



**MOUNT RIDLEY MINES LIMITED**  
**ACN 092 304 964**

**NOTICE OF GENERAL MEETING**  
**AND**  
**EXPLANATORY MEMORANDUM**

**IMPORTANT INFORMATION**

*This is an important document that should be read in its entirety.  
If you do not understand it you should consult your professional advisers without delay.*

*If you wish to discuss any aspect of this document with the Company please contact  
Mr Johnathon Busing on telephone (+61 8) 9381 2266..*

**MOUNT RIDLEY MINES LIMITED  
ACN 092 304 964**

**NOTICE OF GENERAL MEETING**

Notice is hereby given that a General Meeting of the Shareholders of Mount Ridley Mines Limited will be held at Unit 10, 100 Hay Street, Subiaco, Western Australia 6008 at 10.00 am (WST) on 11 September 2017 to conduct the following business and to consider, and if thought fit, to pass the following Resolutions.

**AGENDA**

**RESOLUTION 1 – RATIFICATION OF ISSUE OF PLACEMENT SHARES – LISTING RULE 7.1**

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

*“That, for the purpose of Listing Rule 7.4, and for all other purposes, Shareholders ratify the allotment and issue of 180,577,486 Shares on the terms and conditions set out in the Explanatory Memorandum.”*

**Voting Exclusion:** The Company will disregard any votes cast on this Resolution by a person who participated in the issue, and any associates of such a person. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the proxy form or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

**RESOLUTION 2 - RATIFICATION OF ISSUE OF PLACEMENT SHARES – LISTING RULE 7.1A**

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

*“That, for the purpose of Listing Rule 7.4, and for all other purposes, Shareholders ratify the allotment and issue of 121,672,514 Shares on the terms and conditions set out in the Explanatory Memorandum.”*

**Voting Exclusion:** The Company will disregard any votes cast on this Resolution by a person who participated in the issue, and any associates of such a person. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the proxy form or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

**RESOLUTION 3 – APPROVAL FOR THE ISSUE OF ATTACHING OPTIONS**

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

*“That, for the purpose of Listing Rule 7.1, and for all other purposes, Shareholders approve the allotment and issue of 302,250,000 Attaching Options on the terms and conditions set out in the Explanatory Memorandum.”*

**Voting Exclusion:** The Company will disregard any votes cast on this Resolution by a person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities if this Resolution is passed, and any associates of such a person. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the proxy form or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

#### **RESOLUTION 4 –AMENDMENT TO TERMS OF 2019 OPTIONS**

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

*“That, subject to the written agreement of the Optionholders, for the purpose of Listing Rule 6.23.4 and for all other purposes, approval is given by Shareholders to amend the terms of the 2019 Options as set out in the Explanatory Memorandum accompanying this Notice”*

**Voting Exclusion:** The Company will disregard any votes cast on this Resolution by a person who holds a 2019 Option and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities if this Resolution is passed, and any associates of such a person. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the proxy form or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

**DATED THIS 11<sup>TH</sup> DAY OF AUGUST 2017**

**BY ORDER OF THE BOARD**

**JOHNATHON BUSING  
COMPANY SECRETARY**

**Notes:****Definitions**

Terms which are used in this Notice and which are defined in Section 4 of the Explanatory Memorandum have the meanings ascribed to them therein.

**Note**

If you have recently changed your address or if there is any error in the name and address used for this notice please notify the Company Secretary. In the case of a corporation, notification is to be signed by a director or company secretary.

**Proxies**

A Shareholder who is entitled to vote at this Meeting has a right to appoint a proxy and should use the proxy form enclosed with this notice. The proxy need not be a Shareholder of the Company and can be an individual or a body corporate.

A body corporate appointed as a Shareholder's proxy may appoint a representative to exercise any of the powers the body may exercise as a proxy at the Meeting. The representative should bring to the Meeting evidence of this appointment, including any authority under which the appointment is signed, unless it has previously been given to the Company.

A Shareholder who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If a Shareholder appoints 2 proxies and the appointment does not specify the proportion or number of the Shareholder's votes each proxy may exercise, section 249X of the Corporations Act will take effect so that each proxy may exercise half of the votes (ignoring fractions).

A proxy's authority to speak and vote for a Shareholder at the meeting is suspended if the Shareholder is present at the meeting.

The proxy form must be signed and dated by the Shareholder or the Shareholder's attorney. Joint Shareholders must each sign.

Proxy forms and the original or a certified copy of the power of attorney (if the proxy form is signed by an attorney) must be received:

- at PO Box 8170, Subiaco WA, 6008; or
- by email [johnathon.busing@mtridleymines.com.au](mailto:johnathon.busing@mtridleymines.com.au),

not later than 10.00am (WST) on 9 September 2017.

Pursuant to regulation 7.11.37 of the Corporations Regulations, the Board has determined that the shareholding of each Shareholder for the purposes of ascertaining the voting entitlements for the Meeting will be as it appears in the share register at 10.00am (WST) on 9 September 2017.

**Bodies Corporate**

A body corporate may appoint an individual as its representative to exercise any of the powers the body may exercise at meetings of a company's shareholders. The appointment may be a standing one.

Unless the appointment states otherwise, the representative may exercise all of the powers that the appointing body could exercise at a meeting or in voting on a resolution.

The representative should bring to the Meeting evidence of his or her appointment, including any authority under which the appointment is signed, unless it has previously been given to the Company.

**MOUNT RIDLEY MINES LIMITED**  
**ACN 092 304 964**

**EXPLANATORY MEMORANDUM**

This Explanatory Memorandum forms part of a Notice convening a General Meeting of Shareholders of Mount Ridley Mines Limited to be held at Unit 10, 100 Hay Street, Subiaco, Western Australia 6008 at 10.00 am (WST) on 11 September 2017. This Explanatory Memorandum is to assist Shareholders in understanding the background to and the legal and other implications of the Notice and the reasons for the Resolutions proposed. Certain terms used in the Notice and Explanatory Memorandum are defined in Section 4.

**1. RESOLUTIONS 1 & 2 - RATIFICATION OF THE ISSUE OF PLACEMENT SHARES**

**1.1 Background**

On 3 July 2017, the Company announced that it had issued 302,250,000 Shares at an average issue price of \$0.004 to raise \$1,209,000 (before costs) ("**Placement**"). The Shares the subject of the Placement were issued with the subsequent issue of a free attaching option (exercisable at \$0.0125, expiring 31 August 2019) to be issued subject to Shareholder approval being obtained (**Attaching Options**). The issue of the Attaching Options is subject to Shareholder approval being obtained under Resolution 3.

**1.2 Listing Rules Chapter 7**

The 302,250,000 Shares under the Placement were issued as follows:

- (a) 180,577,486 Shares under the Company's Listing Rule 7.1 15% capacity; and
- (b) 121,672,514 Shares under the Company's Listing Rule 7.1A 10% capacity.

Listing Rule 7.1 provides, subject to certain exceptions, that Shareholder approval is required for any issue of securities by a listed company in a 12 month period, where the securities proposed to be issued represent more than 15% of the company's ordinary securities then on issue (in the case of Listing Rule 7.1) and 10% of the company's ordinary securities then on issue (in the case of Listing Rule 7.1A) during that 12 month period. The Company is an eligible company which sought and received shareholder approval for an additional 10% capacity under Listing Rule 7.1A at its annual general meeting held on 28 November 2016. The Shareholder approval for the additional 10% capacity under Listing Rule 7.1A is valid for 12 months from the date of the annual general meeting.

Listing Rule 7.2 sets out the exceptions to Listing Rules 7.1 and 7.1A. It provides that where a company in a general meeting ratifies the previous issue of securities made pursuant to Listing Rule 7.1 and/or Listing Rule 7.1A (and provided that the previous issue did not breach Listing Rules 7.1 or 7.1A) those securities will be deemed to have been made with shareholder approval for the purpose of Listing Rule 7.1 or 7.1A (as the case may be).

By ratifying the issue of the Shares the subject of Resolutions 1 and 2, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in Listing Rule 7.1, and the 10% placement capacity under Listing Rule 7.1A, without the requirement to obtain prior Shareholder approval.

Resolutions 1 and 2 are both ordinary resolutions.

**1.3 Resolution 1 - Information Required by Listing Rule 7.5**

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to the ratification of the issue of Shares the subject of Resolution 1:

- (a) 180,577,486 Shares were issued at an issue price of \$0.004 per Share;
- (b) the Shares were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (c) the Shares were issued to investors who were eligible to be made offers without disclosure under an exemption under section 708 of the Corporations Act, none of whom are related parties of the Company; and

- (d) the funds raised from the issue (being in total \$722,309 (before costs)) will be used towards further exploration on the Fraser Range Project, payments to existing creditors and for working capital purposes.

The Chairman intends to vote all available proxies in favour of Resolution 1.

### **1.3 Resolution 2 - Information Required by Listing Rule 7.5**

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to the ratification of the issue of Shares the subject of Resolution 2:

- (a) 121,672,514 Shares were issued at an issue price of \$0.004 per Share;
- (b) the Shares were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (c) the Shares were issued to investors who were eligible to be made offers without disclosure under an exemption under section 708 of the Corporations Act, none of whom are related parties of the Company; and
- (d) the funds raised from the issue (being in total \$486,690 (before costs)) will be used towards further exploration on the Fraser Range Project, payments to existing creditors and for working capital purposes.

The Chairman intends to vote all available proxies in favour of Resolution 2.

## **2. RESOLUTION 3 – APPROVAL FOR THE ISSUE OF ATTACHING OPTIONS**

### **2.1 Background**

302,250,000 free Attaching Options exercisable for \$0.0125 on or before 31 August 2019 are to be issued to subscribers for the Shares the subject of Resolutions 1 and 2 on the basis of 1 Attaching Option for every Share subscribed for. Approval for the issue of these Attaching Options is sought pursuant to Listing Rule 7.1.

Subject to Shareholder approval under Resolution 3, the Attaching Options will be issued under a transaction specific prospectus to be issued by the Company.

### **2.2 Listing Rule Chapter 7**

Listing Rule 7.1 provides, subject to certain exceptions, that Shareholder approval is required for any issue of securities by a listed company during a 12 month period, where the securities proposed to be issued represent more than 15% of the company's ordinary securities then on issue at the commencement of that 12 month period.

By approving the issue of Attaching Options, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

In the event that Shareholder approval is not obtained for the issue of the Attaching Options, the Attaching Options will be nonetheless issued to the extent permissible under the Company's 15% annual placement capacity, thereby reducing the capacity for the Company to issue further securities without first having to seek Shareholder approval.

Resolution 3 is an ordinary resolution.

### **2.3 Technical Information Required by Listing Rule 7.3**

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to the approval of the proposed issue of the Attaching Options the subject of Resolution 3:

- (a) 302,250,000 Attaching Options are proposed to be issued;
- (b) the Attaching Options are to be issued to Shareholders who subscribed for the Shares the subject of Resolutions 1 and 2;

- (c) the Attaching Options are exercisable for \$0.0125 on or before 31 August 2019 and otherwise on the terms and conditions set out in Schedule 1;
- (d) the Attaching Options will be issued as soon as practicable after the Meeting, and in any event, within 3 months of the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules);
- (e) it is anticipated that all of the Attaching Options will be issued on the same date; and
- (f) the Attaching Options are free Attaching Options, and as such, no funds will be raised from the issue thereof.

The Chairman intends to vote all available proxies in favour of Resolution 3.

### **3. RESOLUTION 4 – AMENDMENT TO TERMS OF 2019 OPTIONS**

#### **3.1 Background**

During the period between 19 September 2014 and 29 November 2016, the Company issued 354,381,515 Options exercisable at \$0.0125 each on or before 31 August 2019 (“**2019 Options**”). The 2019 Options were issued pursuant to placements conducted by the Company on 19 September 2014 and 29 November 2016, and to previous directors and associates pursuant to resolutions 2 to 15 passed at a General meeting of the Company held on 8 September 2014.

As at the date of this Notice, the total number of 2019 Options on issue is 354,381,515.

A further 302,250,000 Attaching Options (on the same terms as the 2019 Options) will be issued pursuant to Resolution 3 should that Resolution be passed. If the Attaching Options the subject of Resolution 3 are issued, the total number of 2019 Options and Attaching Options on issue will be 656,631,515.

The terms of the 2019 Options provide that the Company will not apply for quotation of the 2019 Options on ASX.

Resolution 4 seeks Shareholder approval pursuant to Listing Rule 6.23.4 to amend the terms of existing 2019 Options to provide that the 2019 Options may be quoted on ASX and to ensure that the terms of all of the 2019 Options on issue are otherwise identical in all respects with the Attaching Options (“**Proposed Amendment**”). The terms of the Attaching Options, being also the terms of the 2019 Options incorporating the Proposed Amendment are set out in Schedule A of this Notice.

The Company will seek to procure that each holder of the 2019 Options agrees in writing to amend the terms of the 2019 Options, as outlined in this Explanatory Statement. The passing of Resolution 4 is subject to the Company procuring each Optionholders’ written agreement.

#### **3.2 ASX Listing Rule 6.23.4**

Listing Rule 6.23.4 provides that a company must obtain shareholder approval to make a change to the terms of options which is not prohibited under Listing Rule 6.23.3.

Listing Rule 6.23.3 prohibits a change to the terms of options which has the effect of reducing the exercise price, increasing the period for exercise or increasing the number of securities received on exercise.

The Proposed Amendment is not prohibited under Listing Rule 6.23.3.

The effect of Resolution 4 will be to amend the terms of the 2019 Options to incorporate the Proposed Amendment.

#### **3.3 Chapter 2E of the Corporations Act**

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

- (a) obtain the approval of the public company's members in the manner set out in Sections 217 to 227 of the Corporations Act; and

(b) give the benefit within 15 months following such approval,

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

The Proposed Amendment will result in the amendment of the terms of 2019 Options held by Jocaph Pty Ltd, an entity associated with Director Mr Michael Pedley. Accordingly, Jocaph Pty Ltd is a related party of the Company by virtue of being an entity controlled by a Director.

The Directors (other than Mr Pedley who has a material personal interest in the Resolution) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the Proposed Amendment because the terms of the 2019 Options will be amended for Jocaph Pty Ltd on the same terms and in the same manner as the 2019 Options are amended for all other non-related parties and as such, the Proposed Amendment is on arm's length terms.

The Directors (excluding Mr Pedley) recommend shareholder vote in favour of Resolution 4.



#### 4. DEFINITIONS

In this Notice and Explanatory Memorandum:

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

“**ASX**” means ASX Limited ACN 008 624 691.

“**Attaching Options**” means the Options the subject of Resolution 3 being Options proposed to be issued on the terms and conditions set out in Schedule A.

“**Board**” means the board of Directors.

“**Business Day**” has the meaning given to it in the Listing Rules.

“**Chairman**” means the chairman of the Board.

“**Company**” means Mount Ridley Mines Limited (ACN 092 304 964).

“**Constitution**” means the constitution of the Company.

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

“**Director**” means a director of the Company.

“**Explanatory Memorandum**” means this Explanatory Memorandum.

“**Listing Rules**” means the official listing rules of the ASX.

“**Notice**” and “**Notice of Meeting**” means the notice of meeting to which this Explanatory Memorandum is attached.

“**Official List**” means the official list of ASX.

“**Option**” means an option to acquire one Share and “**Optionholder**” has a corresponding meaning.

“**Placement**” means the Company’s 3 July 2017 placement of 302,250,000 Shares at an average issue price of \$0.004 to raise \$1,209,000 (before costs), together with 1 free Attaching Option for each Share issued.

“**Resolution**” means a resolution set out in this Notice.

“**Schedule**” means a schedule to this Notice and Explanatory Memorandum.

“**Section**” means a section of this Explanatory Memorandum.

“**Share**” means an ordinary fully paid ordinary share in the capital of the Company and “**Shareholder**” has a corresponding meaning.

“**WST**” means Western Standard Time.

**SCHEDULE A – TERMS AND CONDITIONS OF ATTACHING OPTIONS  
(and 2019 Options incorporating Proposed Amendment)**

**Option Terms and Conditions**

**Exercise price \$0.0125: expiry date 31 August 2019:**

- (a) Each Option entitles the holder to acquire one fully paid ordinary Share in the Company.
- (b) The options have an exercise price of \$0.0125 (**Exercise Price**) and will expire at 5.00pm WST 31 August 2019 (**Expiry Date**).
- (c) The Options are exercisable at any time on or prior to the Expiry Date.
- (d) The Options may be exercised by giving notice in writing to the Company (**Notice of Exercise**), together with payment of \$0.0125 per Option exercised. The Options will lapse at 5.00pm WST 31 August 2019. Any Notice of Exercise received by the Company will be deemed to be a notice of the exercise of that Option as at the date of receipt.
- (e) The Options may be transferred by an instrument (duly stamped where necessary) in the form commonly used for transfer of Options at any time until 31 August 2019. This right is subject to any restrictions on the transfer of an Option that may be imposed by ASX in circumstances where the Company is listed on ASX.
- (f) Option holders shall be permitted to participate in new issues of securities on the prior exercise of options in which case the Option holders shall be afforded the period of at least nine (9) business days prior to and inclusive of the record date (to determine entitlements to the issue) to exercise the Option.
- (g) Shares issued on the exercise of Options will be issued not more than fourteen (14) days after receipt of a properly executed exercise notice and application moneys. Shares allotted pursuant to the exercise of an Option will rank equally with the then issued ordinary shares of the Company in all respects. If the Company is listed on ASX it will, pursuant to the exercise of an Option, apply to ASX for Quotation of the Shares issued as a result of the exercise, in accordance with the Corporations Act and the Listing Rules.
- (h) In the event of any reconstruction (including consolidation, sub-division, reduction or return) of the issued capital of the Company, all rights of the option holder will be changed to the extent necessary to comply with the Listing Rules applying to the reconstruction of capital at the time of the reconstruction.
- (i) If there is a bonus issue to shareholders, the number of shares over which the Option is exercisable may be increased by the number of shares which the holder of the Option would have received if the Option had been exercised before the record date for the bonus issue.
- (j) In the event that a pro rata issue (except a bonus issue) is made to the holders of the underlying securities in the Company, the exercise price of the Options may be reduced in accordance with Listing Rule 6.22.2.
- (k) Subject to the requirements of the Corporations Act and Listing Rules, the Company will apply for quotation of the Options as soon as practicable following their issue.
- (l) The Options are transferable, subject to restriction or escrow arrangements imposed by the Company, or ASX, or under applicable Australian securities laws.
- (m) Payment of the Exercise Price shall be in Australian currency made payable to the Company by electronic funds transfer or other means of payment acceptable to the Company. The application for shares on exercise of the Options with the appropriate remittance should be lodged with the Company in the manner provided in the Option certificate.

**MOUNT RIDLEY MINES LIMITED  
ACN 092 304 964  
PROXY FORM**

The Secretary  
Mount Ridley Mines Limited  
PO Box 8170  
Subiaco WA 6008  
Email: johnathon.busing@mtridleymines.com.au

I/We \_\_\_\_\_

of \_\_\_\_\_

being a shareholder/(s) of Mount Ridley Mines Limited hereby appoint \_\_\_\_\_

of \_\_\_\_\_

or failing him/her \_\_\_\_\_

of \_\_\_\_\_

or failing him/her the Chairman as my/our proxy to vote for me/us and on my/our behalf at the General Meeting of the Company to be held at Unit 10, 100 Hay Street, Subiaco, Western Australia 6008 at 10.00 am (WST) on 11 September 2017, and at any adjournment thereof in respect of [ ]% of my/our shares or, failing any number being specified, **ALL** of my/our shares in the Company. If two proxies are appointed, the proportion of voting rights this proxy is authorised to exercise is [ ]%. (An additional proxy form will be supplied by the Company on request.)

If you wish to indicate how your proxy is to vote, please tick the appropriate places below. If no indication is given on a Resolution, the proxy may abstain or vote at his or her discretion.

I/we direct my/our proxy to vote as indicated below:

		FOR	AGAINST	ABSTAIN
RESOLUTION 1	RATIFICATION OF ISSUE OF PLACEMENT SHARES – LISTING RULE 7.1	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
RESOLUTION 2	RATIFICATION OF ISSUE OF PLACEMENT SHARES – LISTING RULE 7.1A	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
RESOLUTION 3	APPROVAL FOR THE ISSUE OF ATTACHING OPTIONS	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
RESOLUTION 4	AMENDMENT TO TERMS OF 2019 OPTIONS	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Proxies given by a natural person must be signed by each appointing shareholder or the shareholder's attorney duly authorised in writing. Proxies given by companies must be executed in accordance with section 127 of the Corporations Act or signed by the appointor's attorney duly authorised in writing.

***THE CHAIRMAN INTENDS TO VOTE ALL UNDIRECTED PROXIES IN FAVOUR OF EACH RESOLUTION EVEN IF THAT RESOLUTION IS CONNECTED DIRECTLY OR INDIRECTLY WITH THE REMUNERATION OF A MEMBER OF KEY MANAGEMENT PERSONNEL.***

As witness my/our hand/s this        day of                                2017

**If a natural person:**

SIGNED by:

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Signature (if joint holder)

**If a company:**

Executed in accordance with section 127 of the Corporations Act

\_\_\_\_\_  
Signature of Director

\_\_\_\_\_  
Signature of Director / Secretary

\_\_\_\_\_  
Print name of Director

\_\_\_\_\_  
Print name of Director / Secretary