



ABN 20 109 361 195

**NOTICE OF ANNUAL GENERAL MEETING**

**&**

**EXPLANATORY STATEMENT**

**To be held**

at 3.00pm on Monday, 19 November 2018

**at**

Suite 7, 7 The Esplanade, Mt Pleasant, WA 6153



Principal Office  
+61 (8) 9322 9903  
Level 3, 35 Havelock St  
West Perth WA 6005

Postal & Registered Office  
+61 (8) 9316 9100  
Suite 6, 7 The Esplanade  
Mt Pleasant WA 6153

15 October 2018

Dear Fellow Alloy Shareholder,

Please find enclosed the Notice of Annual General Meeting for the Shareholders' Meeting to be held at Suite 7, 7 The Esplanade, Mt Pleasant, WA 6153 at 3.00pm on Monday, 19 November 2018.

The purpose of the meeting is to conduct the annual business of the Company, being consideration of the annual financial statements, the remuneration report and in addition seek shareholder approval in accordance with the Corporations Act 2001 and the Listing Rules of the ASX to a number of resolutions, which are set out in the attached Notice of Meeting paper.

Your Directors seek your support and look forward to your attendance at the meeting.

Yours sincerely

**Andrew Viner**  
Executive Chairman

**ALLOY RESOURCES LIMITED**  
ABN 20 109 361 195  
**NOTICE OF ANNUAL GENERAL MEETING**

Notice is hereby given that the Annual General Meeting of Alloy Resources Limited will be convened at 3.00pm on Monday, 19 November 2018 at Suite 7, 7 The Esplanade, Mt Pleasant WA 6153.

**AGENDA**

**1. Discussion of Financial Statements and Reports**

To discuss the Financial Report, the Directors' Report and Auditor's Report for the year ended 30 June 2018.

**2. Adoption of the Remuneration Report**

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

*"That, for the purpose of Section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the remuneration report as contained in the Company's annual financial report for the financial year ended 30 June 2018."*

**3. Election of Director – Mr Allan Kelly**

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

*"That Mr Allan Kelly who retires by rotation in accordance with the company's constitution and, being eligible, offers himself for re-election, be re-elected as a Director of the Company."*

**4. Approval of the issue of equity securities up to 10% of the issued capital**

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

*"That, for the purpose of Listing Rule 7.1A and all other purposes, the Company approves the allotment and issue of Equity Securities up to 10% of the issued capital of the Company (at the time of the issue) calculated in accordance with in Listing Rule 7.1A.2 and on the terms and conditions set out in the Explanatory Statement."*

**5. Ratification of Prior Issues of Equity Securities – Doray Minerals Limited**

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

*"That, for the purpose of ASX Listing Rule 7.4, and for all other purposes Shareholders ratify the allotment and issue of 32,258,065 Shares on the terms and conditions set out in the Explanatory Statement."*

**6. Ratification of Prior Issues of Equity Securities – Jindalee Resources Limited**

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

*"That, for the purpose of ASX Listing Rule 7.4, and for all other purposes Shareholders ratify the allotment and issue of 8,333,333 Shares on the terms and conditions set out in the Explanatory Statement."*

**7. Ratification of Prior Issues of Equity Securities – Share Placements 7.1**

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

*"That, for the purpose of ASX Listing Rule 7.4, and for all other purposes Shareholders ratify the allotment and issue of 17,050,664 Shares on the terms and conditions set out in the Explanatory Statement."*

**8. Ratification of Prior Issues of Equity Securities – Share Placements 7.1A**

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

*"That, for the purpose of ASX Listing Rule 7.4, and for all other purposes Shareholders ratify the allotment and issue of 126,699,336 Shares on the terms and conditions set out in the Explanatory Statement."*

**ALLOY RESOURCES LIMITED**  
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**GENERAL NOTES**

1. With respect to Agenda Item 2, the vote on this item is advisory only and does not bind the Directors of the Company. However, the Board will take the outcome of the vote into consideration when reviewing the remuneration practices and policies of the Company.

**The Chairman of the meeting intends to vote undirected proxies that are able to be voted, in favour of the adoption of the remuneration report.**

2. **Voting Prohibition Statement:**

A restricted Voter means Key Management Personnel and their closely related parties.  
The Company will disregard any votes cast on Agenda Item 2 by or on behalf of a Restricted Voter. However, the Company need not disregard a vote if:

- (a) it is cast by a person as a proxy appointed by writing that specifies how the proxy is to vote on the proposed resolution; and
- (b) it is not cast on behalf of a Restricted Voter.

Further, a Restricted Voter who is appointed as a proxy will not vote on Agenda Item 2:

- (a) the appointment specifies the way the proxy is to vote on that Resolution; or
- (b) the proxy is the Chair of the Meeting and the appointment expressly authorises the Chair to exercise the proxy even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel. Shareholders should note that the Chair intends to vote any undirected proxies in favour of Agenda Item 2. Shareholders may also choose to direct the Chair to vote against Agenda Item 2 or to abstain from voting.

3. **Voting Exclusions:**

- The Company will disregard any votes cast in favour of Agenda Item 4 by or on behalf of a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person (or those persons). 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 disregard any votes cast in favour of Agenda Item 5, 6, 7 and 8 by or on behalf of a person who participated in the security issues or any associate 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.

4. **Explanatory Statement**

The Explanatory Statement to Shareholders attached to this Notice of Annual General Meeting is hereby incorporated into and forms part of this Notice of Annual General Meeting.

5. **Voting by Proxy**

Shareholders and their proxies should be aware that changes to the Corporations Act made in 2011 mean that:

- if proxy holders vote, they must cast all directed proxies as directed; and
- any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

**ALLOY RESOURCES LIMITED**  
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***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**:

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); and

- 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; and
- 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
- 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).

***Transfer of non-chair proxy to chair in certain circumstances***

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

- 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
- the appointed proxy is not the chair of the meeting; and
- at the meeting, a poll is duly demanded on the resolution; and
- either of the following applies:
  - the proxy is not recorded as attending the meeting;
  - 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.

**6. Voting Entitlement**

The Directors have determined in accordance with Regulation 7.11.37 of the Corporations Regulations that, for the purposes of attending and voting at the meeting, Shares will be taken to be held by the registered holders at 5.00pm on 13th November 2018.

**BY ORDER OF THE BOARD**



Kevin R Hart  
COMPANY SECRETARY  
Dated this 15th day of October 2018.

## EXPLANATORY STATEMENT

The purpose of the Explanatory Statement is to provide shareholders with information concerning all of the Agenda items in the Notice of Annual General Meeting.

### 1. Discussion of Financial Statements & Reports

Alloy Resources Limited's financial reports and the directors' declaration and reports and the auditor's report are placed before the meeting thereby giving shareholders the opportunity to discuss those documents and to ask questions. The auditor will be attending the Annual General Meeting and will be available to answer any questions relevant to the conduct of the audit and his report.

### 2. Adoption of Remuneration Report

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

Under the Corporations Act if at least 25% of the votes cast on the resolution to Agenda Item 2 are voted against adoption of the Remuneration Report at the Annual General Meeting, and then again at the Company's next Annual General Meeting, the Company will be required to put to Shareholders a resolution proposing the calling of a general meeting to consider the appointment of directors of the Company (**Spill Resolution**).

If more than 50% of Shareholders vote in favour of the Spill Resolution, the Company must convene the general meeting (**Spill Meeting**) within 90 days of the Company's Annual General Meeting. All of the Directors who were in office when the Company's Directors' report was approved, other than the Managing Director of the Company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting. Following the Spill Meeting those persons whose election or re-election as Directors is approved will be the Directors of the Company.

The proportion of votes cast against the adoption of the 2017 Remuneration Report was less than 6% of the total votes cast. Accordingly, the Spill Resolution is not relevant for this Annual General Meeting.

The remuneration report sets out the Company's remuneration arrangements for the Directors and senior management of the Company. The remuneration report is part of the Directors' report contained in the annual financial report of the Company for the financial year ending 30 June 2018.

A reasonable opportunity will be provided for discussion of the remuneration report at the Annual General Meeting.

The Board considers that its current practices of setting executive and non-executive remuneration are within normal industry expectations, and provides an effective balance between the need to attract and retain the services of the highly skilled key management personnel that the Company requires. As such the directors recommend that shareholders vote in favour of the resolution to Agenda Item 2.

### Definitions

**Key Management Personnel** has the same meaning as in the accounting standards and broadly includes those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any director (whether executive or otherwise) of the Company.

**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)*.

**Remuneration Report** means the remuneration report set out in the Director's report section of the Company's annual financial report for the year ended 30 June 2018.

**EXPLANATORY STATEMENT****3. Election of Mr Allan Kelly**

Mr Kelly has over 25 years' experience in mineral exploration geology, geochemistry and project management throughout Australia and the Americas, as well as general management experience in the resources, tourism, manufacturing and hospitality sectors.

In 2009 Mr Kelly founded Doray Minerals Limited which listed on the ASX in early 2010. He was managing director of Doray Minerals Limited until his resignation in November 2016.

Mr Kelly is a former Councillor of the Association of Mining and Exploration Companies (AMEC), a Fellow and former Councillor of the Association of Applied Geochemistry (AAG) and a member of the Australian Institute of Geoscientists (AIG). Mr Kelly is also the managing director of Riversgold Limited since February 2017.

**Term of Office**

Mr Kelly was appointed as a Director of the Company on 10 February 2017.

**Independence**

The Board of Alloy Resources Limited considers Mr Kelly to be an Independent Director.

**Directors' Recommendation**

The Board (excluding Mr Kelly) supports the proposed re-election and recommends that Shareholders vote in favour of the re-election of Mr Kelly as a Director.

**4. Approval to Issue up to 10% Placement Capacity – Special Resolution**

Listing Rule 7.1A enables eligible entities to issue Equity Securities up to 10% of its issued share capital over a 12-month period after the Annual General Meeting at which a resolution for the purposes of Listing Rule 7.1A is passed by special resolution (**Additional 10% Placement Capacity**). The Additional 10% Placement Capacity is in addition to the Company's 15% placement capacity under Listing Rule 7.1.

An entity will be eligible to seek approval under Listing Rule 7.1A if: (a) the entity has a market capitalisation of \$300 million or less; and (b) the entity that is not included in the S&P ASX 300 Index. The Company is an eligible entity for the purposes of Listing Rule 7.1A.

The Company is an Eligible Entity as it is not included in the S&P/ASX 300 Index and has a current market capitalisation of \$7,256,374, being 1,451,334,758 ordinary shares at \$0.005.

The number of Equity Securities to be issued under the Additional 10% Placement Capacity will be determined in accordance with the formula set out in Listing Rule 7.1A.2.

The Company is putting Agenda Item 4 to Shareholders to seek approval to issue additional Equity Securities under the Additional 10% Placement Capacity.

This Resolution does not mean that the Company will necessarily utilise the 10% Additional Placement Capacity. Rather, capital markets have recently been in a state of fluctuation and the Directors acknowledge that they may need to act quickly to raise funds when favourable markets emerge. The Company's failure to raise capital, if and when needed, could delay or suspend the Company's business strategy and could have a material adverse effect on the Company's activities. Under these circumstances, the Additional 10% Placement Capacity will provide flexibility for the Company to issue additional securities, in the event that the Directors determine that the issue of the additional securities is in the interests of the Shareholders and the Company in achieving its objectives.

**Listing Rule 7.1A**

The effect of Agenda Item 4 will be to permit the Company to issue the Equity Securities under Listing Rule 7.1A during the Additional Placement Period (as defined below) without using the Company's 15% placement capacity under Listing Rule 7.1.

Equity Securities issued under the Additional 10% Placement Capacity 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 Company has only Shares on issue as quoted securities.

At the date of this Notice the Company has 1,451,334,758 Shares on issue and therefore, subject to Shareholder approval being sought under Agenda Item 4. Shareholders should note that the calculation of the number of Equity Securities permitted to be issued under the Additional 10% Placement Capacity is a moving calculation and will be based the formula set out in Listing Rule 7.1A.2 at the time of issue of the Equity Securities.

The table on the page below demonstrates various examples as to the number of Equity Securities that may be issued under the Additional 10% Placement Capacity.

The resolution the subject of Agenda Item 4 is a special resolution, requiring approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative) in order to be passed.

EXPLANATORY STATEMENT

4. Approval to Issue up to 10% Placement Capacity (continued)

Specific information required by Listing Rule 7.3A

The following information in relation to the Equity Securities to be issued is provided to Shareholders for the purposes of Listing Rule 7.3A:

- (a) The Equity Securities will be issued at an issue price of not less than 75% of the volume weighted average price for the Company's Equity Securities over the 15 Trading Days immediately before:
  - (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
  - (ii) if the Equity Securities are not issued within 5 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.
- (b) If the resolution the subject of Agenda Item 4 is approved by Shareholders and the Company issues Equity Securities under the Additional 10% Placement Capacity, the existing Shareholders' economic and voting interests in the Company will be diluted. There is also a risk that:
  - (i) the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date of the Meeting; and
  - (ii) the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date of the Equity Securities.

The table below shows the dilution of existing Shareholders of the issue of the maximum number of Equity Securities under the Additional 10% Placement Capacity using different variables for the number of ordinary securities for variable "A" (as defined in Listing Rule 7.1A) and the market price of Shares. It is noted that variable "A" is based on the number of ordinary securities the Company has on issue at the time of the proposed issue of Equity Securities.

The table shows:

- (i) examples of where variable "A" is at its current level, and where variable "A" has increased by 50% and by 100%;
- (ii) examples of where the issue price of ordinary securities is the current market price as at close of trade on 2 October 2018 (current market price), where the issue price is halved, and where it is doubled; and
- (iii) the dilutionary effect will always be 10% if the maximum number of Equity Securities that may be issued under the Additional 10% Placement Capacity are issued.

Variable 'A'	Number of Shares issued and funds raised under the Additional 10% Placement Capacity and dilution effect	Dilution		
		\$0.025 Issue Price at half the current market price	\$0.005 Issue Price at current the market price	\$0.01 Issue Price at double the current market price
Current Variable A 1,451,334,758 Shares	Shares issued	145,133,476	145,133,476	145,133,476
	Funds raised	\$362,834	\$725,667	\$1,451,335
	Dilution	10%	10%	10%
50% increase in current Variable A 2,177,002,137 Shares	Shares issued	217,700,214	217,700,214	217,700,214
	Funds raised	\$544,251	\$1,088,501	\$2,177,002
	Dilution	10%	10%	10%
100% increase in current variable A 2,902,669,516 Shares	Shares issued	290,266,952	290,266,952	290,266,952
	Funds raised	\$725,667	\$1,451,335	\$2,902,670
	Dilution	10%	10%	10%

Note: this table assumes:

- (i) No Options are exercised before the date of the issue of the Equity Securities;
- (ii) The Company issues the maximum number of Equity Securities under the Additional 10% Placement Capacity and the Equity Securities issues consists only of Shares;
- (iii) The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on that Shareholders holding at the date of the Annual General Meeting;



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**ABN 20 109 361 195**

**EXPLANATORY STATEMENT**

**4. Approval to Issue up to 10% Placement Capacity (continued)**

- (iv) The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.
- (c) Approval of the Additional 10% Placement Capacity will be valid from the date of the Annual General Meeting and will expire on the earlier of:
  - (i) the date that is 12 months after the date of the Annual General Meeting; and
  - (ii) the date of the approval by Shareholders of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking),
- (d) The Company may seek to issue the Equity Securities for the following purposes:
  - (i) As cash consideration. If Equity Securities are issued for cash consideration, the Company intends to use the funds to advance the company's exploration projects, fund other potential acquisition or exploration opportunities that may arise and provide working capital; or
  - (ii) As non-cash consideration for the acquisition of new assets. If Equity Securities are issued for non-cash consideration, the Company will comply with the minimum issue price limitation under Listing Rule 7.1A.3 in relation to such issue and will release the valuation of the non-cash consideration to the market.

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

- (e) The Company's allocation policy for the issue of Equity Securities under the Additional 10% Placement Capacity will be dependent on the prevailing market conditions at the time of the proposed placement(s). Securities allotted pursuant to the allocation policy will be determined following consideration of a number of factors including, but not limited to, the following matters:
  - (i) the ability of the Company to raise funds at the time of the proposed issue of Equity Securities;
  - (ii) the dilutionary effect of the proposed issue of the Equity Securities on existing Shareholders at the time of proposed issue of Equity Securities;
  - (iii) the financial situation and solvency of the Company; and
  - (iv) advice from its professional advisers, including corporate, financial and broking advisers (if applicable).

At the date of this Notice, the Company has not formed an intention as to whether the securities will be offered to existing security holders, or to any class or group of existing security holders, or whether the securities will be offered exclusively to new investors that have not previously been security holders of the Company. The Company will give consideration before making any placement of securities under Listing Rule 7.1A whether the raising of any funds under such placement could be carried out in whole, or in part, by an Entitlements Offer to existing security holders.

The allottees under the Additional 10% Placement Capacity have not been determined as at the date of this Notice but will not include related parties (or their associates) of the Company.

- (f) A voting exclusion statement is included in the Notice. At the date of the Notice, the Company has not determined its allocation policy for the issue of Equity Securities under the Additional 10% Placement Capacity. The Company has not approached, and has not yet determined to approach, any particular existing security holders or an identifiable class of existing security holders to participate in an offer under the Additional 10% Placement Capacity, and therefore no Shareholder will be excluded from voting on Agenda Item 4.

- (g) Previous Approval under ASX Listing Rule 7.1A

The Company previously obtained approval from its Shareholders pursuant to Listing Rule 7.1A at its 2017 Annual General Meeting.

The Company has issued 285,163,860 securities pursuant to Listing Rule 7.1A approvals. Note; 126,699,336 securities were issued on 19 April 2018 under approval obtained at the 2017 Annual General Meeting.

During the 12-month period prior to the date of this notice, the Company otherwise issued a total of 261,371,297 Shares. Note; 150,000,000 securities were issued on 20 October 2017 under approval obtained at the Annual General Meeting held on 18 October 2016 and ratified at the Annual General Meeting held on 28 November 2017. The total amount of 484,341,398 shares represent approximately 48.6% of the total diluted number of Equity Securities on issue in the Company on 28 November 2017, being 996,993,360.

**EXPLANATORY STATEMENT**

**4. Approval to Issue up to 10% Placement Capacity (continued)**

Information relating to issues of Equity Securities by the Company in the 12 months prior to the date of this Notice is as follows:

<b>Date of Appendix 3B</b>	<b>Number of Equity Securities</b>	<b>Class of Equity Securities and summary of terms</b>	<b>Names of recipients or basis on which recipients determined</b>	<b>Issue price of Equity Securities and discount to Market Price on the trading day prior to the issue</b>	<b>If issued for cash – the total consideration, what it was spent on and the intended use of any remaining funds</b>  <b>If issued for non-cash consideration – a description of the consideration and the current value of the consideration</b>
20 October 2017	150,000,000	Note 1	Sophisticated and professional investors, none of whom were related parties of the Company	\$0.004 per share	<p>\$600,000 cash</p> <p>The funds available, \$557,700 after deducting the costs of the issue have been fully expended to fund exploration programs including near term drilling of the identified EM anomalies at the Company's Ophara cobalt-gold project, maintaining the Company's 40% contributions to joint venture expenditure at the Horsewell gold project and to provide working capital.</p>
6 November 2017	150,000,000	Note 1	Share Purchase Plan	\$0.004 per share	<p>\$600,000 cash</p> <p>The funds available, \$597,800 after deducting the costs of the issue have been fully expended to fund exploration programs including near term drilling of the identified EM anomalies at the Company's Ophara cobalt-gold project, maintaining the Company's 40% contributions to joint venture expenditure at the Horsewell gold project and to provide working capital.</p>
25 January 2018	32,258,065	Note 1	Doray Minerals Limited	\$0.0062 per share	<p>The shares were issued as part consideration to acquire an additional interest in the Horse Well Gold Project. At the date of issue, the value of the consideration was \$200,000. At the share price as at the date of this notice being \$0.005, the current value of the consideration is \$161,290.</p>
6 March 2018	8,333,333	Note 1	Jindalee Resources Limited	\$0.006 per share	<p>The shares were issued in Issued as part consideration to part consideration to acquire an option to purchase an exploration tenement. At the date of issue, the value of the consideration was \$50,000. At the share price as at the date of this notice being \$0.005, the current value of the consideration is \$41,667.</p>

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**4. Approval to Issue up to 10% Placement Capacity (continued)**

Information relating to issues of Equity Securities by the Company in the 12 months prior to the date of this Notice continued:

19 April 2018	143,750,000	Note 1	Sophisticated and professional investors, none of whom were related parties of the Company	\$0.008 per share	\$1,150,000 cash  The funds available, \$1,094,300 after deducting the costs of the issue of which \$400,000 has been expended to fund exploration programs including infill and extension soil sampling with follow up air-core drilling at the Ophara cobalt-gold project, drilling and surface geochemical surveys at the Horse Well Project. . Proposed use of \$750,000 remaining funds will be follow up drilling at Horse Well Project and working capital
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Note 1. Fully paid ordinary shares in the capital of the Company, ASX Code: AYR (terms are set out in the Constitution).

**Directors Recommendation**

The Board recommends Shareholders vote in favour of Agenda Item 4.

**5. Ratification of a Prior Issue of Securities – Doray Minerals Limited**

**5.1 Background**

On 29 January 2018, the Company announced that it had issued 32,258,065 Shares in part consideration for an increased interest in the Horse Well Joint Venture.

**5.2 Listing Rules Chapter 7**

Listing Rule 7.1 provides, subject to certain exceptions, that Shareholder approval is required for any issue of securities by a listed company, where the securities proposed to be issued represent more than 15% of the company's ordinary securities then on issue (in the case of Listing Rule 7.1) and 10% of the company's ordinary securities then on issue (in the case of Listing Rule 7.1A)

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

By ratifying the issue of the Shares the subject of Agenda Item 5, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

**5.3 Information Required by Listing Rule 7.5**

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to the ratification of the issue of Shares the subject of Agenda Item 5:

- (a) 32,258,065 Shares were issued at an issue price of \$0.0062 per Share;
- (b) The Shares were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (c) The Shares were issued to Doray Minerals Limited
- (d) The shares were issued in part consideration for an increased interest in the Horse Well Joint Venture.

**EXPLANATORY STATEMENT**

**6. Ratification of a Prior Issue of Securities - Jindalee Resources Limited**

**6.1 Background**

On 7 March 2018, the Company announced that it had issued 8,333,333 Shares to acquire an option to purchase Exploration Licence Application 53/1962 within the Millrose Greenstone belt adjacent to the Company's Horse Well gold project.

**6.2 Listing Rules Chapter 7**

Listing Rule 7.1 provides, subject to certain exceptions, that Shareholder approval is required for any issue of securities by a listed company, where the securities proposed to be issued represent more than 15% of the company's ordinary securities then on issue (in the case of Listing Rule 7.1) and 10% of the company's ordinary securities then on issue (in the case of Listing Rule 7.1A)

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

By ratifying the issue of the Shares the subject of Agenda Item 6, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

Resolution 6 is an ordinary resolution.

**6.3 Information Required by Listing Rule 7.5**

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to the ratification of the issue of Shares the subject of Agenda Item 6:

- (a) 8,333,333 Shares were issued at an issue price of \$0.006 per Share;
- (b) The Shares were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (c) The Shares were issued to Jindalee Resources Limited;
- (d) The shares were issued to acquire an option to purchase Exploration Licence Application 53/1962.

**7. Ratification of a Prior Issue of Securities – 7.1**

**7.1 Background**

On 20 April 2018, the Company announced that it had issued 17,050,664 Shares to fund exploration programs including infill and extension soil sampling with follow up air-core drilling at the Ophara cobalt-gold project, drilling and surface geochemical surveys at the Horse Well Project and to provide working capital.

**7.2 Listing Rules Chapter 7**

Listing Rule 7.1 provides, subject to certain exceptions, that Shareholder approval is required for any issue of securities by a listed company, where the securities proposed to be issued represent more than 15% of the company's ordinary securities then on issue (in the case of Listing Rule 7.1) and 10% of the company's ordinary securities then on issue (in the case of Listing Rule 7.1A)

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

By ratifying the issue of the Shares the subject of Agenda Item 7, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in Listing Rule 7.1, and the 10% placement capacity under Listing Rule 7.1A, without the requirement to obtain prior Shareholder approval.

**EXPLANATORY STATEMENT**

**7. Ratification of a Prior Issue of Securities (continued)**

**7.3 Information Required by Listing Rule 7.5**

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to the ratification of the issue of Shares the subject of Agenda Item 7:

- (a) 17,050,664 Shares were issued at an issue price of \$0.008 per Share;
- (b) The Shares were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (c) The Shares were issued to professional and sophisticated investors;
- (d) The shares were issued to fund exploration programs including infill and extension soil sampling with follow up air-core drilling at the Ophara cobalt-gold project, drilling and surface geochemical surveys at the Horse Well Project and to provide working capital.

**8. Ratification of a Prior Issue of Securities – 7.1A**

**8.1 Background**

On 20 April 2018, the Company announced that it had issued 126,669,336 Shares to fund exploration programs including infill and extension soil sampling with follow up air-core drilling at the Ophara cobalt-gold project, drilling and surface geochemical surveys at the Horse Well Project and to provide working capital.

**8.2 Listing Rules Chapter 7**

ASX Listing Rule 7.1A provides that in addition to issues permitted without prior shareholder approval under ASX Listing Rule 7.1, an entity that is eligible and obtains shareholder approval under ASX Listing Rule 7.1A may issue or agree to issue during the period for which the approval is valid a number of quoted equity securities which represents 10% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period as adjusted in accordance with the formula in ASX Listing Rule 7.1.

Where an eligible entity obtains shareholder approval to increase its placement capacity under ASX Listing Rule 7.1A then any ordinary securities issued under that additional placement capacity:

- (a) will not be counted in variable "A" in the formula in ASX Listing Rule 7.1A; and
- (b) are counted in variable "E",

until their issue has been ratified under ASX Listing Rule 7.4 (and provided that the previous issue did not breach ASX Listing Rule 7.1A) or 12 months has passed since their issue.

By ratifying the issue the subject of Agenda Item 8, the base figure (ie variable "A") in which the Company's 15% and 10% annual placement capacities are calculated will be a higher number which in turn will allow a proportionately higher number of securities to be issued without prior Shareholder approval. Although, it is noted that the Company's use of the 10% annual placement capacity following this Meeting remains conditional on Resolution 8 being passed by the requisite majority.

**8.3 Information Required by Listing Rule 7.5**

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to the ratification of the issue of Shares the subject of Agenda Item 8:

- a) 126,699,336 Shares were issued at an issue price of \$0.008 per Share;
- b) The Shares were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- c) The Shares were issued to professional and sophisticated investors;
- d) The shares were issued to fund exploration programs including infill and extension soil sampling with follow up air-core drilling at the Ophara cobalt-gold project, drilling and surface geochemical surveys at the Horse Well Project and to provide working capital.

## PROXY FORM

THIS DOCUMENT IS IMPORTANT. IF YOU ARE IN DOUBT AS TO HOW TO DEAL WITH IT, PLEASE CONTACT YOUR STOCK BROKER OR LICENSED PROFESSIONAL ADVISOR.

VOTE

ONLINE

Lodge your proxy vote securely at [www.securitytransfer.com.au](http://www.securitytransfer.com.au)

1. Log into the Investor Centre using your holding details.

2. Click on "Proxy Voting" and provide your Online Proxy ID to access the voting area.

«ONLINE»

### SECTION A: Appointment of Proxy

I/We, the above named, being registered holders of the Company and entitled to attend and vote hereby appoint:

☐ The meeting chairperson
 

OR

or failing the person named, or if no person is named, the Chairperson of the meeting, as my/our Proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, as the Proxy sees fit) at the Annual General Meeting of the Company to be held at 3:00pm WST on Monday 19 November 2018 at Suite 7, 7 The Esplanade, Mt Pleasant, WA 6153 and at any adjournment of that meeting.

#### Authority for Chair to vote undirected proxies on remuneration based resolutions (Resolution 1,)

If you appoint a member of the Company's key management personnel (other than the chair of the Meeting) or a closely related party of a member of the Company's key management personnel as your proxy, and you do not direct your proxy how to vote in respect of Resolution 1, your proxy will NOT cast your vote on this Resolution and your votes will not be counted. If you appoint the chair of the Meeting as your proxy (or the chair of the Meeting becomes your proxy by default) and you do not direct your proxy how to vote in respect of Resolution 1 you hereby expressly authorise the chair of the Meeting to exercise your proxy even though this Resolution is connected directly or indirectly with the remuneration of the members of the Company's key management personnel.

### SECTION B: Voting Directions

Please mark "X" in the box to indicate your voting directions to your Proxy. The Chairperson of the Meeting intends to vote undirected proxies in FAVOUR of all the resolutions. In exceptional circumstances, the Chairperson of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

#### RESOLUTION

	For	Against	Abstain*
1. Adoption of the Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Election of Director - Mr Allan Kelly	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Approval of the issue of equity securities up to 10% of the issued capital	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Ratification of Prior Issues of Equity Securities - Doray Minerals Limited	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Ratification of Prior Issues of Equity Securities - Jindalee Resources Limited	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Ratification of Prior Issues of Equity Securities - Share Placements 7.1	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Ratification of Prior Issues of Equity Securities - Share Placements 7.1A	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

If no directions are given my proxy may vote as the proxy thinks fit or may abstain. \* If you mark the Abstain box for a particular item, 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.

### SECTION C: Signature of Security Holder(s)

This section must be signed in accordance with the instructions overleaf to enable your directions to be implemented.

Individual or Security Holder

Security Holder 2

Security Holder 3

Sole Director & Sole Company Secretary

Director

Director/Company Secretary

Proxies must be received by Security Transfer Australia Pty Ltd no later than 3:00pm WST on Saturday 17 November 2018.

Name:

(    )

This is the name and address on the Share Register of the Company. If this information is incorrect, please make corrections on this form. Shareholders sponsored by a broker should advise their broker of any changes. Please note that you cannot change ownership of your shares using this form.

If the person you wish to appoint as your Proxy is someone other than the Chairperson of the Meeting please write the name of that person in Section A. If you leave this section blank, or your named Proxy does not attend the meeting, the Chairperson of the Meeting will be your Proxy. A Proxy need not be a shareholder of the Company.

To direct the Proxy how to vote place an "X" in the appropriate box against each item in Section B. Where more than one Proxy is to be appointed and the proxies are to vote differently, then two separate forms must be used to indicate voting intentions.

You are entitled to appoint up to two (2) persons as proxies to attend the meeting and vote on a poll. If you wish to appoint a second Proxy, an additional Proxy form may be obtained by contacting the Company's share registry or you may photocopy this form

- a) On each of the Proxy forms, state the percentage of your voting rights or number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each Proxy may exercise, each Proxy may exercise half of your votes; and
- b) Return both forms in the same envelope.

If a representative of the corporation is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be lodged with the Company before the meeting or at the registration desk on the day of the meeting. A form of the certificate may be obtained from the Company's share registry.

Proxy forms (and any Power of Attorney under which it is signed) must be received by Security Transfer Australia Pty Ltd no later than the date and time stated on the form overleaf. Any Proxy form received after that time will not be valid for the scheduled meeting.

**Email** registrar@securitytransfer.com.au

Personal information is collected on this form by Security Transfer Australia Pty Ltd as the registrar for securities issuers for the purpose of maintaining registers of security holders, facilitating distribution payments and other corporate actions and communications. Your personal details may be disclosed to related bodies corporate, to external service providers such as mail and print providers, or as otherwise required or permitted by law. If you would like details of your personal information held by Security Transfer Australia Pty Ltd or you would like to correct information that is inaccurate please contact them on the address on this form.