

PURE MINERALS LIMITED

ACN: 125 368 658

Notice of Annual General Meeting

Date: 30 November 2017

Time: 11:00 am (AWST)

Address: Level 1, 1 Altona Street, West Perth, WA, 6005

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.

Pure Minerals Limited
ACN 125 368 658
Notice of Annual General Meeting

MEEETING DETAILS

Notice is hereby given that the 2017 Annual General Meeting of Pure Minerals Limited ACN 125 368 658 will be held at Level 1, 1 Altona Street, West Perth, WA, 6005 on Thursday, 30 November 2017 at 11:00 AM AWST.

Important notes:

1. You may vote on the items of business to be considered at the Meeting, either in person at the Meeting or by completing and returning the proxy enclosed herein.
2. If you attend the meeting, you will need to register at the registration desk on the day. Registration will commence at 10:45 am.
3. Discussion will take place on all the items of business set out below.
4. The Explanatory Statement to this Notice of Meeting provides additional information on matters to be considered at the Meeting. The Explanatory Statement and the Proxy Form are part of this Notice of Meeting.
5. Terms and abbreviations used in this Notice of Meeting and Explanatory Memorandum are defined in the Glossary at page 20.
6. As explained in the 'voting exclusion statement' below, certain shareholders are excluded from voting in relation to particular resolutions and the Company must disregard any votes cast by those shareholders. Please do not vote if your vote must be disregarded.

1. AGENDA FOR THE MEETING

Item 1 - Financial statements and reports

The Meeting will consider the financial statements and reports of the Company including the income statement, balance sheet, statement of changes in equity, cash flow statement, the notes to the financial statements, the Directors' declaration and the reports of the Directors and Auditors for the financial year ended 30 June 2017.

While no resolution is required in relation to this item, Shareholders will be given the opportunity to ask questions and make comments on the financial statements and reports.

A representative of Company's external auditor, Rothsay, will be present at the Meeting and Shareholders will be given a reasonable opportunity to ask the Company's external auditor questions in relation to the conduct of the audit, the auditor's report, the accounting policies adopted by the Company in relation to the preparation of financial statements, and the independence of the auditor.

The Company's 2017 Annual Report can be viewed online on the ASX website www.asx.com.au (ASX code: PM1) and on the Company's website www.pureminerals.com.au.

Item 2 – Resolutions

Resolution 1 – Adoption of Remuneration Report

To consider and, if thought fit, to pass 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, the Remuneration Report for the year ended 30 June 2017 included in the Directors’ Report, which is attached to the Financial Statements as required under section 300A of the Corporations Act, be adopted by the Company.”

Voting Exclusion Statement: The Company will disregard any votes cast on this resolution by or on behalf of the Key Management Personnel, which includes the Directors and executives in the consolidated group whose remuneration is included in the Remuneration Report and their closely related parties (Excluded Persons). However, the Company will not disregard a vote if:

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

Resolution 2 – Re-Election of Robert Parton as a Director

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

“That, Mr. Robert Parton, who was appointed a Director of the Company on 26 October 2016, retires in accordance with clause 11.3 of the Company’s Constitution and being eligible, is re-elected as a Director of the Company.”

Resolution 3 – Approval of issue of 15,000,000 Directors Options to Sean Keenan

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

“That for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the issue of up to 15,000,000 Options in the Company, to Sean Keenan, a director of the Company, or his nominee, on the terms described in the Explanatory Statement.”

Voting exclusion statement: The Company will disregard any votes cast on Resolution by Sean Keenan and any of his associates. However, the Company need not disregard a vote if:

- 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
- it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with the direction on the proxy form to vote as the proxy decides.

Resolution 4 – Approval of issue of 8,500,000 Directors Options to Jeremy King

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

“That for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the issue of up to 8,500,000 Options in the Company, to Jeremy King, a director of the Company, or his nominee, on the terms described in the Explanatory Statement.”

Voting exclusion statement: The Company will disregard any votes cast on Resolution by Jeremy King and any of his associates. However, the Company need not disregard a vote if:

- 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
- it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with the direction on the proxy form to vote as the proxy decides.

Resolution 5 – Approval of issue of 5,000,000 Directors Options to Lincoln Ho

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

"That for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the issue of up to 5,000,000 Options in the Company, to Lincoln Ho, a director of the Company, or his nominee, on the terms described in the Explanatory Statement."

Voting exclusion statement: The Company will disregard any votes cast on Resolution by Lincoln Ho and any of his associates. However, the Company need not disregard a vote if:

- 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
- it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with the direction on the proxy form to vote as the proxy decides.

Resolution 6 – Approval of issue of 1,500,000 Directors Options to Robert Parton

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

"That for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the issue of up to 1,500,000 Options in the Company, to Robert Parton, a director of the Company, or his nominee, on the terms described in the Explanatory Statement."

Voting exclusion statement: The Company will disregard any votes cast on Resolution by Robert Parton and any of his associates. However, the Company need not disregard a vote if:

- 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
- it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with the direction on the proxy form to vote as the proxy decides.

Resolution 7 – Approve the Issue of up to 67,500,000 Options

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

"That for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the issue of up to 67,500,000 Options in the Company, as detailed in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast on this Resolution by any person who will participate in the issue and by any person who might obtain a benefit (except a benefit solely in the capacity of a holder of ordinary securities) if this Resolution is passed, together with any associates of those persons. However, the Company need not disregard a vote if:

- 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
- 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 8 - Approval of additional capacity to issue shares under Listing Rule 7.1A

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

"That, for the purposes of ASX Listing Rule 7.1A and for all other purposes, Shareholders approve the Company having the additional capacity to issue equity securities under Listing Rule 7.1A, on the terms set out in the Explanatory Statement."

Voting Exclusion Statement: The Company will disregard any votes cast on this Resolution by a person who may participate in the 10% Placement Facility 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 those persons. However, the Company will not disregard a vote if:

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

2. Information for shareholders

Entitlement to attend and vote at the Meeting

The Directors have determined pursuant to Regulation 7.11.37 of the *Corporations Regulations 2001 (Cth)* that for the purpose of ascertaining a person's entitlement to vote at the Meeting, a person will be recognized as a shareholder and the holder of Shares and will be entitled to vote at the Meeting if that person is registered as a holder of those Shares at 7:00 p.m. AWST on 28 November 2017.

Votes

Unless a poll is demanded in advance of voting on a resolution, voting on each resolution will initially be by way of a show of hands. On a show of hands, each member present in person or by proxy or, in the case of a body corporate, by a representative, shall have one vote.

On a poll, every member present in person or by attorney or by proxy or, in the case of a body corporate, by a representative, shall have one vote for each share held by him, her or it.

In the case of joint shareholders, all holders may attend the Meeting but only one holder may vote at the Meeting in respect of the relevant shares (including by proxy). If more than one joint holder is present, and more than one of the vote of the joint holders vote in respect of the relevant shares, only the vote of the joint holder whose name stands first in the register in respect of the relevant shares is counted.

Proxies

A Shareholder entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of the Shareholder.

Where the Shareholder is entitled to cast two or more votes, the Shareholder may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise.

A proxy need not be a Shareholder and may be a body corporate.

If a Shareholder appoints a body corporate as a proxy, that body corporate will need to ensure that it appoints an individual as its corporate representative to exercise its powers at the Meeting and provide satisfactory evidence of the appointment of its corporate representative prior to the commencement of the Meeting.

If a Shareholder appoints two proxies and the appointment does not specify the proportion or number of the Shareholder's votes each proxy may exercise, each proxy may exercise half of the votes.

If you choose to appoint a proxy, you are encouraged to direct your proxy how to vote on the Resolutions by marking either "For", "Against" or "Abstain" on the form of proxy for that item of business. An instrument of proxy deposited or received by the Company in which the name of the appointee is not filed in will be deemed to be given in the favour of the Chairman of the Meeting.

Voting by Proxy if appointment specifies way to vote:

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

- (a) the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote as directed; and
- (b) if the proxy has 2 or more appointments that specify different ways to vote on the resolution then the proxy must not vote on a show of hands; and
- (c) if the proxy is the chair of the meeting at which the resolution is voted on then the proxy must vote on a poll and must vote as directed; and
- (d) if the proxy is not the chair then the proxy need not vote on the poll, but if the proxy does so, the proxy must vote as directed.

Transfer of non – chair proxy to chair in certain circumstances:

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

- (a) an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's members; and
- (b) the appointed proxy is not the chair of the meeting; and
- (c) at the meeting, a poll is duly demanded on the resolution; and
- (d) either of the following applies:
 - (i) if a record of attendance is made for the meeting – the proxy is not recorded as attending the meeting;
 - (ii) the proxy does not vote on the resolution,

the chair of the meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the meeting.

Undirected vote

Subject to the voting restrictions set out in the Voting Exclusion Statements, the Chairperson will vote undirected proxies on, and in favour of each Resolution.

Direction to Chairman for Resolutions 1, 3, 4, 5 and 6

If the proxy is the Chairman, the Chairman can also vote undirected proxies on Resolutions 1, 3, 4, 5 and 6 if proxy form expressly authorises the Chairman to vote on Resolutions 1, 3, 4, 5 and 6 even though Resolutions 1, 3, 4, 5 and 6 are connected with the remuneration of key management personnel.

The Chairman will not vote any undirected proxies in relation to Resolutions 1, 3, 4, 5 and 6 unless the Shareholder expressly authorises the Chairman to vote in accordance with the Chairman's stated voting intentions in their proxy form – Subject to the voting restrictions set out in the Voting Exclusion Statements, the Chairman intends to, and, if so authorized by a Shareholder, will, vote undirected proxies on, and in favour of Resolutions 1, 3, 4, 5 and 6.

A form of proxy accompanies this Notice.

A corporate shareholder must sign the proxy form in accordance with its constitution or otherwise in accordance with the Corporations Act.

To be effective, the Company must receive the completed proxy form and, if the form is signed by the Shareholder's attorney, the authority under which the proxy form is signed (or a certified copy of the authority), by no later than 11:00 am AWST on Tuesday 28 November 2017 in person at 1B, 205-207 Johnston Street VIC, by mail at **PO Box 305 Fitzroy VIC 3065** or by facsimile on 03 8 678 1747.

Any revocations of proxies must be received at one of these places before commencement of the Meeting, or at the registration desk for the Meeting.

Voting in person

Shareholders, or their attorneys, who plan to attend the Meeting are asked to arrive at the venue 15 minutes prior to the time designated for the Meeting, if possible, so that their holding may be checked against the share register and attendees recorded. Attorneys should bring with them an original or certified copy of the power of attorney under which they have been authorised to attend and vote at the Meeting.

A corporation which is a Shareholder may appoint an individual to act as its representative and to vote in person at the Meeting. The appointment must comply with the requirements of section 250D of the Corporations Act. The representative should bring to the Meeting evidence of his or her appointment, including any authority under which it is signed.

Questions

A reasonable opportunity will be given to Shareholders to ask questions and/or make comments on the management of the Company at the Meeting.

A reasonable opportunity will be given for Shareholders to ask questions of the Company's external auditor, Rothsay. These questions should be relevant to:

- a) the conduct of the audit;
- b) the preparation and contents of the audit report;
- c) the accounting policies adopted by the Company in relation to the preparation of its financial statements; and
- d) the independence of the auditor in relation to the conduct of the audit.

Shareholders may also submit a written question to Rothsay if the question is relevant to the content of the audit report or the conduct of its audit of the Company's financial report for the year ended 30 June 2017. Relevant written questions for Rothsay must be received by the Company no later than 11:00 AM AWST on 23 November 2017. A representative of Rothsay will provide answers to the questions at the Meeting.

EXPLANATORY STATEMENT

This Explanatory Statement is intended to provide Shareholders with sufficient information to assess the merits of the Resolutions contained in this Notice.

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

Item 1 – Annual Report

As required by section 317 of the Corporations Act, the Financial Report, Directors' Report and Auditor's Report of the Company for the most recent financial year will be laid before the Meeting. These reports are contained in the Annual Report, which is available online on the ASX website www.asx.com.au (ASX code: PM1).

During this item of business, Shareholders will be given the opportunity to ask questions about, or make comments on, the management of the Company generally but there will be no formal resolution put to the Meeting.

Similarly, a reasonable opportunity will be given to shareholders, as a whole, to ask the Company's Auditor, Rothsay, questions relevant to the conduct of the audit, the preparation and content of the Auditor's report, the accounting policies adopted by the Company in relation to the preparation of its financial statements and the independence of the Auditor in relation to the audit for the financial year ended 30 June 2017.

Shareholders are requested to submit written questions relating to the content of the audit report or the conduct of its audit of the Company's financial report for the year ended 30 June 2017 to the Company's external Auditor no later than 11:00 AM AWST on 23 November 2017. A representative of Rothsay will provide answers to the questions at the Meeting.

Item 2 – Resolutions

Resolution 1: Adoption of Remuneration Report

In accordance with Section 300A(1) of the Corporations Act the Remuneration Report is included in the Directors Report for the financial year ended 30 June 2017.

The Remuneration Report sets out details of the remuneration received by the directors and key Company executives, in addition to describing Board policy in respect of remuneration. Resolution 1 seeks shareholder approval of the adoption of the Remuneration Report by the Company.

The outcome of this resolution is not binding on the Company or the Board. However, sections 250U to 250Y of Corporations Act which have been enacted introduce a 'two strikes and re-election' process in relation to the shareholder vote on the Remuneration Report provide that:

- A 'first strike' will occur if this Remuneration Report resolution receives a 'no' vote of 25% or more. If this occurs, the Company's subsequent remuneration report will contain an explanation of the Board's proposed action in response to the 'no' vote or an explanation of why no action has been taken by the Board.
- A 'second strike' will occur if the resolution to adopt the Remuneration Report at the following Company Annual General Meeting also receives a 'no' vote of 25% or more. If this occurs,

shareholders will vote at that Annual General Meeting to determine whether the Directors will need to stand for re-election at a separate, subsequent meeting (the 'spill resolution'). If the spill resolution passes with 50% or more of eligible votes cast, the spill meeting must take place within 90 days.

The Company did not receive a first strike at its 2016 Annual General Meeting. The Board believes the Remuneration of the Company's key management personnel (KMP) is appropriate and in line with market rates for a listed company of its size and scale of operations.

The Remuneration Report is set out in the Company's 2017 Annual Report. The 2017 Annual Report can be viewed online at the ASX website, www.asx.com.au, (ASX Code: PM1).

Resolution 2: Re-Election of Robert Parton as a Director

In accordance with Article 3.6 of the Constitution, Mr **Robert Parton**, a Director appointed on 26 October 2016 retires by rotation at the close of this Annual General Meeting and, being eligible for re-election, offers himself for re-election as a Director.

Commencing his career in 1987, Mr Parton spent almost 20 years providing business analysis and management at companies including BHP, Kraft Foods, Crane Group, Mitre 10 and PDL Electronics (part of the Schneider Electric Group). Since 2006, Robert has been providing corporate advisory services utilising his extensive experience in business management, project evaluation and capital-raising across many sectors including real estate, cleantech, IT and manufacturing sectors. He has been involved in transaction management from sourcing, analysis and due diligence evaluation through to settlement and is a qualified accountant with over 20 years' membership with CPA Australia.

Resolution 2 seeks approval for the re-election of Mr Robert Parton as a Director of the Company.

Resolution 3 - Approval of issue of 15,000,000 Options to Sean Keenan

The Company proposes to issue 15,000,000 Options on to Sean Keenan and/or his nominee on the terms and conditions set out below. The issue of options to directors as a form of incentive based remuneration is common practice in listed companies and further encourages and rewards efforts by directors to improve the performance of the Company to the commercial benefit of all Shareholders.

The Board believes it is important to offer these Options to continue to attract and maintain highly experienced and qualified Board members in a competitive market. In addition, the Options may provide the Company with additional funding (if the Options are exercised).

Chapter 2E of the Corporations Act

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

- obtain the approval of the public company's members in the manner set out in Sections 217 to 227 of the Corporations Act; and
- 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 issue of options to Sean Keenan constitutes giving a financial benefit and Sean Keenan is a related party by virtue of being a Director.

The Directors (other than Sean Keenan 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 issue of Options to Sean Keenan because the Options form part of Sean's remuneration as an officer of the Company and the remuneration is reasonable given Sean's circumstances and the circumstances of the Company.

Accordingly, approval will not be sought under Chapter 2E for the issue of these Options to Sean Keenan as the issue of the Options constitutes 'reasonable remuneration' in accordance with section 211 of the Corporations Act.

ASX Listing Rule 10.11

Under ASX Listing Rule 10.11, Shareholder approval is required for the issue of equity securities to a related party of a listed company. Once approval is obtained pursuant to Listing Rule 10.11, the Company is entitled to rely on Listing Rule 7.2, Exception 14 as an exception to any requirement that may otherwise apply requiring Shareholder approval under Listing Rule 7.1.

It is proposed that Options be issued to Sean Keenan as part of his remuneration as an officer of the Company.

As mentioned above, the Board has formed the view that the issue of Options to Sean Keenan does not require Shareholder approval under section 208 of the Corporations Act, as the Options form part of Sean's remuneration as an officer of the Company.

Information required by ASX Listing Rule 10.13

In compliance with the information requirements of ASX Listing Rule 10.13, Shareholders are advised of the following particulars on the allotment and issue:

Maximum number of securities to be issued	15,000,000 Options
Date of issue	If Shareholder approval is obtained, the issue of the Options will occur no later than one month after the date of the Annual General Meeting (or such later date as permitted by any ASX waiver or modification of the ASX Listing Rules).
Issue price per security	Options will be issued for nil consideration.
Terms of issue	Each Option will entitle the holder to subscribe for one Share in the Company at an exercise price of \$0.03 per Option and will expire 5 years from the date of issue. The Company will not apply for official quotation of Options. The Options will otherwise be issued on the terms and conditions set out in Annexure A.
Persons to whom securities will be issued	Sean Keenan, a director of the Company, or his nominee.

Intended use of funds	No funds will be raised from the issue of Options.
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Resolution 4 - Approval of issue of 8,500,000 Options to Jeremy King

The Company proposes to issue 8,500,000 Options on to Jeremy King and/or his nominee on the terms and conditions set out below. The issue of options to directors as a form of incentive based remuneration is common practice in listed companies and further encourages and rewards efforts by directors to improve the performance of the Company to the commercial benefit of all Shareholders.

The Board believes it is important to offer these Options to continue to attract and maintain highly experienced and qualified Board members in a competitive market. In addition, the Options may provide the Company with additional funding (if the Options are exercised).

Chapter 2E of the Corporations Act

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

- obtain the approval of the public company's members in the manner set out in Sections 217 to 227 of the Corporations Act; and
- 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 issue of options to Jeremy King constitutes giving a financial benefit and Jeremy King is a related party by virtue of being a Director.

The Directors (other than Jeremy King 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 issue of Options to Jeremy King because the Options form part of Jeremy's remuneration as an officer of the Company and the remuneration is reasonable given Jeremy's circumstances and the circumstances of the Company.

Accordingly, approval will not be sought under Chapter 2E for the issue of these Options to Jeremy King as the issue of the Options constitutes 'reasonable remuneration' in accordance with section 211 of the Corporations Act.

ASX Listing Rule 10.11

Under ASX Listing Rule 10.11, Shareholder approval is required for the issue of equity securities to a related party of a listed company. Once approval is obtained pursuant to Listing Rule 10.11, the Company is entitled to rely on Listing Rule 7.2, Exception 14 as an exception to any requirement that may otherwise apply requiring Shareholder approval under Listing Rule 7.1.

It is proposed that Options be issued to Jeremy King as part of his remuneration as an officer of the Company.

As mentioned above, the Board has formed the view that the issue of Options to Jeremy King does not require Shareholder approval under section 208 of the Corporations Act, as the Options form part of Jeremy's remuneration as an officer of the Company.

Information required by ASX Listing Rule 10.13

In compliance with the information requirements of ASX Listing Rule 10.13, Shareholders are advised of the following particulars on the allotment and issue:

Maximum number of securities to be issued	8,500,000 Options
Date of issue	If Shareholder approval is obtained, the issue of the Options will occur no later than one month after the date of the Annual General Meeting (or such later date as permitted by any ASX waiver or modification of the ASX Listing Rules).
Issue price per security	Options will be issued for nil consideration.
Terms of issue	Each Option will entitle the holder to subscribe for one Share in the Company at an exercise price of \$0.03 per Option and will expire 5 years from the date of issue. The Company will not apply for official quotation of Options. The Options will otherwise be issued on the terms and conditions set out in Annexure A.
Persons to whom securities will be issued	Jeremy King, a director of the Company, or his nominee.
Intended use of funds	No funds will be raised from the issue of Options.

Resolution 5 - Approval of issue of 5,000,000 Options to Lincoln Ho

The Company proposes to issue 5,000,000 Options on to Lincoln Ho and/or his nominee on the terms and conditions set out below. The issue of options to directors as a form of incentive based remuneration is common practice in listed companies and further encourages and rewards efforts by directors to improve the performance of the Company to the commercial benefit of all Shareholders.

The Board believes it is important to offer these Options to continue to attract and maintain highly experienced and qualified Board members in a competitive market. In addition, the Options may provide the Company with additional funding (if the Options are exercised).

Chapter 2E of the Corporations Act

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

- obtain the approval of the public company's members in the manner set out in Sections 217 to 227 of the Corporations Act; and
- 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 issue of options to Lincoln Ho constitutes giving a financial benefit and Lincoln Ho is a related party by virtue of being a Director.

The Directors (other than Lincoln Ho 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 issue of Options to Lincoln Ho because the Options form part of Lincoln's remuneration as an officer of the Company and the remuneration is reasonable given Lincoln's circumstances and the circumstances of the Company.

Accordingly, approval will not be sought under Chapter 2E for the issue of these Options to Lincoln Ho as the issue of the Options constitutes 'reasonable remuneration' in accordance with section 211 of the Corporations Act.

ASX Listing Rule 10.11

Under ASX Listing Rule 10.11, Shareholder approval is required for the issue of equity securities to a related party of a listed company. Once approval is obtained pursuant to Listing Rule 10.11, the Company is entitled to rely on Listing Rule 7.2, Exception 14 as an exception to any requirement that may otherwise apply requiring Shareholder approval under Listing Rule 7.1.

It is proposed that Options be issued to Lincoln Ho as part of his remuneration as an officer of the Company.

As mentioned above, the Board has formed the view that the issue of Options to Lincoln Ho does not require Shareholder approval under section 208 of the Corporations Act, as the Options form part of Lincoln's remuneration as an officer of the Company.

Information required by ASX Listing Rule 10.13

In compliance with the information requirements of ASX Listing Rule 10.13, Shareholders are advised of the following particulars on the allotment and issue:

Maximum number of securities to be issued	5,000,000 Options
Date of issue	If Shareholder approval is obtained, the issue of the Options will occur no later than one month after the date of the Annual General Meeting (or such later date as permitted by any ASX waiver or modification of the ASX Listing Rules).
Issue price per security	Options will be issued for nil consideration.
Terms of issue	Each Option will entitle the holder to subscribe for one Share in the Company at an exercise price of \$0.03 per Option and will expire 5 years from the date of issue. The Company will not apply for official quotation of Options. The Options will otherwise be issued on the terms and conditions set out in Annexure A.

Persons to whom securities will be issued	Lincoln Ho, a director of the Company, or his nominee.
Intended use of funds	No funds will be raised from the issue of Options.

Resolution 6 - Approval of issue of 1,500,000 Options to Robert Parton

The Company proposes to issue 1,500,000 Options on to Robert Parton and/or his nominee on the terms and conditions set out below. The issue of options to directors as a form of incentive based remuneration is common practice in listed companies and further encourages and rewards efforts by directors to improve the performance of the Company to the commercial benefit of all Shareholders.

The Board believes it is important to offer these Options to continue to attract and maintain highly experienced and qualified Board members in a competitive market. In addition, the Options may provide the Company with additional funding (if the Options are exercised).

Chapter 2E of the Corporations Act

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

- obtain the approval of the public company's members in the manner set out in Sections 217 to 227 of the Corporations Act; and
- 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 issue of Options to Robert Parton constitutes giving a financial benefit and Robert Parton is a related party by virtue of being a Director.

The Directors (other than Robert Parton 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 issue of Options to Robert Parton because the Options form part of Robert's remuneration as an officer of the Company and the remuneration is reasonable given Robert's circumstances and the circumstances of the Company.

Accordingly, approval will not be sought under Chapter 2E for the issue of these Options to Robert Parton as the issue of the Options constitutes 'reasonable remuneration' in accordance with section 211 of the Corporations Act.

ASX Listing Rule 10.11

Under ASX Listing Rule 10.11, Shareholder approval is required for the issue of equity securities to a related party of a listed company. Once approval is obtained pursuant to Listing Rule 10.11, the Company is entitled to rely on Listing Rule 7.2, Exception 14 as an exception to any requirement that may otherwise apply requiring Shareholder approval under Listing Rule 7.1.

It is proposed that Options be issued to Robert Parton as part of his remuneration as an officer of the Company.

As mentioned above, the Board has formed the view that the issue of Options to Robert Parton does not require Shareholder approval under section 208 of the Corporations Act, as the Options form part of his remuneration as an officer of the Company.

Information required by ASX Listing Rule 10.13

In compliance with the information requirements of ASX Listing Rule 10.13, Shareholders are advised of the following particulars on the allotment and issue:

Maximum number of securities to be issued	1,500,000 Options
Date of issue	If Shareholder approval is obtained, the issue of the Options will occur no later than one month after the date of the Annual General Meeting (or such later date as permitted by any ASX waiver or modification of the ASX Listing Rules).
Issue price per security	Options will be issued for nil consideration.
Terms of issue	Each Option will entitle the holder to subscribe for one Share in the Company at an exercise price of \$0.03 per Option and will expire 5 years from the date of issue. The Company will not apply for official quotation of Options. The Options will otherwise be issued <u>on the terms and conditions set out in Annexure A.</u>
Persons to whom securities will be issued	Robert Parton, a director of the Company, or his nominee.
Intended use of funds	No funds will be raised from the issue of Options.

Resolution 7 – Approve the Issue of 67,500,000 Options

The purpose of resolution 7 is to seek shareholder approval under ASX Listing Rule 7.1 (and for all other purposes) for the issue of securities in the Company as detailed below.

ASX Listing Rule 7.1 prevents the Company from issuing more than 15% of its issued capital without shareholder approval. Resolution 7 therefore proposes the approval of the allotment and issue of the securities (as detailed in the table below) for the purpose of satisfying the requirements of ASX Listing Rule 7.1.

The Company intends engage consultants to provide marketing, promotional and investor relations services to the Company. As part of the proposed services arrangements, the Company will, subject to Shareholder approval, issue up to a maximum combined total of 67,500,000 Options as payment/consideration for these services to the service providers (or their nominee/s). The issue of Options as consideration for these services will allow the Company to conserve funds and provides an effective form of incentive based remuneration for the service providers, further aligning their performance with the value of the Company.

The Company is seeking shareholder approval so that the issue of the Options (and any issue of Shares upon exercise of the Options) does not count towards the Company's placement capacity under ASX Listing Rule 7.1. In compliance with the information requirements of ASX Listing Rule 7.3, shareholders are advised of the following particulars on the allotment and issue:

Maximum number of securities to be issued	Up to 67,500,000 Options
Date of issue	Options will be issued progressively and no later than three months after the date of the Meeting.
Issue price per security	Options will be issued for nil consideration.
Terms of issue	Each Option will entitle the holder to subscribe for one Share in the Company at an exercise price of \$0.03 per Option and will expire 2 years from the date of issue. The Company will apply for official quotation of Options subject to meeting ASX requirements. The Options will otherwise be issued on the terms and conditions set out in Annexure A.
Persons to whom securities will be issued	To various non-related consultants and advisors who will be engaged by the Company to provide marketing, promotional and investor relations services. These recipients are yet to be identified.
Intended use of funds	No funds will be raised from the issue of Options.
A voting exclusion statement	A voting exclusion statement is contained in Resolution 7.

Resolution 8 – Approval of additional capacity to issue shares under ASX Listing Rule 7.1A

ASX Listing Rule 7.1A

ASX Listing Rule 7.1A enables certain 'eligible entities' to issue equity securities of up to 10% of their issued share capital through placements over a 12-month period commencing after the annual general meeting (Additional Placement Capacity). ASX Listing Rules require that Shareholders approve the Additional Placement Capacity by special resolution, at an annual general meeting before any equity securities are issued under the Additional Placement Capacity.

For the purposes of ASX Listing Rule 7.1A an 'eligible entity' is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. The Company is, as at 18 October 2017, an 'eligible entity'. The Additional Placement Capacity is in addition to the Company's 15% placement capacity under ASX Listing Rule 7.1. Therefore, if the Additional Placement Capacity is approved, the Directors will be allowed to issue equity securities of up to 25% (Up to 10% pursuant to ASX Listing Rule 7.1A and up to 15% pursuant to ASX Listing Rule 7.1) of the Company's issued share capital. If the Additional Placement Capacity is not approved, the Directors will still be allowed to issue equity securities of up to 15% of the Company's issued capital pursuant to ASX Listing Rule 7.1.

The Company seeks Shareholder approval by way of a special resolution to have the ability to issue equity securities under the Additional Placement Capacity should the need arise.

Formula for calculating 10% Placement Facility

Listing Rule 7.1A.2 provides that eligible entities which have obtained shareholder approval at an annual general meeting may issue or agree to issue, during the 12-month period after the date of the annual general meeting, a number of equity securities calculated in accordance with the following formula:

(A x D) – E

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

- a) plus the number of fully paid shares issued in the 12 months under an exception in Listing Rule 7.2;
- b) plus the number of partly paid shares that became fully paid in the 12 months;
- c) plus the number of fully paid shares issued in the 12 months with approval of holders of shares under Listing Rule 7.1 and 7.4. This does not include an issue of fully paid shares under the entity's 15% placement capacity without shareholder approval;
- d) less the number of fully paid shares cancelled in the 12 months.
- e) Note that A is has the same meaning in Listing Rule 7.1 when calculating an entity's 15% placement capacity.

D is 10%

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

ASX Listing Rule 7.3A

In accordance with ASX Listing Rule 7.3A the Company provides the following information.

Any securities issued under the Additional Placement Capacity will be in the same class as existing quoted securities of the Company.

The issue price for each security issued under the Additional Placement Capacity will not be less than 75% of the volume weighted average price for securities in that class over the 15 trading days on which trades in that class were recorded immediately before:

- the date on which the price at which the securities are to be issued is agreed; or
- if the securities are not issued within 5 trading days of the date above, the date on which the securities are issued.

The issue of equity securities under the Additional Placement Capacity may result in voting dilution of existing ordinary shareholders (as shown in Table 1). There is also the risk that:

- the market price for equity securities in that class may be significantly lower on the issue date than on the date of the Meeting; and

- the equity securities may be issued at a price that is at a discount to the market price for those equity securities on the issue date.

Equity securities under the Additional Placement Capacity may be issued until the earlier of:

- 1 year from the date of the Meeting; and
- the date of approval by ordinary shareholders of a significant change to the Company's activities under ASX Listing Rule 11.1.2 or the date of approval by ordinary shareholders of a disposal of a major asset under ASX Listing Rule 11.2.

Any approval of the Additional Placement Capacity at this Meeting will cease to be valid in the event that ordinary shareholders approve a transaction under ASX Listing Rule 11.1.2 or 11.2.

The Company may issue equity securities under the Additional Placement Capacity for the following purposes:

- non-cash consideration: for the acquisition of new assets and investments (in such circumstances the Company will provide a valuation of the non-cash consideration as required by ASX Listing Rules); or
- cash consideration: to raise funds for working capital purposes, to fund exploration activities, promotion and marketing activities and/or to fund the acquisition of new assets.

The Company's allocation policy for issues under the Additional Placement Capacity is dependent on prevailing market conditions at the time of any proposed issue.

The identity of the allottees of the equity securities will be determined on a case-by-case basis having regard to the factors including but not limited to the following:

- the methods of raising funds that are available to the Company, including rights issues or other issues in which existing shareholders may participate;
- the effect of the issue of the equity securities on the control of the Company;
- the financial position of the Company; and
- advice from the Company's advisors.

The allottees under the Additional Placement Capacity have not yet been determined but allottees may include existing shareholders, existing substantial shareholders and/or new shareholders who are not related parties or associates of a related party of the Company.

Table 1 shows the dilution of Shareholders on the basis of the current market price of Shares and the current number of ordinary securities for variable "A" calculated in accordance with the formula in Listing Rule 7.1A(2).

Table 1 also shows:

- I. two examples where variable "A" has increased, by 50% and 100%. Variable "A" is based on the number of ordinary securities the Company has on issue. The number of ordinary securities on issue may increase as a result of issues of ordinary securities that do not require Shareholder

- approval (for example, a pro rata entitlements issue or scrip issued under a takeover offer) or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders' meeting; and
- II. two examples of where the issue price of ordinary securities has decreased by 50% and increased by 100% as against the current market price

Table 1

Variable 'A' in Listing Rule 7.1A.2		Dilution		
		\$0.01 50% decrease in Issue Price	\$0.02 Current Issue Price	\$0.4 100% increase in Issue Price
Variable A - 270,629,059 Shares	10% Voting Dilution	27,062,906 Shares	27,062,906 Shares	27,062,906 Shares
	Funds Raised	\$ 270,629	\$ 541,258	\$ 1,082,516
50% increase in Variable A - 405,943,589 Shares	10% Voting Dilution	40,594,359 Shares	40,594,359 Shares	40,594,359 Shares
	Funds Raised	\$ 405,944	\$ 811,887	\$ 1,623,774
100% increase in Variable A - 541,258,118 Shares	10% Voting Dilution	54,125,812 Shares	54,125,812 Shares	54,125,812 Shares
	Funds Raised	\$ 541,258	\$ 1,082,516	\$ 2,165,032

Table 1 has been prepared based on the following assumptions:

- Variable A is based on the number of Shares on issue as at 18 October 2017.
- The Company issues the maximum number of equity securities available under the Additional Placement Capacity.
- The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue.
- The table shows only the issue of equity securities under the Additional Placement Capacity and not under ASX Listing Rule 7.1.
- The issue of equity securities under the additional placement capacity includes only Shares.
- The Current Issue Price of \$0.02 was the most recent closing price of Shares as traded on ASX as the time of preparing this Notice (18 October 2017). This price may fluctuate between the time of preparing this Notice and the date of the Meeting and the date that any Shares are issued by the Company pursuant to ASX Listing Rule 7.1A.

The Company did not seek approval for the Additional Placement Capacity at its 2016 Annual General Meeting.

A voting inclusion statement is included in this Notice. In accordance with ASX Listing Rule 14.11.1 and the relevant Note under that rule concerning Rule 7.1A, as at the date of this Notice of Meeting it is not known who may participate in the proposed issue (if any). On that basis, no security holders are currently excluded.

Resolution 8 is a Special Resolution and must be passed by at least 75% of the votes cast by Shareholders present at the Meeting and entitled to vote on the Resolution.

Justyn Stedwell

Company Secretary

On behalf of the Board of Pure Minerals Limited

GLOSSARY

In the Notice of Meeting and Explanatory Statement the following terms have the following meanings:

AWST means Australian Western Standard Time.

Board means the Board of Directors of the Company

Company means Pure Minerals Limited ACN 125 368 658.

Constitution means the constitution of the Company.

Corporations Act means Corporations Act 2001 (Cth).

Director means a current director of the Company.

Explanatory Statement means the explanatory statement to this notice of Annual General Meeting.

Meeting means the 2017 Annual General Meeting of the Shareholders of the Company to be held on 30 November 2017, to which the Notice of Meeting and Explanatory Statement relate.

Notice or **Notice of Meeting** means this notice of Annual General Meeting of the Company dated 27 October 2017.

Option means an option acquire a Share.

Resolution means a resolution referred to in the Notice.

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

Shareholder means a holder of Shares.

Words importing the singular include the plural and vice versa.

ANNEXURE A – TERMS OF OPTIONS

Entitlement	Each Option entitles the holder (Option Holder) to subscribe for 1 Share (Option Share) on exercise of the Option.
Exercise price	\$0.03 for each Option.
Exercise Period	Any Option not exercised before the expiry date will automatically lapse.
Exercise notice	The Options may be exercised during the exercise period by notice in writing to the Company.
Shares issued on exercise	Shares issued on exercise of the Options will rank equally with the then issued Shares of the Company.
Transferability of Consideration Options	Subject to the Corporations Act, the Listing Rules, and the constitution of the Company, each Option is freely transferable.
Bonus issues	If after the date on which the Options are issued, the Company makes a bonus issue of Shares (Bonus Issue) before some or all of the Options have been exercised, then the number of Option Shares to be issued on exercising those Options will be increased by the number of additional Option Shares to which the Option Holder would have been entitled had the Options held by the Option Holder at the record time for the Bonus Issue been exercised before the record time for the Bonus Issue.
Participation Rights	There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to shareholders during the life of the Options. The Company will ensure that holders will be given at least seven business days notice to allow for the exercise of Options prior to the record date in relation to any offers of securities made to shareholders.
Dividend Rights	The Options will not give any right to participate in dividends unless and until Shares are issued upon exercise of the relevant Options.
Reconstruction	In the event of any reconstruction (including consolidation, subdivision, reduction or return) of the issued capital of the Company prior to the Expiry Date, the number of Options or the rights attaching to the Options or both will be reconstructed in accordance with the Listing Rules applying to a reorganisation of capital at the time of the reconstruction.
Adjustment for rights issue	If after the date on which the Options are issued, the Company makes a pro rata issue of Shares (other than a Bonus Issue to Shareholders, then the exercise price of each unexercised Option will be reduced according to the following formula:

$$O - \frac{E[P - (S + D)]}{N + 1}$$

New exercise price =

- O = the old exercise price of the Option;
- E = the number of underlying Shares to which 1 Option is exercisable;
- P = the average market price per Share (weighted by reference to the volume) of the underlying Shares during the 5 trading days ending on the day before the ex-rights date or ex-entitlements date;
- S = the subscription price of a Share under the pro rata issue;
- D = any dividend per Share due but not yet paid on the existing Shares (except those to be issued under the pro rata issue); and
- N = the number of Shares with rights or entitlements that must be held to receive a right to one new Share under the pro rata issue.]

PURE MINERALS LIMITED - PROXY FORM FOR 2017 ANNUAL GENERAL MEETING

STEP 1 – Appointment of Proxy

I/We _____

of _____

am/are a member of Pure Minerals Limited (ACN 125 368 658) and I/we appoint as my/our proxy:

Or failing him or her, the Chairman of the Annual General Meeting of the Company, to be held at Level 1, 1 Altona Street, West Perth, WA, 6005 on Thursday, 30 November 2017 at 11:00 AM AWST to vote for me/us at the meeting and at any adjournment of it. If 2 proxies are being appointed the proportion of voting rights this proxy is authorised to exercise is%. (The Company will supply an additional form on request).

STEP 2 - Voting directions to your Proxy – please mark ☒ to indicate your direction

		For	Against	Abstain
Resolution 1	Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Election of Robert Parton as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Approval of issue of 15,000,000 Directors Options to Sean Keenan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Approval of issue of 8,500,000 Directors Options to Jeremy King	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Approval of issue of 5,000,000 Directors Options to Lincoln Ho	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Approval of issue of 1,500,000 Directors Options to Robert Parton	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7	Approve the Issue of up to 67,500,000 Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 8	Approval of additional capacity to issue shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman intends to vote all undirected proxies in favour of all Resolutions. If you do not wish to direct your proxy on how to vote, please tick this box: ☐

By ticking this box, I/we expressly authorize the Chairman of the Meeting to vote in accordance with the Chairman's voting intentions on Resolutions 1, 3, 4, 5 and 6 (except where I/we have indicated a different voting intention above) and acknowledge that the Chairman of the Meeting may exercise my proxy even though Resolutions 1, 3, 4, 5 and 6 are connected directly or indirectly with the remuneration of a member of key management personnel and/or even if the Chairman of the Meeting has an interest in the outcome of these items and that votes cast by the Chairman, other than as proxy holder, would be disregarded because of that interest. If you do not mark this box, and you have not directed your proxy how to vote, the Chair will not cast your votes on the Resolutions and your votes will not be counted in calculating the required majority if a poll is called on the resolution.

STEP 3 - PLEASE SIGN HERE

This section *must* be signed to enable your directions to be implemented.

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact NameContact Daytime Telephone Date / / 2017

PURE MINERALS LIMITED - PROXY FORM FOR 2017 ANNUAL GENERAL MEETING

PROXY INSTRUCTIONS: A member entitled to attend and vote at a meeting is entitled to appoint not more than 2 proxies. Where more than 1 proxy is appointed, each proxy may be appointed to represent a specific portion of the member's voting rights. A proxy need not be a member of the Company. A proxy form must be signed by the member or his or her attorney. Proxies given by corporations must either be signed under seal or under the hand of a duly authorised officer of attorney. To be valid, the form appointing the proxy and the Power of Attorney or other authority (if any) under which it is signed (or a certified copy) must be received by the Company, in person at 1B, 205-207 Johnston Street VIC, by mail at **PO Box 305 Fitzroy VIC 3065** or by facsimile on 03 8 678 1747 **by not later than 11:00 a.m. AWST on 28 November 2017.**