



ALDERAN RESOURCES LIMITED
ACN 165 079 201

NOTICE OF EXTRAORDINARY GENERAL MEETING

The Extraordinary General Meeting of the Company will be held at Level 4, 360 Collins Street, Melbourne VIC 3000, on Friday, 24 August 2018 at 2.30pm (AEST)

This Notice of Extraordinary General Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser prior to voting.

Should you wish to discuss any matter please do not hesitate to contact the Company Secretary by telephone on +61 8 9482 0520.

Shareholders are urged to attend or vote by lodging the proxy form attached to the Notice.

ALDERAN RESOURCES LIMITED

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NOTICE OF EXTRAORDINARY GENERAL MEETING

Notice is hereby given that an Extraordinary General Meeting of Shareholders of Alderan Resources Limited (**Company**) will be held at Level 4, 360 Collins Street, Melbourne VIC 3000, on Friday, 24 August 2018 at 2.30pm (AEST) (**Meeting**).

The Explanatory Memorandum provides additional information on matters to be considered at the Meeting. The Explanatory Memorandum and the Proxy Form form part of the Notice.

The Directors have determined pursuant to regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the Meeting are those who are registered as Shareholders of the Company on 22 August 2018 at 5pm (AEST).

Terms and abbreviations used in the Notice are defined in Schedule 1.

1. **Resolution 1 - Issue of Performance Rights to a Director - Mr Bruno Hegner**

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 10.14, sections 200B and 200E of the Corporations Act and for all other purposes, approval is given for the Company to allot and issue 600,000 Performance Rights under the Long Term Incentive Plan to Mr Frank “Bruno” Hegner (or his nominee), on the terms and conditions set out in the Explanatory Memorandum.”

Voting Exclusion

The Company will disregard any votes cast on this Resolution by Mr Bruno Hegner and any person associated with him. However, the Company will not disregard a vote if it is cast by a person as a proxy, for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

The Company will also disregard any votes cast on Resolution 1 by a member of the Key Management Personnel or their Closely Related Parties, as proxy for another person, where the Proxy Form does not specify how the proxy is to vote, with the exception that votes cast by the Chair as proxy appointed in writing, in accordance with a direction on the Proxy Form to vote as the proxy decides, will not be excluded.

2. **Resolution 2 - Ratification of Prior Issues of Securities - 5,000,000 Fully Paid Ordinary Shares**

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 7.4 and for all other purposes, Shareholders ratify the issue of 5,000,000 fully paid ordinary shares in the Company to the parties, for the purpose and on the terms and conditions set out in the Explanatory Memorandum.”

Voting Exclusion

The Company will disregard any votes cast on this Resolution by or on behalf of a person who participated in the issues and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

BY ORDER OF THE BOARD

Mr Brett Tucker
Company Secretary
Alderan Resources Limited
Dated: 26 July 2018

ALDERAN RESOURCES LIMITED

ACN 165 079 201

EXPLANATORY MEMORANDUM

1. Introduction

This Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be conducted at the Meeting to be held at Level 4, 360 Collins Street Melbourne VIC 3000 on Friday, 24 August 2018 at 2.30pm (AEST).

The Explanatory Memorandum forms part of the Notice which should be read in its entirety. The Explanatory Memorandum contains the terms and conditions on which the Resolutions will be voted.

The Explanatory Memorandum includes the following information to assist Shareholders in deciding how to vote on the Resolutions:

Section 2	Action to be taken by Shareholders
Section 3	Resolution 1 - Issue of Performance Rights to a Director - Mr Bruno Hegner
Section 4	Resolution 2 - Ratification of Prior Issues of Securities

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

If you have any questions regarding the matters set out in this Explanatory Memorandum or the preceding Notice of Extraordinary General Meeting, please contact the Company Secretary, your stockbroker or other professional adviser.

2. Action to be taken by Shareholders

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

2.1 Voting in person

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

2.2 Proxies

To vote by proxy, please complete and sign the enclosed Proxy Form and return:

- In person at Ground Floor, 16 Ord Street, West Perth WA 6005;
- By post to PO Box 902, West Perth WA 6872; or
- By scan and email to brett@alderanresources.com.au.

Please note that the Proxy Form must be received by the Company not later than **5pm (AEST) on 21 August 2018**.

(a) Voting by proxy

A Proxy Form is attached to the Notice. This is to be used by Shareholders if they wish to appoint a representative (a 'proxy') to vote in their place. All Shareholders are invited and encouraged to attend the Meeting or, if they are unable to attend in person, sign and return the Proxy Form to the Company in accordance with the instructions thereon. Lodgement of a Proxy Form will not preclude a Shareholder from attending and voting at the Meeting in person.

Please note that:

- (i) a member of the Company entitled to attend and vote at the Meeting is entitled to appoint a proxy;
- (ii) a proxy need not be a member of the Company; and
- (iii) a member of the Company entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise, but where the proportion or number is not specified, each proxy may exercise half of the votes.

The enclosed Proxy Form provides further details on appointing proxies and lodging Proxy Forms.

(b) Proxy vote 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 it does:

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

(c) Transfer of non-chair proxy to chair in certain circumstances

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

- (i) 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;
- (ii) the appointed proxy is not the chair of the meeting;
- (iii) at the meeting, a poll is duly demanded on the resolution; and
- (iv) either the proxy is not recorded as attending the meeting or 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.

3. Resolution 1 - Issue of Performance Rights to a Director - Mr Frank “Bruno” Hegner

3.1 Background

Shareholders are being asked to approve Resolution 1 to allow the Company to issue Performance Rights to Mr Frank “Bruno” Hegner (or his nominee) under the Long Term Incentive Plan, as set out below. A summary of the terms of the Long Term Incentive Plan were set out in the prospectus lodged by the Company with ASIC on 5 April 2017.

The Board has determined that the grant of Performance Rights under the Long Term Incentive Plan to Mr Bruno Hegner is an appropriate form of long term incentive for a member of the Company’s Key Management Personnel. The Board considers that Mr Bruno Hegner is essential to the operation of Alderan’s ongoing business.

Accordingly, the Company is proposing, subject to obtaining Shareholder approval, to issue the following Performance Rights to the Director, Mr Bruno Hegner (or his nominee) under the Long Term Incentive Plan.

Class	Number	Expiry date	Vesting Conditions
A	200,000	Two years from grant date	Converting into fully paid ordinary shares once the closing share price as quoted on the ASX is greater than \$1.00 for more than a total of 120 trading days within two years from grant date
B	200,000	Three years from grant date	Converting into fully paid ordinary shares once the closing share price as quoted on the ASX is greater than \$1.50 for more than a total of 120 trading days within three years from grant date
C	200,000	Four years from grant date	Converting into fully paid ordinary shares once the closing share price as quoted on the ASX is greater than \$2.00 for more than a total of 120 trading days within four years from grant date

In determining Mr Bruno Hegner’s remuneration packages, including this proposed issue of Performance Rights under the Long Term Incentive Plan, the Board considered the scope of the Mr Bruno Hegner’s role, the business challenges facing Alderan and market practice for the remuneration of executive officers in positions of similar responsibility. Accordingly, they determine this proposed grant of Performance Rights is appropriate.

3.2 Regulatory Requirements

Resolution 1 seeks Shareholder approval in order to comply with the requirements of Listing Rule 10.14 and sections 200B and 200E of the Corporations Act.

3.3 Listing Rules

Listing Rule 10.11 provides a general restriction against issuing securities to directors without shareholder approval.

Listing Rule 10.14 provides that a company must not issue Equity Securities to a director of the company under an employee incentive scheme unless the issue has been approved by holders of ordinary securities. If approval is given by shareholders under

Listing Rule 10.14, separate shareholder approval is not required under Listing Rule 10.11.

Under Resolution 1, Alderan seeks approval from Shareholders for the issue of Performance Rights to Mr Bruno Hegner, who by virtue of his position as Director of the Company is a related party of the Company.

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

(a) **Nature of relationship between person to receive securities and the Company**

The Performance Rights the subject of Resolution 1 are proposed to be issued to Mr Bruno Hegner. Mr Bruno Hegner is a Director of Alderan and is, as such, a related party of Alderan.

(b) **Maximum number of securities that may be acquired pursuant to Resolution 1**

The maximum number of securities that may be acquired by Mr Bruno Hegner under Resolution 1 is 600,000 Performance Rights.

(c) **Issue price**

The Performance Rights will be issued for nil consideration.

(d) **Previous issues under the Long Term Incentive Plan**

Name	Number of Options	Acquisition price of Options
Donald Smith	3,000,000*	Nil
Christopher Wanless	4,250,000	Nil
Nicolaus Heinen	1,350,000	Nil
Peter Geerdts	2,700,000	Nil
Ernest Eadie	800,000	Nil

*options lapsed unvested following cessation of employment on 10 October 2017

(e) **Eligible participants under the Long Term Incentive Plan**

Under the Long Term Incentive Plan, Performance Rights may be issued to all Directors, or their permitted nominees, but for the purposes of Resolution 1, at this time, the Company is only seeking to grant Performance Rights to Mr Bruno Hegner (and/or his nominee). The persons referred to in Listing Rule 10.14 who are entitled to participate in the Long Term Incentive Plan are Messrs Christopher Wanless, Nicolaus Heinen, Ernest Eadie, Bruno Hegner. These recipients are the only people referred to in Listing Rule 10.14 currently eligible to participate in the Long Term Incentive Plan.

(f) **Issue date**

The latest date that the Company will issue the Performance Rights under Resolution 1 will be no later than three years after the date of the General Meeting.

(g) **Loan**

No loans have or will be made by the Company in connection with the relevant Performance Rights.

(h) Reporting

Details of any securities issued under the Long Term Incentive Plan will be published in each annual report of the Company relating to a period in which securities have been issued, and that approval for the issue of securities was obtained under Listing Rule 10.14. Any additional persons who become entitled to participate in the Long Term Incentive Plan after this Resolution is approved and who are not named in this Notice of Extraordinary General Meeting will not participate until approval is obtained under Listing Rule 10.14.

(i) Voting exclusion statement

A voting exclusion statement for Resolution 1 is included in the Notice of General Meeting preceding this Explanatory Memorandum.

3.4 Section 208 Corporations Act

Chapter 2E of the Corporations Act regulates the provision of “financial benefits” to “related parties” by a public company. Chapter 2E prohibits a public company from giving a financial benefit to a related party of the public company unless either:

- (a) the giving of the financial benefit falls within one of the nominated exceptions to the provisions; or
- (b) prior shareholder approval is obtained to the giving of the financial benefit.

A “related party” is widely defined under the Corporations Act, and includes the directors of the company. As such, the Directors of Alderan are related parties of the Company for the purposes of Section 208 of the Corporations Act.

A “financial benefit” is construed widely and in determining whether a financial benefit is being given, Section 229 of the Corporations Act requires that any consideration that is given is disregarded, even if the consideration is adequate. It is necessary to look at the economic and commercial substance and the effect of the transaction in determining the financial benefit. Section 229 of the Corporations Act includes as an example of a financial benefit, the issuing of securities or the granting of an option to a related party.

It is the view of the Directors that the proposed issue of Performance Rights pursuant to Resolution 1 falls within the “reasonable remuneration” exception under section 211 Corporations Act given the circumstances of the Company and the position held by the Director.

Accordingly, the Directors have determined not to seek Shareholder approval for the purposes of section 208 Corporations Act for the issue of the Performance Rights to the Director.

3.5 Sections 200B and 200E Corporations Act

The Corporations Act restricts the benefits that can be given to persons who hold a “managerial or executive office” (as defined in the Corporations Act) on leaving their employment with the Company or any of its related bodies corporate.

Under Sections 200B and 200E of the Corporations Act, a company may only give a person a benefit in connection with them ceasing to hold a managerial or executive office if the benefit is approved by shareholders or an exemption applies.

Amendments to the Corporations Act in 2009 significantly expanded the scope of these provisions and lowered the threshold for termination benefits that do not require shareholder approval. The term “benefit” has a wide meaning and may include benefits resulting from the Board exercising certain discretions under the rules of the

Plan, including the discretion to determine the accelerated vesting or automatic vesting of securities in certain circumstances.

Under the Long Term Incentive Plan, a participant may become entitled to accelerated vesting or automatic vesting of Performance Rights if there is a change of control of the Company or if the Board exercises its discretion upon cessation of employment. Accordingly, Shareholder approval is sought for the Directors to be given any such benefit in connection with his retirement from office or employment with the Company if that occurs within 3 years of the date of this Meeting.

If Shareholder approval is given under Resolution 1, the Company will still be required to comply with Listing Rules 10.18 and 10.19, which place restrictions on the circumstances in which termination benefits can be paid and a cap on the value of termination benefits that can be paid to officers of the Company.

The value of the benefit will depend on the number of Performance Rights that may vest and the market value of the Shares at the time of cessation of employment.

3.6 Board Recommendation

The Directors do not consider that from an economic and commercial point of view, there are any costs or detriments, including opportunity costs or taxation consequences for the Company or benefits foregone by the Company in granting the Performance Rights to Mr Bruno Hegner pursuant to this Resolution.

The Board, other than Mr Bruno Hegner who has a material personal interest in the outcome of Resolution 1, recommends that Shareholders vote in favour of Resolution 1.

4. Resolution 2 - Ratification of Prior Issue of Securities

4.1 General

On 12 April 2018, the Company issued 5,000,000 Fully Paid Ordinary Shares to raise \$3 million from a placement to sophisticated and professional investors.

Resolution 2 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of the Shares from this placement.

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12-month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1. It provides that when a company in general meeting ratifies the previous issue made pursuant to the ASX Listing Rule 7.1 (and provided that the previous issue did not breach ASX Listing Rule 7.1) those securities will be deemed to have been made with shareholder approval for the purpose of ASX Listing Rule 7.1.

By ratifying these previous issues, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1.

4.2 Information required by the ASX Listing Rules

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to Resolution 2:

- (a) 5,000,000 Shares were issued without approval under Listing Rule 7.1;
- (b) the Shares were issued at an issue price of \$0.60;

- (c) the Shares issued were all fully paid ordinary shares in the capital of the Company, with the same terms and conditions as the Company's existing Shares. The Company applied for quotation of the Shares, in each case, on their date of issue;
- (d) the Shares were issued as a part of a private placement to sophisticated and professional investors as announced to the ASX on 12 April 2018;
- (e) \$3,000,000 was raised from the issues to raise capital for ongoing exploration; and
- (f) A voting exclusion statement for Resolution 2 is included in the Notice of Extraordinary General Meeting preceding this Explanatory Memorandum.

4.3 Board recommendation

The Board unanimously recommends that Shareholders vote in favour of Resolution 2.

Schedule 1 - Definitions

\$ means Australian dollars.

AEST means Australian Eastern Standard Time as observed in Melbourne, New South Wales.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited or the securities market operated by ASX Limited, as the context requires.

ASX Listing Rules means the official listing rules of the 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 person appointed to chair the Meeting of the Company convened by the Notice.

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).

Company means Alderan Resources Limited (ACN 165 079 201).

Constitution means the Company's constitution.

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

Directors means the current directors of the Company.

Equity Securities includes a Share, a right to a Share or Option, an Option, a convertible security and any security that ASX decides to classify as an Equity Security.

Explanatory Memorandum means the explanatory memorandum accompanying the Notice of Meeting.

Extraordinary General Meeting means the meeting convened by the Notice of Meeting.

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.

Long Term Incentive Plan means the plan adopted by the Board on 3 February 2017.

Meeting or Extraordinary General Meeting has the meaning given in the introductory paragraph of the Notice.

Notice or Notice of Meeting or Notice of Extraordinary General Meeting means this notice of extraordinary general meeting.

Options means an unlisted option to acquire one Share, with the terms detailed in the explanatory memorandum of this Notice of Meeting where applicable

Resolutions means the resolutions set out in the Notice of Meeting, 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 holder of a Share.

VWAP means volume weighted average price.

Proxy Form

ALDERAN RESOURCES LIMITED

ACN 165 079 201

PROXY FORM

The Company Secretary
ALDERAN RESOURCES LIMITED

By post:
PO Box 902
West Perth WA 6872

Delivery:
Ground Floor,
16 Ord Street,
West Perth WA 6005

By facsimile:
08 9482 0505

Step 1 - Appoint a Proxy to Vote on Your Behalf

I/We ¹ _____ of _____

being a Shareholder/Shareholders of the Company and entitled to _____ votes in the Company, hereby appoint:

The Chairman of
the Meeting (mark
box)

☐

OR if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name and address of the person or body corporate (excluding the registered shareholder) you are appointing as your proxy

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the Meeting to be held at 2:30pm (AEST) on Friday, 24 August 2018 at Level 4, 360 Collins Street, Melbourne VIC 3000, on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit, except as provided below).

The Chairman of the Meeting intends to vote undirected proxies in favour of each resolution.

Proxy appointments will only be valid and accepted by the Company if they are made and received no later than 48 hours before the meeting.

Please read the voting instructions overleaf before marking any boxes with an ☒.

Step 2 - Instructions as to Voting on Resolutions

INSTRUCTIONS AS TO VOTING ON RESOLUTIONS

The proxy is to vote for or against the Resolution referred to in the Notice as follows:

		For	Against	Abstain
Resolution 1	Issue of Performance Rights to a Director - Mr Bruno Hegner	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Ratification of Prior Issues of Securities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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

Authorised signature/s

This section **must** be signed in accordance with the instructions below to enable your voting instructions to be implemented.

The Chairman of the Meeting intends to vote undirected proxies in favour of each Resolution.

Individual or Shareholder 1

Sole Director and Sole Company Secretary

Shareholder 2

Director

Shareholder 3

Director/Company Secretary

Contact Name

Contact Daytime Telephone

Date

¹Insert name and address of Shareholder

Proxy Notes:

A Shareholder entitled to attend and vote at the Meeting may appoint a natural person as the Shareholder's proxy to attend and vote for the Shareholder at that Meeting. If the Shareholder is entitled to cast 2 or more votes at the Meeting the Shareholder may appoint not more than 2 proxies. Where the Shareholder appoints more than one proxy the Shareholder may specify the proportion or number of votes each proxy is appointed to exercise. If such proportion or number of votes is not specified each proxy may exercise half of the Shareholder's votes. A proxy may, but need not be, a Shareholder of the Company.

If a Shareholder appoints a body corporate as the Shareholder's proxy to attend and vote for the Shareholder at that Meeting, the representative of the body corporate to attend the Meeting must produce the Certificate of Appointment of Representative prior to admission. A form of the certificate may be obtained from the Company's share registry.

You must sign this form as follows in the spaces provided:

- Joint Holding: where the holding is in more than one name all of the holders should sign.
- Power of Attorney: if signed under a Power of Attorney, you must have already lodged it with the registry, or alternatively, attach a certified photocopy of the Power of Attorney to this Proxy Form when you return it.
- Companies: a Director can sign jointly with another Director or a Company Secretary. A sole Director who is also a sole Company Secretary can also sign. Please indicate the office held by signing in the appropriate space.

If a representative of the corporation is to attend the Meeting the appropriate "Certificate of Appointment of Representative" should be produced prior to admission. A form of the certificate may be obtained from the Company's Share Registry.

Proxy Forms (and the power of attorney or other authority, if any, under which the Proxy Form is signed) or a copy or facsimile which appears on its face to be an authentic copy of the Proxy Form (and the power of attorney or other authority) must be deposited at or received by facsimile transmission at the address below no later than 48 hours prior to the time of commencement of the Meeting (WST).

Business address: Ground Floor, 16 Ord Street, West Perth WA 6005

Postal address: PO Box 902, West Perth WA 6872

Facsimile: 08 9482 0505