatory expenses, employee and consultant costs and general working capital. The remaining funds of \$244,586 are intended to be used for further exploration activities and general working capital.
- (o) At the date of the Notice, the Company has not approached any particular existing Shareholder or security holder or an identifiable class of existing security holder to participate in the issue of the Equity Securities. No existing Shareholder's votes will therefore be excluded under the voting exclusion in the notice.

## Schedule 1 – Definitions

In the Notice, words importing the singular include the plural and vice versa.

**\$** means Australian Dollars.

**10% Placement Facility** has the meaning given in Section 8.1.

**10% Placement Period** has the meaning given in Section 8.2(f).

**Annual Report** means the Directors' Report, the Financial Report, and Auditor's Report, in respect to the financial year ended 30 June 2014.

**ASIC** means Australian Securities and Investments Commission.

**ASX** means ASX Limited (ACN 008 624 691) and, where the context permits, the Australian Securities Exchange operated by ASX.

**Auditor's Report** means the auditor's report on the Financial Report.

**Board** means the board of Directors.

**Chairman** means the person appointed to chair the Meeting convened by this Notice.

**Closely Related Party** of a member of the Key Management Personnel means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependant of the member or of the member's spouse;
- (d) 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 Company; or
- (e) a company the member controls.

**Constitution** means the constitution of the Company as at the commencement 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.

**Equity Security** has the same meaning as in the Listing Rules.

**Erin and Company** means Erin Resources Limited ACN 116 800 269.

**Explanatory Memorandum** means the explanatory memorandum which forms part of the Notice.

**Financial Report** means the annual financial report prepared under Chapter 2M of the Corporations Act of the Company and its controlled entities (if any).

**Key Management Personnel** means those persons having authority and responsibility for planning, directing and controlling the activities of the Company (and its controlled entities), directly or indirectly, including any Director (whether executive or otherwise) of the Company.

**Listed Option** means a listed Option exercisable at \$0.02 on or before 30 June 2015.

**Listing Rules** means the listing rules of ASX.

**Meeting** has the meaning in the introductory paragraph of the Notice.

**Notice** means this notice of meeting which comprises of the notice, agenda, Explanatory Memorandum and Proxy Form.

**Proxy Form** means the proxy form attached to the Notice.

**Remuneration Report** means the remuneration report of the Company contained in the Directors' Report.

**Resolution** means a resolution referred to in the Notice.

**Schedule** means a schedule to the Notice.

**Section** means a section of the Explanatory Memorandum.

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

**Shareholder** means a shareholder of the Company.

**Strike** means a 'no' vote of 25% or more on the resolution approving the Remuneration Report.

**Trading Day** means a day determined by ASX to be a trading day in accordance with the Listing Rules.

**VWAP** means volume weighted average price.

**WST** means Western Standard Time, being the time in Perth, Western Australia.

## Schedule 2

Date of Issue	Number of Ordinary Shares	Number of Listed Options	Number of other securities	Name of person issued to, or basis of issue	Price, amount raised and use of funds or non-cash consideration and current value of that non-cash consideration
16/04/2014	74,216,156	18,554,102	-	Issued to shareholders participating in entitlement issue	\$0.01 per share, free attaching options Funds used for priority exploration programs at Lingokoto and Bouroubourou projects, other exploration and tenement costs, general and administration costs, expenses of the offer and working capital as detailed in the Company's Prospectus dated 12/03/2014 <sup>(i)</sup>  The Listed Options are valued at \$0.0051 (totaling \$94,626) <sup>(ii)</sup>
01/05/2014	28,867,147	7,216,724	-	Issued pursuant to the underwriting agreement as detailed in the Prospectus dated 12/03/2014	\$0.01 per share, free attaching options Funds used for priority exploration programs at Lingokoto and Bouroubourou projects, other exploration and tenement costs, general and administration costs, expenses of the offer and working capital as detailed in the Company's Prospectus dated 12/03/2014 <sup>(i)</sup>  The Listed Options are valued at \$0.0051 (totaling \$36,805) <sup>(ii)</sup>
16/05/2014	-	15,000,000	-	Issued to third party consultants in lieu of cash payments	No funds were raised from the issue as the options were issued in lieu of cash payment for services provided to the Company  The Listed Options are valued at \$0.0051 (totaling \$76,500) <sup>(ii)</sup>
22/07/2014	-	-	1,750,000 unlisted options exercisable at \$0.025 expiring 30/06/2017  1,750,000 unlisted options exercisable at \$0.04 expiring 30/06/2017	Issued to Key Personnel for past and ongoing services to the Company	No funds were raised from the issue as the options were issued for services  The options exercisable at \$0.025 are valued at \$0.0082 (totaling \$14,350) <sup>(ii)</sup>  The options exercisable at \$0.04 are valued at \$0.0072 (totaling \$12,600) <sup>(ii)</sup>
17/09/2014	-	-	9,500,000 unlisted options exercisable at \$0.025 expiring 30/06/2017  9,500,000 unlisted options exercisable at \$0.04 expiring 30/06/2017	Issued to Directors (and a past Director) services to the Company	No funds were raised from the issue as the options were issued for services  The options exercisable at \$0.025 are valued at \$0.0082 (totaling \$77,900) <sup>(ii)</sup>  The options exercisable at \$0.04 are valued at \$0.0072 (totaling \$68,400) <sup>(ii)</sup>

<sup>(i)</sup> **Cash Outflows**

Directors' fees	(157,859.77)
Exploration Expenditure (Senegal project)	(550,004.62)
Capital raising cost	(104,187.38)
Professional and other consultants fees	(71,376.27)
Administration and other corporate cost	(371,685.41)
<b>Total Cash Outflows</b>	<b>(1,255,113.45)</b>
<b>Cash and cash equivalents as at 15 October 2014</b>	<b>244,586.35</b>

<sup>(ii)</sup> The value of the unlisted options is measured using the Black & Scholes option pricing model. Measurement inputs include the Share price on the measurement date, the exercise price, the term of the unlisted options, the expected volatility of the underlying Share (based on weighted average historic volatility adjusted for changes expected due to publicly available information), the expected dividend yield and the risk free interest rate for the term of the unlisted options.



The Company Secretary  
 Erin Resources Ltd

**By delivery:**

Level 7  
 1008 Hay Street  
 PERTH WA 6000

**By post:**

PO Box 7209  
 CLOISTERS SQUARE WA 6850

**By facsimile:**

+61 8 9389 2099

**By email:**

info@erinresources.com.au

**Name of Shareholder:**

**Address of Shareholder:**

**Number of Shares entitled to vote:**

Please mark  to indicate your directions. Further instructions are provided overleaf.

Proxy appointments will only be valid and accepted by the Company if they are made and received no later than 48 hours before the Meeting.

**Step 1 – Appoint a Proxy to Vote on Your Behalf**

I/We being Shareholder/s of the Company hereby appoint:

**The Chairman (mark box)**

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

or failing the person/body corporate named, or if no person/body corporate is named, the Chairman, as my/our proxy to act generally at the meeting on my/our behalf, including 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 the Company to be held at 11.00 am (WST) on Thursday 27 November 2014, at Level 7, 1008 Hay Street, Perth, Western Australia and at any adjournment or postponement of the Meeting.

If 2 proxies are appointed, the proportion or number of votes that this proxy is authorised to exercise is \* [ ]% of the Shareholder's votes\* / [ ] of the Shareholder's votes. (An additional Proxy Form will be supplied by the Company, on request).

**AUTHORITY FOR CHAIR TO VOTE UNDIRECTED PROXIES ON REMUNERATION RELATED RESOLUTIONS**

Where I/we have appointed the Chair as my/our proxy (or where the Chair becomes my/our proxy by default), I/we expressly authorise the Chair to exercise my/our proxy on Resolution 1 (except where I/we have indicated a different voting intention below) even though Resolution 1 is connected directly or indirectly with the remuneration of a member of the Key Management Personnel, which includes the Chair.

**CHAIR'S VOTING INTENTION IN RELATION TO UNDIRECTED PROXIES**

The Chair intends to vote undirected proxies in favour of all Resolutions. In exceptional circumstances the Chair may change his/her voting intention on any Resolution. In the event this occurs an ASX announcement will be made immediately disclosing the reasons for the change.

**Step 2 - Instructions as to Voting on Resolutions**

The proxy is to vote for or against the Resolutions referred to in the Notice as follows:

		<b>For</b>	<b>Against</b>	<b>Abstain*</b>
Resolution 1	Approval of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Re-election of Director – Mr Brett Mitchell	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Election of Director – Mr Nicholas Castleden	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Approval of Placement Facility	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Approval of 10% Placement Facility	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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

**Authorised signature/s**

This section **must** be signed in accordance with the instructions below to enable your voting instructions to be implemented.

**The Chairman intends to vote all available proxies in favour of each Resolution.**

Individual or Shareholder 1	Shareholder 2	Shareholder 3
<input type="text"/>	<input type="text"/>	<input type="text"/>
Sole Director and Sole Company Secretary	Director	Director/Company Secretary
_____	_____	_____
Contact Name	Contact Daytime Telephone	Date

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**Proxy Notes:**

A Shareholder entitled to attend and vote at the Meeting may appoint a person as the Shareholder's proxy to attend and vote for the Shareholder at that Meeting. If the Shareholder is entitled to cast 2 or more votes at the Meeting the Shareholder may appoint not more than 2 proxies. Where the Shareholder appoints more than one proxy the Shareholder may specify the proportion or number of votes each proxy is appointed to exercise. If such proportion or number of votes is not specified each proxy may exercise half of the Shareholder's votes. A proxy may, but need not be, a Shareholder of the Company.

If a Shareholder appoints a body corporate as the Shareholder's proxy to attend and vote for the Shareholder at the Meeting, the representative of the body corporate to attend the Meeting must produce the Certificate of Appointment of Representative prior to admission. A form of the certificate may be obtained from the Company's share registry.

You must sign this form as follows in the spaces provided:

Joint Holding: where the holding is in more than one name all of the holders must sign.

Power of Attorney: if signed under a Power of Attorney, you must have already lodged it with the registry, or alternatively, attach a certified photocopy of the Power of Attorney to this Proxy Form when you return it.

Companies: a Director can sign jointly with another Director or a Company Secretary. A sole Director who is also a sole Company Secretary can also sign. Please indicate the office held by signing in the appropriate space.

If a representative of the corporation is to attend the Meeting the appropriate 'Certificate of Appointment of Representative' should be produced prior to admission. A form of the certificate may be obtained from the Company's share registry.

Proxy Forms (and the power of attorney or other authority, if any, under which the Proxy Form is signed) or a copy or facsimile which appears on its face to be an authentic copy of the Proxy Form (and the power of attorney or other authority) must be deposited at or received by facsimile transmission at the Perth office of the Company (Level 7, 1008 Hay Street, Perth WA 6000 or by post to PO Box 7209, Cloisters Square WA 6850 or Facsimile (08) 9389 2099 if faxed from within Australia or +618 9389 2099 if faxed from outside Australia) not less than 48 hours prior to the time of commencement of the Meeting (WST).