
MINREX RESOURCES LIMITED

ACN 151 185 867

NOTICE OF ANNUAL GENERAL MEETING

The annual general meeting of the Company will be held via virtual means at Level 11, London House, 216 St Georges Terrace, Perth, Western Australia on Friday, 27 November 2020 at 12:00pm (WST).

As a result of the potential health risks and the Government restrictions in response to the coronavirus (COVID-19) pandemic, it is not practicable to host shareholders and members of the public in person at the Annual General Meeting.

MinRex will ensure that all Shareholders have a reasonable opportunity to participate in the Meeting via virtual means, and Shareholders are able to ask questions in advance of the Meeting by emailing the Company at info@minrex.com.au

Shareholders are strongly encouraged to vote by lodging the proxy form attached to the Notice

This Notice of 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 Secretary on +61 8 9481 0389.

MINREX RESOURCES LIMITED

ACN 151 185 867

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the annual general meeting of Shareholders of MinRex Resources Limited (**Company**) will be held at Level 11, London House, 216 St Georges Terrace, Perth, Western Australia on Friday, 27 November 2020 at 12:00pm (WST) (**Meeting**).

The Explanatory Memorandum to this Notice 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 Wednesday, 25 November 2020 at 5.00pm (AWST).

Terms and abbreviations used in this Notice and Explanatory Memorandum are defined in Section 12.

AGENDA

Annual Report

To table and consider the Annual Report of the Company and its controlled entities for the year ended 30 June 2020, which includes the Financial Report, the Directors' Report and the Auditor's Report.

1. 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 250R of the Corporations Act and for all other purposes, the Remuneration Report be adopted by the Shareholders on the terms and conditions in the Explanatory Memorandum."

Voting Exclusion

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

However, a person described above may cast a vote on this Resolution if the vote is not cast on behalf of a person described in subparagraphs (a) or (b) above and either:

- (c) the person does so as a proxy appointed in writing that specifies how the proxy is to vote on this Resolution; or

- (d) the person is the Chair voting an undirected proxy which expressly authorises the Chair to exercise the proxy even if this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

2. Resolution 2 – Re-election of Mr James Bahen as a Director

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

"That Mr James Bahen, who was appointed as a Director by the Board on 8 April 2020 and retires in accordance with Rule 3.3 of the Constitution, and being eligible and offering himself for re-election, is re-elected as a Director."

3. Resolution 3 – Re-election of Mr Glenn Whiddon as a Director

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

"That Mr Glenn Whiddon, who was appointed as a Director by the Board on 5 June 2020 and retires in accordance with Rule 3.3 of the Constitution, and being eligible and offering himself for re-election, is re-elected as a Director."

4. Resolution 4 – Re-election of Mr James Pearse as a Director

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

"That Mr James Pearse, who was appointed as a Director by the Board on 30 June 2020 and retires in accordance with Rule 3.3 of the Constitution, and being eligible and offering himself for re-election, is re-elected as a Director."

5. 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 the Company have the additional capacity to issue Equity Securities provided for in Listing Rule 7.1A."

6. Resolution 6 – Approval of acquisition of Sofala Projects and Sofala Farm-in Rights

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

*"That, subject to each of the other Acquisition Resolutions being passed, for the purposes of Listing Rule 7.1, and for all other purposes, Shareholders approve and authorise the issue of a total of 172,500,000 Shares (**Consideration Shares**) to the Vendors (or their nominees) as part of the consideration for the acquisition of the Sofala Projects and the Sofala Farm-in Rights and on the terms and conditions set out in the Explanatory Memorandum."*

Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of the Vendors and their nominees or a person who will obtain a material benefit as a result of the proposed issue (except a benefit solely by reason of being a Shareholder) or any associates of those persons.

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

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

7. Resolution 7 – Approval of acquisition of Sunny Corner Farm-in Rights

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

*"That, subject to each of the other Acquisition Resolutions being passed, for the purposes of Listing Rule 7.1, and for all other purposes, Shareholders approve and authorise the issue of 25,000,000 Shares (**Option Shares**) to Argent (or its nominees) as part of the consideration for the acquisition of the Sunny Corner Farm-in Rights and on the terms and conditions set out in the Explanatory Memorandum."*

Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of Argent and its nominees or a person who will obtain a material benefit as a result of the proposed issue (except a benefit solely by reason of being a Shareholder) or any associates of those persons.

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

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

8. Resolution 8 – Approval to issue Placement Securities

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

“That, subject to each of the other Acquisition Resolutions being passed, for the purposes of Listing Rule 7.1 and for all other purposes, Shareholders approve and authorise the issue to the Placement Participants of up to:

- (a) *145,000,000 Shares each at an issue price of \$0.020; and*
- (b) *72,500,000 Placement Options (each exercisable at \$0.04 on or before 8 April 2023) on the basis of one free attaching Placement Option for every two Shares subscribed for in the Placement,*

on the terms and conditions set out in the Explanatory Memorandum.”

Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of the Placement Participants and their nominees or a person who will obtain a material benefit as a result of the proposed issue (except a benefit solely by reason of being a Shareholder) or any associates of those persons.

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

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

9. Resolution 9 – Approval to grant Adviser Options

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

“That, subject to each of the other Acquisition Resolutions being passed, for the purposes of Listing Rule 7.1 and for all other purposes, Shareholders approve and authorise the grant of up to 25,000,000 Adviser Options (each exercisable at \$0.045 on or before 8 April 2023) to the Advisers (or their nominees) at an issue price of \$0.0001 per Adviser Option on the terms and conditions set out in the Explanatory Memorandum.”

Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of the Advisers and their nominees or a person who will obtain a material benefit as a result of the proposed issue (except a benefit solely by reason of being a Shareholder) or any associates of those persons.

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

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

Dated 26 October 2020

BY ORDER OF THE BOARD

Mr James Pearse
Non-Executive Director

MINREX RESOURCES LIMITED

ACN 151 185 867

EXPLANATORY MEMORANDUM

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 via virtual means at Level 11, London House, 216 St Georges Terrace, Perth, Western Australia on Friday, 27 November 2020 at 12:00pm (WST).

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

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

The Company and the Board are acutely aware of the current COVID-19 circumstances and the impact it is having, and for the health and safety of all Shareholders will be unable to hold a physical Meeting, but will hold a Meeting via virtual means.

2. Action to be taken by Shareholders

Shareholders should read the Notice and this Explanatory Memorandum carefully before deciding how to vote on the Resolutions.

No Voting in person

Given the current COVID-19 circumstances and in the interests of public health and safety of our Shareholders, is not practicable for the Company to allow Shareholders to physically attend the Meeting. Please refer to the information below on how Shareholders can participate in the Meeting. If it becomes necessary to make changes to the current arrangements for the Annual General Meeting, the Company will advise Shareholders through its website and by making an ASX announcement.

Voting by proxy

All voting will be conducted by poll using proxy instructions received in advance of the Meeting. The poll will be conducted based on votes submitted by proxy and at the Meeting by Shareholders who have indicated that they intend to vote at the Meeting in accordance with the instructions set out below.

The Directors instruct all Shareholders who would like to have their vote counted to vote by lodging a proxy form prior to 12:00 pm (WST) on Wednesday, 25 November 2020 (**Proxy Cut-Off Time**) (recommended).

Shareholders who wish to participate and vote at the Meeting should contact the Company at info@minrex.com.au or by phone at (08) 9481 0389 prior to 12:00pm (WST) on Wednesday, 25 November 2020, to obtain instructions on how to participate and vote on a poll at the Meeting.

How Shareholders can participate:

- (a) Shareholders are strongly urged to appoint the Chair as their proxy. Shareholders can complete the Proxy Form to provide specific instructions on how a Shareholder's vote is to be cast on each

item of business, and the Chair must follow your instructions. Lodgement instructions (which include the ability to lodge proxies online) are set out in the Proxy Form attached to the Notice. If a person other than the Chair is appointed as proxy, the proxy will revert to the Chair in the absence of the appointed proxy holder's attendance at the Meeting.

- (b) Shareholders who intend to participate and vote on a poll at the Meeting must contact the Company at info@minrex.com.au or by phone at (08) 9481 0389 to notify the Company that you intend to participate and vote on a poll at the Meeting. You will also need to register and access the Shareholder Meeting via virtual means to follow the Meeting and timing of the poll (see below). During the Meeting, the Chair will notify you when and how you are able to complete and return the personalised poll form. The results of the Meeting will then be announced on the ASX in accordance with the Listing Rules.
- (c) Shareholders who have completed a proxy form but have not notified the Company that you intend to participate and vote on a poll at the Meeting will have an opportunity to participate in the meeting through the videoconference teleconference facility described below. In this circumstance, the person you have appointed as proxy will cast your vote on your behalf. Shareholders are encouraged to complete a Proxy Form to provide specific instructions to the Chair on how the Shareholder's vote is to be exercised on each item of business. The Chair must follow your instructions. Shareholders will not be permitted to appoint any other person as their proxy for the purposes of the Meeting.

Chair's voting intentions

The Chair intends to exercise all available proxies in favour of all Resolutions, unless the Shareholder has expressly indicated a different voting intention.

Submitting questions

Shareholders may submit questions in advance of the Meeting to the Company. Questions must be submitted by emailing info@minrex.com.au by Wednesday, 25 November 2020. Shareholders will also have the opportunity to submit questions during the Meeting in respect to the formal items of business. In order to ask a question during the Meeting, please follow the instructions from the Chair.

The Chair will attempt to respond to the questions during the Meeting. The Chair will request prior to a Shareholder asking a question that they identify themselves (including the entity name of their shareholding and the number of Shares they hold).

Remote attendance via teleconference

The Meeting will be made accessible to all Shareholders via a videoconference, which will allow Shareholders to listen to the Meeting and ask questions in relation to the business of the Meeting.

Shareholders who wish to participate in the Meeting can do so by requesting the videoconference teleconference details from the Company. To request the videoconference teleconference details, Shareholders should email the Company at info@minrex.com.au by Wednesday, 25 November 2020.

Further details on how to dial in to the videoconference teleconference will also be available on the Company's website.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 8 9481 0389.

3. Annual Report

Shareholders will be offered the opportunity to discuss the Annual Report at the Meeting. Copies of the report can be found on the Company's website www.minrex.com.au or by contacting the Company on +61 8 9481 0389.

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

Shareholders will be offered the following opportunities:

- (a) discuss the Annual Report;
- (b) ask questions about, or make comment on, the management of the Company;
- (c) ask questions about, or make comment on, the Remuneration Report;
- (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 Chair about the management of the Company, or to the Company's auditor about:

- (e) the content of the Auditor's Report; and
- (f) 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.

4. Resolution 1 – Adoption of Remuneration Report

Section 250R(2) of the Corporations Act provides that the Company is required to put the Remuneration Report to the vote of Shareholders. The Directors' Report contains a Remuneration Report which sets out the remuneration policy for the Company and reports the remuneration arrangements in place for the executive and non-executive directors.

Section 250R(3) of the Corporations Act provides that this Resolution is advisory only and does not bind the Directors of the Company. Of itself, a failure of Shareholders to pass this Resolution will not require the Directors to alter any of the arrangements in the Remuneration Report.

However, under sections 250U and 250Y of the Corporations Act, Shareholders have the opportunity to remove the Board if the Remuneration Report receives a 'no' vote of 25% or more at two consecutive annual general meetings (**Two Strikes Rule**).

Under the Two Strikes Rule, where a resolution on the Remuneration Report receives a 'no' vote of 25% or more at two consecutive annual general meetings, the Company will be required to put to Shareholders at the second annual general meeting a resolution on whether another meeting should be held (within 90 days) at which all Directors (other than the Managing Director) who were in office at the date of approval of the applicable Directors' Report must stand for re-election.

At the Company's last annual general meeting, the Remuneration Report was approved by over 75% of Shareholders present and voting. In summary, if the Remuneration Report receives a 'no' vote of 25% or more at this Meeting Shareholders should be aware that if there is a 'no' vote of 25% or more at the next annual general meeting the consequences are that all Directors (other than the Managing Director) may be up for re-election.

The Chair will allow a reasonable opportunity for Shareholders as a whole to ask about, or make comments on the Remuneration Report.

The Chair of the Meeting intends to exercise all undirected proxies in favour of Resolution 1. If the Chair of the Meeting is appointed as your proxy and you have not specified the way the Chair is to vote on Resolution 1, by signing and returning the Proxy Form, you are considered to have provided the Chair with an express authorisation for the Chair to vote the proxy in accordance with the Chair's intention.

5. Resolutions 2 to 4 – Re-election of James Bahen, Glenn Whiddon and James Pearse as Directors

5.1 General

Rule 3.3 of the Constitution gives the Board authority to appoint other Directors at any time. James Bahen, Glenn Whiddon and James Pearse were appointed under Rule 3.3 as follows:

- (a) Mr Bahen was appointed as a Director on 8 April 2020;
- (b) Mr Whiddon was appointed as a Director on 5 June 2020; and
- (c) Mr Pearse was appointed as a Director on 30 June 2020.

Rule 3.3(a) of the Constitution provides that any Director appointed under Rule 3.3 must retire at the next annual general meeting of the Company and is eligible for re-election at that meeting.

Accordingly, each of Mr Bahen, Mr Whiddon and Mr Pearse will retire at the Meeting and, being eligible, seeks re-election as a Director.

Resolution 2 seeks Shareholder approval for the election of Mr James Bahen as a Director. The Board (excluding Mr Bahen) recommends that Shareholders vote in favour of Resolution 2.

Resolution 3 seeks Shareholder approval for the election of Mr Glenn Whiddon as a Director. The Board (excluding Mr Whiddon) recommends that Shareholders vote in favour of Resolution 3.

Resolution 4 seeks Shareholder approval for the election of Mr James Pearse as a Director. The Board (excluding Mr Pearse) recommends that Shareholders vote in favour of Resolution 4.

Resolutions 2, 3 and 4 are each an ordinary resolution.

The Chair intends to exercise all available proxies in favour of Resolutions 2, 3 and 4.

5.2 Director profiles

- (a) Mr James Bahen

Mr Bahen is a Corporate Advisory Executive and Chartered Secretary who commenced his career in audit and assurance with a chartered accounting firm. He is currently a Company Secretary to a number of ASX listed companies. Mr Bahen is a member of the Governance Institute of Australia (GIA) and holds a

Graduate Diploma of Applied Finance and a Bachelor of Commerce degree majoring in Accounting and Finance.

(b) Mr Glenn Whiddon

Mr Whiddon has an extensive background in equity capital markets, banking and corporate advisory with a specific focus on natural resources. Mr Whiddon holds a degree in Economics and has extensive corporate and management experience. He is currently Director of a number of Australian and international public listed companies in the resource sector.

(c) Mr James Pearse

Mr Pearse is a corporate lawyer with over 10 years' experience working for national, international and boutique law firms advising Australian businesses primarily in the mining, oil & gas and technology sectors. Mr Pearse holds Bachelor degrees in both Law and Commerce majoring in Finance.

6. Resolution 5 – Approval of 10% Placement Facility

6.1 General

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of Equity Securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that period.

Under Listing Rule 7.1A, however, an eligible entity can seek approval from its members, by way of a special resolution passed at its annual general meeting, to increase this 15% limit by an extra 10% to 25% (**10% Placement Facility**).

An 'eligible entity' means an entity which is not included in the S&P/ASX 300 Index and which has a market capitalisation of \$300 million or less. The Company is an eligible entity for these purposes. Based on the closing price of the Company's Shares on ASX on 26 October 2020, the Company's market capitalisation is approximately \$7.0 million.

Resolution 5 seeks shareholder approval by way of special resolution for the Company to have the additional 10% capacity provided for in Listing Rule 7.1A to issue equity securities without shareholder approval.

If Resolution 5 is passed, the Company will be able to issue Equity Securities up to the combined 25% limit in Listing Rules 7.1 and 7.1A without any further shareholder approval.

If Resolution 5 is not passed, the Company will not be able to access the additional 10% capacity to issue Equity Securities without shareholder approval provided for in Listing Rule 7.1A and will remain subject to the 15% limit on issuing equity securities without shareholder approval set out in Listing Rule 7.1.

The exact number of Equity Securities to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to Section 6.2(c) below).

The Company intends to further its exploration activities at the Company's current projects and, if the Acquisitions complete, exploration activities on the Sofala Projects and farm-in obligations in respect of the Sofala Farm-in Rights and the Sunny Corner Farm-in Rights. The Company may use the 10% Placement Facility for these purposes and to provide general working capital.

Resolution 5 is a special resolution and therefore requires approval of 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).

The Directors believe that Resolution 5 is in the best interests of the Company and unanimously recommend that Shareholders vote in favour of Resolution 5.

6.2 Description of Listing Rule 7.1A

(a) Shareholder approval

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

(b) Equity Securities

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

The Company, as at the date of the Notice, has one class of quoted Equity Securities, being the Shares.

(c) Formula for calculating 10% Placement Facility

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

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

Where:

A is the number of Shares on issue at the commencement of the relevant period:

- plus the number of Shares issued in the relevant period under an exception in Listing Rule 7.2 other than exception 9, 16 or 17;
- plus the number of Shares issued in the relevant period on the conversion of convertible securities within Listing Rule 7.2 exception 9 where the convertible securities were issued/agreed to be issued before the commencement of the relevant period; or the issues/agreement to issue the convertible securities was approved or taken under the Listing Rules to have been approved under Listing Rules 7.1 or 7.4;
- plus the number of Shares issued in the relevant period under an agreement to issue securities within Listing Rule 7.2 exception 16 where the agreement was entered into before the commencement of the relevant period; or the agreement was approved or taken under the Listing Rules to have been approved under Listing Rules 7.1 or 7.4;
- plus the number of any other Shares issued in the relevant period with approval of holders of Shares under Listing Rule 7.1 or 7.4
- plus the number of partly paid shares that became fully paid in the relevant period;
- less the number of Shares cancelled in the relevant period.

Where the **relevant period** means the 12 month period preceding the date of the issue/agreement to issue the Equity Securities.

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 relevant period where the issue or agreement has not been subsequently approved by Shareholders under Listing Rule 7.4.

6.3 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) Period for which 10% Placement Facility will be valid

Shareholder approval of the 10% Placement Facility under Listing Rule 7.1A will be valid from the date of the Meeting and will expire on the earlier to occur of:

 - (i) the date that is 12 months after the date of the Meeting;
 - (ii) the time and date of the Company's next annual general meeting; or
 - (iii) the time and 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),

(10% Placement Period).
- (b) Minimum price

The Equity Securities will be issued at an issue price of not less than 75% of the VWAP for the Company's Equity Securities calculated over the 15 Trading Days immediately before:

 - (i) the date on which the price at which the Equity Securities are to be issued is agreed by the Company and the recipient of the Equity Securities; or
 - (ii) if the Equity Securities are not issued within 10 Trading Days of the date in subparagraph (i) above, the date on which the Equity Securities are issued.
- (c) Purpose of funds raised

The Company may only seek to issue the Equity Securities under the 10% Placement Facility for cash consideration. The Company intends to use funds raised towards further exploration activities at the Company's current projects, to provide funding for the Company's initial obligations under the Sofala Farm-in Rights and the Sunny Corner Farm-in Rights, for evaluating additional acquisition opportunities and to maintain a strong working capital position.
- (d) Risk of economic and voting dilution

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

 - (i) the market price for the Company's Equity Securities in that class 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 those Equity Securities on the issue date,

which may have an effect on the amount of funds raised by the issue of the Equity Securities.

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

The table also shows:

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

Variable 'A' in Listing Rule 7.1A2		Potential Dilution		
		\$0.015 50% decrease in Issue Price	\$0.030 Issue Price	\$0.060 100% increase in Issue Price
Current Variable A 233,637,055 Shares	10% voting dilution	23,363,706	23,363,706	23,363,706
	Funds raised	\$350,456	\$700,911	\$1,401,822
50% increase in current Variable A 350,455,583 Shares	10% voting dilution	35,045,558	35,045,558	35,045,558
	Funds raised	\$525,683	\$1,051,367	\$2,102,733
100% increase in current Variable A 467,274,110 Shares	10% voting dilution	46,727,411	46,727,411	46,727,411
	Funds raised	\$700,911	\$1,401,822	\$2,803,645

The table has been prepared on the following assumptions:

- (v) The Company issues/agrees to issue the maximum number of Equity Securities available under the 10% Placement Facility.
- (vi) The issue/agreement to issue 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.

- (vii) No Options are exercised before the date of the issue/agreement to issue the Equity Securities.
- (viii) At the date of this Notice, there are currently 233,637,055 Shares on issue.
- (ix) The current market price is \$0.03, being the closing price of Shares on ASX on 26 October 2020.

Also note that in the table:

- (x) The 10% voting dilution reflects the aggregate percentage dilution against the issued Share capital at the time of issue/agreement to issue. This is why the voting dilution is shown in each example as 10%.
- (xi) 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. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.
- (xii) The table shows only the effect of issues/agreements to issue Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.

(e) Allocation Policy

The Company's allocation policy for issues of Equity Securities under the 10% Placement Facility is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility. The identity of the recipients of Equity Securities will be determined on a case-by-case basis having regard to the factors including but not limited to the following:

- (i) the purpose of the issue;
- (ii) the methods of raising funds that are available to the Company, including but not limited to, rights issues or other issues in which existing security holders can participate;
- (iii) the effect of the issue of the Equity Securities on the control of the Company;
- (iv) the financial situation and solvency of the Company; and
- (v) advice from corporate, financial and broking advisers (if applicable).

The recipients of Equity Securities issued 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.

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

(f) Previous issues under the 10% Placement Facility

In the 12 months preceding the date of the Meeting, the Company has not issued or agreed to issue any Equity Securities under the 10% Placement Facility.

(g) Voting exclusion

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 under the 10% Placement Facility. No existing Shareholder's votes will therefore be excluded.

7. Overview of Acquisitions

7.1 Background

The Company is an active minerals exploration company with a recent focus on exploration of gold and base metal projects.

The Company currently holds five projects, one in the Gullewa area of Western Australia (100% owned) and four in the East Pilbara region of WA (70% owned).

The Company has recently been focused on further on-ground geophysical work on its 100% owned Deflector Extended Project in Gullewa (refer to ASX Announcement dated 19 October 2020) following the geophysical work reprocessing and interpretive work completed by the Company in September 2020 on its Deflector Extended Project and Daltons Project (East Pilbara) (refer to ASX Announcement dated 22 September 2020). The Company is also completing further field and sampling works on all of its WA projects.

7.2 Acquisitions

The Company announced on 22 October 2020 that it had entered into conditional binding agreements (**Acquisition Agreements**) the effect of which is that the Company will acquire;

- (a) 100% of NSW mining authorities ELA5954, ELA5986, ELA6142 and EL8976 (**Sofala Projects**);
- (b) an option to farm-in to NSW mining authorities EL7974 and EL7423 (**Sofala Farm-in Rights**) to earn up to an 80% interest in these projects; and
- (c) an option to acquire the farm-in rights of Argent in NSW mining authority EL5964 (**Sunny Corner Farm-in Rights**) to earn up to a 90% interest in that project,

(collectively, the **Acquisitions**).

The Company groups the above mining authorities into four project areas, **Mt Pleasant** (EL5954), **Sofala** (EL7423 & EL7974), **First Find** (EL8976) and **Sunny Corner** (Sunny Corner North: EL5964 & ELA5986; Sunny Corner South: ELA6142). The location of these project areas is shown in Section 7.3 below. However, for the purposes of this Notice the above projects have been grouped into the Sofala Projects, the Sofala Farm-in Rights and the Sunny Corner Farm-in Rights.

The material terms of the Acquisitions are set out in Section 7.4.

The Company has undertaken a due diligence process prior to the date of this Notice and will conduct further due diligence pending completion of the Acquisitions. While this process is undertaken to identify any material risks specific to the Acquisitions, it should be noted that the usual risks associated with a company with a small market capitalization undertaking business in any industries, including the resource industry, are expected to remain after the completion of due diligence.

Shareholders and investors should also be aware that the Acquisitions are conditional on a number of events (refer to Section 7.4 below). Accordingly, there is a risk that the Acquisitions may not be completed.

Under the Acquisition Agreements, the Company has agreed to issue the Consideration Shares as part of the consideration to the Vendors and the Option Shares as part of the consideration to Argent.

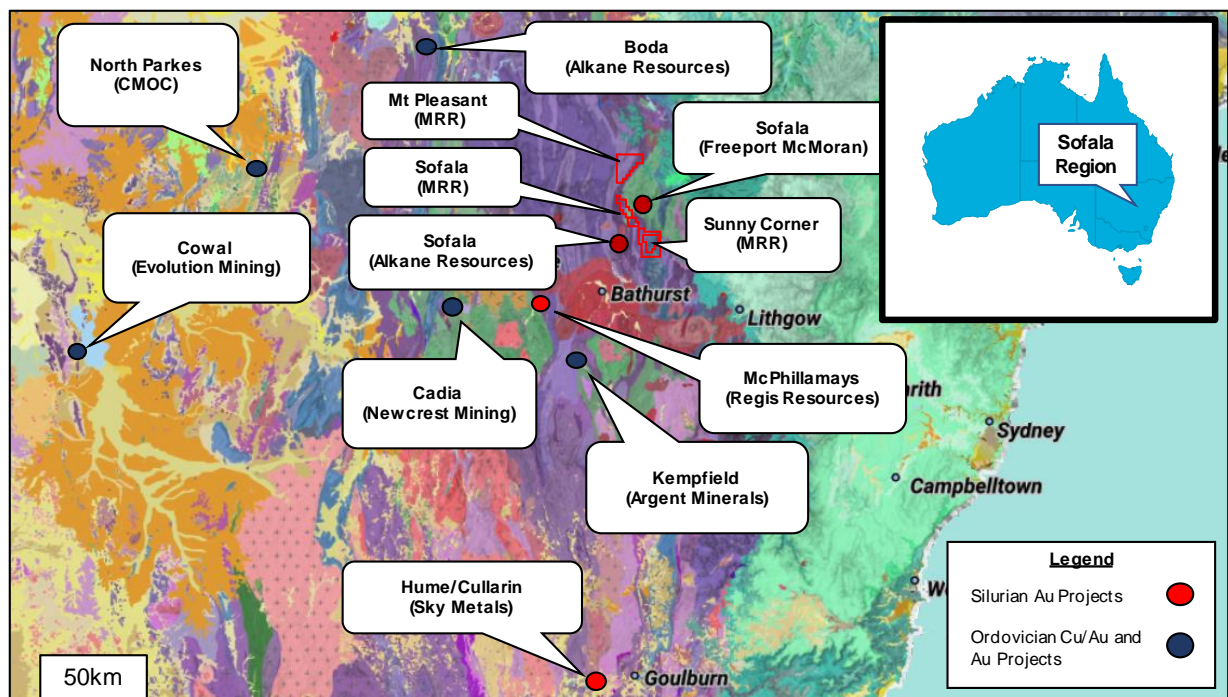
7.3 Overview of the Projects

East Lachlan Fold Belt

The East Lachlan Fold Belt is a high profile mining and exploration region that contains several major gold, copper-gold and silver deposits. These include Newcrest Mining Ltd's Cadia-Ridgeway Mine, Evolution Mining Ltd's Lake Cowal Mine, China Molybdenum Co. Ltd's Northparkes Mine, Alkane Resources Ltd's Tomingley Mine and Silver Mines Ltd's Bowdens deposit.

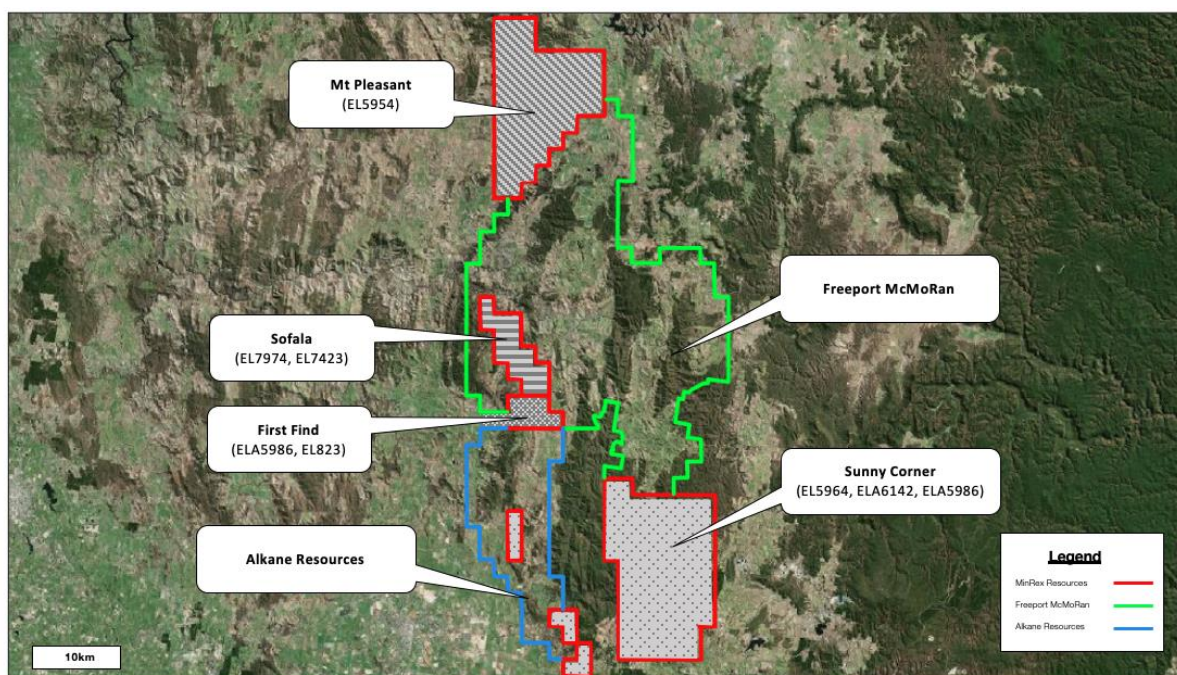
Investor interest in the region has increased further with the discovery of significant gold-copper porphyry mineralisation at Alkane Resources Ltd's Boda Prospect. The US Geological Service recently estimated that between four and ten porphyry systems remain to be found in the Lachlan Fold Belt. This has led to a number of companies acquiring ground in the region, including Newmont Mining Ltd, Freeport-McMoRan Inc, and Fortescue Metals Group Ltd. In addition to porphyry-style mineralisation, there are also orogenic gold deposits such as Tomingley and Hill End, and silver-lead skarn deposits such as Bowdens.

The East Lachlan Fold Belt is within the Sofala Region, which is located 180km Northwest of Sydney, NSW. An overview of the region is shown in the image below. Refer to the Company's ASX Announcement of 22 October 2020 for further details.



Projects to be acquired by the Company

The location of the project areas which are the subject of the Acquisitions are shown in the image below.



The projects are highly prospective for both gold-rich, alkali, gold-copper porphyry (Cadia-style) mineralisation and paleo-placer gold mineralisation. These projects are complementary to MinRex's existing project portfolio of gold projects in Western Australia as MinRex looks towards diversifying its gold and base metals exploration activities in additional world class areas within Australia.

Refer to the Company's announcement of 22 October 2020 for further details in relation to the Sofala Projects, the Sofala Farm-in Rights and the Sunny Corner Farm-in Rights.

7.4 Acquisition Terms

A summary of the key terms of the Acquisitions are set out below:

- (a) One of the Vendors, Monarch, has been negotiating with the owners of the Sofala Projects and the owners of the mining authorities the subject of the Sofala Farm-in Rights for the past 6-9 months to consolidate a portfolio of tenements on the East Lachlan Fold Belt in the Sofala region. The Company has entered into an:
 - (i) sale agreement with Monarch pursuant to which the Company will acquire a wholly owned subsidiary of Monarch, Sofala Minerals, which has negotiated binding agreements with the owners of the Sofala Projects and the mining authorities the subject of the Sofala Farm-in Rights (and the Company will assume all obligations of Sofala Minerals under these agreements at completion); and
 - (ii) option agreement with Argent pursuant to which the Company has the option to acquire Argent's Sunny Corner Farm-in Rights.
- (b) The consideration payable by the Company:
 - (i) for the acquisition of the Sofala Projects and the Sofala Farm-in Rights comprises a total of:
 - (A) \$310,000 cash to be paid at Completion;

- (B) 172,500,000 Shares (being the Consideration Shares) to be issued at a deemed issue price of \$0.02, subject to Shareholder approval (which is being sought pursuant to Resolution 6), at Completion; and
 - (C) a 2% net smelter royalty in respect of all mineral production from the Sofala Projects and the Sofala Farm-in Rights; and
- (ii) for the acquisition of the Sunny Corner Farm-in Rights is as follows:
 - (A) \$110,000 cash (\$10,000 of which has been paid as a non-refundable option fee) being a reimbursement of past exploration costs of Argent to be paid upon the Company exercising the option;
 - (B) 25,000,000 Shares (being the Options Shares) at a deemed issue price of \$0.02 to be issued subject to Shareholder approval (which is being sought pursuant to Resolution 7), upon the Company exercising the option and entering into a joint venture agreement in relation to NSW mining authority EL5964 (**Sunny Corner Tenement**). The Company has until 14 October 2021 to determine whether it will exercise the option;
 - (C) 25,000,000 Shares at a deemed issue price of \$0.02 to be issued subject to Shareholder approval (which will be sought at the relevant time), upon the ground access for drilling on the Sunny Corner Tenement being granted (including receipt of all required regulatory and landowner approvals);
 - (D) 30,000,000 Shares at a deemed issue price of \$0.02 to be issued subject to Shareholder approval (which will be sought at the relevant time), upon the Company acquiring a 90% beneficial interest in, and legal title to, the Sunny Corner Tenement; and
 - (E) a 2% net smelter royalty in respect of all mineral production from the exploration area of the Sunny Corner Tenement.

The consideration payable to each Vendor is set out in Schedule 1.

- (c) The Sofala Farm-in Rights and the Sunny Corner Farm-in Rights are set out in the Schedule 1. Further details in relation to the Sunny Corner Farm-in Rights to be acquired by MinRex should it exercise its option are set out in Argent's ASX Announcement dated 14 October 2020 (ASX: ARD).
- (d) Completion of the Acquisitions is conditional upon the satisfaction or waiver of various conditions precedent, including:
 - (i) the Company completing due diligence in relation to the Acquisitions and being satisfied with the results;
 - (ii) the Company obtaining all necessary Shareholder approvals required to complete the Acquisitions and perform its obligations under the Acquisition Agreements at Completion; and
 - (iii) the parties obtaining on acceptable terms any other releases or consents, including ministerial or regulatory consents, required or desirable to complete the Acquisitions.

- (e) The Acquisition Agreements contain standard commercial warranties and limits of liability as are usual for a transaction of this type.

7.5 Capital Raising

To provide funding for the cash consideration due at completion of the Acquisitions, the initial obligations under the Sofala Farm-in Rights and the Sunny Corner Farm-in Rights and additional working capital, the Company is proposing, subject to Shareholder approval, to undertake a placement of up to 145,000,000 Shares (**Placement Shares**) each at an issue price of \$0.02 per share, together with up to 72,500,000 Placement Options (each exercisable at \$0.04 on or before 8 April 2023) on the basis of one free attaching Placement Option for every two Shares subscribed for in the Placement, to raise a total of \$2,900,000 before costs (**Placement**). Resolution 8 seeks Shareholder approval for the issue of the Placement Shares and Placement Options.

MinRex is proposing to complete the Placement through primary brokers Merchant Capital Partners Pty Ltd, Canaccord Genuity (Australia) Ltd and 708 Capital Pty Ltd. Fees for broking services will comprise management fees of 3% of Placement funds and capital raising fees of 3% of funds raised. MinRex has received strong interest in the Placement and will confirm once binding commitments have been received. Subject to Shareholder approval, the Company is also proposing to grant up to 25,000,000 Adviser Options (each exercisable at \$0.045 on or before 8 April 2023) at an issue price of \$0.0001 per Adviser Option to the Advisers as fees for advisory services provided to the Company for the Acquisitions and the Placement and at the Board's discretion. Resolution 9 seeks Shareholder approval for the grant of the Adviser Options.

7.6 Pro-Forma Capital Structure

The pro-forma capital structure of the Company on completion of the Acquisitions and the Placement is set out below.

	Shares	Options	Performance Rights
Current	233,637,055	42,023,170	15,000,000
Acquisitions (Sofala Projects, Sofala Farm-in Rights and Sunny Corner Farm-in Rights)	252,500,000	-	-
Placement	145,000,000	72,500,000 ¹	-
Advisers	-	25,000,000 ²	-
Total Post Completion of Acquisitions and Placement	631,137,055	139,523,170	15,000,000
Notes:			
1. Unlisted options exercisable at \$0.04 on or before 8 April 2023.			
2. Unlisted options exercisable at \$0.045 on or before 8 April 2023.			

8. Resolution 6 – Approval of acquisition of Sofala Projects and Sofala Farm-in Rights

8.1 General

As detailed in Section 7.4 above, the Company has agreed, subject to Shareholder approval, to issue the Consideration Shares to the Vendors (or their nominees) as the part of the consideration for the acquisition of the Sofala Projects and the Sofala Farm-in Rights.

Listing Rule 7.1 provides that a company must not (subject to specified exceptions), without the approval of shareholders, issue or agree to issue during any 12 month period any equity securities, or other securities with rights to conversion to equity (such as an option), if the number of those securities exceeds 15% of the number of ordinary securities on issue at the commencement of that 12 month period.

The issue of the Consideration Shares does not fall within any of the exceptions to Listing Rule 7.1 and exceeds the 15% limit in Listing Rule 7.1. It therefore requires Shareholder approval under Listing Rule 7.1.

Resolution 6 seeks the required Shareholder approval to the issue of the Consideration Shares under and for the purposes of Listing Rule 7.1.

If Resolution 6 is passed, the Company will be able to proceed with the issue of the Consideration Shares as part of the consideration for the acquisition of the Sofala Projects and the Sofala Farm-in Rights. In addition the issue of the Consideration Shares will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolution 6 is not passed then the Company will not be able to proceed with the issue of the Consideration Shares and the consequently will not be able to completion the acquisition of Sofala Minerals.

Resolution 6 is an ordinary resolution.

8.2 Information required by Listing Rule 7.3

The following information is provided for the purposes of Listing Rule 7.3:

- (a) The Consideration Shares will be issued to the Vendors (or their nominees) none of whom are a related party of the Company.
- (b) The maximum number of Shares the Company may issue under Resolution 6 is 172,500,000 Shares at a deemed issue price of \$0.02.
- (c) The Consideration Shares will be fully paid ordinary shares in the capital of the Company and will rank equally in all respects with the Company's existing Shares on issue.
- (d) The Consideration Shares may be issued no later than three months after the date of the Meeting (or such later date to the extent permitted by an ASX waiver or modification of the Listing Rules).
- (e) The Consideration Shares will be issued as part of the consideration for the acquisition of the Sofala Projects and the Sofala Farm-in Rights. Accordingly, no funds will be raised from the issue of the Consideration Shares.
- (f) The material terms of the Acquisition Agreements are set out in Section 7.4
- (g) A voting exclusion statement is included in the Notice.

9. Resolution 7 – Approval of acquisition of Sunny Corner Farm-in Rights

9.1 General

As detailed in Section 7.4 above, the Company has agreed, subject to Shareholder approval, to issue the Option Shares to Argent (or its nominees) as the part of the consideration for the acquisition of the

Sunny Corner Farm-in Rights, if the Company elects to exercise the option to acquire the Sunny Corner Farm-in Rights. The Company has until 14 October 2021 to determine whether it will exercise the option.

Should the Company exercise the option to acquire the Sunny Corner Farm-in Rights, in addition to the Option Shares the Company will be required to issue up to 55,000,000 Shares as deferred consideration upon the events in Section 7.4(b)(ii) occurring. The issue of subsequent tranches of consideration shares for the acquisition of the Sunny Corner Farm-in Rights are subject to Shareholder approval which will be sought by the Company at the relevant time.

The Company has agreed to issue the Option Shares to Argent subject to Shareholder approval. The issue of the Option Shares therefore requires Shareholder approval under Listing Rule 7.1. A summary of Listing Rule 7.1 is provided in Section 8.1.

Resolution 7 seeks the required Shareholder approval to the issue of the Option Shares under and for the purposes of Listing Rule 7.1.

If Resolution 7 is passed, the Company will be able to proceed with the issue of the Option Shares as part of the consideration for Sofala Minerals. In addition the issue of the Option Shares will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolution 7 is not passed then the Company will not be able to proceed with the issue of the Option Shares and the consequently will not be able to completion the acquisition of Sofala Minerals.

Resolution 7 is an ordinary resolution.

9.2 Information required by Listing Rule 7.3

The following information is provided for the purposes of Listing Rule 7.3:

- (a) The Option Shares will be issued to Argent (or its nominees) none of whom are a related party of the Company.
- (b) The maximum number of Shares the Company may issue under Resolution 7 is 25,000,000 Shares at a deemed issue price of \$0.02.
- (c) The Option Shares will be fully paid ordinary shares in the capital of the Company and will rank equally in all respects with the Company's existing Shares on issue.
- (d) It is intended that the Option Shares will be issued upon the Company exercising the option and entering into a joint venture agreement in relation to the Sunny Corner Farm-in Rights. The Company has sought a waiver of Listing Rule 7.3.4 to allow this Notice not to state that the Option Shares will be issued no later than 3 months after the date of the Meeting, provided that such Shares will be issued by no later than 14 October 2021 (being within 12 months from the date on which the option agreement with Argent was signed). In addition, the Company's annual report, half yearly report or quarterly report for any reporting period during which the Option Shares have been issued, or remain to be issued, will set out the number of Options Shares issued in that reporting period, the number of Options Shares that remain to be issued and the basis on which the Option Shares may be issued.
- (e) The Option Shares will be issued as part of the consideration for the acquisition of the Sunny Corner Farm-in Rights. Accordingly, no funds will be raised from the issue of the Option Shares.
- (f) The material terms of the Acquisition Agreements are set out in Section 7.4

- (g) A voting exclusion statement is included in the Notice.

10. Resolution 8 – Approval to issue Placement Securities

10.1 General

As detailed in Section 7.5 above, the Company is proposing to conduct the Placement in connection with the Acquisitions.

The funds raised from the Placement will be used to fund the cash consideration due at completion of the Acquisitions, the Company's initial farm-in obligations in respect of the Sofala Farm-in Rights and the Sunny Corner Farm-in Rights (see the table in the Schedule 1 for more details) and to provide general working capital.

A summary of Listing Rule 7.1 is provided in Section 8.1.

The issue of the Placement Securities does not fall within any of the exceptions to Listing Rule 7.1 and exceeds the 15% limit in Listing Rule 7.1. It therefore requires Shareholder approval under Listing Rule 7.1.

Resolution 7 seeks the required Shareholder approval to the issue of the Placement Securities under and for the purposes of Listing Rule 7.1.

If Resolution 7 is passed, the Company will be able to proceed with the issue of the Placement Securities and will raise up to \$2,900,000 to be used to fund the cash consideration due at completion of the Acquisitions, the Company's initial farm-in obligations in respect of the Sofala Farm-in Rights and the Sunny Corner Farm-in Rights and to provide general working capital. In addition, the issue of the Placement Securities will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolution 7 is not passed then the Company will not be able to proceed with the issue of the Placement Securities and will not be able to proceed with the Acquisitions as it will not have the funds to fund the cash consideration due at completion of the Acquisitions or be able to fund the initial farm-in obligations in respect of the Sofala Farm-in Rights and the Sunny Corner Farm-in Rights.

Resolution 7 is an ordinary resolution.

10.2 Information required by Listing Rule 7.3

The following information is provided for the purposes of Listing Rule 7.3:

- (a) The Placement Securities will be issued to the Placement Participants who are various professional and sophisticated investors introduced by the Advisers, none of whom are a related party of the Company.
- (b) The maximum number of Securities the Company may issue under Resolution 7 is 145,000,000 Shares and 72,500,000 Placement Options.
 - (i) The Placement Shares will be fully paid ordinary shares in the capital of the Company and will rank equally in all respects with the Company's existing Shares on issue.
 - (ii) The Placement Options are each exercisable at \$0.04 on or before 8 April 2023. Full terms and conditions of the Placement Options are set out in Schedule 2. Shares issued on exercise of the Placement Options will be fully paid ordinary shares in the

capital of the Company and will rank equally in all respects with the Company's existing Shares on issue.

- (c) The Placement Securities may be issued no later than three months after the date of the Meeting (or such later date to the extent permitted by an ASX waiver or modification of the Listing Rules) and it is intended that the Placement Securities will be granted on or about the same date.
- (d) The Placement Shares will each be issued at \$0.02. The funds raised from the issue of the Placement Shares will be used to fund the cash consideration due at completion of the Acquisitions, the Company's initial farm-in obligations in respect of the Sofala Farm-in Rights and the Sunny Corner Farm-in Rights and to provide general working capital.
- (e) The Placement Options will be granted as free attaching Options on the basis of one Placement Option for every two Shares subscribed for in the Placement. Accordingly, no funds will be raised from the grant of the Placement Options.
- (f) A voting exclusion statement is included in the Notice.

11. Resolution 9 – Approval to grant Adviser Options

11.1 General

As noted in Section 7.5 above, MinRex is proposing to complete the Placement through primary brokers Merchant Capital Partners Pty Ltd, Canaccord Genuity (Australia) Ltd and 708 Capital Pty Ltd. Fees for broking services will comprise management fees 3% of the Placement funds and capital raising fees of 3% of funds raised. MinRex has received strong interest in the Placement and will confirm once binding commitments have been received. The Company has agreed, subject to Shareholder approval, to grant up to 25,000,000 Adviser Options to the Advisers (or their nominees) as fees for advisory services provided to MinRex for the Acquisitions and the Placement and at the Board's discretion. Resolution 9 seeks Shareholder approval for the grant of the Adviser Options.

The Adviser Options will each be issued at an issue price of \$0.0001 and exercisable at \$0.045 on or before 8 April 2023.

The Company has agreed to grant the Adviser Options to the Advisers (or their nominees) subject to Shareholder approval. The grant of the Adviser Options therefore requires Shareholder approval under Listing Rule 7.1. A summary of Listing Rule 7.1 is provided in Section 8.1.

Resolution 9 seeks the required Shareholder approval for the grant of the Adviser Options to the Advisers (or their nominees) under and for the purposes of Listing Rule 7.1.

If Resolution 9 is passed, the Company will be able to grant the Adviser Options to the Advisers. In addition, the grant of the Adviser Options will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolution 9 is not passed then the Company will not be able to proceed with the grant of the Adviser Options and the Company will need to negotiate an alternative fee arrangement with the Advisers for the services provided.

Resolution 9 is an ordinary resolution.

11.2 Information required by Listing Rule 7.3

The following information is provided for the purposes of Listing Rule 7.3:

- (a) The Adviser Options will be granted to the Advisers (or their nominees).
- (b) The maximum number of securities the Company may grant under Resolution 9 is 25,000,000 Adviser Options.
- (c) The Adviser Options will each be exercisable at \$0.045 on or before 8 April 2023. Full terms and conditions of the Adviser Options are set out in Schedule 2. Shares issued on exercise of the Adviser Options will be fully paid ordinary shares in the capital of the Company and will rank equally in all respects with the Company's existing Shares on issue.
- (d) The Adviser Options may be granted no later than three months after the date of the Meeting (or such later date to the extent permitted by an ASX waiver or modification of the Listing Rules) and it is intended that the Adviser Options will be granted on or about the same date.
- (e) The Adviser Options will be granted for an issue price of \$0.0001 per Adviser Option. The funds raised from the issue of the Adviser Options will be used to provide additional general working capital.
- (f) A voting exclusion statement is included in the Notice.

12. Definitions

\$ means Australian Dollars.

10% Placement Facility has the meaning in Section 6.1

10% Placement Period has the meaning in Section 6.3(a).

Acquisition Agreements has the meaning in Section 7.2.

Acquisitions has the meaning in Section 7.2.

Acquisition Resolutions means collectively Resolutions 6, 7, 8 and 9.

Adviser Option means an Option exercisable at \$0.045 on or before 8 April 2023 and otherwise with the terms and conditions in Schedule 2.

Advisers means various advisers to the Company in relation to the Acquisitions and the Placement, including the primary brokers to the Placement (see Section 11.1).

Annual Report means the Directors' Report, the Financial Report and Auditor's Report in respect to the financial year ended 30 June 2020.

Argent means Argent Minerals Ltd (ASX: ARD).

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.

Chair means the chair of this Meeting.

Closely Related Party has the meaning in section 9 of the Corporations Act.

Company or **MinRex** means MinRex Resources Limited ACN 151 185 867.

Consideration Shares has the meaning in Resolution 6.

Constitution means the existing constitution of the Company.

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 Securities has the same meaning as in the Listing Rules.

Explanatory Memorandum means the explanatory memorandum attached to the Notice.

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

Key Management Personnel means a person having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of the Company.

Listing Rules means the listing rules of ASX.

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

Monarch means Monarch Royalties Pty Ltd.

Non-Executive Director means a non-executive director of the Company.

Notice means this notice of meeting.

Option means an option to acquire a Share.

Option Shares has the meaning in Resolution 7.

Placement has the meaning in Section 7.5.

Placement Option means an Option exercisable at \$0.04 on or before 8 April 2023 and otherwise with the terms and conditions in Schedule 2.

Placement Participants means the participants in the placement who are various professional and sophisticated investors introduced by the primary brokers to the Placement (see Section 11.1).

Placement Shares has the meaning in Section 7.5.

Placement Securities means the Placement Shares and the Placement Options.

Projects means the Sofala Projects, Sofala Farm-in Rights and the Sunny Corner Farm-in Rights.

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 contained in this Notice.

Sofala Farm-in Rights has the meaning in Section 7.2(b).

Sofala Projects has the meaning in Section 7.2(a).

Schedule means a schedule to this Notice.

Section means a section contained in this Explanatory Memorandum.

Securities means Shares, Performance Shares and Options.

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

Shareholder means a shareholder of the Company.

Sofala Minerals means Sofala Minerals Pty Ltd.

Sunny Corner Farm-in Rights has the meaning in Section 7.2(c).

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

Vendors means each of:

- (a) Monarch;
- (b) BelRes Pty Ltd;
- (c) Historic Gold Mines Pty Ltd;
- (d) Wattle Resources Pty Ltd;
- (e) St Barnabas Investments Pty Ltd & Glen William Goulds; and
- (f) Fortius Mines Pty Ltd (a wholly owned subsidiary of Australian United Mining Ltd (ASX:AYM)).

VWAP means volume weighted average price.

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

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

Schedule 1 Consideration and Farm-in Rights under Acquisitions

Party	Tenement/Rights	Cash Payments ¹	Consideration Shares ¹	Farm-in Rights
Sofala Projects & Sofala Farm-in Rights				
Monarch Royalties Pty Ltd	Owners of Sofala Minerals Pty Ltd which has binding agreements with owners of Sofala Projects, holds the Sofala Farm-in Rights and owns ELA6142 (100%)		30,000,000	
BelRes Pty Ltd	Owner of ELA5954 (100%)	\$50,000	2,500,000	
Historic Gold Mines Pty Ltd	Owner of ELA5986 (100%)	\$60,000		
Wattle Resources Pty Ltd	Owner of EL7974 (100%)	\$150,000	30,000,000	The right to earn a 51% by exploration expenditure of \$750K in 3 years and an additional 19% (80% total) by additional exploration expenditure and reimbursement of costs of \$1.55m.
St Barnabas Investments Pty Ltd & Glen William Goulds	Owners of MR Resources Pty Ltd which owns EL8976 (100%)		60,000,000	
Fortius Mines Pty Ltd (a wholly owned subsidiary of Australian United Mining Ltd (ASX:AYM))	Owner EL7423 (100%)	\$50,000	50,000,000	The right to earn a 51% by exploration expenditure of \$750K in 3 years and an additional 19% (80% total) by additional exploration expenditure and reimbursement of costs of \$1.55m.
Sunny Corner				
Argent Minerals Ltd	Owner of farm-in rights to exploration area of EL5964 (Farm-in to 51-80%)	\$110,000 ³	80,000,000 shares in total, comprising ³ : (a) 25,000,000 shares on execution of JV agreement (b) 25,000,000 shares upon ground access for drilling being granted (including receipt of all required regulatory and landowner approvals) (c) 30,000,000 shares upon MinRex acquiring a 90% beneficial interest in, and legal title to, EL5964	Subject to MinRex exercising its option over Sunny Corner, the right to earn a 90% interest by exploration expenditure of \$1.5m within 3 years of execution of a formal joint venture agreement.
TOTAL		\$420,000	252,500,000	
Notes:				
1.	Unless specified otherwise, consideration will be paid/issued (subject to shareholder approval) by MinRex at completion of the Acquisitions.			
2.	Includes the \$10K option fee which, upon exercise of the Sunny Corner option, will be offset against reimbursement of expenses of \$110K payable by MinRex to Argent.			
3.	Issues are subject to MinRex exercising its option over Sunny Corner and MinRex obtaining shareholder approvals for each subsequent tranche of consideration (at the applicable time).			

Schedule 2 - Terms and Conditions of Placement Options and Adviser Options

The Placement Options and the Adviser Options (each an **Option**) will be granted on the following terms and conditions.

1. Entitlement

Each Option entitles the holder to subscribe for one fully paid ordinary Share in the Company upon exercise of the Option.

2. Exercise Price

The amount payable upon exercise of:

- (a) each Placement Option will be \$0.04; and
- (b) each Adviser Option will be \$0.045, (in each case the **Exercise Price**).

3. Issue Price

- (a) Each Placement Option will be granted for no consideration.
- (b) Each Adviser Option will be granted for \$0.0001 per Adviser Option.

4. Expiry Date

Each Option will expire at 5:00 pm (WST) on 8 April 2023 (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

5. Exercise Period

The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

6. Notice of Exercise

The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

7. Exercise Date

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

8. Timing of issue of Shares on exercise

Within 15 Business Days after the Exercise Date, the Company will:

- (a) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (b) if required, give ASX a notice that complies with section 708A(5) (e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- (c) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under (a) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

9. Shares issued on exercise

Shares issued on exercise of the Options rank equally with the then issued shares of the Company.

10. Reconstruction of capital

If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the Listing Rules at the time of the reconstruction.

11. Participation in new issues

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

12. Change in exercise price

An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

13. Options are not quoted

The Options will not be quoted on the ASX.

14. Transferability

The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

Proxy Voting Form

If you are attending the meeting in person, please bring this with you for Securityholder registration.

Holder Number:

Your proxy voting instruction must be received by **12.00pm (WST) on Wednesday, 25 November 2020**, being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

SUBMIT YOUR PROXY

Complete the form overleaf in accordance with the instructions set out below.

YOUR NAME AND ADDRESS

The name and address shown above is as it appears on the Company's share register. If this information is incorrect, and you have an Issuer Sponsored holding, you can update your address through the investor portal: <https://investor.automic.com.au/#/home> Shareholders sponsored by a broker should advise their broker of any changes.

STEP 1 – APPOINT A PROXY

If you wish to appoint someone other than the Chair of the Meeting as your proxy, please write the name of that Individual or body corporate. A proxy need not be a Shareholder of the Company. Otherwise if you leave this box blank, the Chair of the Meeting will be appointed as your proxy by default.

DEFAULT TO THE CHAIR OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chair of the Meeting, who is required to vote these proxies as directed. Any undirected proxies that default to the Chair of the Meeting will be voted according to the instructions set out in this Proxy Voting Form, including where the Resolutions are connected directly or indirectly with the remuneration of KMP.

STEP 2 - VOTES ON ITEMS OF BUSINESS

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

APPOINTMENT OF SECOND PROXY

You may appoint up to two proxies. If you appoint two proxies, you should complete two separate Proxy Voting Forms and specify the percentage or number each proxy may exercise. If you do not specify a percentage or number, each proxy may exercise half the votes. You must return both Proxy Voting Forms together. If you require an additional Proxy Voting Form, contact Automic Registry Services.

SIGNING INSTRUCTIONS

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

Joint holding: Where the holding is in more than one name, all Shareholders 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 Proxy Voting Form when you return it.

Companies: To be signed in accordance with your Constitution. Please sign in the appropriate box which indicates the office held by you.

Email Address: Please provide your email address in the space provided.

By providing your email address, you elect to receive all communications despatched by the Company electronically (where legally permissible) such as a Notice of Meeting, Proxy Voting Form and Annual Report via email.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend via virtual means the Meeting the appropriate 'Appointment of Corporate Representative' should be produced prior to admission. A form may be obtained from the Company's share registry online at <https://automic.com.au>.

ATTENDING THE MEETING

Shareholders will not be able to attend the Meeting in person, however can attend via virtual means. The Company will provide updates and full Meeting access details to Shareholders closer to the date of the Meeting. MinRex will ensure that its Shareholders have a reasonable opportunity to participate in the Meeting via virtual means.

Lodging your Proxy Voting Form:

Online:

Use your computer or smartphone to appoint a proxy at

<https://investor.automic.com.au/#/login>

or scan the QR code below using your smartphone

Login & Click on 'Meetings'. Use the Holder Number as shown at the top of this Proxy Voting Form.



BY MAIL:

Automic
GPO Box 5193
Sydney NSW 2001

IN PERSON:

Automic
Level 5, 126 Phillip Street
Sydney NSW 2000

BY EMAIL:

meetings@automicgroup.com.au

BY FACSIMILE:

+61 2 8583 3040

All enquiries to Automic:

WEBCHAT: <https://automicgroup.com.au/>

PHONE: 1300 288 664 (Within Australia)
+61 2 9698 5414 (Overseas)

