

ASX ANNOUNCEMENT  
25 September 2018



## Notice of 2018 Annual General Meeting

Adriatic Metals plc (ASX: ADT) ('Adriatic' or the 'Company') advises the following details of the Annual General Meeting of the Company.

Date: Friday 26 October 2018

Time: 11am (Australian Western Standard Time)

Place: Celtic Club, 48 Ord Street,  
West Perth WA 6005

### ABOUT ADRIATIC METALS

Adriatic Metals plc is focused on the development of the 100% owned, high-grade zinc polymetallic Vareš Project in Bosnia & Herzegovina.

### DIRECTORS AND MANAGEMENT

Mr Peter Bilbe  
NON-EXECUTIVE CHAIRMAN

Mr Geraint Harris  
CHIEF EXECUTIVE OFFICER

Mr Paul Cronin  
NON-EXECUTIVE DIRECTOR

Mr Julian Barnes  
NON-EXECUTIVE DIRECTOR

Mr Eric de Mori  
NON-EXECUTIVE DIRECTOR

Mr Milos Bosnjakovic  
NON-EXECUTIVE DIRECTOR

Mr Sean Duffy  
CFO AND COMPANY SECRETARY

[adriaticmetals.com](http://adriaticmetals.com)

The Notice of Annual General Meeting and the CDI Voting Instruction Form or Proxy Form (as applicable) is being sent via post or emailed to all shareholders. A copy of the Notice of General Meeting is attached to this announcement and can be viewed on the Adriatic Metals website at: <http://www.adriaticmetals.com>.

Holders of CDIs in Adriatic Metals PLC will be sent a CDI voting instruction form, while holders of shares in Adriatic Metals PLC will be sent a proxy form.

### CONTACTS:

For further information on this update or the Company generally, please visit our website at <http://www.adriaticmetals.com> or contact:

#### UK Contacts:

Geraint Harris (Chief Executive Officer)  
Sean Duffy (CFO and Company Secretary)  
Email: [sean.duffy@adriaticmetals.com](mailto:sean.duffy@adriaticmetals.com)

+44 (0) 20 79930066

#### Australian Contact:

Gabriel Chiappini  
Email: [gabriel@laurus.net.au](mailto:gabriel@laurus.net.au)

## **THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

If you are in any doubt as to the contents of this document and/or as to the action you should take, you should seek your own advice from a stockbroker, solicitor, accountant, or other professional adviser. If you have sold or otherwise transferred all of your ordinary shares in Adriatic Metals PLC, please forward this document together with the accompanying documents to the purchaser or transferee, or to the person who arranged the sale or transfer, so they can forward these documents to the person who now owns the ordinary shares.

The distribution of this document in jurisdictions other than the United Kingdom and Australia may be restricted by law and therefore persons into whose possession this document comes should inform themselves about and observe such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

This document does not constitute any offer to issue or sell or a solicitation of any offer to subscribe for or buy ordinary shares in Adriatic Metals PLC.

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## **ADRIATIC METALS PLC**

(incorporated and registered in England and Wales under number 10599833 and registered as a foreign company in Australia ARBN 624 103 162)

## **Notice of Annual General Meeting**

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This Notice of an Annual General Meeting of the Shareholders of the Company to be held at 11:00am (Australian Western Standard Time) on Friday 26 October 2018 at Celtic Club, 48 Ord Street, West Perth WA 6005 Australia and accompanying Explanatory Notes, Proxy Form and CDI voting instruction form (as applicable) should be read in their entirety. If Shareholders or CDI Holders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser prior to voting.

The Explanatory Notes that accompany and forms part of this Notice of Meeting describes the matters to be considered.

## As Ordinary Resolutions

1. To receive the Company's audited financial statements and the Auditor's and Directors' reports for the year ended 30 June 2018.
2. To approve the Directors' Remuneration Report in the form set out in the Annual Report and Accounts for the year ended 30 June 2018.
3. To re-elect Mr Julian Barnes, Mr Peter Bilbe, Mr Milos Bosnjakovic, Mr Paul Cronin and Mr Eric de Mori as Directors of the Company.
4. To appoint Lubbock Fine Chartered Accountants as auditor of the Company and to authorise the Directors to determine the auditor's remuneration.
5. To approve the share option award of 1,000,000 unlisted Options to Adnan Teletovic on appointment as General Manager of Eastern Mining d.o.o (100% owned subsidiary of the Company) pursuant to the Company's Employee Share Option Plan.
6. That, in accordance with sections 366 and 367 of the Companies Act 2006, the Company and all companies that are subsidiaries of the Company at any time during the period for which the Resolution has effect, be and are hereby authorised, in aggregate, during the period beginning with the date of the passing of this Resolution and ending on the conclusion of the Annual General Meeting of the Company in 2019 (unless such authority is previously renewed, varied or revoked by the Company in a general meeting), to:
  - (i) make political donations to political parties and/or independent election candidates not exceeding £10,000 in total;
  - (ii) make political donations to political organisations other than political parties not exceeding £10,000 in total; and
  - (iii) incur political expenditure not exceeding £10,000 in total, provided that the authorised sums referred to in paragraphs (i), (ii) and (iii) above may be comprised of one or more amounts in different currencies which, for the purposes of calculating that authorised sum, shall be converted into Pounds Sterling at such rate as the Board in its absolute discretion may determine to be appropriate.

For the purposes of this Resolution the terms 'political donation', 'political parties', 'independent election candidates', 'political organisations' and 'political expenditure' shall have the meanings given by sections 363 to 365 of the Companies Act 2006.

7. To grant the Directors the authority to allot and issue shares and grant rights to subscribe for shares in the Company for the purposes of Section 551 of the Companies Act 2006 up to the maximum aggregate nominal amount of 32,698,899 new securities in the Company. This Resolution replaces any existing authorities to issue shares in the Company and the authority under this Resolution will expire at the conclusion of the next Annual General Meeting of the Company.

## As Special Resolutions

8. To dis-apply the statutory rights of pre-emption in respect of the allotment of equity securities for cash referred to in Resolution 7 under Section 561(1) of the Act. This is a special resolution authorising the Directors to issue equity securities as continuing authority up to an aggregate nominal amount of 32,698,899 new securities in the Company for cash on a non pre-emptive basis pursuant to the authority conferred by Resolution 7 above. The authority granted by this Resolution will expire at the conclusion of next Annual General Meeting of the Company.
9. That for the purposes of ASX Listing Rule 7.1A and for all other purposes, the issue of Equity Securities up to 10% of the issued capital of the Company (calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A) on the terms and conditions set out in the Explanatory Notes, be approved.

**ASX Voting Exclusion Statement:** The Company will disregard any votes cast in favour of Resolution 9 by or on behalf of a person who may participate in, or who will obtain a material benefit as a result of, the 10% Placement Capacity, except a benefit solely in the capacity of a holder of Shares, and any of their respective associates. 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 Annual General 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

Sean Duffy

CFO and Company Secretary

21 September 2018

Registered Office: Second Floor, Stanford House, Regent Street, Cheltenham, Gloucestershire, GL50 1NH, United Kingdom.

Incorporated and Registered in England and Wales under Companies Act 2006 with registered number 10599833

## EXPLANATORY NOTES

### Entitlement to attend and vote

- 1 Please see Explanatory Notes 2 to 19 for information on how to appoint a proxy. Under the ASX Listing Rules and the ASX Settlement Operating Rules, the Company as an issuer of CDIs permits CDI Holders to attend any meeting of the holders of Shares. Please see Explanatory Notes 19 to 26 for more information on how to vote your CDIs.

### Appointment of proxies

- 2 As a member of the Company, you are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote at the meeting and you should have received a Proxy Form with this Notice of Meeting. You can only appoint a proxy using the procedures set out in these notes and the notes to the Proxy Form.
- 3 A proxy does not need to be a member of the Company but must attend the meeting to represent you. Details of how to appoint the chairman of the meeting or another person as your proxy using the proxy form are set out in the notes to the Proxy Form. If you wish your proxy to speak on your behalf at the Meeting you must appoint your own choice of proxy (not the chairman) and give your instructions directly to the relevant person.
- 4 You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different Shares. You may not appoint more than one proxy to exercise rights attached to any one Share. To appoint more than one proxy, you must complete a separate proxy form for each proxy and specify against the proxy's name the number of Shares over which the proxy has rights. If you are in any doubt as to the procedure to be followed for the purpose of appointing more than one proxy you must contact the Company at Second Floor, Stanford House, Regent Street, Cheltenham, Gloucestershire, GL50 1NH, United Kingdom. If you fail to specify the number of Shares to which each proxy relates or specify a number of Shares greater than that held by you on the record date, proxy appointments will be invalid.
- 5 If you do not indicate to your proxy how to vote on any Resolution, your proxy will vote or abstain from voting at his discretion. Your proxy will vote (or abstain from voting) as he thinks fit in relation to any other matter which is put before the meeting.

### Appointment of proxy using the hard copy proxy form

- 6 The notes to the proxy form explain how to direct your proxy how to vote on each Resolution or withhold his vote.
- 7 To appoint a proxy using the Proxy Form, it must be:
  - 7.1 completed and signed;
  - 7.2 sent or delivered to the Company at Second Floor, Stanford House, Regent Street, Cheltenham, Gloucestershire, GL50 1NH, United Kingdom; and
  - 7.3 received by the Company no later than 11:00am Australian Western Standard Time on Wednesday 24th October 2018.
- 8 In the case of a member which is a company, the Proxy Form must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company.
- 9 Any power of attorney or any other authority under which the Proxy Form is signed (or a duly certified copy of such power or authority) must be included with the Proxy Form.

- 10 The Company, pursuant to regulation 41 of the Uncertificated Securities Regulations 2001, specifies that only those ordinary Shareholders registered in the register of members of the Company 48 hours before the Meeting shall be entitled to attend or vote at the Meeting in respect of the number of Shares registered in their name at that time. Changes to entries on the relevant register of securities after that time will be disregarded in determining the rights of any person to attend or vote at the Meeting. If the Meeting is adjourned by more than 48 hours, then to be so entitled, shareholders must be entered on the Company's register of members 48 hours before the time appointed for holding the adjourned meeting or if the Company gives notice of the adjourned meeting, at the time specified in that notice.

### **Appointment of proxy by joint members**

- 11 In the case of joint holders of Shares, where more than one of the joint holders' purports to appoint a proxy, only the appointment submitted by the most senior holder (being the first named holder in respect of the shares in the Company's register of members) will be accepted.

### **Changing proxy instructions**

- 12 To change your proxy instructions simply submit a new proxy appointment using the method set out in paragraph 7 above. Note that the cut off time for receipt of proxy appointments specified in that paragraph also applies in relation to amended instructions. Any amended proxy appointment received after the specified cut off time will be disregarded.
- 13 Where you have appointed a proxy using the hard copy Proxy Form and would like to change the instructions using another hard copy Proxy Form, please contact the Company as indicated in paragraph 4 above.
- 14 If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.

### **Termination of proxy appointments**

- 15 In order to revoke a proxy instruction, you will need to inform the Company by sending a signed hard copy notice clearly stating your intention to revoke your proxy appointment to the Company as indicated above. In the case of a member which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice.
- 16 The revocation notice must be received by the Company no later than 11:00am on 26 October 2018.
- 17 If you attempt to revoke your proxy appointment but the revocation is received after the time specified then, subject to paragraph 18 below, your proxy appointment will remain valid.
- 18 Appointment of a proxy does not preclude you from attending the Meeting and voting in person. If you have appointed a proxy and attend the Meeting in person, your proxy appointment will automatically be terminated.

### **Instructions for Holders of CDIs in the Australian register only:**

- 19 Holders of CDIs will be permitted to attend the Meeting but may only vote by directing CHES Depository Nominees Pty Ltd ("CDN") to cast proxy votes in the manner directed in the CDI voting instruction form enclosed.
- 20 The CDI voting instruction, together with any power of attorney or other authority (if any) under which it is signed, or a notarially certified copy thereof, should be sent to:

Postal address:

Computershare Investor Services Pty Limited  
GPO Box 242 Melbourne  
Victoria 3001 Australia

Alternatively you can fax your form to:

(within Australia) 1800 783 447  
(outside Australia) +61 3 9473 2555

- 21 Holders of CDIs can instruct CDN to cast proxy votes online by visiting [www.investorvote.com.au](http://www.investorvote.com.au) and entering the Control Number, Shareholder's SRN/HIN and their postcode, which are shown on the first page of the enclosed Proxy Form.
- 22 Directions must arrive by not later than 5.00pm Australian Western Standard Time on Monday, 22 October 2018 i.e. to allow CDN sufficient time to lodge the combined proxies 48 hours before the time of the Meeting (without considering any part of a day that is not a working day).
- 23 Instructions for completing and lodging the CDI voting instruction form are appended to it.
- 24 You must be registered as the holder of CDIs as at 5:00pm on 22 October 2018 Australian Western Standard Time for your CDI voting instruction to be valid.
- 25 Should the Meeting be adjourned then the deadline for revised voting instructions and the record date for determining registered holders of CDIs will be 72 hours before the time that the adjourned Meeting recommences, excluding any part of a day that is not a working day.
- 26 To obtain a copy of the CHESS Depository Nominee's Financial Services Guide, go to [www.asx.com.au/CDIs](http://www.asx.com.au/CDIs) or phone 1300 300 279 if you would like one sent to you by mail.

### **Total voting rights**

- 27 As at 14 September 2018, the Company's issued share capital comprised 130,795,596 ordinary shares, with voting rights (in the form of CDIs) ("Shares"). The Company does not hold any Shares in Treasury. Therefore, the total number of voting rights in the Company as at 14 September 2018 is 130,795,596.

### **Notes to Resolution 1 – Approval of 2018 Annual report**

- 28 The Directors are required by company law to present the 2018 Annual report comprising the 2018 financial statements, the Directors report and the Auditors report on the financial statements to the Meeting. These can be viewed on the Adriatic Metals website at [www.adriaticmetals.com](http://www.adriaticmetals.com) and on the ASX website ([www.asx.com.au](http://www.asx.com.au)).

### **Notes to Resolution 2 - Approval of the Directors Remuneration report**

- 29 The Directors are required by company law to present the 2018 Directors Remuneration report. This is contained within Adriatic Metals' 2018 Annual Report and can be viewed on the Company's website at [www.adriaticmetals.com](http://www.adriaticmetals.com).

### **Notes to Resolution 3 – Re-election of the Directors**

- 30 This is the first AGM under the Articles of Association of Adriatic Metals PLC. In accordance with Article 21(1) all Directors are required to retire. Mr Julian Barnes, Mr Peter Bilbe, Mr Milos Bosnjakovic, Mr Paul Cronin and Mr Eric de Mori all offer themselves for re-election as Directors. Their biographies can be viewed on the Adriatic Metals website at [www.adriaticmetals.com](http://www.adriaticmetals.com).

### **Notes to Resolution 4 - Re-appointment and remuneration of Auditors**

- 31 The Company is required at each general meeting at which financial statements are laid, to appoint auditors who will remain in office until the next general meeting at which financial statements are laid.
- 32 Lubbock Fine Chartered Accountants have expressed willingness to continue in office. In accordance with company law and good corporate governance practice, Shareholders are asked to authorise the Board to determine the auditors' remuneration.

### **Notes to Resolution 5 - Approval of the Share Option Award to Adnan Teletovic**

- 33 Mr Adnan Teletovic was appointed as General Manager of the Company's subsidiary, Eastern Mining d.o.o, after the Company's successful listing on the ASX on 1 May 2018. As this provisional award was made subsequent to the issue of the Company prospectus, in accordance with good corporate governance practice the Board seeks Shareholder approval for the award to Mr Teletovic set out in note 34. The Company notes that Mr Teletovic is not a related party of the Company. Accordingly, the Company will not be obtaining Shareholder approval pursuant to Listing Rule 10.14 with respect to the issue of Options to Mr Teletovic under the Company's Employee Share Option Plan.

- 34 Mr Teletovic was allotted 1,000,000 unlisted Options, issued pursuant to the Company's Employee Share Option Plan. Terms of the unlisted Options are:
- i. 3 year term expiring 5 June 2021
  - ii. Exercise price of \$0.40
  - iii. Vesting upon issuance of exploitation permit at Veovaca Project, Bosnia and Herzegovina

#### **Note to Resolution 6 – Authority to make political donations**

- 35 Subject to all applicable laws, the Board is seeking authority to have the ability to make modest political donations in the UK and Bosnia - Herzegovina. The overall purpose of this Resolution is to provide the Board with flexibility to make up to a total of £30,000 donations should it believe such donations in the categories outlined, to be in the best interests of the Shareholders. Authority is therefore sought for the Company and its subsidiary, Eastern Mining d.o.o, to make political donations. The Directors will exercise this authority only after careful consideration, taking into account prevailing market conditions, other investment opportunities and the overall financial position of the Company. The authority will expire on the date of the next Annual General Meeting.

#### **Note to Resolution 7 – General Authority to allot shares**

- 36 Subject to a limited number of exceptions, the directors of a company must not allot shares unless they have the authority to do so under section 551 of the Act. An authority to allot shares in relation to a public company must always be granted under Section 551 of the Act. Authority to allot shares pursuant to section 551 can be granted by either a provision in the articles of association of the company or by ordinary resolution passed by the members of the company.
- 37 An authority to allot shares given under section 551 must specify the maximum amount of shares that may be allotted under it. If the authority relates to the grant of rights to subscribe for shares, it must state the maximum amount of shares that can be allotted under those rights (section 551 (6), the Act). The authority must also specify an expiry date, which must not be more than five years from the date the resolution containing the authority is passed.
- 38 Once a section 551 authority to allot has expired, the Directors may, if specifically permitted by the terms of the expired authority, allot shares or grant rights to subscribe for or to convert any security into shares pursuant to an offer or agreement made by the company before the authority expired (section 551 (7), the Act).
- 39 If this Resolution as well as Resolutions 8 and 9 are all approved, the Company will be able to issue up to 25% of its issued share capital under both the ASX Listing Rules and the Act without being required to obtain further Shareholder approval. The 25% total derived through adopting the share capital allowances under the ASX Listing Rules, specifically ASX Listing Rule 7.1 to allow the board the authority to issue 15% of the Company's issued capital and ASX Listing Rule 7.1A to allow the board the authority to issue a further 10% share capital (approval is separately required – refer special resolution 9 for further details).
- 40 The Directors seek this authority as they consider it to be in the Company's best interest for them to have the maximum flexibility permitted by corporate governance guidelines to respond to market developments and to enable allotments to take place to finance business opportunities as they arise.

#### **Notes to Resolution 8 – Disapplication of pre-emption rights**

- 41 Under section 561 of the Act, a company proposing to allot Equity Securities must first offer them to each holder of Shares in the company pro rata to their existing Shareholding. This pre-emption right applies to any allotment of Equity Securities unless either: (i) one of the exceptions set out in section 564 to section 566 of the Act applies or; (ii) the company excludes or dis-applies the statutory pre-emption rights by one of the permitted methods set out in sections 569 to 573 of the Act.
- 42 If the directors of a company are generally authorised to allot shares under section 551 of the Act, they may also be given the power to allot shares under that general authorisation as if the pre-emption provisions in section 561 did not apply (section 570 of the Act). As a disapplication of the statutory pre-emption right under section 570 works in combination with the authority to allot shares under section 551, the special resolutions dis-applying the statutory pre-emption right cross-refers to the corresponding authority to allot.



## Notes to Resolution 9 – Authority to issue up to an additional 10% of issued share capital

- 43 Resolution 9 is a special resolution which seeks Shareholder approval for the issue of Equity Securities totalling up to 10% of the issued capital of the Company under and in accordance with Listing Rule 7.1A.

### Listing Rule 7.1A

- 44 Listing Rule 7.1A enables eligible entities to issue Equity Securities totalling up to 10% of their issued share capital through placements over the 10% Placement Period (defined below) (**10% Placement Facility**). The 10% Placement Facility is in addition to the Company's 15% placement capacity under Listing Rule 7.1.
- 45 An eligible entity for the purposes of Listing Rule 7.1A 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 an eligible entity.
- 46 As Resolution 9 is a special resolution, at least 75% of the votes cast must be cast in favour of the Resolution in order for it to be passed.
- 47 Any Equity Securities issued under the 10% Placement Facility must be in the same class as an existing quoted class of Equity Securities of the Company. As at the date of this Notice, the only quoted Equity Securities that the Company has on issue are its Shares (in the form of CDIs).
- 48 Approval of the 10% Placement Facility is valid from the date of the Annual General Meeting until the earlier of:
- 12 months after the Annual General Meeting; and
  - the date Shareholders approve a transaction under Listing Rule 11.1.2 (significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking),
- (**10% Placement Period**).
- 49 The number of Equity Securities that the Company will have the capacity to issue under the 10% Placement Facility will be calculated in accordance with the following formula:

$$(A \times D) - E$$

- A** has the same meaning as in Listing Rule 7.1 when calculating an entity's 15% placement capacity – i.e. 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 Rules 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.
- 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.

For the purposes of Listing Rule 7.3A, the following information is provided to Shareholders in relation to Resolution 9:

## 50 Minimum price at which the securities may be issued

In accordance with Listing Rule 7.1A.3, any Equity Securities issued under the 10% Placement Facility will be issued for at least 75% of the VWAP of Equity Securities in the same class calculated over the 15 Trading Days on which trades in that class were recorded immediately before:

- the date on which the price of the Equity Securities is agreed; or
- if the Equity Securities are not issued within 5 Trading Days of the above date, the date on which the Equity Securities are issued.

## 51 Risk of economic and voting dilution

Any issue of Equity Securities under the 10% Placement Facility will dilute Shareholders who do not participate in the issue. The table below shows the potential economic and voting dilution of existing Shareholders as a result of the Company issuing Shares under the 10% Placement Facility, based on different issue prices and values for variable 'A' in the above formula.

Variable 'A' (Shares on issue)	Issue price - AUD\$			
		\$0.195 (50% decrease)	\$0.39 (Current) <sup>2</sup>	\$0.585 (50% increase)
130,795,596 (Current) <sup>1</sup>	Shares issued	130,795,596	130,795,596	130,795,596
	Funds raised	\$25,505,141	\$51,010,282	\$76,515,424
196,193,394 (50% increase)	Shares issued	196,193,394	196,193,394	196,193,394
	Funds raised	\$38,257,712	\$76,515,424	\$114,773,135
261,591,192 (100% increase)	Shares issued	261,591,192	261,591,192	261,591,192
	Funds raised	\$51,010,282	\$102,020,565	\$153,030,847

### Notes:

1. The current variable 'A' is assumed to be the number of Shares on issue as at the date of this Notice. The number of Shares on issue could increase as a result of, for example, an issue that does not require Shareholder approval (e.g. a pro rata offer to Shareholders) or an issue with Shareholder approval under Listing Rule 7.1.
2. The current price of Shares of AUD\$0.39 is the closing price on the ASX on 13 September 2018.
3. The table assumes that no Options or other convertible securities are exercised or converted into Shares prior to an issue under the 10% Placement Facility.
4. The table assumes that the Company issues the maximum number of Shares available under the 10% Placement Facility.
5. The table assumes that issues of Equity Securities under the 10% Placement Facility consist only of Shares.
6. The table does not show examples of dilution that may be caused to a particular Shareholder by reason of issues under the 10% Placement Facility. Shareholders should consider the potential dilution caused in the context of their own circumstances.
7. The table only shows the effect of issues under Listing Rule 7.1A, and not issues under the 15% placement capacity under Listing Rule 7.1.

Shareholders should further note that:

- the market price for the Equity Securities may be significantly lower on the date of issue than on the date of the Annual General Meeting; and
- the Equity Securities may be issued at a price that is at a discount to the market price for the Equity Securities on the date of issue.

## **52 Date by which the securities may be issued**

In accordance with Listing Rule 7.1A.1, any Equity Securities issued under the 10% Placement Facility will be issued during the 10% Placement Period. The 10% Placement Facility will cease to be valid in the event that shareholders approve a transaction under Listing Rule 11.1.2 (significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking).

## **53 Purposes for which the securities may be issued**

Any Equity Securities issued under the 10% Placement Facility may be issued for the following purposes (without limitation):

- as 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 Listing Rule 7.1A.3;
- for cash consideration to raise funds. In such circumstances, the Company may apply the funds raised towards the exploration activities at its existing projects and/or for acquisition of new assets or investments (including expenses associated with such acquisition) and general working capital.

## **54 Allocation policy for issues of securities**

The Company's allocation policy for any Equity Securities issued under the 10% Placement Facility will depend on the prevailing market conditions at the relevant time, however recipients will not be related parties of the Company. The identity of recipients of Equity Securities will otherwise be determined on a case by case basis having regard to the following factors (without limitation):

- the purpose of the issue;
- alternative methods for raising funds that are available to the Company including rights issues or other issues in which existing Shareholders can participate;
- the effect of the issue on the control of the Company;
- the financial situation and solvency of the Company;
- prevailing market conditions; and
- advice from corporate, financial and broking advisers.

The Company will comply with the disclosure obligations under Listing Rules 7.1A.4 and 3.10.5A upon issuing any Equity Securities.

## **55 Previous issues of securities**

The Company has not previously obtained Shareholder approval Listing Rule 7.1A.

## **56 Directors' recommendations**

The Directors unanimously recommend that Shareholders vote in favour of Resolution 9.

## DEFINITIONS

In this document, the following words and expressions shall, except where the context requires otherwise, have the following meanings:

**10% Placement Capacity** has the meaning given in the Explanatory Notes.

**Act** means the UK Companies Act 2006, as amended.

**Adriatic, Adriatic Metals** means Adriatic Metals PLC, a company incorporated and registered in England and Wales under number 10599833.

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

**ASX** means ASX Limited (ACN 008 624 691) or the Australian Securities Exchange, as the context requires.

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

**Board** means the current board of directors of the Company.

**CDI** means CHESS Depositary Interest, being a unit of beneficial ownership of a Share legally held by CHESS.

**CDI Holder** means a holder of CDIs.

**CHESS** means CHESS Depositary Nominees Pty Ltd (ACN 071 346 506).

**Company** means Adriatic Metals PLC.

**Directors** means the current directors of the Company.

**Employee Share Option Plan** means the employee share option plan adopted by the Company and summarised in section 9.5.4 of the Prospectus.

**Equity Securities** has the meaning given in the Listing Rules.

**Explanatory Notes** means the explanatory notes incorporated in this Notice.

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

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

**Prospectus** means the Company's prospectus dated 8 March 2018 for an offer of 50,000,000 CDIs at an issue price of \$0.20 each to raise up to \$10,000,000 before costs.

**Proxy Form** means the proxy form accompanying the Notice.

**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 holder of a Share.

**Special resolution** means a resolution that has been passed by at least 75% of the votes cast by members entitled to vote on the resolution.

**Trading Day** has the same meaning as in the ASX Listing Rules.

**Variable A** means "A" as set out in the calculation in Resolution 9 of the Explanatory Statement.

**VWAP** means volume weighted average price.



Adriatic Metals

ARBN 624 103 162

**Lodge your vote:**



**Online:**

[www.investorvote.com.au](http://www.investorvote.com.au)



**By Mail:**

Computershare Investor Services Pty Limited  
GPO Box 242 Melbourne  
Victoria 3001 Australia

Alternatively you can fax your form to  
(within Australia) 1800 783 447  
(outside Australia) +61 3 9473 2555

For Intermediary Online subscribers only  
(custodians) [www.intermediaryonline.com](http://www.intermediaryonline.com)

**For all enquiries call:**

(within Australia) 1300 850 505  
(outside Australia) +61 3 9415 4000

**CDI Voting Instruction Form**

**XX**



**Vote and view the annual report online**

- Go to [www.investorvote.com.au](http://www.investorvote.com.au) or scan the QR Code with your mobile device.
- Follow the instructions on the secure website to vote.

**Your access information that you will need to vote:**

**Control Number:**

PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.



**For your vote to be effective it must be received by 5:00pm (AWST), Monday, 22 October 2018**

**How to Vote on Items of Business**

Each CHESS Depositary Interest (CDI) is equivalent to one fully paid share, so that every 1 (one) CDI that you own at 5:00pm (AWST) Monday, 22 October 2018 entitles you to one vote.

You can vote by completing, signing and returning your CDI Voting Instruction Form. This form gives your voting instructions to CHESS Depositary Nominees Pty Ltd, which will vote the underlying shares on your behalf. You need to return the form no later than the time and date shown above to give CHESS Depositary Nominees Pty Ltd enough time to tabulate all CHESS Depositary Interest votes and to vote on the underlying shares.

**Signing Instructions**

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

**Joint Holding:** Where the holding is in more than one name, all of the securityholders should sign.

**Power of Attorney:** If you have not already lodged the Power of Attorney with the Australian registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

**Companies:** Only duly authorised officer/s can sign on behalf of a company. Please sign in the boxes provided, which state the office held by the signatory, ie Sole Director, Sole Company Secretary or Director and Company Secretary. Delete titles as applicable.

**Comments & Questions:** If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

**GO ONLINE TO VOTE**   
**or turn over to complete the form**



**Change of address.** If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.

# CDI Voting Instruction Form

Please mark ☒ to indicate your directions

## STEP 1

### CHESS Depositary Nominees will vote as directed

#### Voting Instructions to CHESS Depositary Nominees Pty Ltd

XX

Please mark box A OR B

I/We being a holder of CHESS Depositary Interests of Adriatic Metals PLC, hereby direct CHESS Depositary Nominees Pty Ltd (CDN) to:

**A** ☐ vote on my/our behalf with respect to the Resolutions below in the manner instructed in Step 2 below.

OR

**B** ☐ appoint the Chairman of the Meeting

OR

to attend, speak and vote the shares underlying my/our holding at the Annual Meeting of Adriatic Metals PLC ("the Company") to be held at the Celtic Club, 48 Ord Street, West Perth, Western Australia on Friday, 26 October 2018 at 11:00am (AWST) and at any adjournment of that meeting.

CDN instructs its proxy to vote on the resolutions proposed at the meeting in accordance with the directions in Step 2 below. Where no direction is given, the proxy may vote as they see fit. In addition, the proxy can vote as they see fit on any other business of the meeting, including amendments to the resolutions and at any adjournment of the meeting.

The Chairman of the Meeting intends to vote all valid undirected proxies in favour of each item of business, set out in Step 2 below.

## STEP 2

### Items of Business



PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing CHESS Depositary Nominees Pty Ltd or their appointed proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

#### 1. Approval of 2018 Annual report

To receive the Company's audited financial statements and the Auditor's and Directors' reports for the year ended 30 June 2018.

For	Against	Abstain
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

#### 2. Approval of the Directors Remuneration report

To approve the Directors' Remuneration Report in the form set out in the Annual Report and Accounts for the year ended 30 June 2018.

For	Against	Abstain
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

#### 3. Re-election of the Directors

To re-elect Mr Julian Barnes, Mr Peter Bilbe, Mr Milos Bosnjakovic, Mr Paul Cronin and Mr Eric de Mori as Directors of the Company.

For	Against	Abstain
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

#### 4. Re-appointment and remuneration of Auditors

To appoint Lubbock Fine Chartered Accountants as auditor of the Company and to authorise the Directors to determine the auditor's remuneration.

For	Against	Abstain
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

#### 5. Approval of the Share Option Award to Adnan Teletovic

To approve the share option award to Adnan Teletovic on appointment as General Manager of Eastern Mining d.o.o (100% owned subsidiary of the Company).

For	Against	Abstain
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

#### 6. Authority to make political donations

Subject to all applicable laws, the Board is seeking authority to have the ability to make modest political donations in the UK and Bosnia - Herzegovina

For	Against	Abstain
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

#### 7. General Authority to allot shares

To grant the Directors the authority to allot and issue shares and grant rights to subscribe for shares in the Company

For	Against	Abstain
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

#### 8. Disapplication of pre-emption rights

To dis-apply the statutory rights of pre-emption in respect of the allotment of equity securities for cash referred to in Resolution 7

For	Against	Abstain
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

#### 9. Authority to issue up to an additional 10% of issued share capital

To approve issue of Equity Securities totalling up to 10% of the issued capital of the Company under and in accordance with Listing Rule 7.1A.

For	Against	Abstain
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

## SIGN

### Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Securityholder 2

Securityholder 3

Sole Director and Sole Company Secretary

Director

Contact  
Daytime  
Telephone

Director/Company Secretary

Contact  
Name

Date / /

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