

ASX Announcement

29 October 2018



Notice of Annual General Meeting & Proxy Form

Alta Zinc Limited ("the Company") advises that the attached Notice of Meeting and Proxy Form has been mailed to shareholders today.

A copy of the Company's 2018 Annual Report, as lodged on 27 September 2018, has also been mailed and emailed to those shareholders that requested a copy.

For and on behalf of the Board:

Jamie Armes
Company Secretary
+61 8 9321 5000
info@altazinc.com

For media enquiries contact:
Peter Klinger, Cannings Purple
+61 (0)411 251 540
pklinger@canningspurple.com.au

Alta Zinc Limited | ASX Code AZI | ABN 63 078 510 988

Suite 3.5, 9 Bowman Street, South Perth, WA 6151, Australia

Email: info@altazinc.com | Tel: +61 (0)8 9321 5000 | Fax: +61 (0)8 9321 7177

Website: www.altazinc.com



Alta Zinc Ltd

ABN 63 078 510 988

NOTICE OF ANNUAL GENERAL MEETING AND EXPLANATORY MEMORANDUM TO SHAREHOLDERS

Date of Meeting

Friday, 30 November 2018

Time of Meeting

10:00am (AWST)

Place of Meeting

Quest West Perth, 54 Kings Park Road, West Perth 6005, Western Australia

A Proxy Form is enclosed

Please read this Notice and Explanatory Memorandum carefully.

If you are unable to attend the Annual General Meeting please complete and return the enclosed Proxy Form in accordance with the specified directions.

ALTA ZINC LTD

ABN 63 078 510 988

NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Annual General Meeting of Shareholders of Alta Zinc Ltd ABN 63 078 510 988 will be held at Quest West Perth, 54 Kings Park Road, West Perth 6005, Western Australia on Friday, 30 November 2018 at 10:00am (AWST) for the purpose of transacting the following business referred to in this Notice of Annual General Meeting.

AGENDA

Financial Reports

To receive and consider the financial report of the Company for the year ended 30 June 2018, together with the Directors' Report and the Auditor's Report as set out in the Annual Report.

1 Resolution 1 – Non Binding Resolution to adopt Remuneration Report

To consider and, if thought fit, pass the following resolution as a **non-binding resolution**:

"That the Remuneration Report for the year ended 30 June 2018 as set out in the 2018 Annual Report be adopted."

Note: The vote on this Resolution is advisory only and does not bind the Directors or the Company. Shareholders are encouraged to read the Explanatory Memorandum for further details on the consequences of voting on this Resolution.

Voting exclusion statement: The Company will disregard any votes cast on Resolution 1 by or on behalf of a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report, or their Closely Related Parties. However, the Company need not disregard a vote if:

- (a) it is cast by a person as a proxy appointed by writing that specifies how the proxy is to vote on the proposed Resolution **or** the proxy is the Chair of the Meeting and the appointment of the Chair as proxy does not specify the way the proxy is to vote on the resolution and expressly authorises the Chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel; and
- (b) it is not cast on behalf of a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report, or their Closely Related Parties.

Further, a Restricted Voter who is appointed as a proxy will not vote on Resolution 1 unless:

- (a) the appointment specifies the way the proxy is to vote on Resolution 1; or
- (b) the proxy is the Chair of the Meeting and the appointment expressly authorises the Chair to exercise the proxy even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel. Shareholders should note that the Chair intends to vote any undirected proxies in favour of Resolution 1. In exceptional circumstances, the Chair of the Meeting may change his voting intention on Resolution 1, in which case an ASX announcement will be made.

Shareholders may also choose to direct the Chair to vote against Resolution 1 or to abstain from voting.

If you purport to cast a vote other than as permitted above, that vote will be disregarded by the Company (as indicated above) and you may be liable for breaching the voting restrictions that apply to you under the Corporations Act.

2 Resolution 2 – Re-election of Stephen Hills as a Director

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

"That, Stephen Hills, who retires in accordance with clause 78 of the Constitution and, being eligible for re-election, be re-elected as a Director."

3 Resolution 3 – Election of Campbell Olsen as a Director

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

“That Campbell Olsen, who ceases to hold office in accordance with clause 81.2 of the Company’s Constitution and, being eligible, offers himself for election, be elected a Director of the Company.”

4 Resolution 4 – Grant of Incentive Options to Stephen Hills or his nominee

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

“That, for the purposes of sections 200B, 200E and 208 of the Corporations Act and Listing Rule 10.14 and all other purposes the Directors are authorised to issue:

- (a) 3,000,000 Incentive Options for no consideration, with each Incentive Option having an exercise price of \$0.025 and an expiry date of 30 June 2020; and*
- (b) 3,000,000 Incentive Options for no consideration, with each Incentive Option having an exercise price of \$0.05 and an expiry date of 30 June 2022,*

to Stephen Hills or his nominee, on the terms and conditions set out in the Explanatory Memorandum.”

Voting exclusion statement: The Company will disregard any votes cast in favour of Resolution 4 by or on behalf of:

- (a) Stephen Hills or his nominee; or*
- (b) an Associate of that person.*

However, the Company need not disregard a vote if:

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

Further, pursuant to section 224 of the Corporations Act, the Company will also disregard any votes cast on Resolution 4 (in any capacity) by or on behalf a related party of the Company to whom the resolution would permit a financial benefit to be given or an associate of such a related party. However, the Company need not disregard a vote if it is cast by a person as a proxy appointed by writing that specifies how the proxy is to vote on Resolution 4 and it is not cast on behalf of a related party of the Company to whom the resolution would permit a financial benefit to be given or an associate* of such a related party.*

** Note: In relation to the immediately preceding paragraph, the word “associate” has the meaning given to that term in the Corporations Act.*

Further, a Restricted Voter who is appointed as a proxy will not vote on Resolution 4 unless:

- (a) the appointment specifies the way the proxy is to vote on Resolution 4; or*
- (b) the proxy is the Chair of the Meeting and the appointment expressly authorises the Chair to exercise the proxy even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.*
Shareholders should note that the Chair intends to vote any undirected proxies in favour of Resolution 4. In exceptional circumstances, the Chair of the Meeting may change his voting intention on Resolution 4, in which case an ASX announcement will be made.

Shareholders may also choose to direct the Chair to vote against Resolution 4 or to abstain from voting.

If you purport to cast a vote other than as permitted above, that vote will be disregarded by the Company (as indicated above) and you may be liable for breaching the voting restrictions that apply to you under the Corporations Act.

Please note: If the Chair is a person referred to in the section 224 Corporations Act voting exclusion statement above, the Chair will only be able to cast a vote as proxy for a person who is entitled to vote if the Chair is appointed as proxy in writing and the Proxy Form specifies how the proxy is to vote on Resolution 4.

5 Resolution 5 – Employee Incentive Plan

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

"That, pursuant to and in accordance with Listing Rule 7.2, Exception 9 and for all other purposes, Shareholders approve any issue of securities under the Employee Incentive Plan for employees and Directors known as "Alta Zinc Ltd Employee Incentive Plan", a summary of the rules of which are set out in the Explanatory Memorandum, as an exception to Listing Rule 7.1."

Voting exclusion statement:

The Company will disregard any votes cast in favour of Resolution 5 by or on behalf of:

- (a) a Director of the Company (except one who is ineligible to participate in the Employee Incentive Plan); or
- (b) an Associate of those persons.

However, the Company need not disregard a vote if:

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

Further, a Restricted Voter who is appointed as a proxy will not vote on Resolution 5 unless:

- (a) the appointment specifies the way the proxy is to vote on Resolution 5; or
- (b) the proxy is the Chair of the Meeting and the appointment expressly authorises the Chair to exercise the proxy even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.
Shareholders should note that the Chair intends to vote any undirected proxies in favour of Resolution 5. In exceptional circumstances, the Chair of the Meeting may change his voting intention on Resolution 5, in which case an ASX announcement will be made.

Shareholders may also choose to direct the Chair to vote against Resolution 5 or to abstain from voting.

If you purport to cast a vote other than as permitted above, that vote will be disregarded by the Company (as indicated above) and you may be liable for breaching the voting restrictions that apply to you under the Corporations Act.

6 Resolution 6 – Ratification of issue of 164,435,765 Shares to professional and sophisticated investors

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

"That, for the purpose of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 164,435,765 Shares (at an issue price of \$0.011 each) on 19 April 2018 to professional and sophisticated investors on the terms and conditions set out in the Explanatory Memorandum."

Voting exclusion statement: The Company will disregard any votes cast in favour of Resolution 6 by or on behalf of:

- (a) a person who participated in the issue the subject of Resolution 6; or
- (b) an Associate of those persons.

However, the Company need not disregard a vote if:

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

7 Resolution 7 – Ratification of issue of 108,291,507 Shares to professional and sophisticated investors

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

"That, for the purpose of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 108,291,507 Shares (at an issue price of \$0.011 each) on 19 April 2018 to professional and sophisticated investors on the terms and conditions set out in the Explanatory Memorandum."

Voting exclusion statement: The Company will disregard any votes cast in favour of Resolution 7 by or on behalf of:

- (a) a person who participated in the issue the subject of Resolution 7; or
- (b) an Associate of those persons.

However, the Company need not disregard a vote if:

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

8 Resolution 8 – Approval of Additional 10% Placement Capacity

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

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

Voting exclusion statement: The Company will disregard any votes cast in favour of Resolution 8 by or on behalf of:

- (a) a person who is expected to participate in the proposed issue or any person who will obtain a material benefit, except a benefit solely by reason of being a holder of ordinary securities; or
- (b) an Associate of those persons.

However, the Company need not disregard a vote if:

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

9 Other Business

To deal with any other business which may be brought forward in accordance with the Constitution and the Corporations Act.

Details of the definitions and abbreviations used in this Notice are set out in the Glossary to the Explanatory Memorandum.

By order of the Board



Jamie Armes
Company Secretary

Dated: 29 October 2018

How to vote

Shareholders can vote by either:

- attending the Meeting and voting in person or by attorney or, in the case of corporate Shareholders, by appointing a corporate representative to attend and vote; or
- appointing a proxy to attend and vote on their behalf using the Proxy Form accompanying this Notice of Meeting and by submitting their proxy appointment and voting instructions in person, by post, electronically via the internet or by facsimile.

Voting in person (or by attorney)

Shareholders, or their attorneys, who plan to attend the Meeting are asked to arrive at the venue 15 minutes prior to the time designated for the Meeting, if possible, so that their holding may be checked against the Company's share register and their attendance recorded. To be effective a certified copy of the Power of Attorney, or the original Power of Attorney, must be received by the Company in the same manner, and by the same time as outlined for proxy forms below.

Voting by a Corporation

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

Voting by proxy

- A Shareholder entitled to attend and vote is entitled to appoint not more than two proxies. Each proxy will have the right to vote on a poll and also to speak at the Meeting.
- The appointment of the proxy may specify the proportion or the number of votes that the proxy may exercise. Where more than one proxy is appointed and the appointment does not specify the proportion or number of the Shareholder's votes each proxy may exercise, the votes will be divided equally among the proxies (i.e. where there are two proxies, each proxy may exercise half of the votes).
- A proxy need not be a Shareholder.
- The proxy can be either an individual or a body corporate.
- If a proxy is not directed how to vote on an item of business, the proxy may generally vote, or abstain from voting, as they think fit. However, where a Restricted Voter is appointed as a proxy, the proxy may only vote on Resolutions 1, 4 and 5 in accordance with a direction on how the proxy is to vote or, if the proxy is the Chair of the Meeting and the appointment expressly authorises the Chair to exercise the proxy even if the Resolution is

connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

- Should any resolution, other than those specified in this Notice, be proposed at the Meeting, a proxy may vote on that resolution as they think fit.
- If a proxy is instructed to abstain from voting on an item of business, they are directed not to vote on the Shareholder's behalf on the poll and the Shares that are the subject of the proxy appointment will not be counted in calculating the required majority.
- Shareholders who return their Proxy Forms with a direction how to vote, but who do not nominate the identity of their proxy, will be taken to have appointed the Chair of the Meeting as their proxy to vote on their behalf. If a Proxy Form is returned but the nominated proxy does not attend the Meeting, the Chair of the Meeting will act in place of the nominated proxy and vote in accordance with any instructions. Proxy appointments in favour of the Chair of the Meeting, the secretary or any Director that do not contain a direction how to vote will be used, where possible, to support each of the Resolutions proposed in this Notice, provided they are entitled to cast votes as a proxy under the voting exclusion rules which apply to some of the proposed Resolutions. However, in exceptional circumstances, the Chair of the Meeting may change his voting intention, in which case an ASX announcement will be made. These rules are explained in this Notice.
- To be effective, proxies must be received by 10:00am (AWST) on Wednesday, 28 November 2018. Proxies received after this time will be invalid.
- Proxy forms can be delivered:
 - in person to the Company's registered office Suite 3.5, Level 3, 9 Bowman Street, South Perth, Western Australia 6151;
 - in person to Security Transfer Australia Pty Ltd, Alexandria House, Suite 1, 770 Canning Highway, Applecross, Western Australia 6153;
 - by post to Security Transfer Australia Pty Ltd, PO Box 52, Collins St West, Victoria 8007;
 - by email to registrars@securitytransfer.com.au;
 - facsimile to Security Transfer Australia Pty Ltd on facsimile number (08) 9315 2233, or
 - online at www.securitytransfer.com.au.

- The Proxy Form must be signed by the Shareholder or the Shareholder's attorney. Proxies given by corporations must be executed in accordance with the Corporations Act. Where the appointment of a proxy is signed by the appointer's attorney, a certified copy of the Power of Attorney, or the power itself, must be received by the Company at the above address, or by facsimile, and by 10:00am (AWST) on Wednesday, 28 November 2018. If facsimile transmission is used, the Power of Attorney must be certified.

Shareholders who are entitled to vote

In accordance with paragraphs 7.11.37 and 7.11.38 of the Corporations Regulations, the Board has determined that a person's entitlement to vote at the Annual General Meeting will be the entitlement of that person set out in the Register of Shareholders as at 4:00pm (AWST) on Wednesday, 28 November 2018.

ALTA ZINC LTD

ABN 63 078 510 988

EXPLANATORY MEMORANDUM

This Explanatory Memorandum is intended to provide Shareholders with sufficient information to assess the merits of the Resolutions contained in the accompanying Notice of Annual General Meeting of the Company.

Certain abbreviations and other defined terms are used throughout this Explanatory Memorandum. Defined terms are generally identifiable by the use of an upper case first letter. Details of the definitions and abbreviations are set out in the Glossary to the Explanatory Memorandum.

FINANCIAL REPORTS

The first item of the Notice deals with the presentation of the consolidated annual financial report of the Company for the financial year ended 30 June 2018, together with the Directors' declaration and report in relation to that financial year and the Auditor's Report on the financial report. Shareholders should consider these documents and raise any matters of interest with the Directors when this item is being considered.

No resolution is required to be moved in respect of this item.

Shareholders will be given a reasonable opportunity at the Annual General Meeting to ask questions and make comments on the accounts and on the management of the Company.

The Chair will also give Shareholders a reasonable opportunity to ask the Auditor or the Auditor's representative questions relevant to:

- (a) the conduct of the audit;
- (b) the preparation and content of the independent audit report;
- (c) the accounting policies adopted 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.

The Chair will also allow a reasonable opportunity for the Auditor or their representative to answer any written questions submitted to the Auditor under section 250PA of the Corporations Act.

RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

Section 250R(2) of the Corporations Act requires the Company to put to its Shareholders a resolution that the Remuneration Report as disclosed in the Company's 2018 Annual Report be adopted. The Remuneration Report is set out in the Company's 2018 Annual Report and is also available on the Company's website (www.altazinc.com).

The vote on Resolution 1 is advisory only and does not bind the Directors or the Company.

However, if at least 25% of the votes cast are against adoption of the Remuneration Report at two consecutive annual general meetings, the Company will be required to put a resolution to the second Annual General Meeting (**Spill Resolution**), to approve calling a general meeting (**Spill Meeting**). If more than 50% of Shareholders vote in favour of the Spill Resolution, the Company must then convene a Spill Meeting within 90 days of the second Annual General Meeting. All of the Directors

who were in office when the applicable Directors' Report was approved, other than the Managing Director, will need to stand for re-election at the Spill Meeting if they wish to continue as Directors.

The remuneration report for the financial year ended 30 June 2017 did not receive a vote of more than 25% against its adoption at the Company's last general meeting held on 23 November 2017. Accordingly, if at least 25% of the votes cast on Resolution 1 are against adoption of the Remuneration Report it will not result in the Company putting a Spill Resolution to Shareholders.

The Remuneration Report explains the Board policies in relation to the nature and level of remuneration paid to Directors, sets out remuneration details for each Director and any service agreements and sets out the details of any equity based compensation.

The Chair will give Shareholders a reasonable opportunity to ask questions about, or make comments on, the Remuneration Report.

Voting

Note that a voting exclusion applies to Resolution 1 in the terms set out in the Notice.

Shareholders are urged to carefully read the Proxy Form and provide a direction to the proxy on how to vote on this Resolution.

RESOLUTION 2 – RE-ELECTION OF STEPHEN HILLS AS A DIRECTOR

Pursuant to Clause 78 of the Company's Constitution, Stephen Hills, being a Director, retires by way of rotation and, being eligible, offers himself for re-election as a Director.

Stephen Hills was appointed as Finance Director on 26 June 2017 and was re-elected at the 2017 Annual General Meeting held 23 November 2017.

The Directors (excluding Mr Hills) do not consider Mr Hills to be an independent Director given Mr Hills' current and former executive positions with the Company.

A brief profile of Stephen Hills is set out below:

Mr Stephen Hills B.Com B. Compt (Hons) CA

Stephen Hills was appointed Finance Director after having initially joined the Company on 1 March 2017 as Chief Financial Officer. He has extensive experience in senior finance roles in public companies listed on the ASX and TSX, the past fourteen years of which have been with mining companies with gold, nickel and copper producing assets.

Before joining the Company he was with the Democratic Republic of Congo based copper producer Tiger Resources Limited from 2010, where he was involved with the financing, commissioning and operations of the Kipoi Copper Project in Katanga province. Prior to this, he was Chief Financial Officer and Company Secretary of Mirabela Nickel Limited from 2006, where he was involved in the company's listing on the TSX and subsequent capital raisings and the initial syndicated project financing completed in 2009 for the Santa Rita Nickel in Brazil. From 2003 he was the Chief Financial Officer of Botswana-based gold producer Gallery Gold Limited, and since the early 1990's was Chief Financial Officer of Scientific Services Limited which provided laboratory services to the resource sector.

Mr Hills is a Chartered Accountant and has a B.Com from the University of Natal and a B.Compt (Hons) from the University of South Africa.

The Directors (with Mr Hills abstaining) unanimously support the election of Mr Hills and recommend that Shareholders vote in favour of Resolution 2.

RESOLUTION 3 – ELECTION OF CAMPBELL OLSEN AS A DIRECTOR

Resolution 3 seeks approval for the election of Campbell Olsen as a Director with effect from the end of the Meeting.

Clause 81 of the Constitution provides that the Directors may at any time appoint a person to be a Director, either to fill a casual vacancy, or as an addition to the existing Directors, but so that the total number of Directors does not at any time exceed the maximum number specified by the Constitution. Any Director so appointed holds office only until termination of the next following Annual General Meeting and is then eligible for election, but shall not be taken into account in determining the Directors who are to retire by rotation (if any) at that meeting.

Campbell Olsen retires from office in accordance with the requirements of clause 81.2 of the Constitution and submits himself for election in accordance with clause 81.2 of the Constitution.

Campbell Olsen was appointed as Director on 19 April 2018 on completion of the placement the subject of Resolutions 6 and 7.

The Directors (excluding Mr Olsen) do not consider Mr Olsen to be an independent Director as he is the nominee director of V B S Exchange Pty Ltd, a substantial shareholder of the Company.

A brief profile of Campbell Olsen is set out below:

Campbell Olsen B. Eng, MBA

Mr Olsen is the CEO of Arete Capital Partners and has had a long career in Private Equity and operational management in the mining industry. Mr Olsen has acquired, managed and run downstream mineral processing operations along with upstream resources assets both in Australia and abroad. His experience encompasses asset/opportunity identification, due diligence, negotiations of acquisition terms and structure, on-going operational reform and improvement through to exit strategies. He has managed exploration programs, JORC-compliant resource estimate programs, mine design and operations primarily across iron ore, silver and rare earth materials.

Mr Olsen has completed a Bachelor of Engineering from Victoria University and a Masters in Business Administration from Melbourne Business School.

During the past three years Mr Olsen has not served as a director of any other listed companies.

The Directors (with Mr Olsen abstaining) unanimously support the election of Mr Olsen and recommend that Shareholders vote in favour of Resolution 3.

RESOLUTION 4 – GRANT OF INCENTIVE OPTIONS TO STEPHEN HILLS OR HIS NOMINEE

As part of the 2018 annual remuneration review process, the Company resolved on 16 July 2018 to offer a total of 26,500,000 Options to certain Eligible Participants under the 2015 Employee Incentive Plan. Included in the offer is the proposed grant of 6,000,000 Options to Stephen Hills, Finance Director.

As Stephen Hills is a Director of the Company, the grant of these Options is subject to obtaining shareholder's approval. All other terms and conditions are consistent with the Options offered to other employees of the Company, which were issued on 2 August 2018

The Company proposes to grant for no consideration:

- (a) 3,000,000 Incentive Options vesting 30 June 2019, with each Incentive Option having an exercise price of \$0.025 and an expiry date of 30 June 2020; and
- (b) 3,000,000 Incentive Options vesting 30 June 2020, with each Incentive Option having an exercise price of \$0.05 and an expiry date of 30 June 2022,

to Stephen Hills or his nominee.

The Incentive Options will vest and be exercisable from the dates noted above, provided Stephen Hills has continued to be an employee of the Company at all times during the period commencing the date of grant of the Incentive Options and ending on the relevant exercise date noted above.

Related Party Transactions Generally

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.

For the purposes of Chapter 2E of the Corporations Act, Stephen Hills is a related party of the Company.

Resolution 4 relates to the proposed grant of Incentive Options to Stephen Hills or his nominee, which is a financial benefit that requires Shareholder approval for the purposes of section 208 of the Corporations Act.

Information Requirements – Chapter 2E of the Corporations Act

For the purposes of Chapter 2E of the Corporations Act, the following information is provided.

The related parties to whom the proposed Resolution would permit the financial benefit to be given and the nature of the financial benefit

Subject to Shareholder approval, the Incentive Options will be issued as set out in the table below.

The proposed financial benefit to be given is the grant of Incentive Options for no consideration to Stephen Hills or his nominee.

The table below also sets out the amounts that will need to be paid to the Company by Stephen Hills or his nominee if the Incentive Options are exercised.

Director	Number of Incentive Options	Amount to be paid (A\$)
Stephen Hills (or nominee)	3,000,000 (each with an exercise price of \$0.025)	\$75,000
	3,000,000 (each with an exercise price of \$0.05)	\$150,000
Total	6,000,000	\$225,000

The details of the financial benefit including reasons for giving the type and quantity of the benefit

The proposed grant of Incentive Options to Stephen Hills or his nominee will be subject to the terms of the Company's Employee Incentive Plan (**Plan**).

The grant of Incentive Options encourages Stephen Hills to have a greater involvement in the achievement of the Company's objectives and to provide an incentive to strive to that end by participating in the future growth and prosperity of the Company through Share ownership. Under the Company's current circumstances, the Directors consider (in the absence of Stephen Hills) that the incentives intended for Stephen Hills represented by the grant of the Incentive Options are a cost effective and efficient means for the Company to provide a reward and an incentive, as opposed to alternative forms of incentive, such as the payment of additional cash compensation.

The number of Incentive Options to be granted to Stephen Hills or his nominee has been determined based upon a consideration of:

- (a) the current price of Shares;
- (b) the existing remuneration package of Stephen Hills and the Directors' wish to ensure that the remuneration offered is competitive with market standards or/and practice. The Directors have considered the proposed number of Incentive Options to be granted and will ensure the Stephen Hills's overall remuneration is in line with market practice; and
- (c) the provision of incentives to attract and ensure continuity of service of Directors who have appropriate knowledge and expertise, while maintaining the Company's cash reserves. The Company does not consider that there are any significant opportunity costs to the Company or benefits foregone by the Company in issuing the Incentive Options upon the terms proposed.

Stephen Hills' Current Holdings

Set out below are details of Stephen Hills' relevant interest in securities of the Company as at the date of this Notice:

Director	Number of Shares	Number of Options
Stephen Hills	Nil	2,000,000 unlisted vested Options (each Option having an exercise price of \$0.10 and an expiry date of 28 February 2022) 2,000,000 unlisted vested Options (each Option having an exercise price of \$0.15 and an expiry date of 28 February 2022) 2,000,000 unlisted Options, vesting 1 March 2019 (each Option having an exercise price of \$0.20 and an expiry date of 28 February 2022)

Dilution effect of grant of Incentive Options on existing members' interests

If passed, Resolution 4 will give the Directors power to grant a total of 6,000,000 Incentive Options.

The Company currently has 1,368,965,708 listed Shares and the following unlisted Options on issue:

Vested/Vesting date	Number	Exercise Price	Expiry Date
Vested	2,000,000	\$0.05	30 April 2019
Vested	2,000,000	\$0.10	30 April 2019
Vested	2,000,000	\$0.15	30 April 2019
Vested	2,250,000	\$0.05	14 January 2020
Vested	2,250,000	\$0.10	14 January 2020
Vested	2,250,000	\$0.15	14 January 2020
Vested	1,250,000	\$0.12	30 June 2020
Vested	1,250,000	\$0.18	30 June 2020
Vested	1,250,000	\$0.24	30 June 2020
Vested	4,000,000	\$0.12	18 November 2020
Vested	4,000,000	\$0.18	18 November 2020
Vested	250,000	\$0.24	18 November 2020
Vested	2,000,000	\$0.10	28 February 2022
Vested	2,000,000	\$0.15	28 February 2022
1 March 2019	2,000,000	\$0.20	28 February 2022
30 June 2019	8,750,000	\$0.025	30 June 2020
30 June 2020	8,750,000	\$0.05	30 June 2022

If all Incentive Options granted as proposed above are exercised, and assuming all existing Options on issue have been exercised, the effect would be to dilute the shareholding of existing Shareholders by 0.42%. The market price of the Company's Shares during the period of the Incentive Options will normally determine whether or not Stephen Hills or his nominee exercises the Incentive Options. At the time any Incentive Options are exercised and Shares are issued pursuant to the exercise of the Incentive Options, the Company's Shares may be trading at a price which is higher than the exercise price of the Incentive Options.

Stephen Hills' total remuneration package

Stephen Hills' fees per annum (including superannuation) and the total financial benefit to be received by him in this current period, as a result of the grant of the Incentive Options the subject of Resolution 4, is as follows:

Director	Fees p.a. (A\$)	Value of Incentive Options (A\$)	Total Financial Benefit (A\$)
Stephen Hills	\$265,000	\$5,510	\$270,510

The indicative option valuation of A\$5,510 is a theoretical valuation of the Incentive Options using the Black-Scholes Model.

Valuation of Incentive Options

The Company's internal management has valued the Incentive Options to be granted to Stephen Hills or his nominee using the Black – Scholes Model. The value of an Option calculated by the Black – Scholes Model is a function of a number of variables. The valuation of the Incentive Options has been prepared using the following assumptions:

Variable	Input	
Valuation Date	28 September 2018	
Share price	\$0.0054	
Volatility	91.8%	
Risk Free Interest Rate	2.04%	
Exercise price	\$0.025	\$0.05
Time (years to expiry)	1.75	3.75

Any change in the variables applied in the Black – Scholes calculation between the date of the valuation and the date the Incentive Options are granted would have an impact on their value.

Based on the assumptions, it is considered that the estimated average value of the Incentive Options to be granted to Stephen Hills or his nominee is A\$0.009 per Incentive Options.

Company's historical Share price

The following table gives details of the highest, lowest and latest closing prices of the Company's Shares trading on ASX over the past 12 months ending on 24 October 2018:

Highest Price (A\$)/Date	Lowest Price (A\$)/Date	Latest Price (A\$)/Date
\$0.016 / 20 November 2017	\$0.005 / 11 July 2018	\$0.005 / 24 October 2018

Other Information

Under the Australian Equivalent of the International Financial Reporting Standards (**IFRS**), the Company is required to expense the value of the Incentive Options. These Incentive Options will commence being expensed in the financial year ended 30 June 2019 and continue to be expensed over the period of vesting.

Other than as disclosed in this Explanatory Memorandum, the Directors do not consider that from an economic and commercial point of view, there are any costs or detriments including opportunity costs, taxation consequences for the Company or benefits foregone by the Company in granting the Incentive Options pursuant to Resolution 4.

Neither the Directors nor the Company are aware of other information that would be reasonably required by Shareholders to make a decision in relation to the financial benefits contemplated by Resolution 4.

Section 200E of the Corporations Act

In the event Stephen Hills ceases to be employed by the Company (other than for termination with cause), any unvested Incentive Options will lapse unless the Board determines otherwise. In the event Stephen Hills employment is terminated with cause, any unvested Incentive Options will lapse.

Shareholder approval of the benefits that may become payable to Stephen Hills as a result of the Board's discretion to allow unvested Incentive Options to remain on foot or otherwise vest (for example if Stephen Hills' employment is terminated due to ill health, death, redundancy or otherwise by consent), is sought under section 200E of the Corporations Act.

Section 200B of the Corporations Act prevents a company from giving a benefit to a person retiring or being removed from a managerial or executive, office or position (**Retiree**), unless the company's shareholders approve that benefit under section 200E or unless the benefit falls within certain exceptions set out in the Corporations Act.

A payment will only fall within the exceptions set out in the Corporations Act if the amount of the payment is less than a prescribed multiple of the Retiree's remuneration or if the nature of the payment falls within one of a number of categories set out in the Corporations Act (for example, a payment by way of damages for breach of contract or a payment for past services).

The possible automatic vesting of Incentive Options, do not fall within any of the categories of exception set out in the Corporations Act and accordingly Shareholder approval is sought.

Section 200E of the Corporations Act requires that where shareholders are asked to approve a payment or other benefit to a Retiree that would otherwise be prohibited by section 200B, shareholders must be given details of the amount of the payment, or, if the amount cannot be ascertained at the time of the disclosure, the manner in which the amount is to be calculated and any matter, event or circumstance that will, or is likely to affect the calculation of the amount.

The indicative option value of the Incentive Options proposed to be granted to Stephen Hills is: \$5,510 and this was determined by using the Black-Scholes Model, the assumptions and parameters of which are set out above.

Information Requirements - Listing Rules 10.14 and 10.15

Listing Rule 10.14 requires Shareholder approval by ordinary resolution for any issue of securities by a listed company to a related party under an employee incentive scheme. Accordingly, Listing Rule 10.14 requires Shareholders to approve the issue of Incentive Options under the Plan to Stephen Hills or his nominee.

The following information is provided to Shareholders in relation to Resolution 4 for the purposes of Listing Rule 10.15:

- (a) the Incentive Options will be granted to Stephen Hills or his nominee as noted above;
- (b) the maximum number of Incentive Options to be granted is 6,000,000;
- (c) the Incentive Options will be granted for no consideration;
- (d) no funds will be raised by the grant of the Incentive Options;
- (e) all Directors, or their permitted nominees, are entitled to participate in the Plan, but for the purposes of Resolution 4, at this time, the Company is only seeking to grant Incentive Options

to Stephen Hills. The persons referred to in Listing Rule 10.14 who are entitled to participate in the Plan are Alexander Burns and Stephen Hills;

- (f) the persons referred to in Listing Rule 10.14 have received securities under the Plan since its last approval under Listing Rule 7.2 Exception 9(b) as set out in the table below. All of the Options noted in the table below were issue for nil consideration:

Former Director	Number of Options	Exercise Price	Expiry Date
Kim Robinson	3,000,000	\$0.12	18 November 2020
	3,000,000	\$0.18	18 November 2020
	3,000,000*	\$0.24	18 November 2020
Max Cozijn	750,000	\$0.12	18 November 2020
	750,000	\$0.18	18 November 2020
	750,000*	\$0.24	18 November 2020

* These Options were forfeited on resignation.

- (g) no loan is provided in connection with the acquisition or conversion of the Incentive Options; and
- (h) the Incentive Options will be granted on a date, being no later than 12 months after the date Shareholder approval is obtained for Resolution 4.

If approval is given for the grant of the Incentive Options under Listing Rule 10.14, approval is not required under Listing Rule 7.1.

Voting

The Directors (with Mr Hills abstaining) unanimously support the election of Mr Hills and recommend that Shareholders vote in favour of Resolution 4.

Note that a voting exclusion applies to Resolution 4 in the terms set out in the Notice.

Shareholders are urged to carefully read the Proxy Form and provide a direction to the proxy on how to vote on the Resolution 4.

RESOLUTION 5 – EMPLOYEE INCENTIVE PLAN

The Directors considered that it was desirable to establish an incentive plan under which employees and eligible contractors may be offered the opportunity to subscribe for Options, units of Shares and Performance Rights (together, the **Incentives**) in the Company in order to increase the range of potential incentives available to them and to strengthen links between the Company and its employees, and accordingly adopted the Alta Zinc Ltd Employee Incentive Plan (previously the Energia Minerals Limited Employee Incentive Plan) (**Plan**) on 8 October 2015.

The Plan is designed to provide incentives to the employees of the Company and to recognise their contribution to the Company's success. Under the Company's current circumstances, the Directors consider that the incentives to employees and eligible contractors are a cost effective and efficient incentive for the Company as opposed to alternative forms of incentives such as cash bonuses or increased remuneration. To enable the Company to secure employees and Directors who can assist the Company in achieving its objectives, it is necessary to provide remuneration and incentives to

such personnel. The Plan is designed to achieve this objective, by encouraging continued improvement in performance over time and by encouraging personnel to acquire and retain significant shareholdings in the Company.

Shareholder approval is required if any issue of Incentives pursuant to the Plan is to fall within the exception to the calculation of the 15% limit imposed by Listing Rule 7.1 on the number of securities which may be issued without Shareholder approval. Accordingly, Shareholder approval is sought for the purposes of Listing Rule 7.2 Exception 9(b) which provides that Listing Rule 7.1 does not apply to an issue of securities under an employee incentive scheme that has been approved by the holders of ordinary securities within three years of the date of issue.

Prior Shareholder approval will be required before any Director or related party of the Company can participate in the Plan.

Under the Plan, the Board may offer to eligible persons the opportunity to subscribe for such number of Incentives in the Company as the Board may decide and on the terms set out in the rules of the Plan.

Summary of the Employee Incentive Plan

The key features of the Plan and the proposed terms of the Incentives which may be granted are summarised below:

<i>Eligible participants:</i>	<p>The following will be eligible to be granted Incentives under the Plan:</p> <ul style="list-style-type: none"> • full and part time employees of any Alta Zinc group company (wherever they reside), including any director of any Alta Zinc group company who holds salaried employment or office in a group company; • any contractor (whether an individual or a company) who is eligible in accordance with the terms of the Plan; and • any other person has been declared by the Board to be an eligible participant for the purposes of the Plan. <p>Further regulatory requirements for executive Directors or employees residing outside Australia may apply.</p> <p>Eligible participants may renounce any offer of Incentives under the Plan to specified nominees if such renunciation is approved by the Board.</p>
<i>Entitlement for Performance Rights:</i>	Subject to the terms of the Plan, vesting and the satisfaction of any performance conditions, each Performance Right entitles the holder to receive one Share.
<i>Exercise price for Performance Rights:</i>	There is no consideration payable upon the grant or exercise of a Performance Right.
<i>Entitlement for Options:</i>	Subject to the terms of the Plan, vesting and the satisfaction of any performance conditions, each Option entitles the holder to acquire (whether by purchase or subscription) and be allotted one Share on the exercise of the Option.
<i>Exercise price for Options:</i>	There is no consideration payable upon the grant of an Option. The exercise price of an Option will be determined by the Board in its absolute discretion.
<i>Vesting conditions:</i>	The Board, at the time of the grant of an Incentive under the Plan, will determine what (if any) vesting conditions need to be satisfied before the Incentives may be exercised.

<i>Vesting on change of control:</i>	<p>The Board has absolute discretion to determine that all or a portion of Incentives that remain subject to a vesting condition immediately vest and are received or become exercisable by the participant in the event that:</p> <ul style="list-style-type: none">• a takeover bid is made for the Company;• another corporate transaction is pursued (such as a scheme of arrangement, selective capital reduction etc) which results in the bidder acquiring voting power to more than 50% of the Company; or• the Board determines, acting in good faith and consistent with its fiduciary duties, that a person has obtained voting power which is sufficient to control the composition of the Board of the Company. <p>Incentives will lapse on their expiry date.</p>																	
<i>Vesting in other circumstances:</i>	<p>The Board may permit a participant to exercise Incentives or have such Incentives vested, in other limited situations, such as where a resolution is passed approving the disposal of the Company’s main undertaking or on a winding up of the Company.</p>																	
<i>Expiry date:</i>	<p>The Board will set out in an invitation to participate in the Plan the date and times when any Incentives lapse.</p>																	
<i>Impact of cessation of employment:</i>	<p>Treatment of Incentives on cessation of employment:</p> <table><tr><th>Cause</th><th>Incentives which have not vested</th><th>Incentives which have vested</th></tr><tr><td>Termination for ill health or death</td><td>Immediately lapse unless Board determines otherwise</td><td>May be exercised (in the case of ill health) by the participant, or (in the case of death) by the participant’s personal representative, until the Incentive lapses</td></tr><tr><td>Termination for cause (e.g. fraud, dishonesty, material breach of obligations)</td><td>Immediately lapse</td><td>Right to exercise is immediately suspended for 14 days. During this period, the Board may lift the suspension and allow the Incentives to be exercised for a period ending no later than the date the Incentive lapses. If the Board does not lift the suspension, the Incentives will immediately lapse at the end of the suspension period</td></tr><tr><td>Termination by consent (e.g. resignation)</td><td>Immediately lapse unless Board determines otherwise</td><td>May be exercised until the Incentive lapses</td></tr><tr><td>Redundancy, constructive dismissal, other termination by Company not dealt with above</td><td>Immediately lapse unless Board determines otherwise</td><td>May be exercised until the Incentive lapses</td></tr></table>			Cause	Incentives which have not vested	Incentives which have vested	Termination for ill health or death	Immediately lapse unless Board determines otherwise	May be exercised (in the case of ill health) by the participant, or (in the case of death) by the participant’s personal representative, until the Incentive lapses	Termination for cause (e.g. fraud, dishonesty, material breach of obligations)	Immediately lapse	Right to exercise is immediately suspended for 14 days. During this period, the Board may lift the suspension and allow the Incentives to be exercised for a period ending no later than the date the Incentive lapses. If the Board does not lift the suspension, the Incentives will immediately lapse at the end of the suspension period	Termination by consent (e.g. resignation)	Immediately lapse unless Board determines otherwise	May be exercised until the Incentive lapses	Redundancy, constructive dismissal, other termination by Company not dealt with above	Immediately lapse unless Board determines otherwise	May be exercised until the Incentive lapses
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Redundancy, constructive dismissal, other termination by Company not dealt with above	Immediately lapse unless Board determines otherwise	May be exercised until the Incentive lapses																

<i>Exercise into acquirer shares:</i>	Subject to the Listing Rules, the Plan provides flexibility for the Company to agree with any successful acquirer of the Company to an arrangement whereby Incentives will become exercisable or vest into shares of the successful acquirer or its parent in lieu of Shares. Any such exercise or vesting will be on substantially the same terms and subject to substantially the same conditions as the holder may exercise or vest Incentives to acquire Shares, but with appropriate adjustments to the number and kind of Shares subject to the Incentives, as well as to any exercise price.
<i>Transferability:</i>	Incentives are only transferable upon a takeover bid where the Incentives are transferred to the bidder, upon a scheme of arrangement where the Incentives are transferred to the acquirer, by force of law upon death of the Incentive holder or upon bankruptcy of the Incentive holder, or otherwise with the consent of the Board.
<i>Right to participate in dividends:</i>	Incentives will not entitle the holder to any dividends (or Shares or rights in lieu of dividends) declared or issued by the Company.
<i>Adjustment for rights issues:</i>	The exercise price of Incentives (if applicable) will be adjusted in the manner provided by the Listing Rules in the event of the Company conducting a rights issue prior to the exercise and lapse of the relevant Incentive.
<i>Other rights to participate in bonus issues, reorganisations and new issues etc:</i>	<p>If the Company completes a bonus issue during the term of an Incentive, the number of Shares the holder is then entitled to will be increased by the number of Shares which the holder would have been issued in respect of Incentives if they were exercised (in the case of Options) or are vested and are received (in the case of Performance Rights) immediately prior to the record date for the bonus issue.</p> <p>In the event of any reorganisation (including consolidation, subdivision, reduction or return) of the issued capital of the Company, the number of Incentives to which the holder is entitled or the exercise price of the Incentives (if applicable), or both as appropriate, will be adjusted in the manner provided for in the Listing Rules.</p> <p>Subject to the terms of the Plan and as otherwise set out above, during the currency of the Incentives and prior to their exercise (in the case of Options) or vesting and receipt (in the case of Performance Rights), the holder is not entitled to participate in any new issue of securities of the Company as a result of their holding the Incentives.</p>
<i>Listing:</i>	The Incentives will not be listed.
<i>Board discretion:</i>	<p>The Board has power to determine the appropriate procedures for administration of the Plan in accordance with its terms.</p> <p>Notwithstanding the Board's current policy, under the terms of the Plan, the Board has absolute discretion to determine the exercise price, the expiry date and vesting conditions of any grants made under the Plan, without the requirement for further Shareholder approval.</p>

In accordance with the requirements of Listing Rule 7.2 Exception 9(b), the following information is provided to Shareholders:

- (a) a summary of the Plan is set out above;
- (b) the Plan was previously approved by Shareholders. A total of 35,500,000 Options have been issued pursuant to the Plan since it was last approved by Shareholders on 18 November 2015. Of the 35,500,000 Options issued:
 - (i) 11,250,000 Options were issued to former directors of the Company, and 3,750,000 of these Options have been forfeited; and
 - (ii) 24,250,000 Options were issued to employees and contractors, and none of these Options have been forfeited or have lapsed.
- (c) a voting exclusion statement has been included for the purposes of Resolution 5.

RESOLUTIONS 6 and 7 – RATIFICATION OF ISSUE OF SHARES TO PROFESSIONAL AND SOPHISTICATED INVESTORS

On 13 April 2018, the Company announced a placement to sophisticated and professional investors (**Investors**) introduced by Arete Capital Partners (**Arete**) to raise \$3 million (**Placement**) and entered into a Strategic Alliance Agreement with Arete.

Pursuant to the Placement, the Company issued a total of 272,727,272 Shares at an issue price of \$0.011 per Share to the Investors.

The funds raised under the Placement will be used for reasonable costs of the Placement and related matters, continuing the technical studies for the Gorno Project, to finalise a mining work plan, toward outstanding work to achieve a Gorno Project financing decision, permitting and for any associated development or operational costs.

Information specific to Resolution 6:

Listing Rule 7.4 permits the ratification of previous issues of securities made without prior Shareholder approval, provided the issue did not breach the 15% threshold set by Listing Rule 7.1. The effect of the ratification is to restore the Company's maximum discretionary power to issue further Shares up to 15% of the issued capital of the Company without requiring Shareholder approval.

Resolution 6 seeks ratification under Listing Rule 7.4 of the issue of 164,435,765 Shares (at an issue price of \$0.011 each) that were made on 18 April 2018 in order to restore the ability of the Company to issue further Shares within the 15% limit during the next 12 months.

The following information in relation to the Shares is provided to Shareholders for the purposes of Listing Rule 7.5:

- (a) 164,435,765 Shares were issued;
- (b) the Shares were issued at an issue price of \$0.011 each;
- (c) the Shares issued were fully paid ordinary Shares in the capital of the Company and rank equally in all respects with the existing fully paid ordinary Shares on issue;
- (d) the Shares were issued to sophisticated and professional investors, all of whom are unrelated parties of the Company; and

- (e) the funds raised under the Placement will be used for reasonable costs of the Placement and related matters, continuing the technical studies for the Gorno Project, to finalise a mining work plan, toward outstanding work to achieve a Gorno Project financing decision, permitting and for any associated development or operational costs.

Information specific to Resolution 7:

Listing Rule 7.4 permits the ratification of previous issues of securities made without prior Shareholder approval, provided the issue did not breach the 10% threshold set by Listing Rule 7.1A. The effect of the ratification is to restore the Company's maximum discretionary power to issue further Shares up to 10% of the issued capital of the Company without requiring Shareholder approval.

Resolution 7 seeks ratification under Listing Rule 7.4 of the issue of 108,291,507 Shares (at an issue price of \$0.011 each) that were made on 18 April 2018 in order to restore the ability of the Company to issue further Shares within the 10% limit during the next 12 months.

The following information in relation to the Shares is provided to Shareholders for the purposes of Listing Rule 7.5:

- (a) 108,291,507 Shares were issued;
- (b) the Shares were issued at an issue price of \$0.011 each;
- (c) the Shares issued were fully paid ordinary Shares in the capital of the Company and rank equally in all respects with the existing fully paid ordinary Shares on issue;
- (d) the Shares were issued to sophisticated and professional investors, all of whom are unrelated parties of the Company; and
- (e) the funds raised under the Placement will be used for reasonable costs of the Placement and related matters, continuing the technical studies for the Gorno Project, to finalise a mining work plan, toward outstanding work to achieve a Gorno Project financing decision, permitting and for any associated development or operational costs.

RESOLUTION 8 – APPROVAL OF ADDITIONAL 10% PLACEMENT CAPACITY

Background

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

An entity will be eligible to seek approval under Listing Rule 7.1A if:

- (a) the entity has a market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300 million or less; and
- (b) the entity that is not included in the S&P ASX 300 Index.

The Company has a market capitalisation of \$6,844,829 as at 24 October 2018 and is an eligible entity for the purposes of Listing Rule 7.1A.

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

Resolution 8 seeks Shareholders' approval to issue additional Equity Securities under the Additional 10% Placement Capacity. It is anticipated that funds raised by the issue of Equity Securities under the Additional 10% Placement Capacity would be applied towards progressing the Company's exploration projects and working capital.

Listing Rule 7.1A

The effect of Resolution 8 will be to permit the Company to issue the Equity Securities under Listing Rule 7.1A during the Additional Placement Period (as defined below) without using the Company's 15% placement capacity under Listing Rule 7.1.

Equity Securities issued under the Additional 10% Placement Capacity must be in the same class as an existing quoted class of Equity Securities of the Company. As at the date of this Notice the Company has Shares and unlisted Options on issue.

Based on the number of Shares on issue at the date of this Notice, the Company will have 1,368,965,708 Shares on issue and therefore, subject to Shareholder approval being obtained under Resolution 8, up to 136,896,570 Equity Securities will be permitted to be issued in accordance with Listing Rule 7.1A. Shareholders should note that the calculation of the number of Equity Securities permitted to be issued under the Additional 10% Placement Capacity is a moving calculation and will be based the formula set out in Listing Rule 7.1A.2 at the time of issue of the Equity Securities. That formula is:

$(A \times D) - E$

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

- (a) plus the number of fully paid Shares issued in the 12 months under an exception in Listing Rule 7.2;
- (b) plus the number of partly paid Shares that became fully paid in the 12 months;
- (c) plus the number of fully paid Shares issued in the 12 months with approval of holders of Shares under Listing Rules 7.1 and 7.4. This does not include an issue of fully paid Shares under the entity's 15% placement capacity without Shareholder approval;
- (d) less the number of fully paid Shares cancelled in the 12 months.

Note that 'A' is has the same meaning in Listing Rule 7.1 when calculating an entity's 15% placement capacity.

D is 10%

E is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue, that are not issued with the approval of Shareholders under Listing Rules 7.1 or 7.4.

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

Variable 'A'	Number of Shares issued and funds raised under the Additional 10% Placement Capacity and dilution effect	Dilution		
		\$0.0025 Issue Price at half the current market price	\$0.005 Issue Price at current market price	\$0.01 Issue Price at double the current market price
Current Variable 'A' 1,368,965,708 Shares	Shares issued	136,896,570	136,896,570	136,896,570
	Funds raised	\$342,241	\$684,483	\$1,368,966
	Dilution	10%	10%	10%
50% increase in current Variable 'A' 2,053,448,562 Shares	Shares issued	205,344,856	205,344,856	205,344,856
	Funds raised	\$513,362	\$1,026,724	\$2,053,448
	Dilution	10%	10%	10%
100% increase in current variable 'A' 2,737,931,416 Shares	Shares issued	273,793,141	273,793,141	273,793,141
	Funds raised	684,483	\$1,368,966	\$2,737,931
	Dilution	10%	10%	10%

Note: This table assumes:

- No Options are exercised before the date of the issue of the Equity Securities.
- The issue of Equity Securities under the Additional 10% Placement Capacity consists only of Shares. If the issue of Equity Securities includes quoted Options, for the purposes of the above table, it is assumed that those quoted Options are exercised into Shares for the purposes of calculating the voting dilution effect on existing Shareholders.
- The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the Additional 10% Placement Capacity, based on that Shareholder's holding at the date of the Meeting.
- 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, with approval under Listing Rule 7.1 or ratified under Listing Rule 7.4. (including the Shares the subject of Resolutions 6 and 7).

The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.

Resolution 8 is a special resolution, requiring approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative) in order to be passed.

Specific information required by Listing Rule 7.3A

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

- (a) The Equity Securities will be issued at an issue price of not less than 75% of the volume weighted average price for the Company's Equity Securities over the 15 Trading Days on which trades in the class were recorded immediately before:
 - (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
 - (ii) if the Equity Securities are not issued within five Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.

- (b) If Resolution 8 is approved by Shareholders and the Company issues Equity Securities under the Additional 10% Placement Capacity, the existing Shareholders' economic and voting interests in the Company will be diluted. There is also a risk that:
- (i) the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date of the Annual General Meeting; and
 - (ii) the Equity Securities may be issued:
 - (A) at a price that is at a discount to the market price for the Company's Equity Securities on the issue date or the Equity Securities; or
 - (B) as consideration (or part thereof) for the acquisition of a new asset, both of which may have an effect on the amount of funds raised by the issue of Equity Securities under the Additional 10% Placement Capacity.
- (c) The table above on page 16 shows the dilution of existing Shareholders upon the issue of the maximum number of Equity Securities under the Additional 10% Placement Capacity, using different variables for the number of ordinary securities for variable 'A' (as defined in Listing Rule 7.1A) and the market price of Shares. It is noted that variable 'A' is based on the number of ordinary securities the Company has on issue at the time of the proposed issue of Equity Securities.
- The table shows:
- (i) examples of where variable 'A' is at its current level, and where variable 'A' has increased by 50% and by 100%;
 - (ii) examples of where the issue price of ordinary securities is the current market price as at close of trade on 24 October 2018, being \$0.005, (current market price), where the issue price is halved, and where it is doubled; and
 - (iii) the dilutionary effect will always be 10% if the maximum number of Equity Securities that may be issued under the Additional 10% Placement Capacity are issued.
- (d) Approval of the Additional 10% Placement Capacity will be valid during the period (Additional Placement Period) from the date of the Annual General Meeting and will expire on the earlier of:
- (i) the date that is 12 months after the date of the Annual General Meeting; and
 - (ii) the date of the approval by Shareholders of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking).
- (e) The Company may seek to issue the Equity Securities for the following purposes:
- (i) If Equity Securities are issued for cash consideration, the Company intends to use the funds for: progressing the Company's exploration projects and working capital; and
 - (ii) If Equity Securities are issued for non-cash consideration, the Company intends to use the funds for the acquisition of new assets or in consideration of services provided to the Company. If Equity Securities are issued for non-cash consideration, the Company will comply with the minimum issue price limitation under Listing Rule 7.1A.3 in relation to such issue and will release the valuation of the non-cash consideration to the market.

The Company will comply with the disclosure obligations under Listing Rules 7.1A.3 and 3.10.5A upon issue of any Equity Securities.

- (f) The identity of the persons to whom Shares will be issued is not yet known and will be determined on a case by case basis having regard to market conditions at the time of the proposed issue of Equity Securities and the Company's allocation policy, which involves consideration of matters including, but not limited to:
- (i) the ability of the Company to raise funds at the time of the proposed issue of Equity Securities and whether the raising of any funds under such placement could be carried out by means of an entitlements offer, or a placement and an entitlements offer;
 - (ii) the dilutionary effect of the proposed issue of the Equity Securities on existing Shareholders at the time of proposed issued of Equity Securities;
 - (iii) the financial situation and solvency of the Company; and
 - (iv) advice from its professional advisers, including corporate, financial and broking advisers (if applicable).

The persons to whom Shares will be issued under the Additional 10% Placement Capacity have not been determined as at the date of this Notice, but will not include related parties (or their Associates) of the Company.

- (g) The Company previously obtained Shareholder approval under Listing Rule 7.1A on 23 November 2017. In the 12 months preceding the date of the Meeting, the Company has issued 290,227,272 Equity Securities which represents 25.75% of the total number of Equity Securities on issue at the commencement of that 12 month period. Set out in Annexure A is information in relation to each issue of Equity Securities in the 12 months preceding the date of the Meeting.
- (h) A voting exclusion statement is included in the Notice. At the date of the Notice, the Company has not determined who the Company will issue Equity Securities to under the Additional 10% Placement Capacity, other than noting that the persons to whom Shares will be issued will be determined on a case by case basis having regard to the factors outlined in paragraph (f) above. The Company has not approached, and has not yet determined to approach, any particular existing security holders or an identifiable class of existing security holders to participate in an offer under the Additional 10% Placement Capacity, therefore no existing security holders' votes would be excluded under the voting exclusion statement included in this Notice.

GLOSSARY

\$ means Australian dollars.

Accounting Standards has the meaning given to that term in the Corporations Act.

Additional 10% Placement Capacity has the meaning set out on page 14.

Additional Placement Period has the meaning set out on page 17.

Annual Report means the annual report of the Company for the year ended 30 June 2018.

Arete has the meaning set out on page 13.

Associate has the meaning given to that term in the Listing Rules.

ASX means ASX Limited ABN 98 008 624 691 and, where the context permits, the Australian Securities Exchange operated by ASX Limited.

Auditor means the Company's auditor from time to time (if any).

Auditor's Report means the report of the Auditor contained in the Annual Report for the year ended 30 June 2018.

AWST means western standard time as recognised in Perth, Western Australia.

Board means the Directors.

Chair or Chairman means the individual appointed under clause 51 of the Constitution.

Child Entity has the meaning given to that term in the Listing Rules.

Closely Related Party has the meaning given to that term in the Corporations Act.

Company means Alta Zinc Ltd ABN 63 078 510 988.

Constitution means the Company's constitution, as amended from time to time.

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

Directors means the directors of the Company.

Equity Securities has the meaning given to that term in the Listing Rules.

Explanatory Memorandum means the explanatory memorandum accompanying this Notice.

Key Management Personnel has the meaning given to that term in the Accounting Standards.

Incentive Option means an option to acquire a Share, the subject of Resolution 4.

Incentives has the meaning set out on page 9.

Investors has the meaning set out on page 13.

Listing Rules means the ASX Listing Rules.

Meeting means the Annual General Meeting convened by the Notice.

Notice means this Notice of Annual General Meeting.

Notice of Meeting means this Notice of Annual General Meeting.

Option means an option to acquire a Share.

Optionholder means a holder of an Option.

Performance Right means a right to acquire a Share.

Placement has the meaning set out on page 13.

Plan has the meaning set out on page 5.

Proxy Form means the proxy form accompanying the Notice.

Remuneration Report means the remuneration report set out in the Annual Report for the year ended 30 June 2018.

Resolution means a resolution contained in the Notice.

Restricted Voter means Key Management Personnel and their Closely Related Parties as at the date of the Meeting.

Shareholder means a member of the Company from time to time.

Shares means fully paid ordinary shares in the capital of the Company.

Spill Meeting has the meaning set out on page 1.

Spill Resolution has the meaning set out on page 1.

Trading Day means a day determined by ASX to be a trading day in accordance with the Listing Rules.

ANNEXURE A
Equity Securities Issued by the Company during the 12 months preceding the Annual General Meeting

Date	Type of Equity Securities	Number issued	Summary of Terms	Allottees	Issue Price and discount to market price on date of issue (if any)	Consideration
02/08/2018 (Appendix 3B – 02/08/2018)	Unlisted Options	17,500,000	8,750,000 Options with an exercise price of \$0.025 each, vesting 30 June 2019 and expiring on 30 June 2020; and 8,750,000 Options with an exercise price of \$0.05 each, vesting 30 June 2020 and expiring on 30 June 2022.	Award to employees under the 2015 Employee Incentive Plan.	Nil cash consideration.	Consideration: Issued as an incentive to employees. The Options have a total valuation of \$12,661 based on the Black – Scholes Model. Note the valuation is not necessarily the market price that the unlisted Options could be traded at, and is not automatically the market price for taxation purposes.
19/04/2018 (Appendix 3B – 19/04/2018)	Shares	272,727,272	Fully paid ordinary shares.	Sophisticated and professional investors, all of whom are unrelated parties of the Company	\$0.011 (no discount to market price)	Amount raised: \$3,000,000 Amount spent*: \$1,363,043 Amount remaining: \$1,636,957 Use of funds: Costs of the offer, technical studies on the Gorno Zinc Project, administration and corporate expenditure. Proposed use of remaining funds: Continuing the technical studies on the Gorno Zinc Project administration and corporate expenditure. * As at 30 September 2018

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«EFT_REFERENCE_NUMBER»

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ALTA ZINC LIMITED

ACN: 078 510 988

REGISTERED OFFICE:
LEVEL 3 SUITE 3.5
9 BOWMAN STREET
SOUTH PERTH WA 6151

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SHARE REGISTRY:
Security Transfer Australia Pty Ltd
All Correspondence to:
PO BOX 52
Collins Street West VIC 8007
770 Canning Highway,
APPLECROSS WA 6153 AUSTRALIA
T: 1300 992 916 F: +61 8 9315 2233
E: registrar@securitytransfer.com.au
W: www.securitytransfer.com.au



«Post_zone»
«Company_code» «Sequence_number»

«Holder_name»
«Address_line_1»
«Address_line_2»
«Address_line_3»
«Address_line_4»
«Address_line_5»

Code:

AZI

Holder Number:

«HOLDER_NUM

PROXY FORM

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

VOTE ONLINE

Lodge your proxy vote securely at www.securitytransfer.com.au
1. Log into the Investor Centre using your holding details.
2. Click on "Proxy Voting" and provide your Online Proxy ID to access the voting area.

«ONLINE

SECTION A: Appointment of Proxy

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

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The meeting chairperson

OR

or failing the person named, or if no person is named, the Chairperson of the meeting, as my/our Proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, as the Proxy sees fit) at the Annual General Meeting of the Company to be held at 10:00am WST on Friday 30 November 2018 at Quest West Perth, 54 Kings Park Road, West Perth 6005, Western Australia and at any adjournment of that meeting.

Chairman 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 of the Meeting to vote in accordance with the Chair's voting intentions on Resolutions 1, 4 and 5 (except where I/we have indicated a different voting intention) even though Resolution 1, 4 and 5 is connected directly or indirectly with the remuneration of a member of Key Management Personnel, which includes the Chair of the Meeting.

Important Note: If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote or abstain from voting on Resolution 1, 4 and 5 by marking the appropriate box in Section B below.

SECTION B: Voting Directions

Please mark "X" in the box to indicate your voting directions to your Proxy. **The Chair of the Meeting intends to vote all undirected proxies in favour of Resolutions 2, 3, 6, 7 and 8.** In exceptional circumstances, the Chair of the Meeting may change his voting intention on any resolution, in which case an ASX announcement will be made.

RESOLUTION	For	Against	Abstain*		For	Against	Abstain*
1. Non Binding Resolution to adopt Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	5. Employee Incentive Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Re-election of Stephen Hills as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	6. Ratification of issue of 164,435,765 Shares to professional and sophisticated investors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Election of Campbell Olsen as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	7. Ratification of issue of 108,291,507 Shares to professional and sophisticated investors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Grant of Incentive Options to Stephen Hills or his nominee	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	8. Approval of Additional 10% Placement Capacity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

If no directions are given my proxy may vote as the proxy thinks fit or may abstain. * If you mark the Abstain box for a particular item, you are directing your Proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

SECTION C: Signature of Security Holder(s)

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

Individual or Security Holder

Sole Director & Sole Company Secretary

Security Holder 2

Director

Security Holder 3

Director/Company Secretary

Proxies must be received by Security Transfer Australia Pty Ltd no later than 10:00am WST on Wednesday 28 November 2018.

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My/Our contact details in case of enquiries are:

Name:

Number:

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1. NAME AND ADDRESS

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

2. APPOINTMENT OF A PROXY

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

3. DIRECTING YOUR PROXY HOW TO VOTE

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

4. APPOINTMENT OF A SECOND PROXY

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

To appoint a second Proxy you must:

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

5. SIGNING INSTRUCTIONS

Individual: where the holding is in one name, the Shareholder must sign.

Joint Holding: where the holding is in more than one name, all of the Shareholders must sign.

Power of Attorney: to sign under Power of Attorney you must have already lodged this document with the Company's share registry. If you have not previously lodged this document for notation, please attach 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 may sign alone. Otherwise this form must be signed by a Director jointly with either another Director or Company Secretary. Please indicate the office held in the appropriate place.

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

6. LODGEMENT OF PROXY

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

The proxy form does not need to be returned to the share registry if the votes have been lodged online.

Security Transfer Australia Pty Ltd

Online	www.securitytransfer.com.au
Postal Address	PO BOX 52 Collins Street West VIC 8007
Street Address	Alexandrea House Suite 1, 770 Canning Highway Applecross WA 6153 AUSTRALIA
Telephone	1300 992 916
Facsimile	+61 8 9315 2233
Email	registrar@securitytransfer.com.au

Alta Zinc Limited

Registered Office	Suite 3.5, Level 3 9 Bowman Street South Perth, Western Australia 6151
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PRIVACY STATEMENT

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