



**NEW CENTURY
RESOURCES**

**NEW CENTURY RESOURCES LIMITED
ACN 142 165 080**

NOTICE OF GENERAL MEETING

The General Meeting of the Company will be held at Dexus Place Melbourne, Level 14, 385 Bourke Street, Melbourne, Victoria 3000 on Thursday, 12 September 2019 at 10am (AEST).

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

Should you wish to discuss any matter please do not hesitate to contact the Company Secretary by telephone on (03) 9070 3300.

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

NEW CENTURY RESOURCES LIMITED

ACN 142 165 080

NOTICE OF GENERAL MEETING

Notice is hereby given that the general meeting of Shareholders of New Century Resources Limited (**Company**) will be held at Dexus Place Melbourne, Level 14, 385 Bourke Street, Melbourne, Victoria 3000 on Thursday, 12 September 2019 at 10am (AEST) (**Meeting**).

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

The Directors have determined pursuant to regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the Meeting are those who are registered as Shareholders of the Company on Tuesday, 10 September 2019 at 7:00pm (AEST).

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

AGENDA

1. Resolution 1 - Ratification of prior issue of Tranche 1 Placement Shares

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

"That, pursuant to and in accordance with Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 73,859,807 Shares at \$0.33 per Share to raise approximately \$24.4 million on the terms and conditions in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of any person (and any nominee of such a person) who participated in the issue of the Shares, or any of their respective associates.

However, the Company need not disregard a vote if:

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

2. Resolution 2 - Approval to issue Tranche 2 Placement Shares

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

"That, pursuant to and in accordance with Listing Rule 7.1 and for all other purposes, Shareholders approve the issue of up to 54,928,072 Shares at \$0.33 each to raise approximately \$18.1 million on the terms and conditions in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of any person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a Shareholder) or any of their respective associates.

However, the Company need not disregard a vote if:

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

3. Resolution 3 - Approval to issue Shares to Directors and Management

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

"That, pursuant to and in accordance with Listing Rule 10.11, Listing Rule 7.1 and for all other purposes, Shareholders approve the issue of Shares to the Related Party Participant and the Management Participant (or their respective nominees), to raise a total of approximately \$500,000 at \$0.33 per Share on the terms and conditions in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of the Related Party Participant or the Management Participant (or any of their nominees), or any of their respective associates.

However, the Company need not disregard a vote if:

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

4. Resolution 4 - Ratification of prior issue of Options to Director

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

"That, pursuant to and in accordance with Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 2,000,000 Options to Director, Mr Nicholas Cernotta on the terms and conditions in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of Mr Nicholas Cernotta (or any of his nominees), or any of their respective associates.

However, the Company need not disregard a vote if:

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

Voting Prohibitions

In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on these Resolutions if:

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

However, the above prohibition does not apply if:

- (c) the proxy is the Chair; and
- (d) 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.

5. Resolution 5 - Approval to issue Options to Director

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

"That, pursuant to and in accordance Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of up to 2,000,000 Options to Director Mr Robert McDonald (or his nominees) on the terms and conditions in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of Mr Robert McDonald (and his nominees), or any of their respective associates.

However, the Company need not disregard a vote if:

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

Voting Prohibitions

In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on these Resolutions if:

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

However, the above prohibition does not apply if:

- (c) the proxy is the Chair; and
- (d) 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.

BY ORDER OF THE BOARD



Oonagh Malone
Company Secretary

Dated: 12 August 2019

NEW CENTURY RESOURCES LIMITED

ACN 142 165 080

EXPLANATORY MEMORANDUM

1. Introduction

The Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be conducted at the Meeting to be held at Dexus Place Melbourne, Level 14, 385 Bourke Street, Melbourne, Victoria 3000 on Thursday, 12 September 2019 at 10am (AEST).

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

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

Section 2	Action to be taken by Shareholders
Section 3	Resolution 1 - Ratification of prior issue of Tranche 1 Placement Shares
Section 4	Resolution 2 - Approval to issue Tranche 2 Placement Shares
Section 5	Resolution 3 - Approval to issue Shares to Directors and Management
Section 6	Resolution 4 - Ratification of prior issue of Options to Director
Section 7	Resolution 5 - Approval to issue Options to Director
Schedule 1	Definitions
Schedule 2	Terms and Conditions of NC Options and RM Options

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

2. Action to be taken by Shareholders

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

2.1 Voting in person

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

2.2 Proxies

(a) Voting by proxy

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

Please note that:

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

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

(b) Proxy vote if appointment specifies way to vote

Section 250BB(1) of the Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, if it does:

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

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

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

- (i) an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's members;
- (ii) the appointed proxy is not the chair of the meeting;
- (iii) at the meeting, a poll is duly demanded on the resolution; and

- (iv) either of the following applies:
 - (A) the proxy is not recorded as attending the meeting; or
 - (B) the proxy does not vote on the resolution,

the chair of the meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the meeting.

3. Resolution 1 - Ratification of prior issue of Tranche 1 Placement Shares

3.1 General

On 1 August 2019, the Company announced a placement to raise approximately \$42.5 million before costs (**Placement**) by the issue of a total of up to approximately 128.8 million Shares at \$0.33 each (**Placement Shares**) to institutional, professional and sophisticated investors, each of whom either:

- (a) did not require disclosure under Part 6D of the Corporations Act on the basis that they were “sophisticated investors” or “professional investors” (within the meaning of section 708(8) and 708(11) of the Corporations Act, respectively);
- (b) had a registered address in the United Kingdom, Canada, New Zealand, Hong Kong or Singapore and were such that an offer could lawfully be made under all applicable laws, and to whom the Placement Shares could lawfully be issued under all applicable laws, without the need for any registration, lodgement, approval or other formality;
- (c) were persons outside the United States in “offshore transactions” (as defined in Rule 902(h) under Regulation S under the U.S. Securities Act (**Regulation S**)) in reliance on Regulation S; or
- (d) were persons in the United States that were (i) qualified institutional buyers in reliance on Rule 144A or (ii) dealers or other professional fiduciaries organised, incorporated or (if an individual) resident in the United States that were acting for an account (other than an estate or trust) held for the benefit or account of persons that are not U.S. Persons for which they have and are exercising investment discretion within the meaning of Rule 902(k)(2)(i) of Regulation S,

(together, **Placement Participants**).

On 8 August 2019, the Company issued 73,859,807 Placement Shares to Placement Participants using the Company's placement capacity under Listing Rule 7.1 to raise approximately \$24.4 million (before costs) (**Tranche 1 Placement Shares**).

Resolution 1 seeks the approval of Shareholders pursuant to Listing Rule 7.4 to ratify the issue of the Tranche 1 Placement Shares.

Resolution 1 is an ordinary resolution.

The Board recommends that Shareholders vote in favour of Resolution 1.

3.2 Listing Rule 7.1 and 7.4

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

Listing Rule 7.4 provides 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 purpose of Listing Rule 7.1.

The effect of Shareholders passing Resolution 1 will be to restore the Company's ability to issue further Equity Securities, to the extent of 73,859,807 Equity Securities, during the next 12 months without the requirement to obtain prior Shareholder approval.

3.3 Specific information required by Listing Rule 7.5

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to the ratification of the issue of the Tranche 1 Placement Shares:

- (a) a total of 73,859,807 Tranche 1 Placement Shares were issued;
- (b) the Tranche 1 Placement Shares were issued at \$0.33 per Share;
- (c) the Tranche 1 Placement Shares issued were fully paid ordinary shares in the capital of the Company and rank equally in all respects with the Company's existing Shares on issue;
- (d) the Tranche 1 Placement Shares were issued to the Placement Participants, who were introduced to the Company by the Lead Managers. None of the Placement Participants are a related party of the Company;
- (e) the proceeds from the issue of the Placement Shares are intended to be used to fund continued refurbishment and ramp up process to double plant capacity at the Company's Century Zinc Mine, as well as for costs of the Placement and general working capital; and
- (f) a voting exclusion statement is included in the Notice.

4. Resolution 2 - Approval to issue Tranche 2 Placement Shares

4.1 General

The Company does not currently have sufficient placement capacity under Listing Rule 7.1 to issue the remaining 54,928,072 Shares under the Placement (**Tranche 2 Placement Shares**).

Resolution 2 seeks the approval of Shareholders pursuant to Listing Rule 7.1 for the issue of up to 54,928,072 Tranche 2 Placement Shares to Placement Participants to raise approximately \$18.1 million.

Resolution 2 is an ordinary resolution.

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

4.2 Listing Rule 7.1

A summary of Listing Rule 7.1 is contained in Section 3.2 above.

The effect of Resolution 2 will be to allow the Company to issue the Tranche 2 Placement Shares during the period of 3 months after the Meeting without using the Company's 15% annual placement capacity under Listing Rule 7.1.

4.3 Specific information required by Listing Rule 7.3

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to the proposed issue of the Tranche 2 Placement Shares:

- (a) a maximum of 54,928,072 Shares are to be issued as Tranche 2 Placement Shares;
- (b) the Tranche 2 Placement Shares will be issued no later than 3 months after the date of the Meeting;
- (c) the Tranche 2 Placement Shares will be issued at \$0.33 per Share;
- (d) the Tranche 2 Placement Shares will be issued to the Placement Participants, who were introduced to the Company by the Lead Managers. None of the Placement Participants are a related party of the Company;
- (e) the Tranche 2 Placement Shares will be issued as fully paid ordinary shares in the capital of the Company and will rank equally in all respects with the Company's existing Shares on issue;
- (f) the Company intends to use the proceeds from the issue of the Tranche 2 Placement Shares to fund continued refurbishment and ramp up process to double plant capacity at the Company's Century Zinc Mine, as well as for general working capital; and
- (g) it is intended that the Tranche 2 Placement Shares will be issued within one week of the Meeting; and
- (h) a voting exclusion statement is included in the Notice.

5. Resolution 3 - Approval to issue Shares to Directors and Management

5.1 General

Pursuant to Resolutions 1 and 2, the Company is seeking ratification of, and Shareholder approval for, the Placement.

Director, Robert McDonald (the **Related Party Participant**) and Chief Financial Officer, Mark Chamberlain (**Management Participant**) each wish to subscribe for Shares on the same terms as the Placement, subject to Shareholder approval being obtained.

Resolution 3 seeks:

- (a) the approval of Shareholders pursuant to Listing Rule 10.11 for the issue of up to 303,031 Shares to the Related Party Participant (or his nominees) (**Director Shares**) arising from the Related Party Participant's subscription for Shares on the same terms as the Placement, to raise approximately \$100,000 (**Participation**); and
- (b) the approval of Shareholders pursuant to Listing Rule 7.1 for the issue of up to 1,212,122 Shares to the Management Participant (or his nominees) (**Management Shares**) arising from the Management Participant's subscription for Shares on the same terms as the Placement, to raise approximately \$400,000.

Resolution 3 is an ordinary resolution.

The Board (excluding Mr McDonald) recommends that Shareholders vote in favour of Resolution 3.

5.2 Listing Rule 10.11

Listing Rule 10.11 requires shareholder approval to be obtained where an entity issues, or agrees to issue, securities to a related party, or a person whose relationship with the entity or a related party is, in ASX's opinion, such that approval should be obtained, unless an exception in Listing Rule 10.12 applies.

The Related Party Participant is a related party of the Company by virtue of being a Director. As the Participation involves the issue of Shares to a related party of the Company, Shareholder approval pursuant to Listing Rule 10.11 is required unless an exception applies. It is the view of the Directors that the exceptions set out in Listing Rule 10.12 do not apply in the current circumstances.

Approval pursuant to Listing Rule 7.1 is not required for the Participation as approval is being obtained under Listing Rule 10.11. Accordingly, the issue of Shares to the Related Party Participant (or his nominees) will not be included in the use of the Company's 15% annual placement capacity pursuant to Listing Rule 7.1.

5.3 Specific information required by Listing Rule 10.13

Pursuant to and in accordance with Listing Rule 10.13, the following information is provided in relation to the proposed Participation:

- (a) the Director Shares will be issued to Director, Robert McDonald (or his respective nominees);
- (b) the maximum number of Director Shares to be issued to the Related Party Participant is 303,031 Shares.
- (c) the Director Shares will be issued no later than 1 month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules);
- (d) the issue price will be \$0.33 per Share, being the same as all Placement Shares issued under the Placement;
- (e) the Director Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;

- (f) the funds raised will be used for the same purposes as all other funds raised under the Placement as set out in Section 3.3(e); and
- (g) a voting exclusion statement is included in the Notice.

5.4 Chapter 2E of the Corporations Act

In accordance with Chapter 2E of the Corporations Act, in order to give a financial benefit to a related party, the Company must:

- (a) obtain Shareholder approval in the manner set out in section 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The Participation will result in the issue of Shares which constitutes giving a financial benefit and the Related Party Participant is a related party of the Company by virtue of being a Director.

The Board considers that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the Participation because the Shares will be issued to the Related Party Participant on the same terms as Placement Shares issued to non-related parties and as such the giving of the financial benefit is on arm's length terms.

5.5 Listing Rule 7.1

A summary of Listing Rule 7.1 is contained in Section 3.2 above.

The effect of Resolution 3 will be to allow the Company to issue the Management Shares during the period of 3 months after the Meeting without using the Company's 15% annual placement capacity under Listing Rule 7.1.

5.6 Specific information required by Listing Rule 7.3

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to the proposed issue of the Management Shares:

- (a) a maximum of 1,212,122 Shares are to be issued as Management Shares;
- (b) the Management Shares will be issued no later than 3 months after the date of the Meeting;
- (c) the Management Shares will be issued at \$0.33 per Share;
- (d) the Management Shares will be issued to Chief Financial Officer, Mark Chamberlain, who is part of the Company's Key Management Personnel, but not a related party of the Company;
- (e) the Management Shares will be issued as fully paid ordinary shares in the capital of the Company and will rank equally in all respects with the Company's existing Shares on issue;

- (f) the funds raised will be used for the same purposes as all other funds raised under the Placement as set out in Section 3.3(e); and
- (g) it is intended that the Management Shares will be issued within one week of the Meeting; and
- (h) a voting exclusion statement is included in the Notice.

6. Resolution 4 - Ratification of prior issue of Options to Director

6.1 General

On 28 March 2019, the Company issued 2,000,000 unquoted Options to incoming Director, Mr Nicholas Cernotta (NC Options). For further details of Mr Cernotta's appointment, refer to the Company's announcement dated 28 March 2019.

The NC Options were issued without prior shareholder approval pursuant to Listing Rule 10.12 Exception 6 and utilising the Company's placement capacity under Listing Rule 7.1.

Resolution 4 seeks the approval of Shareholders pursuant to Listing Rule 7.4 to ratify the issue of the NC Options.

Resolution 4 is an ordinary resolution.

The Board (excluding Mr Cernotta) recommends that Shareholders vote in favour of Resolution 4.

6.2 Listing Rules 10.11 and 10.12 Exception 6

Listing Rule 10.11 requires shareholder approval to be obtained where an entity issues, or agrees to issue, securities to a related party, or a person whose relationship with the entity or a related party is, in ASX's opinion, such that approval should be obtained, unless an exception in Listing Rule 10.12 applies.

Listing Rule 10.12 exception 6 provides an exception to Listing Rule 10.11 where the person is a related party by reason only of the transaction which is the reason for the issue of the securities and the application to it of section 228(6) of the Corporations Act.

The effect of Shareholders passing Resolution 4 will be to restore the Company's ability to issue further Equity Securities, to the extent of 2,000,000 Equity Securities, during the next 12 months without the requirement to obtain prior Shareholder approval.

6.3 Specific information required by Listing Rule 7.5

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to the ratification of the issue of the NC Options:

- (a) a maximum of 2,000,000 NC Options were issued to Mr Cernotta (or his nominees), comprising:
 - (i) 1,000,000 NC Options exercisable at \$1.20 each on or before 28 March 2022; and

- (ii) 1,000,000 NC Options exercisable at \$1.50 each on or before 28 March 2022,

and otherwise on the terms and conditions set out in Schedule 2;

- (b) the NC Options were issued for nil cash consideration as part of Mr Cernotta's remuneration package and as such, no funds were raised from their issue; and
- (c) a voting exclusion statement is included in the Notice.

6.4 Chapter 2E of the Corporations Act

In accordance with Chapter 2E of the Corporations Act, in order to give a financial benefit to a related party, the Company must:

- (a) obtain Shareholder approval in the manner set out in section 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The Board considers that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue of the NC Options as the agreement to grant the NC Options, reached as part of the remuneration package for Mr Cernotta, is considered reasonable remuneration in the circumstances and was negotiated on arm's length terms.

7. Resolution 5 - Approval to issue Options to Director

7.1 General

On 17 July 2019, the Company announced the appointment of Mr Robert McDonald to the position of Chairman of the Company.

The Board has agreed, subject to obtaining Shareholder approval, to issue a total of 2,000,000 unquoted Options to Mr Robert McDonald (or his nominees) as part of his remuneration as Director of the Company (**RM Options**).

The RM Options provide an incentive component to Mr McDonald's remuneration package, and align his interests with those of Shareholders. The Board considers that the number of RM Options to be granted to Mr McDonald is commensurate with his value to the Company and is an appropriate method to provide cost effective remuneration.

The full terms and conditions of the RM Options are set out in Schedule 2.

Resolution 5 seeks the approval of Shareholders pursuant to Listing Rule 10.11 for the issue of the RM Options to Mr McDonald or his nominees.

Resolution 5 is an ordinary resolution.

The Board (excluding Mr McDonald) recommends that Shareholders vote in favour of Resolution 5.

7.2 Listing Rule 10.11

A summary of Listing Rule 10.11 is set out in Section 6.2.

Mr McDonald is a related party of the Company by virtue of his position as a Director. As the issue of RM Options to Mr McDonald (or his nominees) involves the issue of Options to a related party of the Company, Shareholder approval pursuant to Listing Rule 10.11 is required unless an exception applies.

As Shareholder approval is sought under Listing Rule 10.11, approval under Listing Rule 7.1 is not required. Accordingly, the issue of RM Options will not be included under the Company's 15% annual placement capacity pursuant to Listing Rule 7.1.

7.3 Specific information required by Listing Rule 10.13

Pursuant to and in accordance with Listing Rule 10.13, the following information is provided in relation to the proposed issue of RM Options:

- (a) a maximum of 2,000,000 RM Options will be issued to Mr McDonald (or his nominees), a Director of the Company, comprising:
 - (i) 1,000,000 RM Options exercisable at \$0.56 each on or before the date that is three years from the date of their issue; and
 - (ii) 1,000,000 RM Options exercisable at \$0.70 each on or before the date that is three years from the date of their issue,and otherwise on the terms and conditions set out in Schedule 2.
- (b) the RM Options will be issued no later than 1 month after the date of the Meeting;
- (c) the RM Options will be issued for nil cash consideration as they will be issued as part of Mr McDonald's remuneration package, and therefore no funds will be raised as a result of the issue; and
- (d) a voting exclusion statement is included in the Notice.

7.4 Chapter 2E of the Corporations Act

In accordance with Chapter 2E of the Corporations Act, in order to give a financial benefit to a related party, the Company must:

- (a) obtain Shareholder approval in the manner set out in section 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The Board (other than Mr McDonald, who has a material personal interest in Resolution 5) considers that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue of the RM Options as the agreement to grant the RM Options, reached as part of the remuneration package for Mr McDonald, is considered reasonable remuneration in the circumstances and was negotiated on arm's length terms.

Schedule 1 - Definitions

In the Notice, words importing the singular include the plural and vice versa.

\$ means Australian Dollars.

AEST means Australian Eastern Standard Time, being the time in Melbourne, Victoria.

Annexure means the annexure to the Notice and the Explanatory Memorandum.

Article means an article of the Constitution.

ASIC means the Australian Securities and Investments Commission.

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

Board means the board of Directors of the Company.

Chair means the person appointed to chair the Meeting of the Company convened by the Notice.

Closely Related Party means:

- (a) a spouse or child of the member; or
- (b) has the meaning given in section 9 of the Corporations Act.

Company means New Century Resources Limited ACN 142 165 080.

Constitution means the constitution of the Company as at the date of the Meeting.

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

Director means a director of the Company.

Director Shares has the meaning given in Section 5.

Equity Security has the same meaning as in the Listing Rules.

Explanatory Memorandum means the explanatory memorandum which forms part of the Notice.

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.

Lead Managers means Credit Suisse (Australia) Limited and Patersons Securities Limited.

Listing Rules means the listing rules of ASX.

Management Participant has the meaning given in Section 5.

Management Shares has the meaning given in Section 5.

Meeting has the meaning given in the introductory paragraph of the Notice.

NC Options has the meaning given in Section 6.

Notice means this notice of general meeting.

Option means an option to acquire a Share.

Participation has the meaning given in Section 5.

Placement has the meaning given in Section 3.1.

Placement Participants has the meaning given in Section 3.1.

Placement Shares has the meaning given in Section 3.1.

Proxy Form means the proxy form attached to the Notice.

Related Party Participant has the meaning given in Section 5.

Relevant Interest has the meaning given in section 608 of the Corporations Act.

Resolution means a resolution referred to in the Notice.

RM Options has the meaning given in Section 7.1.

Schedule means a schedule to the Notice.

Section means a section of the Explanatory Memorandum.

Securities includes all Equity Securities of the Company.

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

Shareholder means a shareholder of the Company.

Tranche 1 Placement Shares has the meaning given in Section 3.1.

Tranche 2 Placement Shares has the meaning given in Section 4.1.

Schedule 2 - Terms and Conditions of NC Options and RM Options

The following terms and conditions apply to the NC Options and RM Options:

1. **(Entitlement):** Each Option entitles the holder to subscribe for one fully paid ordinary share (**Share**) upon exercise of the Option.
2. **(Issue Price):** The Options will be issued for nil consideration.
3. **(Exercise Price):** The Options have the following exercise prices:

Options	Exercise Price
1,000,000 'Class A' NC Options	\$1.20
1,000,000 'Class B' NC Options	\$1.50
1,000,000 'Class A' RM Options	\$0.56
1,000,000 'Class B' RM Options	\$0.70

4. **(Expiry Date):** Each Option will expire at 5:00pm (WST) on the date that is 3 years from the date of issue of the Options. An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
5. **(Exercise Period):** The Options are exercisable at any such time that the holder is a Director of the Company, and from time to time on or prior to the Expiry Date.
6. **(Quotation of the Options):** The Options will be unquoted.
7. **(Transferability of the Options):** The Options are not transferable, except with the prior written approval of the Company.
8. **(Notice of Exercise):** The Options may be exercised by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company, including cashless exercise as described in paragraph 9.
9. **(Cashless exercise of Options)** the holder of Options may elect not to be required to provide payment of the Exercise Price for the number of Options specified in a Notice of Exercise but that on exercise of those Options the Company will transfer or allot to the holder that number of Shares equal in value to the positive difference between the then Market Value of the Shares at the time of exercise and the Exercise Price that would otherwise be payable to exercise those Options (with the number of Shares rounded down to the nearest whole Share).

Where **Market Value** means, at any given date, the volume weighted average price per Share traded on the ASX over the five (5) trading days immediately preceding that given date.
10. **(Termination of employment)** All Options will lapse in the event of termination of the holder's employment with the Company if not exercised within 10 days from termination of employment and otherwise in accordance with these terms.
11. **(Lodgement instructions):** Cheques shall be in Australian currency made payable to the Company and crossed "Not Negotiable". The application for Shares on exercise of

the Options with the appropriate remittance should be lodged at the Company's share registry.

12. **(Shares issued on exercise):** Shares issued on exercise of the Options rank equally with the then Shares of the Company.
13. **(Quotation of Shares on exercise):** Application will be made by the Company to ASX, on the business day the Shares are issued, for quotation of the Shares issued upon the exercise of the Options.
14. **(Timing of issue of Shares):** Within 15 business days after the later of the following:
 - (a) receipt of a Notice of Exercise given in accordance with these terms and conditions and payment of the Exercise Price for each Option being exercised; and
 - (b) when excluded information in respect to the Company (as defined in section 708A(7) of the Corporations Act) (if any) ceases to be excluded information,

the Company will:

- (c) issue the Shares pursuant to the exercise of the Options;
 - (d) give ASX a notice that complies with section 708A(5)(e) of the Corporations Act; and
 - (e) apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.
15. **(Participation in new issues):** There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least 3 business days after the issue is announced. This will give the holders of Options the opportunity to exercise their Options prior to the date for determining entitlements to participate in any such issue.
16. **(Adjustment for bonus issues of Shares):** 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):
 - (a) the number of Shares which must be issued on the exercise of an Option will be increased by the number of Shares which the Option holder would have received if the Option holder had exercised the Option before the record date for the bonus issue; and
 - (b) no change will be made to the Exercise Price.
17. **(Adjustment for entitlements issue):** If the Company makes an issue of Shares pro rata to existing Shareholders (other than as a bonus issue, to which paragraph 18 will apply) there will be no adjustment of the Exercise Price of an Option or the number of Shares over which the Options are exercisable.
18. **(Adjustments for reorganisation):** If there is any reorganisation of the issued share capital of the Company, the rights of the Option holders will be varied in accordance with the Listing Rules.

If you are attending the meeting
in person, please bring this with you
for Securityholder registration.

Holder Number:

Vote by Proxy: NCZ

Your proxy voting instruction must be received by **10.00am (AEST) on Tuesday, 10 September 2019**, being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

SUBMIT YOUR PROXY VOTE ONLINE

Vote online at <https://investor.automic.com.au/#/loginsah>

Login & Click on 'Meetings'. Use the Holder Number as shown at the top of this Proxy Voting form.

- ✓ **Save Money:** help minimise unnecessary print and mail costs for the Company.
- ✓ **It's Quick and Secure:** provides you with greater privacy, eliminates any postal delays and the risk of potentially getting lost in transit.
- ✓ **Receive Vote Confirmation:** instant confirmation that your vote has been processed. It also allows you to amend your vote if required.



SUBMIT YOUR PROXY VOTE BY PAPER

Complete the form overleaf in accordance with the instructions set out below.

YOUR NAME AND ADDRESS

The name and address shown above is as it appears on the Company's share register. If this information is incorrect, and you have an Issuer Sponsored holding, you can update your address through the investor portal: <https://investor.automic.com.au/#/home> Shareholders sponsored by a broker should advise their broker of any changes.

VOTING UNDER STEP 1 - APPOINTING A PROXY

If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name of that Individual or body corporate. A proxy need not be a Shareholder of the Company. Otherwise if you leave this box blank, the Chairman of the Meeting will be appointed as your proxy by default.

DEFAULT TO THE CHAIRMAN OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting, who is required to vote these proxies as directed. Any undirected proxies that default to the Chairman of the Meeting will be voted according to the instructions set out in this Proxy Voting Form, including where the Resolutions are connected directly or indirectly with the remuneration of KMP

VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

You may direct your proxy how to vote by marking 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 the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

APPOINTMENT OF SECOND PROXY

You may appoint up to two proxies. If you appoint two proxies, you should complete two separate Proxy Voting Forms and specify the percentage or number each proxy may exercise. If you do not specify a percentage or number, each proxy may exercise half the votes. You must return both Proxy Voting Forms together. If you require an additional Proxy Voting Form, contact Automic Registry Services.

SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided

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 should sign.

Power of attorney: If you have not already lodged the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Voting Form when you return it.

Companies: To be signed in accordance with your Constitution. Please sign in the appropriate box which indicates the office held by you.

Email Address: Please provide your email address in the space provided.

By providing your email address, you elect to receive all communications despatched by the Company electronically (where legally permissible) such as a Notice of Meeting, Proxy Voting Form and Annual Report via email.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate 'Appointment of Corporate Representative' should be produced prior to admission. A form may be obtained from the Company's share registry online at <https://automic.com.au>.

ATTENDING THE MEETING

Completion of a Proxy Voting Form will not prevent individual Shareholders from attending the Meeting in person if they wish. Where a Shareholder completes and lodges a valid Proxy Voting Form and attends the Meeting in person, then the proxy's authority to speak and vote for that Shareholder is suspended while the Shareholder is present at the Meeting.

POWER OF ATTORNEY

If a representative as power of attorney of a Shareholder of the Company is to attend the Meeting, 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.

