

# **ARUMA RESOURCES LIMITED**

ACN 141 335 364

## **NOTICE OF GENERAL MEETING AND EXPLANATORY STATEMENT**

**For the General Meeting of Shareholders to be held  
on 13 January 2021 at 9:00am (Western Standard Time) at  
Unit 8-9, 88 Forrest Street, Cottesloe,  
Western Australia**

**Due to the ongoing COVID-19 pandemic and strict limitation on physical attendance, the Company has taken steps to ensure attendance in person is in adherence to COVID-19 protocols. If the situation in relation to COVID-19 changes in a way that affects the Company's ability to facilitate an in-person Meeting as currently proposed, the Company will provide a further update ahead of the Meeting by releasing an announcement on the ASX market announcements platform.**

***Shareholders are urged to vote by lodging the Proxy Form attached to this Notice.***

## **TIME AND PLACE OF GENERAL MEETING AND HOW TO VOTE**

### **Venue**

The General Meeting of Aruma Resources Limited will be held at:

Unit 8-9  
88 Forrest Street  
Cottesloe WA 6011

Commencing  
at 9:00am (Western Standard Time)  
on Wednesday, 13 January 2021

### **How to Vote**

You may vote by attending the Meeting in person, by proxy or authorised representative.

#### **Voting in Person**

To vote in person, attend the Meeting on the date and at the place set out above. The Meeting will commence at 9:00am (Western Standard Time). Given the current COVID-19 pandemic, Shareholders are urged to vote by proxy.

#### **Voting by Proxy**

To vote by proxy, please complete and sign the proxy form enclosed with this Notice as soon as possible and either deliver the proxy form by post, in person, by facsimile or by email in accordance with instructions on the proxy form, or submit your proxy vote online in accordance with instructions on the proxy form.

Your proxy form or online vote must be received not later than 48 hours before the commencement of the Meeting.

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### **Voting and Proxies**

1. A Shareholder of the Company entitled to attend and vote is entitled to appoint not more than two proxies. Where more than one proxy is appointed, each proxy must be appointed to represent a specified proportion of the Shareholder's voting rights. If the Shareholder appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half of the votes. A proxy need not be a Shareholder of the Company.
2. Where a voting exclusion applies, the Company need not disregard a vote if it is cast by the 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.
3. The Chairman of the Meeting will vote undirected proxies in favour of the Resolution. The Resolution is not connected directly or indirectly with the remuneration of a member of key management personnel.
4. In accordance with Regulation 7.11.37 of the Corporations Act, the Directors have set a date to determine the identity of those entitled to attend and vote at the Meeting. The date is 11 January 2021 at 5:00pm (Western Standard Time).
5. A proxy form is attached. If required it should be completed, signed and returned to the Company's registered office in accordance with the instructions on that form. Voting online is available.

**ARUMA RESOURCES LIMITED**  
**ACN 141 335 364**  
**NOTICE OF GENERAL MEETING**

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Notice is hereby given that the General Meeting of the Shareholders of Aruma Resources Limited will be held at Unit 8-9, 88 Forrest Street, Cottesloe, Western Australia on Wednesday, 13 January 2021 at 9:00am (Western Standard Time) for the purpose of transacting the following business.

**Due to the ongoing COVID-19 pandemic and strict limitation on physical attendance, the Company has taken steps to ensure attendance in person is in adherence to COVID-19 protocols. If the situation in relation to COVID-19 changes in a way that affects the Company's ability to facilitate an in-person Meeting as currently proposed, the Company will provide a further update ahead of the Meeting by releasing an announcement on the ASX market announcements platform.**

The attached Explanatory Statement is provided to supply Shareholders with information to enable Shareholders to make an informed decision regarding the Resolution set out in this Notice. The Explanatory Statement is to be read in conjunction with this Notice.

**AGENDA**

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**Resolution 1 – Approval of Consolidation of Capital**

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

*"That, for the purposes of section 254H of the Corporations Act, the Listing Rules and for all other purposes, approval is given for the Company to consolidate its issued capital on a 15 for 1 basis so that every:*

- (a) 15 Shares are consolidated into 1 Share; and*
- (b) 15 Options are consolidated into 1 Option,*

*with an effective date of 14 January 2021 and any fractional entitlement to a Share or an Option to be rounded up to the nearest whole Share or Option (as the case may be), and otherwise the consolidation be effected on the terms set out in the Explanatory Statement."*

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**By order of the Board**



Phillip MacLeod  
Company Secretary  
Dated: 10 December 2020

**ARUMA RESOURCES LIMITED**  
ACN 141 335 364

**EXPLANATORY STATEMENT**

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

The Directors recommend that Shareholders read this Explanatory Statement in full before making any decision in relation to the Resolution.

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**1. RESOLUTION 1 – APPROVAL OF CONSOLIDATION OF CAPITAL**

**1.1 Background**

The Resolution seeks Shareholder approval for the Company to consolidate its issued capital on a 15 for 1 basis to give the Company a more appropriate capital structure going forward.

At the date of this Notice, the Company has 1,589,413,904 Shares on issue. The Company also has 2 series of unlisted Options on issue being 291,666,639 Options with an exercise price of 1 cent and an expiry date of 31 July 2022 and 31,000,000 Options with an exercise price of 1.17 cents and an expiry date of 30 September 2023.

**1.2 Section 254 of the Corporations Act**

Section 254H of the Corporations Act provides that a company may convert all or any of its shares into a larger or smaller number by resolution passed in a general meeting. The conversion takes effect on the day the resolution is passed (unless a later date is specified in the resolution).

If passed, the Company will lodge a copy of this Resolution with ASIC within 1 month of the Meeting.

**1.3 Listing Rules**

The Listing Rules summarised below also apply to a capital consolidation undertaken by a company.

**(a) Listing Rule 7.20**

The Company must disclose:

- (i) the effect of the consolidation on the number of securities and the amount unpaid (if any) on the securities;
- (ii) the proposed treatment of any fractional entitlements arising from the consolidation; and
- (iii) the proposed treatment of any convertible securities on issue.

**(b) Listing Rule 7.22.1**

Options must be consolidated on the same ratio as the ordinary capital (shares), with the exercise price amended in inverse proportion to that ratio.

#### 1.4 Effect on capital structure

The indicative impact of the Consolidation on the Company's capital structure is set out below.

Equity Security	Pre-Consolidation			Post-Consolidation (subject to rounding up of fractional entitlements)		
Shares	Number			Number		
	1,589,413,904			105,960,927		
Options	Number	Exercise Price	Expiry Date	Number	Exercise Price	Expiry Date
	291,666,639	1 cent	31 July 2022	19,444,443	15 cents	31 July 2022
	31,000,000	1.17 cents	30 September 2023	2,066,667	17.55 cents	30 September 2023
<b>Total</b>	<b>322,666,639</b>			<b>21,511,110</b>		

#### 1.5 Fractional entitlements

Not all holdings in or entitlements to Shares and Options can be evenly divided by 15. Where a fractional entitlement arises to a security, the Company will round the fraction up to the nearest whole number.

#### 1.6 Holder interests

The Consolidation applies equally to all holders of Shares and Options, subject only to the rounding up of fraction entitlements as set out in Section 1.5. The Consolidation will therefore not have a material impact on the percentage interests of Shareholders and Optionholders.

For example, a holder of 1,000,000 Options exercisable at 1 cent before the Consolidation will have that holding reduced to 66,667 Options (ie 15 times less), with the exercise price of each Option increased to 15 cents (ie 15 times greater).

#### 1.7 Market price

Theoretically, the market price of each Share following the Consolidation should increase by 15 times its current value. Practically, the actual effect on the market price of each Share will be dependent upon a number of factors which will not be within the control of the Company. Therefore, this may result in the market price of each Share following Consolidation being higher or lower than the theoretical post-Consolidation price.

#### 1.8 Timetable

The timetable for the Consolidation in accordance with paragraph 7 of Appendix 7A of the Listing Rules is set out below.

Event	Date
Consolidation announced to ASX	10 December 2020
Letter sent to Shareholders regarding access to Notice of Meeting	10 December 2020
General Meeting held and approval of Consolidation announced to ASX	13 January 2021
<b>Effective date of Consolidation</b>	<b>14 January 2021</b>
Last day for trading on pre-Consolidation basis	15 January 2021

First day for trading on post-Consolidation and deferred settlement basis	18 January 2021
Record Date Last day to register transfers on pre-Consolidation basis	19 January 2021
First day to update register and send post-Consolidation holding statements	20 January 2021
Last day to update register, send post-Consolidation holding statements, announce to ASX and trading on deferred settlement basis	27 January 2021
First day for normal trading on post-Consolidation basis	28 January 2021

**Note:** The timetable is subject to change in accordance with the Listing Rules and applicable laws.

#### 1.9 **Holding statements**

From the date of the Consolidation, all existing holding statements will cease to have effect, except as evidence of an entitlement to a certain number of Shares or Options (as applicable) on a pre-Consolidation basis.

After the Consolidation becomes effective, the Company will arrange for new holding statements to be issued in accordance with the Listing Rules.

#### 1.10 **Tax**

It is not expected that any tax implications will arise for Shareholders or Optionholders from the Consolidation. However, independent tax advice should be sought, and neither the Company nor its Directors accept any responsibility for the individual tax implications arising from the Consolidation.

#### 1.11 **Board recommendation**

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

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## 2. **Enquiries**

Shareholders may contact Phil MacLeod on (+ 61 8) 9321 0177 if they have any queries in respect of the matters set out in these documents.

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## GLOSSARY

In the Notice and this Explanatory Statement, the following expressions have the following meanings:

"**ASX**" means the ASX Limited (ABN 98 008 624 691).

"**ASX Listing Rules**" or "**Listing Rules**" means the Listing Rules of the ASX.

"**Board**" means the Board of Directors of the Company.

"**Chairman**" or "**Chair**" means the chairman of the Company.

"**Company**" or "**Aruma**" means Aruma Resources Limited (ACN 141 335 364).

"**Consolidation**" means the consolidation of the issued capital of the Company in accordance with Resolution 1.

"**Corporations Act**" means the Corporations Act 2001 (Cth).

"**Directors**" mean the directors of the Company from time to time.

"**Explanatory Statement**" means this Explanatory Statement.

"**General Meeting**" or "**Meeting**" means the meeting convened by this Notice.

"**Notice**" means the notice of meeting that accompanies this Explanatory Statement.

"**Option**" means an option to acquire a Share.

"**Optionholder**" means a holder of an Option.

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

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

"**Section**" means a section contained in this Explanatory Statement.

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

"**Shareholder**" means a registered holder of shares in the Company.

"**WST**" or "**Western Standard Time**" means Western Standard Time, Perth, Western Australia.

"**\$**" means Australian dollars unless otherwise stated.



## LODGE YOUR PROXY APPOINTMENT ONLINE



### ONLINE PROXY APPOINTMENT

[www.advancedshare.com.au/investor-login](http://www.advancedshare.com.au/investor-login)



### MOBILE DEVICE PROXY APPOINTMENT

Lodge your proxy by scanning the QR code below, and enter your registered postcode.

It is a fast, convenient and a secure way to lodge your vote.

## 2021 GENERAL MEETING PROXY FORM

I/We being shareholder(s) of Aruma Resources Limited and entitled to attend and vote hereby:

### APPOINT A PROXY

The Chair of the Meeting

OR



**PLEASE NOTE:** If you leave the section blank, the Chair of the Meeting will be your proxy.

or failing the individual(s) or body corporate(s) named, or if no individual(s) or body corporate(s) are named, the Chair of the Meeting, 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 General Meeting of the Company to be held at Unit 8-9, 88 Forrest Street, Cottesloe, Western Australia on 13 January 2021 at 9:00am (WST) and at any adjournment or postponement of that Meeting.

### CHAIR'S VOTING INTENTION IN RELATION TO UNDIRECTED PROXIES:

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

### VOTING DIRECTIONS

#### Resolution

For Against Abstain\*

1 Approval of Consolidation of Capital



\* 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.

### SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Joint Shareholder 2 (Individual)

Joint Shareholder 3 (Individual)

Sole Director and Sole Company Secretary

Director/Company Secretary (Delete one)

Director

This form should be signed by the shareholder. If a joint holding, all the shareholders should sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the Corporations Act 2001 (Cth).

Email Address

Please tick here to agree to receive communications sent by the Company via email. This may include meeting notifications, dividend remittance, and selected announcements.



## HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

**IF YOU WOULD LIKE TO ATTEND AND VOTE AT THE MEETING, PLEASE BRING THIS FORM WITH YOU.  
THIS WILL ASSIST IN REGISTERING YOUR ATTENDANCE.**

### CHANGE OF ADDRESS

This form shows your address as it appears on Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes.

### APPOINTMENT OF A PROXY

If you wish to appoint the Chair as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chair, please write that person's name in the box in Step 1. A proxy need not be a shareholder of the Company. A proxy may be an individual or a body corporate.

### DEFAULT TO THE CHAIR OF THE MEETING

If you leave Step 1 blank, or if your appointed proxy does not attend the Meeting, then the proxy appointment will automatically default to the Chair of the Meeting.

### VOTING DIRECTIONS – PROXY APPOINTMENT

You may direct your proxy on how to vote by placing a mark in one of the boxes opposite each resolution 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 resolution 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 a given resolution, your proxy may vote as they choose to the extent they are permitted by law. If you mark more than one box on a resolution, your vote on that resolution will be invalid.

**PLEASE NOTE:** If you appoint the Chair as your proxy (or if he is appointed by default) but do not direct him how to vote on a resolution (that is, you do not complete any of the boxes "For", "Against" or "Abstain" opposite that resolution), the Chair may vote as he sees fit on that resolution.

### APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning Advanced Share Registry Limited or you may copy this form and return them both together.

To appoint a second proxy you must:

- on each Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- return both forms together.

### COMPLIANCE WITH LISTING RULE 14.11

In accordance with Listing Rule 14.11, if you hold shares on behalf of another person(s) or entity/entities or you are a trustee, nominee, custodian or other fiduciary holder of the shares, you are required to ensure that the person(s) or entity/entities for which you hold the shares are not excluded from voting on resolutions where there is a voting exclusion. Listing Rule 14.11 requires you to receive written confirmation from the person or entity providing the voting instruction to you and you must vote in accordance with the instruction provided.

By lodging your proxy votes, you confirm to the company that you are in compliance with Listing Rule 14.11.

### CORPORATE REPRESENTATIVES

If a representative of a nominated corporation is to attend the Meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission in accordance with the Notice of Meeting. A Corporate Representative Form may be obtained from Advanced Share Registry.

### SIGNING INSTRUCTIONS ON THE PROXY FORM

#### Individual:

Where the holding is in one name, the security holder must sign.

#### Joint Holding:

Where the holding is in more than one name, all of the security holders should sign.

#### Power of Attorney:

If you have not already lodged the Power of Attorney with Advanced Share Registry, please attach the original or a certified photocopy of the Power of Attorney to this form when you return it.

#### Companies:

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

### LODGE YOUR PROXY FORM

This Proxy Form (and any power of attorney under which it is signed) must be received at an address given below by 9.00am (WST) on 11 January 2020, being not later than 48 hours before the commencement of the Meeting. Proxy Forms received after that time will not be valid for the scheduled Meeting.



#### ONLINE PROXY APPOINTMENT

[www.advancedshare.com.au/investor-login](http://www.advancedshare.com.au/investor-login)



#### BY MAIL

Advanced Share Registry Limited  
110 Stirling Hwy, Nedlands WA 6009; or  
PO Box 1156, Nedlands WA 6909



#### BY FAX

+61 8 6370 4203



#### BY EMAIL

[admin@advancedshare.com.au](mailto:admin@advancedshare.com.au)



#### IN PERSON

Advanced Share Registry Limited  
110 Stirling Hwy, Nedlands WA 6009



#### ALL ENQUIRIES TO

Telephone: +61 8 9389 8033