
GULF MANGANESE CORPORATION LIMITED

ACN 059 954 317

NOTICE OF ANNUAL GENERAL MEETING

TIME: 11.00am (WST)

DATE: 21 November 2017

PLACE: CWA House, 1176 Hay Street,
West Perth 6005
Western Australia

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 professional advisers prior to voting.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 8 9367 9228.

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IMPORTANT INFORMATION

Time and place of Meeting

Notice is given that the Meeting will be held at 11.00 am (WST) on 21 November 2017 at:

CWA House, 1176 Hay Street,
West Perth 6005,
Western Australia

Your vote is important

The business of the Meeting affects your shareholding and your vote is important.

Voting eligibility

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 Shareholders at 11.00 am (WST) on 19 November 2017.

Voting in person

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

Voting by proxy

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

BUSINESS OF THE MEETING

Agenda

1. FINANCIAL STATEMENTS AND REPORTS

To receive and consider the annual financial report of the Company for the financial year ended 30 June 2017 together with the declaration of the directors, the director's report, the Remuneration Report and the auditor's report.

2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

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

"That, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Company's annual financial report for the financial year ended 30 June 2017."

Note: the vote on this Resolution is advisory only and does not bind the Directors or the Company.

3. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – ANDREW WILSON

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

"That, Mr Andrew Wilson, who retires in accordance with clause 14.2 of the Constitution, ASX Listing Rule 14.4 and for all other purposes, and being eligible, offers himself for re-election, be elected as a Director."

4. RESOLUTION 3 – RATIFICATION OF PREVIOUS CONVERTIBLE NOTES ISSUE

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

"That, for the purpose of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the prior issue of 100 Convertible Notes to BB Lee Superfund at an issue price of \$10,000 per note on the terms and conditions set out in the Explanatory Statement."

5. RESOLUTION 4 – RATIFICATION OF PREVIOUS SECURITIES ISSUE

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

"That, for the purpose of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the prior issue of 33,333,333 shares and 50,000,000 listed options to sophisticated investors at an issue price of \$0.015 per share on the terms and conditions set out in the Explanatory Statement."

6. RESOLUTION 5 – APPROVAL OF ISSUE OF 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 ASX Listing Rule 7.4 and for all other purposes, Shareholders approve the issue of 250,000,000 Listed Options on the terms and conditions set out in the Explanatory Statement."

7. RESOLUTION 6 – APPROVAL FOR THE ISSUE OF PERFORMANCE RIGHTS – CRAIG MUNRO

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 208 of the Corporations Act, ASX Listing Rule 10.14 and for all other purposes, Shareholders approve the grant of up to 20,000,000 Performance Rights to Craig Munro, a Director, under the Gulf Manganese Corporation Limited Long Term Incentive Plan on the terms and conditions contained in the Explanatory Notes to this Notice of Meeting."

8. RESOLUTION 7 – APPROVAL FOR THE ISSUE OF PERFORMANCE RIGHTS – HAMISH BOHANNAN

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 208 of the Corporations Act, ASX Listing Rule 10.14 and for all other purposes, Shareholders approve the grant of up to 62,500,000 Performance Rights to Hamish Bohannan, a Director, under the Gulf Manganese Corporation Limited Long Term Incentive Plan on the terms and conditions contained in the Explanatory Notes to this Notice of Meeting."

9. RESOLUTION 8 – APPROVAL FOR THE ISSUE OF PERFORMANCE RIGHTS – ANDREW WILSON

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 208 of the Corporations Act, ASX Listing Rule 10.14 and for all other purposes, Shareholders approve the grant of up to 12,000,000 Performance Rights to Andrew Wilson, a Director, under the Gulf Manganese Corporation Limited Long Term Incentive Plan on the terms and conditions contained in the Explanatory Notes to this Notice of Meeting."

Dated 16th October 2017

By order of the Board

**Leonard Math
Company Secretary**

VOTING EXCLUSIONS

Resolution 1

In accordance with the Corporations Act (2001) (Corporations Act), the Company will disregard:-

- (a) any votes cast (in any capacity) on Resolution 1 by or on behalf of
 - (i) a member of the Key Management Personnel listed in the Remuneration Report (KMP); or
 - (ii) a KMP's Closely Related Party; and
- (b) any votes cast as a proxy on Resolution 1 by any other person who is a member of the KMP at the date of the meeting, or by a Closely Related Party of any such person.

Closely Related Party is defined in the Corporations Act and includes a spouse, dependant and certain other close family members, as well as any companies controlled by the KMP.

However the Company need not disregard a vote cast on Resolution 1 if it is cast:

- (a) by any person referred to above as proxy for a person entitled to vote on the Resolution, in accordance with a direction in the proxy appointment specifying how the proxy is to vote on the Resolution; or
- (b) by the person chairing the meeting as proxy for a person entitled to vote on the Resolution where the proxy appointment does not specify the way the proxy is to vote on the Resolution and expressly authorises the Chairman to exercise the proxy even though the Resolution is connected directly or indirectly with the remuneration of a member of the KMP for the Company.

Please read the information under the heading 'Chairman as proxy' which deals with the Chairman's voting of undirected proxies on Resolution 1.

If you are a member of the KMP or a Closely Related Party of any such member, you may be held liable for breach of the voting restrictions in the Corporations Act if you cast a vote that the Company will disregard.

Note: The vote on this Resolution is advisory only and does not bind the Directors or the Company.

Resolutions 3 and 4

The Company will disregard any votes cast on this Resolution by a person who has participated in the issue and a person who has obtained a benefit and any associates of those persons, except a benefit solely in the capacity of a holder of ordinary securities, if the resolution is passed.

However, the Company need not disregard a vote if:

- a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- b) 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 5

The Company will disregard any votes cast on this Resolution by a person who may participate in the proposed issue and a person who may obtain a benefit and any associates of those persons, except a benefit solely in the capacity of a holder of ordinary securities, if the resolution is passed.

However, the Company need not disregard a vote if:

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

Resolutions 6, 7 and 8

The Company will disregard any votes on the respective Resolutions cast by or on behalf of the following persons:

A director of the Company (except one who is ineligible to participate in any employee incentive scheme in relation to the Company) and any of their associates.

The Company will also disregard any votes cast on Resolutions 6, 7 and 8 by a member of the KMP or their Closely Related Parties as proxy for another person where the proxy form does not specify how the proxy is to vote. The Chair will disregard all undirected proxies for Resolutions 6, 7 and 8.

However, the Company need not disregard a vote if:

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

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions.

1. FINANCIAL STATEMENTS AND REPORTS

In accordance with the Constitution, the business of the Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 30 June 2017 together with the declaration of the directors, the directors' report, the Remuneration Report and the auditor's report.

The Company will not provide a hard copy of the Company's annual financial report to Shareholders unless specifically requested to do so. The Company's annual financial report is available on its website at www.gulfmangnese.com.

2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

2.1 General

The Corporations Act requires that at a listed company's annual general meeting, a resolution that the remuneration report be adopted must be put to the shareholders. However, such a resolution is advisory only and does not bind the company or the directors of the company.

The remuneration report sets out the company's remuneration arrangements for the directors and senior management of the company. The remuneration report is part of the directors' report contained in the annual financial report of the company for a financial year.

The chair of the meeting must allow a reasonable opportunity for its shareholders to ask questions about or make comments on the remuneration report at the annual general meeting.

2.2 Voting consequences

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

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

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

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

2.3 Previous voting results

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

2.4 Proxy voting restrictions

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

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

Notes:

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

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

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

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

3. RESOLUTION 2 – RE-ELECTION OF ANDREW WILSON AS A DIRECTOR

Clause 14.2 of the Constitution requires that one third of the Directors in office (other than a Managing Director) must retire by rotation at each Annual General Meeting of the Company. Clause 14.2 of the Constitution provides that a retiring Director is eligible for re-election.

Mr Wilson therefore retires at the forthcoming Annual General Meeting in accordance with the Constitution and being eligible, has offered himself for re-election at the meeting.

Biography of Mr Wilson are set out in the Company's annual financial report for the year ended 30 June 2017.

Directors' Recommendation

The Board of Directors, excluding Mr Wilson, recommend that Shareholders vote in favour of Resolution 2.

4. RESOLUTION 3 & 4 – RATIFICATION OF PREVIOUS CONVERTIBLE NOTES AND SECURITIES ISSUE

Background

On 23 June 2017, the Company announced that it has raised \$7 million through a share placement of 466,666,667 shares at \$0.015 per share with free attaching 3 for 2 Listed

Options (GMCO) exercisable at 0.5 cents each expiring 21 April 2019. Binding commitments are also in place for a \$1 million convertible note and commitments to raise an additional \$4 million on the same terms as under the prospectus to complete the \$12 million raise (**"Capital Raising"**).

The placement of the \$1 million convertible notes was completed on 27 June 2017.

On 27 July 2017, \$1 million of the committed \$4 million was received and 66,666,667 shares at \$0.015 per share with free attaching 100,000,000 Listed Options (GMCO) exercisable at 0.5 cents each expiring 21 April 2019 were issued.

The Company anticipated that the balance of the committed raising of \$3 million was to be received by the Company by no later than the end of September 2017. On 6 October 2017, \$500,000 of the committed \$3 million was received and a total of 33,333,333 shares at \$0.015 per share with free attaching 50,000,000 Listed Options (GMCO) exercisable at 0.5 cents each expiring 21 April 2019 were issued. The Company is seeking shareholders' approval under Resolution 5 to issue the free attaching 250,000,000 Listed Options (GMCO) exercisable at 0.5 cents each expiring 21 April 2019 to the balance of the committed \$2.5 million placement, which is expected to close by no later than 31 October 2017.

The Capital Raising provides Gulf with the necessary funding to finalise the purchase of the Company's first two furnaces from Transalloys in South Africa, as well as completing the refurbishment and shipment of the furnaces to the Kupang site. The funding also allows the commencement of the construction of the Kupang Smelting Hub.

A summary of the requirements of ASX Listing Rule 7.1 is set out in respect of Resolutions 3 and 4.

ASX Listing Rule 7.4 allows an issue of securities to be made without the approval of shareholders to be treated as if it had been approved by shareholders for the purposes of ASX Listing Rule 7.1, provided that the issue did not breach ASX Listing Rule 7.1 and shareholders subsequently approve the issue. As noted above, the issue of the Convertible Notes and the placement of 33,333,333 shares and 50,000,000 listed options were within the Company's 15% issue capacity under ASX Listing Rule 7.1.

Resolutions 3 and 4 seeks the approval of Shareholders to ratify the issue of the securities pursuant to the Capital Raising to provide the Company with the maximum flexibility to undertake equity raisings without the need for further shareholder approval. The requirement to obtain shareholder approval for an issue, at the time of issue, could limit the Company's ability to take advantage of the opportunities that may arise.

Notwithstanding an approval by shareholders of Resolution 3 and 4, any future equity raising will remain subject to the 15% limit under ASX Listing Rule 7.1.

No decision has been made by the Board of Directors to undertake any further issue of equity securities in the event that approval is received from shareholders in respect of Resolution 3 and 4. The Board of Directors will only decide to issue further equity securities if it considers it is in the best interests of the Company to do so. In accordance with ASX Listing Rule 7.5, the following information is provided for the purpose of obtaining Shareholder approval for Resolutions 3 and 4:

	Convertible Notes (Resolution 3)	Shares and Options (Resolution 4)	
Number of securities issue	100	33,333,333 Shares 50,000,000 Listed Options	
Recipient of the securities	BB Lee Superfund	Ali Santoso Halim:	16,666,667 Shares 25,000,000 Options
		Hwa Poh Tan:	16,666,666 Shares 25,000,000 Options
Issue Price	\$10,000 per note	\$0.015 per share	
Terms and conditions	Refer below*	<p>Shares issued were fully paid ordinary shares in the capital of the Company, issued on the same terms and conditions as the Company's existing Shares and ranking equally in all respects with all other Shares on issue.</p> <p>The Listed Options will have the same terms and conditions as the existing class of Listed Options (GMCO), being Listed Options exercisable at 0.5 cents each expiring 21 April 2019 as set out in Annexure A.</p>	

- (a) The securities issued were to sophisticated and professional investors who are not related parties of the Company.
- (b) The Capital Raising Investors were approved by the Board on the basis that they were sophisticated and professional investors for the purposes of section 708 of the Corporations Act.
- (c) Funds raised from the Capital Raising provides Gulf with the necessary funding to finalise the purchase of the Company's first two furnaces from Transalloys in South Africa, as well as completing the refurbishment and shipment of the furnaces to the Kupang site. The funding also allows the commencement of the construction of the Kupang Smelting Hub, working capital and general corporate purposes.
- (d) A voting exclusion statement for Resolution 3 and 4 is included in the Notice.

Terms and Conditions of the Convertible Notes*

Issuer:	Gulf Manganese Corporation Limited
Notes offered:	A\$1,000,000 unsecured
Coupon:	8%
Term:	2 years from issue
Interest payments:	Monthly in arrears
Denominations:	100 notes in denomination of AUD \$10,000 per note
Ranking of Notes:	Will rank senior in obligation of payment to any future indebtedness including dividends
Guarantees:	The issuer's obligations under the Notes will be guaranteed by Gulf Manganese Corporation Limited and subject to all regulatory approvals
Conversion before 21 August 2017:	Each note may be converted into Gulf shares at 1.5 cents with free attaching 3 for 2 Listed Options (GMCO) exercisable at 0.5 cents expiring 21 April 2019.
Conversion after 21 August 2017:	Each note may be converted into Gulf shares at 1.5 cents.
Redemption :	Each note may be redeemed at the Holders option 3 months from issue or any time thereafter with 1 month notification and all outstanding notes will be redeemed in full 24 months from issue.
Governing law:	The Laws of Australia shall apply to the Note.

Directors' Recommendation

The Board of Directors, recommend that Shareholders vote in favour of Resolutions 3 and 4.

5. RESOLUTION 5 – APPROVAL OF ISSUE OF OPTIONS**Background**

As noted in the explanatory statement detailing the background to Resolutions 3 and 4, the Company received \$500,000 of the committed \$3 million on 6 October 2017 under the same terms as the Capital Raising and prospectus dated 15 June 2017 as well as the supplementary prospectus dated 23 June 2017. It is expected the balance of the committed \$2.5 million will be received by no later than 31 October 2017. A total of 166,666,667 shares at \$0.015 per share will be issued upon receiving the \$2.5 million while the free attaching options of 250,000,000 will be issued following shareholders' approval under Resolution 5 due to the 15% placement capacity limit.

The Company is therefore seeking shareholders' approval under Resolution 5 to issue the free attaching 250,000,000 Listed Options (GMCO) exercisable at 0.5 cents each expiring 21 April 2019 upon receiving the \$2.5 million from the sophisticated investors.

ASX Listing Rule 7.1

ASX Listing Rule 7.1 provides that a company must not issue or agree to issue more than 15% of its total ordinary share capital within a 12 month period unless a specified

exception applies or the issue is made with the prior approval of shareholders for the purpose of ASX Listing Rule 7.1.

Shareholder approval is now sought pursuant to Listing Rule 7.1 to enable the Company to issue 250,000,000 Listed Options (GMCO) exercisable at 0.5 cents each expiring 21 April 2019 to the parties set out below.

Information requirements under ASX Listing Rule 7.3 For the purposes of ASX Listing Rule 7.3, the following information is provided in connection with Resolution 5:

- (a) A total of 250,000,000 Listed Options (GMCO) exercisable at 0.5 cents each expiring 21 April 2019 are proposed to be issued if Resolution 5 is passed.
- (b) If Resolution 5 is passed, the Options will be issued on the date that is three business days after the date that Shareholder approval is obtained, or such other date as agreed between the Company and the parties, which, in any event, will be no later than three months after the date of this Meeting.
- (c) The Options are being issued as free attaching options following the parties' participation in the Capital Raising.
- (d) The Options will be issued to:

Ali Santoso Halim: 85,000,000

Hwa Poh Tan: 165,000,000
- (e) The Listed Options will have the same terms and conditions as the existing class of Listed Options (GMCO), being Listed Options exercisable at 0.5 cents each expiring 21 April 2019 as set out in Annexure A.
- (f) There will be no funds raised by the issue of the Options as they are issued as free attaching options for their participation in the Capital Raising as announced on 23 June 2017.

Directors' Recommendation

The Board of Directors, recommend that Shareholders vote in favour of Resolution 5.

6. RESOLUTION 6, 7 & 8 – APPROVAL FOR THE ISSUE OF PERFORMANCE RIGHTS – CRAIG MUNRO, HAMISH BOHANNAN AND ANDREW WILSON

Background

Resolutions 6, 7 and 8 seek shareholder approval for the issue of Performance Rights (and Shares that may be issued upon the vesting of Performance Rights under the Company's Long Term Incentive Plan) to Non-Executive Chairman, Mr Craig Munro, Managing Director, Mr Hamish Bohannan and Non-Executive Director, Mr Andrew Wilson up to the maximum amount set out below.

On 2 September 2016, shareholders approved the Company's Long Term Incentive Plan. The purposed of the plan is to provide ongoing incentives to directors, executives, employees and contractors of the Company (Eligible Participants).

The Board has adopted the Plan to allow the Eligible Participants to be granted performance rights (Performance Rights) to acquire Shares in the Company.

The objective of the Plan is to provide the Company with a remuneration mechanism, through

the issue of securities in the capital of the Company, to motivate and reward the performance of the Directors and employees in achieving specified performance milestones within a specified performance period. The Board will ensure that the performance milestones attached to the securities issued pursuant to the Plan are aligned with the successful growth of the Company's business activities.

The directors, executives, employees and contractors of the Company have been, and will continue to be, instrumental in the growth of the Company. The Directors consider that the Plan is an essential part of retaining senior executives, to encourage alignment of personal and shareholder interest and:

- (a) Foster a long term perspective within the directors, executives, employees and contractors necessary to increase shareholder return;
- (b) Drive sustainable, long term performance of the Company;
- (c) Provide an opportunity for directors, executives, employees and contractors to benefit from the Company's share price performance in a manner that is directly linked to shareholder returns; and
- (d) Ensure that the Company has a remuneration model that makes it an attractive employment option for talented personnel.

The Plan will be used as part of the remuneration planning for directors, executives, employees and contractors. The Corporate Governance Council Guidelines recommend that executive remuneration packages involve a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the company's circumstances and goals.

Resolutions 6, 7 and 8 seek shareholder approval for the issue of Performance Rights to Non-Executive Chairman, Mr Craig Munro, Managing Director, Mr Hamish Bohannon and Non-Executive Director, Mr Andrew Wilson up to the maximum amount set out below. The Performance Rights will be issued subject to the Performance Conditions outlined in the Plan Rules and Plan Policy and which are summarised in Annexures B and C of this Explanatory Statement.

Listing Rule 10.14

Listing Rule 10.14 provides that a listed company must not issue securities under an employee incentive scheme to a director of the company without Shareholder approval.

Shareholder approval is therefore being sought pursuant to Listing Rule 10.14. If Shareholder approval is obtained under Listing Rule 10.14, approval is not required under Listing Rule 7.1 and 10.11.

Under Resolutions 6, 7 and 8, the Company seeks approval from Shareholders for the issue of Performance Rights to Messrs Craig Munro, Hamish Bohannon and Andrew Wilson, who by virtue of their position as a Director of the Company is a related party of the Company.

In compliance with the information requirements of Listing Rule 10.15, Shareholders are advised of the following information:

- (a) Nature of relationship between allottee and the Company

The Performance Rights are proposed to be issued to Mr Craig Munro. Mr Craig Munro is the Non-Executive Chairman of the Company and, as such, is a related party of Gulf Manganese Corporation Limited.

The Performance Rights are proposed to be issued to Mr Hamish Bohannan. Mr Hamish Bohannan is the Managing Director of the Company and, as such, is a related party of Gulf Manganese Corporation Limited.

The Performance Rights are proposed to be issued to Mr Andrew Wilson. Mr Andrew Wilson is the Non-Executive Chairman of the Company and, as such, is a related party of Gulf Manganese Corporation Limited.

(b) Details of the maximum number of securities that may be issued

The maximum number of securities that may be acquired by Mr Craig Munro under Resolution 6 is 20,000,000.

The maximum number of securities that may be acquired by Mr Hamish Bohannan under Resolution 7 is 62,500,000.

The maximum number of securities that may be acquired by Mr Andrew Wilson under Resolution 8 is 12,000,000.

The formula used to calculate the number of securities to be issued, subject to the passing of Resolutions 6, 7 and 8, is set out below:

$$N = \frac{TFR \times Y\%}{V}$$

Where:

- N the number of Performance Rights to be offered.
- TFR total fixed remuneration at the commencement date of the Performance Period.
- V the market value of a Share at the commencement of the Performance Period. This will be based on the closing share price prior to the commencement of the Performance Period.
- Y the percentage of total fixed remuneration awarded in Performance Rights, as determined by the Board.

Set out below are the variables for the formula used to calculate the number of Performance Rights that may be issued to Messrs Craig Munro, Hamish Bohannan and Andrew Wilson (pursuant Resolutions 6, 7 and 8) and for which approval are sought:

Director	Total Fixed Remuneration ("TFR")	Percentage of TFR awarded in Performance Rights	Closing Price*	Maximum number of Performance Rights to be offered
C Munro	\$100,000	40%	\$0.002	20,000,000
H Bohannan	\$250,000	50%	\$0.002	62,500,000
A Wilson	\$60,000	40%	\$0.002	12,000,000

**The Performance Period for the performance rights to be offered to Messrs Craig Munro, Hamish Bohannan and Andrew Wilson, subject to shareholder approval at the meeting, commenced on 1 July 2016 and the closing price is the closing share price prior to the commencement of the performance period for financial year 2016/2017.*

If the Performance Conditions (as set out in Annexure C of this Explanatory Statement) are achieved to the greatest extent possible (i.e. Gulf's TSR is at or above 50th percentile ranking to the Comparator Group at each test date), then each Performance Right awarded will convert into one Gulf Share on vesting.

(c) Issue price

There is no issue price for the Performance Rights.

(d) Previous issues under the Plan

At the date of this Notice of Meeting, the following Performance Rights and vesting conditions have been granted to Messrs Craig Munro, Hamish Bohannan and Andrew Wilson or any other person referred to in ASX Listing Rule 10.14 or otherwise under the Plan.

Vesting Conditions	C Munro	H Bohannan	A Wilson
Completion of financing for 1 st and 2 nd smelter	2,000,000	5,000,000	2,000,000
Completion of 1 st smelter construction	2,000,000	5,000,000	2,000,000
Completion of MoU with manganese suppliers	2,000,000	5,000,000	2,000,000
Completion of 60% offtake agreement for 1 st and 2 nd smelter	2,000,000	5,000,000	2,000,000
Successful commissioning of the 1 st smelter	2,000,000	5,000,000	2,000,000
TOTAL	10,000,000	25,000,000	10,000,000

The Performance Rights issued above were valued at \$0.03 as disclosed in the Financial Statements for the year ending 30 June 2017.

As at the date of this Notice of Meeting, none of the Performance Rights issued have vested.

(e) Eligible participants under the Plan

The eligible participants under the Plan as referred in ASX Listing Rule 10.14 are Messrs Craig Munro, Hamish Bohannan and Andrew Wilson.

(f) Issue date

The latest date that the Company will issue Performance Rights under Resolution 6, 7 and 8 will be no later than 12 months after the date of the Meeting.

(g) Terms of any loan

The company will not be providing a loan in connection with Messrs Craig Munro, Hamish Bohannan and Andrew Wilson's acquisition of Performance Rights under the Plan.

(h) Voting exclusion statement

A voting exclusion statement for Resolution 6, 7 and 8 is included in the Notice of Meeting preceding this Explanatory Statement.

Information required by the Corporations Act

For the purposes of section 219 of the Corporations Act and ASIC Regulatory Guide 76, the following information is provided to Shareholders to enable them to assess the merits of the resolution:

- (a) The related parties to whom Resolutions 6, 7 and 8 would permit the benefit to be given:

Craig Munro, a Non-Executive Chairman

Hamish Bohannan, a Managing Director

Andrew Wilson, a Non-Executive Director

- (b) The nature of the financial benefit:

The proposed financial benefits to be given are the issue of the issue of Performance Rights to Non-Executive Chairman, Mr Craig Munro (20 million), Managing Director, Mr Hamish Bohannan (62.5 million) and Non-Executive Director, Mr Andrew Wilson (12 million) on the terms of which are set out in this Explanatory Memorandum.

- (c) Reasons for giving the benefit

The Board independent of Mr Munro have determined that the issue of 20 million Performance Rights to Mr Munro recognises the skills and value that Mr Munro will bring to the Company based on his past and current experience.

The Board independent of Mr Bohannan have determined that the issue of 62.5 million Performance Rights to Mr Bohannan recognises the skills and value that Mr Bohannan will bring to the Company based on his past and current experience.

The Board independent of Mr Wilson have determined that the issue of 12 million Performance Rights to Mr Wilson recognises the skills and value that Mr Wilson will bring to the Company based on his past and current experience.

- (c) Related parties' existing relevant interest

Directors	Shares	Options over ordinary shares	Performance Rights
Craig Munro	1,333,333	12,000,000	10,000,000
Hamish Bohannan	36,000,000	50,500,000	25,000,000
Andrew Wilson	8,333,333	12,000,000	10,000,000

- (d) Total cash remuneration package per annum

Directors	Financial Year 2017	Financial Year 2018
Craig Munro	\$100,000	\$100,000
Hamish Bohannan	\$295,461	\$250,000
Andrew Wilson	\$60,000	\$60,000

- (e) Dilution

The Company's issued share capital will not change as a result of the issue of Performance Rights to Mr Craig Munro (20 million), Mr Hamish Bohannan (62.5 million) and Mr Andrew Wilson (12 million). However should all of the Performance Rights vest, a total of 94.5 million shares will be issued which represents 4.42% of current total shares on issued (2,137,849,924).

(f) Valuation of the financial benefit to be given

The valuation of the performance has been calculated based on the closing share price (0.6 cents) on time of the preparation of this Notice of AGM.

Directors	Performance Rights	Value of the Performance Rights
Craig Munro	20,000,000	\$120,000
Hamish Bohannan	62,500,000	\$375,000
Andrew Wilson	12,000,000	\$72,000

(g) Other Information

The Directors are not aware of any other information that is reasonably required by Shareholders to allow them to make a decision on whether it is in the best interests of the Company to pass the Resolution.

Directors' recommendation

The Board of Directors, with Mr Munro abstaining, recommend that Shareholders vote in favour of Resolution 6 as the Company will receive the benefits outlined above and the vesting conditions of the Performance Rights to be granted are aligned with the growth of shareholders' value.

Mr Munro declines to make a recommendation to Shareholders in relation to Resolution 6 as he has a material personal interest in the outcome of Resolution 6.

The Board of Directors, with Mr Bohannan abstaining, recommend that Shareholders vote in favour of Resolution 7 as the Company will receive the benefits outlined above and the vesting conditions of the Performance Rights to be granted are aligned with the growth of shareholders' value.

Mr Bohannan declines to make a recommendation to Shareholders in relation to Resolution 7 as he has a material personal interest in the outcome of Resolution 7.

The Board of Directors, with Mr Wilson abstaining, recommend that Shareholders vote in favour of Resolution 8 as the Company will receive the benefits outlined above and the vesting conditions of the Performance Rights to be granted are aligned with the growth of shareholders' value.

Mr Wilson declines to make a recommendation to Shareholders in relation to Resolution 8 as he has a material personal interest in the outcome of Resolution 8.

GLOSARY

\$ means Australian dollars.

Associated Company means a body corporate which:

- (a) is related (within the meaning of that expression in the Corporations Act) to the Company and which the Board determines shall participate in the Share Trust or Option Trust (as the case may be); or
- (b) the Board determines shall participate in the Share Trust or Option Trust (as the case may be) and in which the Company and/or subsidiary (within the meaning of that expression in the Corporations Act) of the Company.

Annual General Meeting or **Meeting** means the meeting convened by the Notice.

ASIC means the Australian Securities & Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by ASX Limited, as the context requires.

ASX Listing Rules means the Listing Rules of ASX.

Board means the current board of directors of the Company.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

Chair means the chair of the Meeting.

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

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent of the member or the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the Corporations Regulations 2001 (Cth) for the purposes of the definition of 'closely related party' in the Corporations Act.

Company means Gulf Manganese Corporation Limited (ACN 059 954 317).

Constitution means the Company's constitution.

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

Directors means the current directors of the Company.

Explanatory Statement means the explanatory statement accompanying the Notice.

Key Management Personnel has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, of the consolidated entity, directly or indirectly, including any director (whether executive or otherwise) of the Company, or if the Company is part of a consolidated entity, of an entity within the consolidated group.

Notice or **Notice of Meeting** means this notice of meeting including the Explanatory Statement and the Proxy Form.

Proxy Form means the proxy form accompanying the Notice.

Remuneration Report means the remuneration report set out in the Director's report section of the Company's annual financial report for the year ended 30 June 2017.

Resolutions means the resolutions set out in the Notice, or any one of them, as the context requires.

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

Shareholder means a registered holder of a Share.

Subscriber means a group of funds managed by Advance Capital Partners Asset Management Private Limited.

VWAP means Volume Weighted Average Price.

WST means Western Standard Time as observed in Perth, Western Australia.

ANNEXURE A – TERMS AND CONDITIONS OF THE LISTED OPTIONS

- (a) Each Option will entitle the holder to subscribe for one Share.
- (b) Each Option will expire at 5.00pm (WST) on 21 April 2019 (Expiry Date). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
- (c) The Options are exercisable in whole or in part at a price of 0.5 cents per Option (Exercise Price) by completing and delivering a duly completed form of notice of exercise to the registered office of the Company together with the payment of the Exercise Price in immediately available funds for the number of Shares in respect of which the Options are exercised.
- (d) All Shares issued upon the exercise of the Options will rank equally in all respects with the Company's then existing Shares.
- (e) Application will be made to ASX for Official Quotation of the Options.
- (f) Application will be made to ASX for Official Quotation by ASX of all Shares allotted pursuant to the exercise of Options within the time period required by the Listing Rules after the date of allotment.
- (g) The holders of Options may only participate in new issues of securities as holders of Shares if an Option has been exercised and Shares have been allotted in respect of the Option before the record date for determining entitlements to the issue. The Company must give notice to the holder of the Options of any new issue before the record date for determining entitlements to the issue in accordance with the ASX Listing Rules or any waiver from the Listing Rules provided to the Company by ASX.
- (h) There will be no change to the exercise price of an Option or the number of Shares over which an Option is exercisable in the event of the Company making a pro rata issue of Shares or other securities to the holders of Shares (other than for a Bonus Issue).
- (i) If, from time to time, before the expiry of the Options, the Company makes a pro rata issue of Shares to Shareholders for no consideration (Bonus Issue), the number of Shares over which an Option is exercisable will be increased by the number of Shares which the holder would have received if the Option had been exercised before the record date for the Bonus Issue (Bonus Shares). The Bonus Shares must be paid up by the Company out of profits or reserves (as the case may be) in the same manner as was applied in the Bonus Issue and upon issue rank equally in all respects with the other Shares of that class at the date of issue of the Bonus Shares.
- (j) If, prior to the expiry of any Options, there is a reorganisation of the issued capital of the Company, the Options will be reorganised in the manner set out in and to the extent necessary to comply with the Listing Rules applying to a reorganisation of capital at the time of the reorganisation.
- (k) Shares allotted and issued pursuant to the exercise of the Options will be allotted and issued, and a holding statement provided to the holders of Options in respect of those Shares, on the above terms and conditions not more than 15 business days after the receipt of a duly executed form of notice of exercise and the Exercise Price in immediately available funds in respect of the Options exercised.

ANNEXURE B – SUMMARY OF THE GULF MANGANESE CORPORATION LIMITED PLAN RULES

The following is a summary of the key terms and conditions of the Plan.

- (a) Eligible Participants of the Plan include any full or part time employee or Director or contractor (and to the extent permitted by ASIC, a casual employee or contractor) of the Company who is declared by the Board to be eligible to receive grants of Performance Rights under the Plan.
- (b) A Performance right to acquire a Share whether by purchase or subscription, subject to satisfaction of achievement of criteria and the corresponding obligation of the Company to provide the Share, pursuant to a binding contract made by the Company and an Eligible Participant in the manner set out in the Plan rules.
- (c) Performance Rights granted under the Plan will not vest until the Vesting Conditions imposed by the Board are satisfied. Subject to paragraph (e), if the Vesting Conditions are not satisfied, the Performance Rights will lapse and the holder will have no entitlement to any Shares.
- (d) Vesting Condition means one or more conditions which must be satisfied or circumstances which must exist before the relevant Performance Rights issued under this Plan may be exercised, as determined by the Board and which may include a requirement in relation to a Minimum Term of Employment.
- (e) A Vesting Condition may, subject to Corporations Act, Listing Rules and any other applicable laws and regulations, be waived by the Board as determined by the Board from time to time.
- (f) Unless the Board determines otherwise, participants will not be liable to make payment for Performance Rights granted to them.
- (g) Performance Right are transferable only with consent of the Board.
- (h) The exercise of any vested Performance Rights will be effected in the form and the manner determined by the Board, and , if an amount is payable on vesting of the Performance Right, will be accompanied by payment of that amount, unless the manner of payment of that amount is otherwise provided for by the Board.
- (i) Subject to paragraph (j), an unexercised Performance Right will lapse upon the earlier to occur of:
 - (i) Failure to satisfy the applicable vesting conditions;
 - (ii) the holder purporting to transfer the Performance Right otherwise than with the consent of the Board or by force of law;
 - (iii) the employment of the holder ceasing, where such a condition was imposed on the grant of the Performance Right;
 - (iv) in the opinion of the Board, the holder commits any fraudulent or dishonest act or is in breach of his or her obligations to the Company or subsidiary; or
 - (v) the Expiry date.
- (a) The Board may, in its absolute discretion, determine that all or a specified number of a holder's unvested Performance Rights vest despite the occurrence of an event stipulated in paragraph (i) above.

- (k) The Company must issue to or procure the transfer to the Eligible Participant the number of Shares in respect of which vested Performance Rights are exercised, within 10 business days after a Performance Right is exercised.
- (l) All Shares allotted under the Plan rank equally with other Shares on issue at the time those Shares are provided and carry the same rights and entitlement as those conferred by other Shares.
- (m) Shares issued on exercise of Performance Rights may be subject to restrictions on transfer, unless the participant requests that the Company waives those restrictions and that request is approved by the Company.
- (n) Subject to the terms and conditions of a grant of a Performance Right, the Board may in its absolute discretion determine that all or a portion of the unvested Performance Rights automatically vest and automatically exercise on the occurrence of:
 - (i) a Takeover Bid is made to acquire all Securities;
 - (ii) a Court has sanctioned a compromise or arrangement (other than for the purpose of, or in connection with, a scheme for the reconstruction of the Company or Trust or their amalgamation with any other entity or entities);
 - (iii) a selective capital reduction is announced in respect of the Company which would result in a person who previously had Voting Power of less than 50% in the Company obtaining Voting Power of more than 50%; or
 - (iv) in any other case, a person obtains Voting Power in the Company which the Board (which for the avoidance of doubt will comprise those directors immediately prior to the person acquiring that Voting Power) determines, acting in good faith and in accordance with their fiduciary duties, is sufficient to control the composition of the Board.
- (o) The Board may also, in its absolute discretion, permit the exercise of Performance Rights (irrespective of whether the relevant Vesting Conditions have been met) during such period as the Board determines where:
 - (i) the Company passes a resolution for voluntary winding up; or
 - (ii) an order is made for the compulsory winding up of the Company.
- (p) If Shares are issued pro-rata to Shareholders generally by way of bonus issue (other than an issue in lieu of dividends or by way of dividend reinvestment) involving capitalisation or reserves or distributable profits, the number of Performance Rights to which each holder is entitled, or any amount payable on vesting of the Performance Rights, or both as appropriate, will be adjusted in the manner determined by the Board to ensure that no advantage accrues to the holder as a result of the bonus issue and in any event in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the bonus issue.
- (q) Subject to the Board determining otherwise, a Performance Rights Holder does not have the right to participate in a pro rata issue of Securities made by the Company or sell renounceable rights save that, if the Performance Rights have been exercised then the holder of the Securities will participate along with other members.
- (r) In the event of any reorganisation (including consolidation, subdivision, reduction or return) of the issued Securities of the Company, the number of Performance Rights to which each Performance Rights Holder is entitled or the Exercise Price of the Performance Rights, or both as appropriate, will be adjusted in the manner provided for in the Listing Rules.

- (s) Subject to paragraphs (p) to (r), during the currency of any Performance Rights and prior to their exercise, Performance Rights Holders are not entitled to participate in any new issue of Securities of the Company as a result of their holding Performance Rights.
- (t) The Board may at any time by resolution amend all or any of the provisions of the Plan, or the terms or conditions of any Performance Rights granted under the Plan.
- (u) Without the consent of the participant, no amendment may be made to the terms of any granted Performance Rights which reduces the rights of the participant in respect of that Performance Right, other than an amendment:
 - (i) For the purpose of complying with or confirming to present or future State of Commonwealth legislation governing or regulating the maintenance or operation of the Plan or like plans;
 - (ii) To correct any manifest error or mistake; or
 - (iii) To take into consideration possible adverse tax implications in respect of the Plan arising from, amongst others adverse rulings from the Commissioner of Taxation, changes to tax legislation (including an official announcement by the Commonwealth of Australia) and / or change in the interpretation of tax legislation by a court or competent jurisdiction.
- (v) The Performance Rights do not give any entitlement to vote a meeting of Shareholders.

ANNEXURE C - TERMS AND CONDITIONS OF THE GULF MANGANESE CORPORATION LIMITED LONG TERM INCENTIVE PLAN

In addition to the Plan rules, Gulf has adopted the Gulf Manganese Corporation Limited Long Term Incentive Plan Policy (Policy). The purpose of the Policy is to determine:

- (a) who will be classified as an “Eligible Executive” for the purposes of the Plan;
- (b) how the number of Performance Rights offered to each Eligible Executive will be calculated;
- (c) when offers under the Plan will be made;
- (d) what the Performance Periods of each offer will be;
- (e) what the Performance Conditions of each offer will be; and
- (f) what percentage of Performance Conditions should vest in the event that Performance Conditions are only partially satisfied.

The Policy is a guide to the Board only and does not in any way fetter the discretion of the Board to administer the Plan, in accordance with the Plan rules, and determine the number of Performance Rights that will be issued to Eligible Employees and the terms of any applicable Performance Conditions.

A summary of the Policy is set out below:

- (a) Operation of Plan in first year and Performance Period

After the LTIP has become effective, and whilst it remains effective and in operation, each Eligible Executive will receive one Offer per annum.

The Performance Rights that are the subject of the Offer will have a Performance Period of one (1) year and, providing the Performance Conditions are satisfied during that Performance Period, will become Vested Performance Rights in three equal tranches of one third on each of the next three anniversaries of the Issue Date of those Performance Rights.

A table illustrating the operation of the LTIP is attached as **Schedule 1**.

For the avoidance of doubt **Schedule 1** and all clauses of this Policy act as a guide only and do not prevent the Board (in its absolute discretion) from making further Offers with varying Performance Periods.

- (b) Number of Performance Rights offered

The number of Performance Rights to be offered to will be calculated as follows:

$$N = \frac{TFR \times Y\%}{V}$$

Where:

- N the number of Performance Rights to be offered.
- TFR total fixed remuneration at the commencement date of the Performance Period.
- V the market value of a Share at the commencement of the Performance Period. This will be based on the closing share price prior to the commencement of the Performance Period.

Y the percentage of total fixed remuneration awarded in Performance Rights, as determined by the Board with regard to **Schedule 2**.

For the avoidance of doubt, the content and terms of **Schedule 2** are a guide only and do not prevent the Board (in its absolute discretion) using different percentages to determine the Y variable of the calculation set out above.

Schedule 2 has been drafted to ensure that the LTIP, in conjunction with an Eligible Executive's annual salary and short term incentives, positions the Eligible Executive in a competitive position relative to the appropriate index in respect of their total remuneration arrangements with the Company.

(c) Performance Conditions

The Performance Condition for each Offer will be for the Company to achieve a Total Shareholder Return which places the Company in the 75th percentile for Total Shareholder Return relative to the Comparator Group of companies derived from the official ASX Index with a pro-rata for performance from the 50th percentile, as detailed below.

During the Incentive Plan Review Period, the Board will meet and determine whether the Performance Conditions were met during the applicable Performance Period. Whether or not the Performance Conditions have been met, either wholly or in part, during the applicable Performance Period (and what percentage of Performance Rights will vest) will be determined by the Board with regard to Gulf's Total Shareholder Return relative to that of the appropriate index during the Performance Period.

A table setting potential performance outcomes by Gulf and what percentage of Performance Rights will vest in each case is set out below.

For the avoidance of doubt, the table below is a guide only and does not prevent the Board (in its absolute discretion) determining what percentage of Performance Rights vest.

Gulf's Relative Total Shareholder Performance	Percentage of Performance Rights that Vest
Less than 50 th percentile	Nil
50 th percentile	50%
60 th percentile	75%
At or above 70 th percentile	100%

Schedule 1

2016	2017	2018	2019	2020	2021
Offer 1 and start of the first Performance Period	Offer 1 – first equal tranche of the Performance Rights vest if Performance Conditions were satisfied during Performance Period, on first anniversary of issue date	Offer 1 – second equal tranche of the Performance Rights vest if Performance Conditions were satisfied during Performance Period, on second anniversary of issue date	Offer 1 – third equal tranche of the Performance Rights vest if Performance Conditions were satisfied during Performance Period, on third anniversary of issue date		
	Offer 2 and start of the second Performance Period	Offer 2 – first equal tranche of the Performance Rights vest if Performance Conditions were satisfied during Performance Period, on first anniversary of issue date	Offer 2 – second equal tranche of the Performance Rights vest if Performance Conditions were satisfied during Performance Period, on second anniversary of issue date	Offer 2 – third equal tranche of the Performance Rights vest if Performance Conditions were satisfied during Performance Period, on third anniversary of issue date	
		Offer 3 and start of the third Performance Period	Offer 3 – first equal tranche of the Performance Rights vest if Performance Conditions were satisfied during Performance Period, on first anniversary of issue date	Offer 3 – second equal tranche of the Performance Rights vest if Performance Conditions were satisfied during Performance Period, on second anniversary of issue date	Offer 3 – third equal tranche of the Performance Rights vest if Performance Conditions were satisfied during Performance Period, on third anniversary of issue date

Schedule 2

Position Category	Maximum Percentage of Total Fixed Remuneration
Chief Executive Officer	50%
Eligible Executives	40 - 15%

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Gulf Manganese Corporation Limited | ACN 059 954 317

AGM Registration Card

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

[BARCODE]

Holder Number:
[HolderNumber]

[Name/Address 1]
[Name/Address 2]
[Name/Address 3]
[Name/Address 4]
[Name/Address 5]
[Name/Address 6]

Vote by Proxy: GMC

Your proxy voting instruction must be received by **11.00am (WST) on Sunday, 19 November 2017** 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 VOTE ONLINE

Vote online at <https://investor.automic.com.au/#/loginsah>

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

- ✓ **Save Money:** help minimise unnecessary print and mail costs for the Company.
- ✓ **It's Quick and Secure:** provides you with greater privacy, eliminates any postal delays and the risk of potentially getting lost in transit.
- ✓ **Receive Vote Confirmation:** instant confirmation that your vote has been processed. It also allows you to amend your vote if required.



SUBMIT YOUR PROXY VOTE BY PAPER

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.

VOTING UNDER STEP 1 - APPOINTING A PROXY

If you wish to appoint someone other than the Chairman 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 Chairman of the Meeting will be appointed as your proxy by default.

DEFAULT TO THE CHAIRMAN OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting, who is required to vote these proxies as directed. Any undirected proxies that default to the Chairman 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

VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

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

You must sign this form as follows in the spaces provided

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

Joint holding: Where the holding is in more than one name, all of the 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 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

Completion of a Proxy Voting Form will not prevent individual Shareholders from attending the Meeting in person if they wish. Where a Shareholder completes and lodges a valid Proxy Voting Form and attends the Meeting in person, then the proxy's authority to speak and vote for that Shareholder is suspended while the Shareholder is present at the Meeting.

POWER OF ATTORNEY

If a representative as power of attorney of a Shareholder of the Company is to attend the Meeting, a certified copy of the Power of Attorney, or the original Power of Attorney, must be received by the Company in the same manner, and by the same time as outlined for proxy forms.

CONTACT

Return your completed form:



BY MAIL

Automic Registry Services
PO Box 2226
Strawberry Hills NSW 2012



IN PERSON

Automic Registry Services
Level 3, 50 Holt Street,
Surry Hills NSW 2010

Contact us – All enquiries to Automic:



WEBCHAT

<https://automic.com.au/>



EMAIL

hello@automic.com.au



PHONE

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

STEP 1: Please appoint a Proxy

Complete and return this form as instructed only if you do not vote online

I/We being a Shareholder entitled to attend and vote at the Annual General Meeting of the Company, to be held at **11.00am (WST) on Tuesday 21 November 2017 at CWA House, 1176 Hay Street, West Perth 6005 Western Australia** hereby:

Appoint the Chairman of the Meeting (Chair) OR if you are not appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate you are appointing as your proxy or failing the person so named or, if no person is named, the Chair, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, and subject to the relevant laws as the proxy sees fit and at any adjournment thereof.

AUTHORITY FOR CHAIR TO VOTE UNDIRECTED PROXIES ON REMUNERATION RELATED RESOLUTIONS

Where I/we have appointed the Chair as my/our proxy (or where the Chair becomes my/our proxy by default), I/we expressly authorise the Chair to exercise my/our proxy on Resolutions 1, 6, 7 & 8 (except where I/we have indicated a different voting intention below) even though Resolutions 1, 6, 7 & 8 are connected directly or indirectly with the remuneration of a member of the Key Management Personnel, which includes the Chair.

CHAIR'S VOTING INTENTION IN RELATION TO UNDIRECTED PROXIES

The Chair intends to vote undirected proxies in favour of all Resolutions except for Resolutions 6, 7 and 8. The Chair will disregard all undirected proxies for Resolutions 6, 7 and 8. In exceptional circumstances the Chair may change his/her voting intention on any Resolution. In the event this occurs an ASX announcement will be made immediately disclosing the reasons for the change.

STEP 2: Your Voting Direction

Resolutions

For Against Abstain

1 Adoption of Remuneration Report

☐ ☐ ☐

2 Re-Election of Director – Andrew Wilson

☐ ☐ ☐

3 Ratification of Previous Convertible Notes Issue

☐ ☐ ☐

4 Ratification of Previous Securities Issue

☐ ☐ ☐

Resolutions

For Against Abstain

5 Approval of Issue of Options

☐ ☐ ☐

6 Approval for the Issue of Performance Rights – Craig Munro

☐ ☐ ☐

7 Approval for the Issue of Performance Rights – Hamish Bohannon

☐ ☐ ☐

8 Approval for the Issue of Performance Rights – Andrew Wilson

☐ ☐ ☐

Please note: If you mark the abstain box for a particular Resolution, you are directing your proxy not to vote on that Resolution on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

STEP 3: Sign

SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director / Company Secretary

Contact Name..... Contact Daytime Telephone..... Date ____/____/____

Email Address _____

By providing your email address, you elect to receive all of your communications despatched by the Company electronically (where legally permissible).

[BARCODE]
[HolderNumber]