



BARAKA ENERGY & RESOURCES LIMITED

ACN 112 893 491

NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Meeting will be held at:

TIME: 2.00 pm (WST)

DATE: Thursday, 29 November 2018

PLACE: BDO Perth
38 Station Street, Subiaco WA 6008

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 5.00pm (WST) on Tuesday, 27 November 2018.

NOTICE OF THE MEETING

Notice is given that the Annual General Meeting of Shareholders of Baraka Energy & Resources Limited (ACN 112 893 491) (**Company**) will be held at the offices of BDO Audit, 38 Station Street, Subiaco Western Australia, 6008 on Thursday, 29 November 2018, commencing at 2:00pm (WST) (**Meeting**).

The Explanatory Memorandum to this Notice provides additional information on matters to be considered at the Meeting. The Explanatory Memorandum and the Proxy Form form part of this 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 at time on Tuesday, 27 November 2018 at 5:00pm (WST).

Terms and abbreviations used in this Notice and Explanatory Memorandum are defined in the Glossary.

BUSINESS OF THE MEETING

AGENDA

FINANCIAL STATEMENTS AND REPORTS

To receive and consider the Annual Report of the Company for the financial year ended 30 June 2018, which includes the Financial Report, the Directors' Report and the Auditor's Report.

1. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

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

“That, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Company's Annual Report for the financial year ended 30 June 2018.”

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

Voting Prohibition Statement:

A vote on this Resolution must not be cast (in any capacity) by or on behalf of either of the following persons:

- a) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or
- b) a Closely Related Party of such a member.

However, a person (the **voter**) described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:

- a) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or
- b) the voter is the Chair and the appointment of the Chair as proxy:
 - (i) does not specify the way the proxy is to vote on this Resolution; and
 - (ii) expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

2. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – MR JASON BREWER

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

“That, for the purpose of clause 14.4 of the Constitution, and for all other purposes, Mr Jason Brewer, a Director appointed on 10 August 2018 to fill a casual vacancy, and being eligible, is re-elected as a Director.”

3. RESOLUTION 3 – RE-ELECTION OF DIRECTOR – MR PATRIC GLOVAC

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

“That, for the purpose of clause 14.4 of the Constitution, and for all other purposes, Mr Patrick Glovac, a Director appointed on 10 August 2018 to fill a casual vacancy, and being eligible, is re-elected as a Director.”

4. RESOLUTION 4 – RE-ELECTION OF DIRECTOR – MR CHRISTOPHER ZIELINSKI

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

“That, for the purpose of clause 14.4 of the Constitution, and for all other purposes, Mr Christopher Zielinski, a Director appointed on 10 August 2018 to fill a casual vacancy, and being eligible, is re-elected as a Director.”

5. RESOLUTION 5 – REMOVAL OF ROTHSAY AS AUDITOR

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

“That, pursuant to section 329 of the Corporations Act and for all other purposes, approval is given for the removal of Rothsay as the current auditor of the company effective from the date of the Meeting.”

6. RESOLUTION 6 – APPOINTMENT OF BDO AUDIT (WA) PTY LTD AS AUDITOR

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

“That, for the purposes of section 327D of the Corporations Act, and for all other purposes, BDO Audit (WA) Pty Ltd, having been nominated by a Shareholder and having consented in writing to act in the capacity of auditor, be appointed as auditor of the Company.”

7. RESOLUTION 7 – RATIFICATION OF PRIOR ISSUE OF TRANCHE 1 SHARES UNDER PLACEMENT

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

"That, for the purposes of Listing Rule 7.4, and for all other purposes, Shareholders ratify the issue of 300 million Shares at an issue price of \$0.002 each to the Tranche 1 Investors under the Tranche 1 Placement, on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of:

- (a) a person (or the persons) who has participated in, the issue of 300 million Shares to the Tranche 1 Investors under the Tranche 1 Placement; or
- (b) an associate of that person (or those persons) who has participated in the issue of 300 million Shares to the Tranche 1 Investors under the Tranche 1 Placement.

However, the Company will not disregard a vote if:

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

8. RESOLUTION 8 – RATIFICATION OF PRIOR ISSUE OF TRANCHE 2 SHARES UNDER PLACEMENT

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

"That, for the purposes of Listing Rule 7.4, and for all other purposes, Shareholders ratify the issue 50 million Shares at an issue price of \$0.002 each to the Tranche 2 Investors under the Tranche 2 Placement, on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of:

- (a) a person (or the persons) who has participated in, the issue of 50 million Shares to the Tranche 2 Investors under the Tranche 2 Placement; or
- (b) an associate of that person (or those persons) who has participated in the issue of 50 million Shares to the Tranche 2 Investors under the Tranche 2 Placement.

However, the Company will not disregard a vote if:

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

9. RESOLUTION 9 – APPROVAL TO ISSUE SHARE PURCHASE PLAN SHORTFALL 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 Listing Rule 7.1, and for all other purposes, approval is given for the Company to issue up to 119,166,694 Shares at an issue price of \$0.006 each to Exempt and unrelated Investors relating to the shortfall shares under the Share Purchase Plan dated 13 September 2018 on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of:

- (a) a person (or persons) who is expected to participate in, or who will obtain a material benefit as a result of, the issue of 50 million Shares to the Tranche 2 Investors under the Tranche 2 Placement (except a benefit solely by reason of being a holder of ordinary securities in the Company); or
- (b) an associate of that person (or those persons) who are expected to participate in, or who will obtain a material benefit as a result of, the issue of 50 million Shares to the Tranche 2 Investors under the Tranche 2 Placement (except a benefit solely by reason of being a holder of ordinary securities in the Company).

However, the Company will not disregard a vote if:

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

10. RESOLUTION 10 – GRANT OF PERFORMANCE RIGHTS TO MR CHRISTOPHER ZIELINSKI

To consider and, if thought fit, to pass, the following Resolution as an **ordinary resolution**:

"That, for the purposes of section 195(4) and section 208 of the Corporations Act and Listing Rule 10.11, and for all other purposes, approval is given for the Company to grant 25,000,000 Performance Rights to Christopher Zielinski (and/or his nominees), on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of:

- (a) Christopher Zielinski (and/or his nominees), a person, (or persons) who is expected receive the Performance Rights in relation to the Company (each, an Excluded Person); or
- (b) an associate of that person (or those persons) who is expected receive the Performance Rights in relation to the Company.

However, the Company will not disregard a vote if:

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

Voting Prohibition

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if the proxy is either:

- (a) a member of the Key Management Personnel; or
- (b) a Closely Related Party of such a member; and
- (c) the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if:

- (a) the proxy is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

11. RESOLUTION 11 – GRANT OF PERFORMANCE RIGHTS TO MR PATRIC GLOVAC

To consider and, if thought fit, to pass, the following Resolution as an **ordinary resolution**:

"That, for the purposes of section 195(4) and section 208 of the Corporations Act and Listing Rule 10.11, and for all other purposes, approval is given for the Company to grant 25,000,000 Performance Rights to Patric Glovac (and/or his nominees), on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of:

- (a) Patric Glovac (and/or his nominees), a person, (or persons) who is expected receive the Performance Rights in relation to the Company (each, an Excluded Person); or
- (b) an associate of that person (or those persons) who is expected receive the Performance Rights in relation to the Company.

However, the Company will not disregard a vote if:

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

Voting Prohibition

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if the proxy is either:

- (a) a member of the Key Management Personnel; or
- (b) a Closely Related Party of such a member; and
- (c) the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if:

- (a) the proxy is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

12. RESOLUTION 12 – GRANT OF PERFORMANCE RIGHTS TO MR JASON BREWER

To consider and, if thought fit, to pass, the following Resolution as an **ordinary resolution**:

"That, for the purposes of section 195(4) and section 208 of the Corporations Act and Listing Rule 10.11, and for all other purposes, approval is given for the Company to grant 25,000,000 Performance Rights to Jason Brewer (and/or his nominees), on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of:

- (a) Jason Brewer (and/or his nominees), a person, (or persons) who is expected receive the Performance Rights in relation to the Company (each, an Excluded Person); or
- (b) an associate of that person (or those persons) who is expected receive the Performance Rights in relation to the Company.

However, the Company will not disregard a vote if:

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

Voting Prohibition

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if the proxy is either:

- (a) a member of the Key Management Personnel; or
- (b) a Closely Related Party of such a member; and
- (c) the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if:

- (a) the proxy is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

13. RESOLUTION 13 – SPECIAL RESOLUTION TO CHANGE THE COMPANY'S NAME

To consider, and if thought fit, pass the following resolution as a **special resolution**:

"That for the purposes of section 157(1) of the Corporation Act and all other purposes, that approval is given for the name of the Company be changed from Baraka Energy & Resources Limited to Global Vanadium Limited."

14. RESOLUTION 14 – SPECIAL RESOLUTION TO CHANGE THE COMPANY'S CONSTITUTION

To consider, and if thought fit, pass the following resolution as a **special resolution**:

"That, subject to the passing of Resolution 13, for the purpose of section 136(2) of the Corporations Act and for all other purposes, approval is given for the Company to repeal its existing Constitution and adopt a new constitution in its place in the form as signed by the chairman of the Meeting for identification purposes."

15. RESOLUTION 15 – APPROVAL OF ADDITIONAL PLACEMENT CAPACITY

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

"That, pursuant to and in accordance with Listing Rule 7.1A and for all other purposes, approval is given for the Company to issue Equity Securities totalling up to 10% of the Shares on issues, calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of:

- (a) a person (or persons) who is expected to participate in, or who will obtain a material benefit as a result of, Company issue of Equity Securities of up to 10% of the issued capital of the Company (except a benefit solely by reason of being a holder of ordinary securities in the Company); or
- (b) an associate of that person (or those persons) who are expected to participate in, or who will obtain a material benefit as a result of, Company issue of Equity Securities of up to 10% of the issued capital of the Company (except a benefit solely by reason of being a holder of ordinary securities in the Company).

However, the Company will not disregard a vote if:

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

Dated: 22 October 2018

By order of the Board



Christopher Zielinski
Chairman

Voting in person

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

Voting by proxy

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

In accordance with section 249L of the Corporations Act, Shareholders are advised that:

- each Shareholder has a right to appoint a proxy;
- the proxy need not be a Shareholder of the Company; and
- a Shareholder who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints 2 proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

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.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 8 6380 2470.

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions in the Notice for the Annual General Meeting of Shareholders of the Company to be held at the offices of BDO Audit, 38 Station Street, Subiaco Western Australia, 6008 on Thursday, 29 November 2018, commencing at 2:00pm (WST).

The Chair intends to direct all undirected Proxies in favour of Resolutions 1 to 15.

FINANCIAL STATEMENTS AND REPORTS

In accordance with the Constitution, the business of the Meeting will include receipt and consideration of the Annual Report of the Company for the financial year ended 30 June 2018, which includes the Financial Report, the Directors' Report and the Auditor's Report. The Company will not provide a hard copy of the Company's Annual Report to Shareholders unless specifically requested to do so. The Company's Annual Report is available on its website at <http://www.barakaenergy.com.au/>.

There is no requirement for Shareholders to approve the Annual Report.

Shareholders will be offered the following opportunities:

- (a) discuss the Annual Report;
- (b) ask questions or make comment on the management of the Company;
- (c) ask the auditor questions about the conduct of the audit and the preparation and content of the auditor's report.

In addition to taking questions at the Meeting, written questions to the Chairman about the management of the Company, or to the Company's auditor about:

- (a) the preparation and the content of the auditor's report; and
- (b) the conduct of the audit;
- (c) accounting policies by the Company in relation to the preparation of the financial statements; and
- (d) the independence of the auditor in relation to the conduct of the audit,

may be submitted no later than 5 Business Days before the Meeting to the Company Secretary at the Company's registered office.

1. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

1.1 General

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

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

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

1.2 Voting consequences

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

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

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

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

1.3 Previous voting results

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

2. RESOLUTIONS 2, 3 AND 4 – RE-ELECTION OF DIRECTORS – JASON BREWER, PATRIC GLOVAC AND CHRISTOPHER ZIELINSKI

General

Mr Brewer, Mr Glovac And Mr Zielinski were appointed on 10 August 2018, to fill casual vacancies.

Clause 14.4 of the Constitution states that on the basis of their casual appointment, they only hold office until the next following annual general meeting and are eligible for re-election.

Clause 14.2 of the Constitution requires that at the Company's annual general meeting in every year, one-third of the Directors, or if their number is not 3 or a multiple of 3, then the number nearest one-third (rounded down to the nearest whole number), shall retire from office and be eligible for re-election. An election of Directors shall take place each year. However, in determining the Director to retire, no account is taken of a Director who hold office until the next annual general meeting pursuant to clause 14.4.

Accordingly, Mr Brewer, Mr Glovac And Mr Zielinski, cease to hold office in accordance with clause 14.4 of the Constitution and being eligible, seek re-election.

Qualifications and other material directorships

Mr Brewer, Mr Glovac And Mr Zielinski background and experience are set out in the Annual Report.

Independence

If elected the Board considers each other Director will be an independent Director.

Board recommendation

The Board (excluding Mr Brewer) recommends that Shareholders vote in favour of Resolution 2. The Chairman of the meeting intends to vote undirected proxies in favour of Resolution 2.

The Board (excluding Mr Glovac) recommends that Shareholders vote in favour of Resolution 3. The Chairman of the meeting intends to vote undirected proxies in favour of Resolution 3.

The Board (excluding Mr Zielinski) recommends that Shareholders vote in favour of Resolution 4. The Chairman of the meeting intends to vote undirected proxies in favour of Resolution 4.

3. RESOLUTION 5 – REMOVAL OF ROTHSAY AS AUDITOR

Under section 329 of the Corporations Act, an auditor of a company may be removed from office by resolution at a general meeting of which 2 months' notice of intention to move the resolution has been given (**Notice of Intention**).

It should be noted that under this section, if a company calls a meeting after the Notice of Intention has been given, the meeting may pass the resolution even though the meeting is held less than 2 months after the Notice of Intention is given.

Resolution 5 is an ordinary resolution seeking the removal of Rothsay as the auditor of the Company, who was appointed on 31 December 2008. An auditor may be removed in a general meeting provided that the Company has received a Notice of Intention to remove the auditor. A copy of the Notice of Intention is set out in Annexure A to this Notice.

In accordance with section 329(2) of the Corporations Act, the Company has sent a copy of the Notice of Intention to Rothsay and ASIC.

The Board recommends that Shareholders vote in favour of Resolution 5. The Chairman of the meeting intends to vote undirected proxies in favour of Resolution 5.

4. RESOLUTION 6 - APPOINTMENT OF BDO AUDIT (WA) PTY LTD AS AUDITOR

Under section 327D of the Corporations Act, the Company in a general meeting may appoint an auditor to replace an auditor removed under section 329 of the Corporations Act.

Resolution 6 is a special resolution seeking the appointment of BDO Audit (WA) Pty Ltd as the new auditor of the Company. Resolution 6 is subject to the passing of Resolution 5.

As required by the Corporations Act, a nomination for BDO Audit (WA) Pty Ltd to be appointed as the auditor of the Company has been received from a member. A copy of the nomination of BDO Audit (WA) Pty Ltd as auditor is set out in the Notice of Intention in Annexure A to this Notice.

BDO Audit (WA) Pty Ltd has given its written consent to act as the Company's auditor in accordance with section 328A(1) of the Corporations Act, subject to shareholder

approval of this resolution. A copy of the consent of BDO Audit (WA) Pty Ltd as auditor is set out in Annexure B to this Notice.

If Resolutions 5 and 6 are passed, the appointment of BDO Audit (WA) Pty Ltd as the Company's auditor will take effect at the close of this Meeting.

The Board recommends that Shareholders vote in favour of Resolution 6. The Chairman of the meeting intends to vote undirected proxies in favour of Resolution 6.

5. **RESOLUTION 7 – RATIFICATION OF PRIOR ISSUE OF TRANCHE 1 SHARES UNDER PLACEMENT**

Placement

On 27 April 2018 and 4 May 2018, the Company announced a placement of 300 million Shares to investors who are third party unrelated investors who are exempt investors under section 708 of the Corporations Act (**Exempt Investor**) at an issue price of \$0.002 each to raise approximately \$600,000 before costs, (**Tranche 1 Placement**).

Funds raised under the Tranche 1 Placement were for working capital and to further evaluate and develop projects as well as meet other commitments.

Listing Rule 7.1

Listing Rule 7.1 provides that, subject to certain exceptions, prior approval of shareholders is required for an issue of securities by a company if those securities, when aggregated with the securities issued by the company without approval and which were not subject to an exception during the previous 12 months, exceed 15% of the number of shares on issue at the commencement of that 12 month period.

Listing Rule 7.1 provides that where a company approves an issue of securities, the company's 15% capacity will be replenished and the company will be able to issue further securities up to that limit.

Listing Rule 7.4

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

If Resolution 7 is approved it will have the effect of refreshing the Company's ability to issue further Shares without the need to obtain further Shareholder approval (subject to the Listing Rules and the Corporations Act).

For the purposes of Listing Rule 7.5, the Company provides the following information in relation to Resolution 7:

(a) **Number of securities issued**

300,000,000 fully paid ordinary Shares.

(b) **Issue price of the securities issued**

\$0.002 each.

(c) **Terms of the issued securities**

The Shares rank equally in all respects with existing Shares on issue.

(d) **Names of the persons to whom the entity issued the securities of the basis on which those persons were determined**

Exempt Investors pursuant to section 708 of the Corporations Act, none of whom are related parties of the Company.

(e) **Use of the funds raised**

Funds raised under the Tranche 1 Placement were for working capital and to further evaluate and develop projects as well as meet other commitments.

(f) **Voting Exclusion**

A voting exclusion statement is included in the Notice.

Directors' recommendations

The Board unanimously recommends that Shareholders vote in favour of Resolution 7.

6. RESOLUTION 8 – RATIFICATION OF PRIOR ISSUE OF TRANCHE 2 SHARES UNDER PLACEMENT

On 28 June 2018, the Company announced a placement of 50 million Shares to Exempt Investors at an issue price of \$0.002 each to raise approximately \$100,000 before costs, (**Tranche 2 Placement**).

Funds raised under the Tranche 2 Placement were for working capital and to further evaluate and develop projects as well as meet other commitments, including additional exploration funding of the Iron Sands Venture and initial work on the EP127 Oil & Gas permit in the Northern Territory.

Listing Rule 7.1

As summary of Listing Rule 7.1 is set out in section 5 above.

Listing Rule 7.4

A summary of Listing Rule 7.4 is set out in section 5 above.

(a) **Number of securities issued**

50,000,000 fully paid ordinary Shares.

(b) **Issue price of the securities issued**

\$0.002 each.

(c) **Terms of the issued securities**

The Shares rank equally in all respects with existing Shares on issue.

(d) **Names of the persons to whom the entity issued the securities of the basis on which those persons were determined**

Exempt Investors, none of whom are related parties of the Company.

(e) **Use of the funds raised**

Funds raised under the Tranche 2 Placement were for working capital and to further evaluate and develop projects as well as meet other commitments, including additional exploration funding of the Iron Sands Venture and initial work on the EP127 Oil & Gas permit in the Northern Territory.

(f) **Voting Exclusion**

A voting exclusion statement is included in the Notice.

Directors' recommendations

The Board unanimously recommends that Shareholders vote in favour of Resolution 8.

7. RESOLUTION 9 – APPROVAL TO ISSUE SHARE PURCHASE PLAN SHORTFALL SHARES

Resolution 9 seeks Shareholder approval pursuant to Listing Rule 7.1 to issue up to 119,166,694 Shares to unrelated Exempt Investors at an issue price of \$0.006 each to raise approximately \$715,000 before costs, (**Shortfall Placement**) which comprises the shortfall under the Company's Share Purchase Plan dated 13 September 2018.

Funds raised under the Shortfall Placement are for working capital and to further evaluate and develop projects as well as meet other commitments.

Listing Rule 7.1

A summary of Listing Rule 7.1 is set out in section 5 above.

Listing Rule 7.3

Pursuant to and in accordance with Listing Rule 7.3, information is provided in relation to the Shortfall Placement as follows:

- (a) The maximum number of Shares to be issued in the Shortfall Placement is 119,166,694.
- (b) The Shortfall Shares will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules).
- (c) The issue price of the Shortfall Shares is \$0.006 per Share.
- (d) The Directors will determine the persons to whom the Shortfall Placement Shares will be issued but these persons will not be related parties or Associates of related parties of the Company, and they will be Exempt Investors.
- (e) The Shortfall Shares will be fully paid ordinary shares in the capital of the Company and will be issued on the same terms and conditions as the Company's existing Shares.
- (f) The Company intends to use the funds raised from the issue of the Shortfall Placement Shares towards the Company's proposed continued review of the Philippine Iron Sands-Vanadium Magnetite Project, the review of other advanced vanadium projects and of exploration permit EP127 in the Northern Territory and general working capital requirements, as set out in the Company's ASX announcements dated 13 September 2018 and 17 August 2018.
- (g) A voting exclusion statement is included in the Notice.

- (h) The Shortfall Shares are to be issued progressively, on a date no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules).

The Board recommends that Shareholders vote in favour of Resolution 9. The Chairman of the meeting intends to vote undirected proxies in favour of Resolution 9.

8. RESOLUTIONS 10, 11 AND 12 GRANT OF PERFORMANCE RIGHTS TO DIRECTORS - MR CHRISTOPHER ZIELINSKI, MR PATRIC GLOVAC AND MR JASON BREWER

Resolutions 10 to 12 seek Shareholder approval for the grant of a total of 75,000,000 Performance Rights, being 25,000,000 Performance Rights each to Mr Christopher Zielinski, Mr Patric Glovac and Mr Jason Brewer to incentivise their performance, on the terms and condition set out in the Schedule 1 (**Performance Rights**)

The Company considers that vesting hurdles tied to its Share price are the most appropriate indicator for Director performance at its current stage of growth.

Section 195(4) of the Corporations Act

Each of the Directors has a material personal interest in the outcome of Resolutions 10 to 12 (as applicable to each Director) in this Notice of Meeting by virtue of the fact that Resolutions 10 to 12 are concerned with the issue of Performance Rights to Directors. Section 195 of the Corporations Act essentially provides that a director of a public company may not vote or be present during meetings of directors when matters in which that director holds a material personal interest are being considered. In the absence of Shareholder approval under section 195(4) of the Corporations Act, the Directors may not be able to form a quorum at Board meetings necessary to carry out the terms of these Resolutions. The Directors have accordingly exercised their right under section 195(4) of the Corporations Act to put the issue to Shareholders to determine.

Section 208 of the Corporations Act

Chapter 2E of the Corporations Act 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 benefits falls within one of the nominated exceptions to the provision; or
- (b) Shareholder approval is obtained prior to the giving of the financial benefit and the benefit is given within 15 months after obtaining such approval.

Section 208(1)(a) of the Corporations Act prohibits a company from giving a financial benefit (including an issue of securities) to a related party of the company without the approval of shareholders by a resolution passed at a general meeting at which no votes are cast in relation to the resolution in respect of any shares held by the related party or by an associate of the related party.

The Directors are related parties of the Company for the purposes of section 228 of the Corporations Act and as a result, the grant of the Performance Rights constitute giving a financial benefit. Accordingly, the Company is seeking Shareholder approval for the purposes of section 208 of the Corporations Act.

Listing Rule 10.11

Listing Rule 10.11 provides that a company must not issue equity securities to a related party without the approval of holders of ordinary securities. Further, exception 14 of Listing Rule 7.2 states that approval pursuant to Listing Rule 7.1 is not required if shareholder approval is obtained under Listing Rule 10.11.

As set out above, the Directors are related parties of the Company for the purposes of section 228 of the Corporations Act. Accordingly, Shareholder approval is sought under Listing Rule 10.11 to permit the grant of the Performance Rights to the Directors.

Resolutions 10 to 12 seek approval for the grant of 75,000,000 Performance Rights to the Directors for the purposes of satisfying the requirements of Listing Rule 10.11. If Resolutions 10 to 12 are approved, the Performance Rights granted will not affect the capacity of the Company to issue securities in the next 12 months under Listing Rule 7.1 as those securities, once issued, will be excluded from the calculations under Listing Rule 7.1.

As required by section 219 of the Corporations Act and Listing Rule 10.13, the following information is provided in relation to Resolutions 10 to 12:

(a) **Related parties to whom the financial benefits are to be given**

Directors Christopher Zielinski, Patric Glovac and Jason Brewer (and/or their nominees).

(b) **Nature of the financial benefits**

The Company proposes to grant Performance Rights as set out below

Director	Class A	Class B	Class C	Total
Christopher Zielinski	5,000,000	10,000,000	10,000,000	25,000,000
Patric Glovac	5,000,000	10,000,000	10,000,000	25,000,000
Jason Brewer	5,000,000	10,000,000	10,000,000	25,000,000
Total	15,000,000	30,000,000	30,000,000	75,000,000

The Performance Rights will be granted for nil cash consideration. Instead of cash consideration, they are being granted to incentivise the performance of the Directors.

Each Performance Right is exercisable into a Share for \$0.00001 in the event that it vests within 3 years of being granted. The vesting conditions are as follows:

Class A	The Company achieving a VWAP of at least \$0.01 over a 20 trading day period
Class B	The Company achieving a VWAP of at least \$0.015 over a 20 trading day period
Class C	The Company achieving a VWAP of at least \$0.02 over a 20 trading day period

The Performance Rights are otherwise on the terms set out in Schedule 1.

The Performance Rights will be granted no later than 1 month after the date of the Meeting (or such later date to the extent permitted by an ASX waiver or modification of the Listing Rules). It is anticipated that the Performance Rights will be granted immediately after the Meeting.

(c) **Valuation of the financial benefits**

The Company has engaged RSM Australia Pty Ltd (**RSM**) to determine a value for the Performance Rights as set out in the valuation report in Annexure C. RSM has used the Hoadley Trading & Investment Tools *Barrier1* trinomial option valuation model. RSM has determined that the value of each Performance Right is:

- Class A – \$0.0048;
- Class B – \$0.0043; and
- Class C - \$0.0039,

based on the assumptions and inputs set out below (as applicable):

Item	Class A	Class B	Class C
Valuation date	9/10/2018	9/10/2018	9/10/2018
Spot price	\$0.0055	\$0.0055	\$0.0055
Exercise price	\$0.00001	\$0.00001	\$0.00001
Vesting hurdle (20-day VWAP)	\$0.010	\$0.015	\$0.020
Expiry date	8/10/21	8/10/21	8/10/21
Expected future volatility	100%	100%	100%
Risk free rate	2.06%	2.06%	2.06%
Dividend yield	Nil	Nil	Nil

Accordingly, the value of the financial benefits to be given to the Directors under Resolutions 10 to 12 are set out below.

Director	Class A Total Value	Class B Total Value	Class C Total Value	Value Total
Christopher Zielinski	\$24,000	\$43,000	\$39,000	\$106,000
Patrick Glovac	\$24,000	\$43,000	\$39,000	\$106,000
Jason Brewer	\$24,000	\$43,000	\$39,000	\$106,000
Total	\$72,000	\$129,000	\$117,000	\$318,000

(d) **Reason for the financial benefits**

The Performance Rights are being granted to the Directors to incentivise their performance in their roles as a Director of the Company.

(e) **Current remuneration**

The current remuneration (including superannuation) paid to the Directors is set out below.

Director	Position	Salary / fees per annum
Christopher Zielinski	Non-Executive Chairman	\$43,800
Patric Glovac ¹	Non-Executive Director	\$43,800
Jason Brewer	Non-Executive Director	\$43,800

¹Patric Glovac is a Director and Shareholder of GTT Ventures Pty Ltd who participated in Tranche 1 Placement of May 2018. In addition, the Company has entered into a 12 month sub-lease arrangement for premises with GTT Ventures Pty Ltd (\$2,000 per month including outgoings).

(f) **Current security holdings**

The security holdings of the Directors at the date of this Notice are set out below.

Director	Shares
Christopher Zielinski	NIL
Patric Glovac	22,500,000
Jason Brewer	NIL

(g) **Historical prices**

The highest and lowest closing prices of Shares on the ASX during the 12 months preceding the date of this Notice, and the latest closing price, are set out below.

High - 10 August 2018, 3 to 4 September 2018	Low - 16 to 23 October 2017 to 24 November 2017, 25 May 2018	Latest - 11 October 2018
\$0.008	\$0.001	\$0.005

(h) **Dilution**

If all of the Performance Rights to be granted under Resolutions 10 to 12 vest and are exercised into Shares, and no other Shares are issued by the Company (including under the Share Purchase Plan Shortfall Placement), then Shareholders would be diluted by approximately 2.65%.

(i) Accounting treatment

Under the accounting standard AASB 2 *Share-based Payment*, the Company will recognise an expense in its statement of financial performance based on the fair value of the Performance Rights over the period from the date that they are granted until they vest. Based on the valuation report set out in section 8(c), the total fair value of the Performances to be granted is \$318,000.

(j) Opportunity costs

Other than as set out in this Notice, the Company does not consider that there are any material opportunity costs to the Company or benefits foregone by the Company in granting the Performance Rights under Resolutions 10 to 12.

(k) Intended use of funds raised

No funds will be raised from the grant of the Performance Rights as they are being granted to the Directors to incentivise their performance.

In the event the Performance Rights vesting conditions are satisfied, only a nominal amount of funds will be raised from the exercise of the Performance Rights (being a total of \$750). This nominal amount will supplement the Company's working capital.

(l) Directors' interests and recommendations

Each Director is proposed to receive Performance Rights under Resolutions 10 to 12 and, therefore, the Directors do not consider that it is appropriate to make a recommendation on how Shareholders should vote on these Resolutions.

(m) Reasons to vote in favour

The Company considers that the following are reasons why Shareholders may vote in favour of Resolutions 10 to 12:

- The Company is currently in the exploration phase of its growth, which means that it is not generating revenues or profits, and does not anticipate doing so in the near term. As a result, the Company's sources of funding are limited and it therefore needs to closely monitor its cash reserves and mitigate cash expenditure. Accordingly, the Company considers that a more appropriate way to remunerate its Directors is through equity based incentives, such as the Performance Rights. Please see section 8(e) for further information on the remuneration of the Directors.
- The Company considers that vesting hurdles tied to its Share price are the most appropriate indicator for Director performance at its current stage of growth.
- There may be further synergistic benefits to the Company in the Directors holding Shares in the event that the Performance Rights vest and are exercised as this will help to align their interests with those of Shareholders.

(n) Reasons to vote against

The Company considers that the following are reasons why Shareholders may vote against Resolutions 10 to 12.

- The number of Performance Rights to be granted represent a significant proportion of the total number of Shares on issue. Therefore, if the Performance Rights vest, a large number of Shares will likely be issued to the Directors which will dilute and reduce the Voting Power of Shareholders, and may reduce their

influence over the Company. See section 8(i) for further information on the maximum dilution of Shareholders' interests resulting from the Performance Rights vesting and being exercised into Shares.

- Using the valuation in section 8(c), the grant of the Performance Rights would significantly increase the total remuneration being paid to the Directors, which Shareholders may not agree with. See section 8(e) for further information on the remuneration of Directors.
- The grant of the Performance Rights would require the Company to recognise their value as an expense on the Company's statement of financial performance, which in turn will increase the size of anticipated losses. See section 8(j) for further information on the accounting treatment of the Performance Rights.
- If the Performance Rights vest then the additional number of Shares on issue will necessarily cause the value of a Share to reduce which in turn may be reflected by a fall in the Share price on the ASX.
- Even if the milestones are achieved there is no guarantee that the Share price will retain its value for long or at all. Therefore, the Performance Rights may vest and be exercised into Shares, but the benefit to Shareholders who retain their Shares may not be realised if the Share price subsequently falls.

(o) **Other information**

Other than as set out in this Explanatory Statement, there is no further information that is known to the Company or any of the Directors which Shareholders would reasonably require in order to decide whether or not it is in the Company's best interests to approve Resolutions 10 to 12.

9. RESOLUTION 13 – CHANGE OF COMPANY'S NAME

Section 157 of the Corporations Act enables a company to change its name by special resolution passed at a general meeting. In accordance with section 157, Resolution 13 seeks approval of the shareholders to a change of the Company's name from "Baraka Energy & Resources Limited" to "Global Vanadium Limited".

This change of name has been proposed, as the Board believes that this name better reflects the nature and strategic value of the operations of the Company.

If Resolution 13 is approved the ASX code of the Company will change from "BKP" to "GLV".

The Board unanimously recommends that Shareholders vote in favour of Resolution 13. The Chairman of the meeting intends to vote undirected proxies in favour of Resolution 13.

10. RESOLUTION 14 – CHANGE OF COMPANY’S CONSTITUTION

A company may modify or repeal its constitution or a provision of its constitution by special resolution of Shareholders.

Resolution 14 is a special resolution which will enable the Company to repeal its existing Constitution and adopt a new constitution (**Proposed Constitution**) which is of the type required for a listed public company limited by shares and which reflects the Corporations Act and ASX Listing Rules and has been amended to reflect the new company name, “Global Vanadium Limited”.

The Directors believe that it is preferable in the circumstances to replace the existing Constitution with the Proposed Constitution rather than to amend.

The Proposed Constitution is broadly consistent with the provisions of the existing Constitution and the proposed changes are administrative or minor in nature to update the name of the Company to that adopted in Resolution 13 above, “Global Vanadium Limited”.

The Directors believe these amendments are not material nor will they have any significant impact on Shareholders.

A copy of the Proposed Constitution is available for review by Shareholders at the Company's website **www.barakaenergy.com.au** and at the office of the Company. A copy of the Proposed Constitution can also be sent to Shareholders upon request to the Company Secretary (+61 8 6380 2470).

Shareholders are invited to contact the Company if they have any queries or concerns.

If Resolution 13 and 14 is passed, Resolution 14 will come into effect.

The Board recommends that Shareholders vote in favour of Resolution 14. The Chairman of the meeting intends to vote undirected proxies in favour of Resolution 14.

11. RESOLUTION 15 – APPROVAL OF ADDITIONAL PLACEMENT CAPACITY

General

Listing Rule 7.1 permits entities to issue 15% of its issued capital without shareholder approval in a 12 month period, subject to a number of exceptions.

Listing Rule 7.1A permits eligible entities, which have obtained shareholder approval by special Resolution, to issue Equity Securities up to an additional 10% of its issued capital by placements over a 12 month period after the annual general meeting ("**Additional Placement Capacity**").

The Company seeks Shareholder approval under this Resolution to be able to issue Equity Securities under the Additional Placement Capacity. The exact number of New Equity Securities to be issued is not fixed and will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (set out below).

Requirements of Listing Rule 7.1A

(a) Eligible entities

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 with a market capitalisation of \$14,129,899.

(b) Shareholder approval

Shareholders must approve the Additional Placement Capacity by special Resolution at the annual general meeting and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote. A Resolution under Listing Rule 7.1A cannot be put at any other shareholder meeting.

(c) New Equity Securities

New Equity Securities issued under the Additional Placement Capacity must be in the same class as an existing class of Equity Securities of the Company that are quoted on ASX.

As at the date of this Notice, the Equity Securities that are quoted on ASX are fully paid ordinary Shares (ASX:BKP).

(d) Formula for calculating number of New Equity Securities that may be issued under the Additional Placement Capacity

If this Resolution is passed, the Company may issue or agree to issue, during the 12 month period after this Meeting, the number of New Equity Securities calculated in accordance with the following formula:

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

A	<p>The number of shares on issue 12 months before the date of issue or agreement:</p> <ul style="list-style-type: none">• plus the number of fully paid shares issued in the 12 months under an exception in Listing Rule 7.2;• plus the number of partly paid shares that became fully paid in the 12 months;• plus the number of fully paid shares issued in the 12 months with the approval of shareholders under Listing Rules 7.1 or 7.4;• less the number of fully paid shares cancelled in the 12 months.
D	10%
E	The number of Equity Securities issued or agreed to be issued under Rule 7.1A.2 in the 12 months before the date of issue or agreement to issue that are not issued with the approval of shareholders under Listing Rules 7.1 or 7.4.

(e) Interaction between Listing Rules 7.1 and 7.1A

The Additional Placement Capacity under Listing Rule 7.1A is in addition to the Company's 15% placement capacity under Listing Rule 7.1.

The Company has 2,825,979,904 Shares on issue as at the date of this Notice. If all of the Resolutions in this Notice are passed, the Company will be permitted to issue (as at the date of this Notice):

- 423,896,986 Equity Securities under Listing Rule 7.1; and
- 282,597,990 New Equity Securities under Listing Rule 7.1A.

The actual number of New Equity Securities that the Company will be permitted to issue under Listing Rule 7.1A will be calculated at the date of issue or agreement to issue the New Equity Securities in accordance with the formula prescribed in Listing Rule 7.1A.2 (as set out above).

The effect of this Resolution will be to allow the Company to issue securities under Listing Rule 7.1A without using the Company's placement capacity under Listing Rule 7.1.

Information for Shareholders as required by Listing Rule 7.3A

(a) Minimum price

The issue price of the New Equity Securities will be no lower than 75% of the volume weighted average price (VWAP) for securities in the relevant quoted 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 New Equity Securities are to be issued is agreed; or
- if the New Equity Securities are not issued within 5 Trading Days of the date above, the date on which the Equity Securities are issued.

(b) Risk of economic and voting dilution

If this Resolution is passed and the Company issues securities under the Additional Placement Capacity, existing Shareholders' voting power in the Company will be diluted.

There is the risk that:

- the market price for the Company's existing Equity Securities in that class may be significantly lower on the date of issue of the New Equity Securities than on the date of the Meeting; and
- the New Equity Securities may be issued at a price that is at a discount to the market price of the Company's existing Equity Securities on the issue date, which may have an effect on the amount of funds raised by the issue of the New Equity Securities.

The table below shows the dilution of existing Shareholders on the basis of the current market price of Shares and the current number of ordinary securities for variable "A" calculated in accordance with the formula in Listing Rule 7.1A.2 as at the date of this Notice.

The table also shows:

- two examples where variable "A" has increased by 50% and 100%. Variable "A" is based on the number of ordinary securities the Company has on issue. The number of ordinary securities may increase as a result of issues of ordinary securities that do not require Shareholder approval (for example a pro rata entitlement issue) or future placements under Listing Rule 7.1 that are approved by Shareholders in the future;
- two examples of where the issue price of ordinary securities has decreased by 50% and increased by 100% as against the market price at 19 October 2018.

Variable 'A' in Listing Rule 7.1A.2		Dilution		
		\$0.0025	\$0.005	\$0.0100
		50% decrease in Issue Price	Issue Price	100% increase in Issue Price
Current 2,825,979,904 Shares	10% Voting Dilution	282,597,990 Shares	282,597,990 Shares	282,597,990 Shares
	Funds raised	\$706,495	\$1,412,990	\$2,825,980
50% increase in Variable A 4,238,969,856 Shares	10% Voting Dilution	423,896,985 Shares	423,896,985 Shares	423,896,985 Shares
	Funds raised	\$1,059,743	\$2,119,485	\$4,238,970
100% increase in Variable A 5,651,959,808 Shares	10% Voting Dilution	565,195,980 Shares	565,195,980 Shares	565,195,981 Shares
	Funds raised	\$1,412,990	\$2,825,980	\$5,651,960

This table has been prepared on the following assumptions:

- The total number of Shares on issue at the date of this Notice is 2,825,979,904.
- The issue price is 0.005 cents, being the closing price of the Shares on ASX on 19 October 2018.
- The Company issues the maximum number of New Equity Securities available under the Additional Placement Capacity.
- The Company has not issued any Equity Securities in the 12 months prior to the Meeting that were not issued under an exception in Listing Rule 7.2 or with Shareholder approval.
- No quoted Options (including any quoted Options issued under the Additional Placement Capacity) are exercised into Shares before the date of the issue of the Equity Securities.
- The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the Additional Placement Capacity, based on that Shareholder's holding at the date of the Meeting.
- The table shows only the effect of issues of New Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.
- The issue of New Equity Securities under the Additional Placement Capacity consists only of Shares. If the issue of New Equity Securities includes quoted Options, it is assumed that those Options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.

The Company's ability to issue securities under Listing Rule 7.1A is in addition to its ability to issue securities under listing rule 7.1.

(c) Placement Period

Shareholder approval of the Additional Placement Capacity under Listing Rule 7.1A is valid from 29 November 2018 (the date of this Meeting) and expires on the earlier of:

- 29 November 2019, which is 12 months after this Meeting; or
- the date that Shareholders approve a transaction under Listing Rule 11.1.2 (significant change to nature or scale of activities) or 11.2 (disposal of the main undertaking) (the "**Placement Period**").

The Company will only issue and allot New Equity Securities during the Placement Period. The approval will cease to be valid in the event that Shareholders' approve a transaction under Listing Rules 11.1.2 or 11.2.

(d) Purposes for which the New Equity Securities may be issued

The Company may seek to issue New Equity Securities for the following purposes:

- cash consideration to raise funds for the continued development on the Company's current assets, the acquisition of new assets or investments (including the expenses associated such acquisition) and for general working capital; and/or
- non-cash consideration for acquisition of new assets, investments or for the payment of goods or services or for the issue of Equity Securities associated with equity, debt or convertible security facilities that may be provided to the Company. In such circumstances the Company will provide a valuation of the non-cash consideration as required by Listing Rule 7.1A.3.

(e) Allocation policy

The Company's allocation policy for the issue of New Equity Securities under the Additional Placement Capacity will depend on the market conditions existing at the time of the proposed issue. The allottees will be determined at the relevant time having regard to factors such as:

- the methods of raising funds that are available to the Company, including but not limited to, a placement or a rights issue;
- the effect of the issue of new securities on the control of the Company;
- the financial situation and solvency of the Company;
- advice from corporate, financial and broking advisers (as relevant).

As at the date of this Notice the allottees are not known but may include existing substantial Shareholders and/or new Shareholders. No allottee under the Additional Placement Capacity will be a related party or associate of a related party. Existing Shareholders may or may not be entitled to subscribe for any New Equity Securities issued under the Additional Placement Capacity and it is possible that their shareholding will be diluted.

If the Additional Placement Capacity is used to acquire new assets or investments, then it is likely that the allottees will be the vendors of the new assets.

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

- (f) Details of Equity Securities issued in the 12 months preceding the date of the Meeting

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

- (g) Voting exclusion

At the date of this Notice, the Company has not approached any particular existing Shareholder or security holder or an identifiable class of existing security holder to participate in a proposed issue of Equity Securities under the proposed Additional Placement Capacity. No existing Shareholder's votes will therefore be excluded under the voting exclusion in the Notice.

GLOSSARY

\$ means Australian dollars.

Additional Placement Capacity as set out in section 11.

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

Annual Report means the financial year ended 30 June 2018 together with the declaration of the directors, the director's report, the Remuneration Report and the auditor's report.

Auditor's Report means the auditor's report on the Financial Report.

ASIC means the Australian Securities & Investments Commission.

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

ASX Listing Rules means the Listing Rules of ASX.

Board means the current board of directors of the Company.

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

Chair means the chair of the Meeting.

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

- a spouse or child of the member;
- a child of the member's spouse;
- a dependent of the member or the member's spouse;
- 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;
- a company the member controls; or
- a person prescribed by the Corporations Regulations 2001 (Cth) for the purposes of the definition of 'closely related party' in the Corporations Act.

Company means Baraka Energy & Resources Limited (ACN 112 893 491).

Constitution means the Company's constitution.

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

Directors means the current directors of the Company.

Directors' Report means the annual directors' report prepared under chapter 2M of the Corporations Act for the Company and its controlled entities contained in the Annual Report.

Exempt Investors mean investors as defined in section 708 of the Corporations Act.

Explanatory Statement means the explanatory statement accompanying the Notice

Financial Report means the annual financial report prepared under Chapter 2M of the Corporations Act of the Company and its controlled entities.

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.

New Equity Securities means issues of equity securities pursuant to Listing Rule 7.1A.

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

Performance Rights as in section 8, on the terms and conditions set out in Schedule 1.

Proxy Form means the proxy form accompanying the Notice.

Placement Period as in section 11.

Proposed Constitution as in section 10.

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

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

Section means a section of the Explanatory Statement.

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

Shareholder means a registered holder of a Share.

Shortfall Placement Shares as in section 7.

Tranche 1 Placement means the placement of 300 million Shares to Exempt Investors at an issue price of \$0.002 each to raise approximately \$600,000 before costs, in section 5.

Tranche 2 Placement means the placement of 50 million Shares to Exempt Investors at an issue price of \$0.002 each to raise approximately \$100,000 before costs, in section 6.

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

SCHEDULE 1 – PERFORMANCE RIGHTS

1. Grant price

Each Performance Right will be granted by the Company for nil cash consideration.

2. Rights

- (a) The Performance Rights do not carry any voting rights in the Company.
- (b) The Performance Rights confer on the holder the right to receive notices of general meetings and financial reports and accounts of the Company that are circulated to shareholders. Holders of Performance Rights have the right to attend general meetings of shareholders.
- (c) The Performance Rights do not entitle the holder to any dividends.
- (d) The Performance Rights do not confer any right to participate in the surplus profits or assets of the Company upon winding up of the Company.
- (e) The Performance Rights do not confer any right to a return of capital, whether in a winding up, upon a reduction of capital or otherwise.
- (f) The Performance Rights do not confer the right to participate in new issues of securities such as entitlement issues or bonus issues. If the Company makes a bonus issue of Shares or other securities to existing shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment) the number of Shares which must be issued on the exercise of a Performance Right will be increased by the number of Shares which the holder would have received if the Performance Right had been exercised before the record date for the bonus issue.
- (g) If at any time the issued capital of the Company is reorganised, the rights of the holder may change to comply with Listing Rule 6.16. Further, the Performance Rights are to be treated in the manner set out in Listing Rule 7.21 (assuming that the Listing Rules apply), being that the number of Performance Rights or the conversion ratio or both will be reorganised so that the holder of the Performance Rights will not receive a benefit that holders of ordinary shares do not receive and so that the holders of ordinary shares will not receive a benefit that the holder of the Performance Rights does not receive.
- (h) The Performance Rights give the holder no rights other than those expressly provided by these terms and those provided at law where such rights at law cannot be excluded by these terms.

3. Exercise

- (a) A class of Performance Rights (**Class**) immediately vests and becomes exercisable by the holder into Shares (**Conversion Shares**) on a one for one basis upon and subject to the Company providing written notice (**Vesting Notice**) to the holder that the Company has satisfied the relevant condition (**Condition**) by the relevant expiry date (**Expiry Date**) set out below.

Class	Condition	Expiry Date
Class A	The Company achieving a VWAP of at least \$0.01 over a period of 20 trading days.	3 years from the date of grant.
Class B	The Company achieving a VWAP of at least \$0.015 over a period of 20 trading days.	3 years from the date of grant.
Class c	The Company achieving a VWAP of at least \$0.02 over a period of 20 trading days.	3 years from the date of grant.

- (b) In order to exercise a Class into Conversion Shares following receipt of a Vesting Notice, the holder must provide written notice (**Exercise Notice**) to the Company of its election to exercise the Class into the Conversion Shares. The holder must pay \$0.00001 upon exercise for each Performance Right (**Exercise Price**). A Class may only be exercised into Conversion Shares once.
- (c) Despite any other provision, the exercise of any Performance Rights is subject to the Company obtaining any required shareholder or regulatory approval for the purpose of issuing the Conversion Shares. If exercise of all or part of the Performance Rights would result in any person being in contravention of section 606(1) of the *Corporations Act 2001* (Cth) (**Corporations Act**) then the exercise of each Performance Right that would cause the contravention will be deferred until such time or times that the exercise would not at a later date result in a contravention of section 606(1) of the Corporations Act. The holder must give prior written notice to the Company if it considers that the exercise of all or part of its Performance Rights may result in the contravention of section 606(1) of the Corporations Act, failing which the Company will be entitled to assume that the exercise of the Performance Rights under these terms will not result in any person being in contravention of section 606(1) of the Corporations Act.
- (d) The Company must issue Conversion Shares in the name of the holder (or its nominee) within 7 days of receiving a valid Exercise Notice and the Exercise Price.
- (e) Each Conversion Share will rank equally with a fully paid ordinary share in the capital of the Company.
- (f) The Performance Rights will not be quoted on any securities exchange and the Company will not make an application for quotation in respect of them. However, if the Company is listed on the ASX at the relevant time, the Company must apply for quotation of any Conversion Shares on the ASX in accordance with the Listing Rules, subject always to the requirements of the Listing Rules, including those relating to escrow.

4. Expiry

Performance Rights which have not been validly exercised into Conversion Shares on or before the earlier of:

- (a) the date that is 1 month after the date that the holder ceases to be engaged for services by the Company in any capacity; and

- (b) the relevant Expiry Date,

will automatically be deemed to be terminated and cancelled by the Company for nil cash consideration.

5. Transferability

The Performance Rights are not transferable.

6. Compliance with law

- (a) Despite anything else contained in these terms, if the Corporations Act, Listing Rules or Constitution prohibits an act being done, that act must not be done.
- (b) Nothing contained in these terms prevents an act being done that the Corporations Act, Listing Rules or Constitution require to be done.
- (c) If the Corporations Act, Listing Rules or Constitution conflict with these terms, or these terms do not comply with the Corporations Act, Listing Rules or the Constitution, the holder authorises the Company to do anything necessary to rectify such conflict or non-compliance, including but not limited to unilaterally amending these terms.
- (d) The terms of the Performance Rights may be amended as necessary by the directors of the Company in order to comply with the Listing Rules, or any directions of ASX regarding the terms.

7. Control Event

- (a) A change of control event (**Control Event**) occurs where:
 - (i) an offer is made for Shares pursuant to a takeover bid under Chapter 6 of the Corporations Act and is, or is declared, unconditional; or
 - (ii) the Court sanctions under Part 5.1 of the Corporations Act a compromise or arrangement relating to the Company or a compromise or arrangement proposed for the purposes of or in connection with a scheme for the reconstruction of the Company or its amalgamation with any other company or companies.
- (b) If a Control Event occurs, the Company may in its sole and absolute discretion, and subject to the Listing Rules and 7(c) below, determine how unvested Performance Rights will be treated, including but not limited to determining that unvested Performance Rights (or a portion of unvested Performance Rights) will become immediately exercisable into Conversion Shares with such exercise deemed to have taken place immediately prior to the effective date of the Control Event.
- (c) The total number of Conversion Shares issued under 7(b) above must not exceed 10% of the issued ordinary capital of the Company as at the date of exercise.
- (d) Whether or not the Company determines to accelerate the vesting of any Performance Rights, the Company must give written notice of any proposed Control Event to the holder

ANNEXURE A – AUDITOR NOMINATION

10 October 2018

The Directors
Baraka Energy & Resources Limited
22 Townshend Road
Subiaco WA 6008

Dear Sirs,

Notice of Intention - Removal and Nomination of Auditor

I, John Zadeh, as sole Director of Hustler Investments Pty Ltd, being a member of Baraka Energy & Resources Limited (ACN 112 893 491) (Company), hereby request that at next general meeting of the Company, the Company consider, and if thought fit, pass resolutions that:

1. Rothsay, the current auditor of the Company be removed, pursuant to section 329(1) of the Corporations Act 2001 (Cth) (Corporations Act); and
2. BDO Audit (WA) Pty Ltd, being qualified to act as auditor of the Company and having consented to act as auditor of the Company, be appointed as auditor of the Company pursuant to section 327B(1) and section 327D of the Corporations Act.

This letter serves as a Notice of Removal and Notice of Nomination in accordance with sections 329(1A), 328B(3) and 327D(2) of the Corporations Act.

In addition, pursuant to section 328B(3) and 329(2) of the Corporation Act, please send a copy of this notice to the Rothsay, BDO Audit (WA) Pty Ltd and any person entitled to receive notice of general meetings of the Company.

EXECUTED by Hustler Investments Pty Ltd)
(ACN 616 154 584) in accordance with Section)
127 of the Corporations Act:)



Signature of Director

John Zadeh

Name of Sole Director

Signature of Director/Secretary

Name of Director/Secretary

ANNEXURE B – CONSENT



Tel: +61 8 6382 4600
Fax: +61 8 6382 4601
www.bdo.com.au

38 Station Street
Subiaco, WA 6008
PO Box 700 West Perth WA 6872
Australia

15 October 2018

The Directors

Baraka Energy & Resources Ltd

22 Townshend Rd

SUBIACO WA 6008

Dear Directors,

Re: **BARAKA ENERGY & RESOURCES LTD**

In accordance with section 328A(1) of the Corporations Act 2001, we hereby consent to act as auditors of Baraka Energy & Resources Ltd.

This consent shall remain in force until revoked by us in writing.

Yours faithfully

BDO Audit (WA) Pty Ltd

A handwritten signature in blue ink, appearing to read 'Dean Just', is written over a faint, stylized 'BDO' logo.

Dean Just

Director

BDO Audit (WA) Pty Ltd ABN 79 112 284 787 is a member of a national association of independent entities which are all members of BDO Australia Ltd ABN 77 050 110 275, an Australian company limited by guarantee. BDO Audit (WA) Pty Ltd and BDO Australia Ltd are members of BDO International Ltd, a UK company limited by guarantee, and form part of the International BDO network of independent member firms. Liability limited by a scheme approved under Professional Standards Legislation other than for the acts or omissions of financial services licensees

ANNEXURE C – RSM PERFORMANCE RIGHTS VALUATION



BARAKA ENERGY & RESOURCES LIMITED

Performance rights valuation

October 2018

11 October 2018

Ms Anna MacKintosh
Company Secretary
Baraka Energy & Resources Limited
22 Townshend Road
Subiaco WA 6008

Level 32, 2 The Esplanade Perth WA 6000
GPO Box R1253 Perth WA 6844

T +61 (0) 8 9261 9100
F +61 (0) 8 9261 9111
www.rsm.com.au

Valuation of performance rights

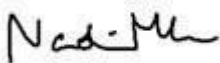
Dear Ms MacKintosh,

We have pleasure in presenting our report, the purpose of which is to provide Baraka Energy & Resources Limited ("Baraka" or the "Company") with our opinion as to the indicative fair value of performance rights ("Rights") as at the date of this report ("Valuation Date").

We understand the Rights valuation is required for disclosure in a Notice of Meeting for the Company.

Should you have any queries in relation to our report, or the valuation opinions provided, please do not hesitate to contact me on 08 9261 9375.

Yours sincerely,



NADINE MARKE
Director

RSM Australia Pty Ltd

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- 1. Introduction 5
- 2. Scope of valuation 6
- 3. Valuation Methodology..... 7
- 4. Valuation..... 9

Appendices

- A. Nadine Marke qualifications and experience..... 11

DEFINITIONS OF TERMS

The following definitions apply throughout this document unless the context requires otherwise:

Term	Definition
AASB	Australian Accountings Standard Board, issuer of accounting standards under the Act
AGM	Annual General Meeting
APES 225	Australian Professional Ethical Standard 225 – Valuation services
Act	Corporation Act, 2001
ASX	Australian Securities Exchange
Baraka	The Company
Board or Directors	The Board of Directors of the Company
The Company	Baraka Energy & Resources Limited
Hoadley	Hoadley Trading & Investment Tools (www.hoadley.net)
Management or Directors	The directors and key management personnel of the Company
RBA	Reserve Bank of Australia
Rights	Performance rights proposed to be issued by the Company
RSM, us, we	RSM Australia Pty Ltd
S&P Capital IQ	Standard and Poor's Capital IQ database
Shareholders	The Shareholders of the Company
Valuation Date	9 October 2018
VWAP	Volume weighted average price

1. INTRODUCTION

Terms of reference

In accordance with your instructions, we have performed an assessment of the indicative fair value of the Rights in accordance with AASB 2.

For the purposes of this report “fair value” is defined as:

“The amount for which an asset could be exchanged, a liability settled, or an equity instrument granted could be exchanged, between knowledgeable, willing parties in an arms-length transaction.”

We understand the indicative valuation is required for disclosure in a Notice of Meeting of the Company.

Nature of the assignment

This indicative valuation engagement has been undertaken in accordance with APES 225 – *Valuation Services*.

This indicative valuation has been undertaken by Nadine Marke, a director of the Corporate Finance Division of RSM Australia, acting independently. Nadine Marke has extensive experience in providing valuations of businesses, shares and other equities. A brief resume is set out at Appendix A to this report.

The fee to be paid to RSM Australia for this indicative valuation assignment is not contingent on the conclusion, content or future use of this valuation report.

Use of report

Our report is prepared solely for the confidential use of the Company, and solely for disclosure in a Notice of Meeting of the Company. The indicative valuation provided and this report should not be relied on by any other party or for any other purpose, including financial reporting purposes.

Disclaimer

The statements and opinions given in this report are given in good faith and in the belief that such statements and opinions are not false or misleading. In preparing this report we have relied upon information supplied by the Company, which we believe to be accurate and reliable. We have not, in preparing this report, independently verified the correctness, existence or value of any item, which is, or should be, in such information. We do not have any reason to believe that any material facts have been withheld from us, nor do we warrant that our investigation has revealed all of the matters which an audit or more extensive examination might disclose. Although the report and opinions expressed herein are based on information supplied to us, we believe the report and opinions to be accurate. However, for the above reasons, we do not warrant the accuracy or reliability of either the information supplied to us or the conclusion drawn there from.

2. SCOPE OF VALUATION

Background

We understand that the Company is planning to issue 75 million Rights, in three separate classes, to each of the three directors of the Company (25 million each), subject to shareholder approval at the Company's AGM.

The terms attached to the Rights are summarised in the table below:

Table 1 Rights terms

Rights	Class A	Class B	Class C
Number	15,000,000	30,000,000	30,000,000
Valuation date	9-Oct-18	9-Oct-18	9-Oct-18
Exercise Price	Nil	Nil	Nil
Expiry period	3 years	3 years	3 years
Vesting hurdle (20-day VWAP)	\$0.01	\$0.015	\$0.02

We understand that there are market-based vesting conditions attached to Class A, B and C Rights. The vesting conditions attached to each class are summarised as follows:

- Class A Rights will vest when the volume weighted average price ("VWAP") of the Company's shares, as traded on the ASX over 20 consecutive trading days, is equal to or greater than \$0.01;
- Class B Rights will vest when the VWAP of the Company's shares, as traded on the ASX over 20 consecutive trading days, is equal to or greater than \$0.015; and
- Class C Rights will vest when the VWAP of the Company's shares, as traded on the ASX over 20 consecutive trading days, is equal to or greater than \$0.02.

Scope of Valuation

The scope of the work performed in assessing the fair value of the Rights has consisted of:

- An assessment of the indicative fair value of the Rights based on the above terms;
- A review of the historical volatility of the share price of the Company; and
- Discussions with the Company Secretary.

3. VALUATION METHODOLOGY

Consideration of AASB 2

AASB 2 specifies the financial reporting requirements by an entity when it undertakes a share based payment transaction. In particular, it sets out the approach which the entity must follow in reporting in its profit and loss account any impact of any share based payment transaction.

For the purposes of AASB 2, a share based payment transaction is defined as a transaction in which an entity:

- (i) *receives goods or services from the supplier of those goods and services (including an employee) in a share based payment arrangement; or*
- (ii) *incurs an obligation to settle the transaction with the supplier in a share based payment arrangement when another group entity receives those goods and services.*

Further, a share based payment arrangement is defined as:

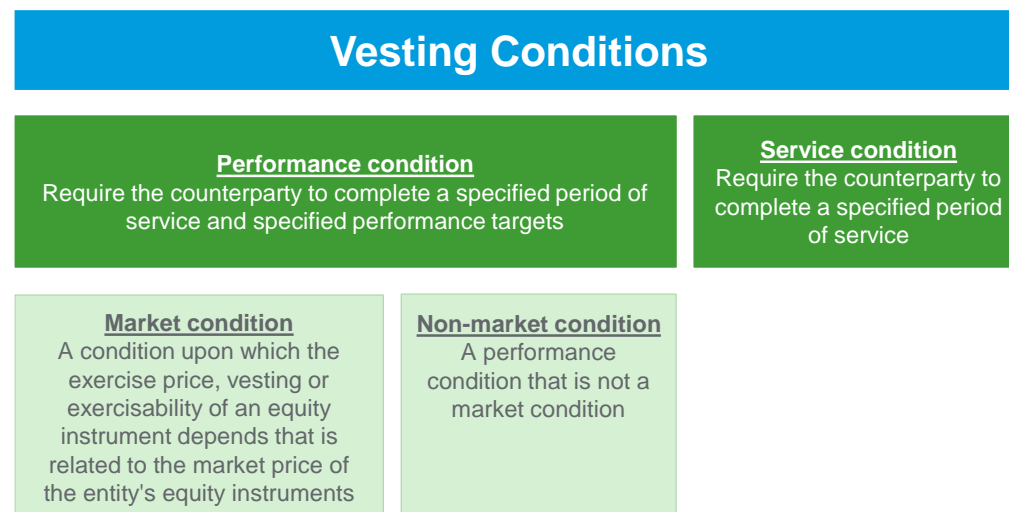
An agreement between an entity and another party (including an employee) that entitles the other party to receive:

- (i) *cash or other assets of the entity for amounts that are based on the price (or value) of equity instruments (including shares or share options) of the entity or another group entity; or*
- (ii) *equity instruments (including shares or shares) of the entity or another group entity, provided the specified vesting conditions are met.*

AASB 2 prescribes that vesting conditions are either 'service' conditions or 'performance' conditions and that performance conditions are further defined as 'market' conditions or 'non-market' conditions.

The features of each type of vesting condition, as set out in AASB 2, are summarised in the figure opposite.

Figure 1 AASB 2 vesting condition definitions



Determining the fair value of equity instruments granted

AASB 2 states that an entity shall measure the fair value of instruments granted as at the measurement (grant) date, based on market prices, if available, taking into account the terms and conditions upon which the instruments were granted.

Where market prices are not available, the entity must estimate the value of the instrument based upon a valuation technique to estimate the price the equity instruments would have been at the measurement date. The valuation technique should be consistent with generally accepted valuation methodologies and shall incorporate all factors and assumptions that a knowledgeable willing market participant would consider in setting the price.

Valuation impact of vesting conditions

If a grant of equity instruments is subject to satisfying certain vesting conditions, such conditions may be taken into account when estimating the fair value. AASB 2 specifies that vesting conditions, other than market conditions, shall not be taken into account when estimating the fair value of the shares or share options at the measurement date.

With regard to the treatment of vesting conditions, and in particular non-market conditions, when accounting for a share based payment, paragraph 19 of AASB 2 states:

*“There might be performance conditions that must be satisfied, such as the entity achieving a specified growth in profit or a specified increase in the entities share price. **Vesting conditions, other than market conditions, shall not be taken into account when estimating the fair value of the shares or share options at the measurement date.** Instead, vesting conditions shall be taken into account by adjusting the number of equity instruments included in the measurement of the transaction amount, so that ultimately, the amount recognised for goods and services received as consideration for the equity instruments granted shall be based on the number of equity instruments that eventually vest. Hence on a cumulative basis, no amount is recognised for goods or services received if the equity instruments granted do not vest because of failure to satisfy a vesting condition, for example the counterparty fails to complete a specified service period, or a performance condition is not satisfied.”*

Selected valuation methodology

In our opinion, the vesting conditions attached to Class A, B and C Rights meet the definition of a market condition, as the vesting of the Rights is dependent on the future market price of the Company's ordinary shares.

Therefore, determining the value of the Rights, we have used the Hoadley Trading & Investment Tools (“Hoadley”) *Barrier1* trinomial option valuation model.

Further information on Hoadley's employee option valuation models can be found at www.hoadley.net.

Valuation model assumptions

We set out the assumptions we have used in assessing the fair value of the Rights in the table opposite.

Table 2 Performance rights valuation assumptions

Assumptions	Ref	Class A	Class B	Class C
Valuation date	1	9-Oct-18	9-Oct-18	9-Oct-18
Spot price	2	\$0.0055	\$0.0055	\$0.0055
Exercise price	3	\$0.00001	\$0.00001	\$0.00001
Expiry date	4	8-Oct-21	8-Oct-21	8-Oct-21
Vesting hurdle (20-day VWAP)	5	\$0.010	\$0.015	\$0.020
Expected future volatility	6	100%	100%	100%
Risk free rate	7	2.06%	2.06%	2.06%
Dividend yield	8	nil	nil	nil

Source: The Company and RSM analysis

1. *Valuation date* – We note that the Rights are yet to be issued and have therefore assumed the Grant date of the Rights to be 9 October 2018.
2. *Spot price* – This is the market close spot price on 8 October 2018, the last trading day prior to the Valuation Date.
3. *Exercise price* – We understand the exercise price is \$0.00001 for all classes of Rights.
4. *Expiry date* – We understand that the Rights will expire three years after they are granted. We have assumed the expiry date to be on 8 October 2021, three years after the Valuation Date.
5. *Vesting hurdle* – As per the terms of the Rights.
6. *Expected future volatility* – In assessing the expected future volatility we have considered the historical volatility in the Company's shares over a number of recent trading periods and concluded that a volatility figure of 100% is reflective of the future volatility of the Company's shares over the life of the Rights.
7. *Risk free rate* – We have determined this based on the yields of Commonwealth bonds using a three-year bond rate for the Rights, being the period which most closely correspond to the respective lives of the Rights. The interest rate has been sourced from the RBA as the closing rate on 5 October 2018.
8. *Dividend yield* – We have assumed a nil dividend yield as the Company is not expected to pay dividends over the life of the Rights.

4. VALUATION

Valuation summary

Based on the methodology and assumptions set out in Section 3 of this report, we summarise below our assessment of the indicative fair value of the Rights as at the Valuation Date in the table below.

Table 3 Indicative fair value of the Rights

Rights	Class A	Class B	Class C	Total
Value per Right	0.0048	0.0043	0.0039	n/a
Number	15,000,000	30,000,000	30,000,000	75,000,000
Value	\$72,000	\$129,000	\$117,000	\$318,000

Source: RSM calculation

We note that the values above are indicative only based on assumptions relevant at the date of this report. Different assumptions may be relevant at grant date which may alter the value of the Rights for financial reporting purposes.



APPENDICES

A. NADINE MARKE QUALIFICATIONS AND EXPERIENCE



NADINE MARKE DIRECTOR, CORPORATE FINANCE

Biography

Nadine is a Director of the Corporate Finance division in Perth. She leads our valuation and litigation support services team with a particular focus on valuations, financial investigations and forensic accounting services.

Nadine has been undertaking valuations for almost 15 years and is an accredited Business Valuation Specialist of Chartered Accountants Australia and New Zealand.

She is also the Western Australian representative on the CAANZ Business Valuations Special Interest Group and is a BV Specialisation assessor.

Nadine regularly presents on valuation topics and current issues to audiences in Perth.

Solutions

Nadine undertakes valuations of businesses, shares and other equity instruments for a wide range of purposes, including:

- Expert Witness and litigation matters
- Transactions, including Independent Expert Reports
- Lending and refinancing
- Taxation
- Management
- Financial Reporting

Associations

- Member, Chartered Accountants Australia & New Zealand (CA ANZ)
- Member, CAANZ Business Valuations Special Interest Group (BVSIG)
- WA Representative of the BVSIG National Committee

Qualifications

- BA - Accounting and Finance
- Business Valuation Specialist of CA ANZ

CA Business Valuation Specialist



RSM Australia

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ONLINE PROXY APPOINTMENT

www.advancedshare.com.au/investor-login



MOBILE DEVICE PROXY APPOINTMENT

Lodge your proxy by scanning the QR code below, and enter your registered postcode.


It is a fast, convenient and a secure way to lodge your vote.

2018 ANNUAL GENERAL MEETING PROXY FORM

I/We being shareholder(s) of Baraka Energy & Resources Limited and entitled to attend and vote hereby:

APPOINT A PROXY

The Chair of the meeting **OR**

 **PLEASE NOTE:** If you leave the section blank, the Chair of the Meeting will be your proxy.


or failing the individual(s) or body corporate(s) named, or if no individual(s) or body corporate(s) named, the Chair of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf, including 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), at the Annual General Meeting of the Company to be held **at BDO Perth, 38 Station Street, Subiaco WA 6008 on 29 November 2018 at 2:00pm (WST)** and at any adjournment or postponement of that Meeting.

Chair authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chair of the Meeting as my/our proxy (or the Chair becomes my/our proxy by default), I/we expressly authorise the Chair to exercise my/our proxy on Items 1, 10, 11 and 12 (except where I/we have indicated a different voting intention below) even though these Items are connected directly or indirectly with the remuneration of a member(s) of key management personnel, which includes the Chair.

I/we acknowledge the Chair of the Meeting intends to vote all undirected proxies available to them in favour of each Item of Business.

VOTING DIRECTIONS

Agenda Items	For	Against	Abstain*
1 ADOPTION OF REMUNERATION REPORT	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 RE-ELECTION OF DIRECTOR – MR JASON BREWER	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 RE-ELECTION OF DIRECTOR – MR PATRIC GLOVAC	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 RE-ELECTION OF DIRECTOR – MR CHRISTOPHER ZIELINSKI	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5 REMOVAL OF ROTHSAW AS AUDITOR	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6 APPOINTMENT OF BDO AUDIT (WA) PTY LTD AS AUDITOR	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7 RATIFICATION OF PRIOR ISSUE OF TRANCHE 1 SHARES UNDER PLACEMENT	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8 RATIFICATION OF PRIOR ISSUE OF TRANCHE 2 SHARES UNDER PLACEMENT	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9 APPROVAL TO ISSUE SHARE PURCHASE PLAN SHORTFALL SHARES	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10 GRANT OF PERFORMANCE RIGHTS TO MR CHRISTOPHER ZIELINSKI	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11 GRANT OF PERFORMANCE RIGHTS TO MR PATRIC GLOVAC	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12 GRANT OF PERFORMANCE RIGHTS TO MR JASON BREWER	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13 SPECIAL RESOLUTION TO CHANGE THE COMPANY'S NAME	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14 SPECIAL RESOLUTION TO CHANGE THE COMPANY'S CONSTITUTION	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15 APPROVAL OF ADDITIONAL PLACEMENT CAPACITY	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

 * 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.

SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Joint Shareholder 2 (Individual)

Joint Shareholder 3 (Individual)

Sole Director and Sole Company Secretary

Director/Company Secretary (Delete one)

Director

This form should be signed by the shareholder. If a joint holding, all the shareholders should sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the Corporations Act 2001 (Cth).

Email Address

☐ Please tick here to agree to receive communications sent by the company via email. This may include meeting notifications, dividend remittance, and selected announcements.

HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

**IF YOU WOULD LIKE TO ATTEND AND VOTE AT THE MEETING, PLEASE BRING THIS FORM WITH YOU.
THIS WILL ASSIST IN REGISTERING YOUR ATTENDANCE.**

CHANGE OF ADDRESS

This form shows your address as it appears on Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes.

APPOINTMENT OF A PROXY

If you wish to appoint the Chair as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chair, please write that person's name in the box in Step 1. A proxy need not be a shareholder of the Company. A proxy may be an individual or a body corporate.

DEFAULT TO THE CHAIR OF THE MEETING

If you leave Step 1 blank, or if your appointed proxy does not attend the Meeting, then the proxy appointment will automatically default to the Chair of the Meeting.

VOTING DIRECTIONS – PROXY APPOINTMENT

You may direct your proxy on how to vote by placing a mark in one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given item, your proxy may vote as they choose to the extent they are permitted by law. If you mark more than one box on an item, your vote on that item will be invalid.

PROXY VOTING BY KEY MANAGEMENT PERSONNEL

If you wish to appoint a Director (other than the Chair) or other member of the Company's key management personnel, or their closely related parties, as your proxy, you must specify how they should vote on Items 1, 10, 11 and 12, by marking the appropriate box. If you do not, your proxy will not be able to exercise your vote for Items 1, 10, 11 and 12.

PLEASE NOTE: If you appoint the Chair as your proxy (or if they are appointed by default) but do not direct them how to vote on an item (that is, you do not complete any of the boxes "For", "Against" or "Abstain" opposite that item), the Chair may vote as they see fit on that item.

APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two 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 telephoning Advanced Share Registry Limited or you may copy this form and return them both together.

To appoint a second proxy you must:

- On each Proxy Form state the percentage of your voting rights or number of shares 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 your votes. Fractions of votes will be disregarded; and
- Return both forms together.

CORPORATE REPRESENTATIVES

If a representative of a nominated corporation is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission in accordance with the Notice of Meeting. A Corporate Representative Form may be obtained from Advanced Share Registry.

SIGNING INSTRUCTIONS ON THE PROXY FORM

Individual:

Where the holding is in one name, the security holder must sign.

Joint Holding:

Where the holding is in more than one name, all of the security holders should sign.

Power of Attorney:

If you have not already lodged the Power of Attorney with Advanced Share Registry, please attach the original or a certified photocopy of the Power of Attorney to this form when you return it.

Companies:

Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held.

LODGE YOUR PROXY FORM

This Proxy Form (and any power of attorney under which it is signed) must be received at an address given below by 2:00pm (WST) on 27 November 2018, being not later than 48 hours before the commencement of the Meeting. Proxy Forms received after that time will not be valid for the scheduled meeting.



ONLINE PROXY APPOINTMENT

www.advancedshare.com.au/investor-login



BY MAIL

Advanced Share Registry Limited
110 Stirling Hwy, Nedlands WA 6009; or
PO Box 1156, Nedlands WA 6909



BY FAX

+61 8 9262 3723



BY EMAIL

admin@advancedshare.com.au



IN PERSON

Advanced Share Registry Limited
110 Stirling Hwy, Nedlands WA 6009



ALL ENQUIRIES TO

Telephone: +61 8 9389 8033