

ANGLO AUSTRALIAN RESOURCES NL
ACN 009 159 077

NOTICE OF ANNUAL GENERAL MEETING

EXPLANATORY MEMORANDUM

AND

PROXY FORM

Date of Meeting
28 November 2019

Time of Meeting
10:30am

Place of Meeting
The Celtic Club
48 Ord St,
West Perth Western Australia 6005

This Notice of Annual 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.

*The **2019 Annual Report** may be viewed on the Company's website at www.anglo.com.au*

ANGLO AUSTRALIAN RESOURCES NL
ACN 009 159 077
NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of Shareholders of Anglo Australian Resources NL (**Company**) will be held at the Celtic Club 48 Ord St, West Perth Western Australia 6005 on 28 November 2019 at 10:30am for the purpose of transacting the following business.

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

Terms used in this Notice will, unless the context otherwise requires, have the same meaning given to them in the glossary contained in the Explanatory Memorandum.

2019 FINANCIAL STATEMENTS

To receive the financial statements of the Company for the year ended 30 June 2019 consisting of the annual financial report, the Directors' report and the auditor's report.

1. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

To consider and, if thought fit, to pass, with or without amendment, the following **advisory only resolution**:

"That, for the purposes of Section 250R(2) of the Corporations Act, and for all other purposes, the Remuneration Report forming part of the Company's 2019 Annual Report be and is hereby adopted."

Voting Prohibition: The Company will, in accordance with the Corporations Act, disregard any votes cast on Resolution 1 by a member of the key management personnel or a Closely Related Party of such a member. However, the Company will not disregard a vote if it is cast by a person as a proxy appointed in writing and the proxy specifies how that person is to vote on Resolution 1 and the vote is cast on behalf of that person.

2. RESOLUTION 2 – RE-ELECTION OF GRAEME SMITH AS A DIRECTOR

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

"That, for all purposes, Graeme Smith, who retires pursuant to Article 10.3 of the Company's Constitution and being eligible, offers himself for re-election, be re-elected as a Director of the Company."

3. RESOLUTION 3 - RATIFICATION OF ISSUE OF SECURITIES

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

"That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders approve and ratify the issue of a total of 23,257,031 Shares for the purposes and on the terms set out in the Explanatory Memorandum accompanying this Notice."

Voting Exclusion Statement: The entity will disregard any votes cast in favour of Resolution 3 by or on behalf of:

- Any person who participated in the issue; or
- An associate of those persons.

However, the entity need not disregard a vote if:

- 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
- it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

4. RESOLUTION 4 - RATIFICATION OF ISSUE OF SECURITIES

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

“That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders approve and ratify the issue of 21,082,949 Shares for the purposes and on the terms set out in the Explanatory Memorandum accompanying this Notice.”

Voting Exclusion Statement: The entity will disregard any votes cast in favour of Resolution 4 by or on behalf of:

- Any person who participated in the issue; or
- An associate of those persons

However, the entity need not disregard a vote if:

- 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
- 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.

5. RESOLUTION 5 – APPROVAL OF 10% PLACEMENT FACILITY

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

“That, pursuant to and in accordance with Listing Rule 7.1A and for all other purposes, 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 the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions in the Explanatory Memorandum.”

Voting Exclusion Statement: The entity will disregard any votes cast in favour of Resolution 5 by or on behalf of:

- A person who is expected to participate in, or will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the entity) or
- An associate of those persons

However, the entity need not disregard a vote if:

- 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
- 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.

6. RESOLUTION 6 – REPLACEMENT OF CONSTITUTION

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

“That, for the purposes of section 136(2) of the Corporations Act, approval is given for the Company to repeal its existing Constitution and adopt the new constitution tabled at the meeting and signed by the Chairman of the Meeting for the purposes of identification, with effect from the close of the Meeting.”

A Proxy Form is attached.

To be valid, Proxy Forms must either be completed online or completed Proxy Forms must be received by the Company no later than 26 November 2019 at 10:30am at:

Security Transfer Registrars Pty Ltd

Online www.securitytransfer.com.au

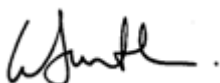
Postal Address PO BOX 52
Collins Street West VIC 8007

Street Address Suite 913, Exchange Tower
530 Little Collins Street
Melbourne VIC 3000

Telephone 1300 992 916

Facsimile +61 8 9315 2233

Email registrar@securitytransfer.com.au



Graeme Smith
Company Secretary
Date: 28 October 2019

1. PROXIES

- (a) A Shareholder entitled to attend and vote at the above meeting may appoint not more than two proxies. Where more than one proxy is appointed, each proxy must be appointed to represent a specified proportion of the Shareholder's voting rights.
- (b) A proxy may, but need not be, a Shareholder of the Company.
- (c) The proxy must be either completed online or the instrument appointing the proxy must be in writing, executed by the appointor or his attorney duly authorised in writing or, if such appointor is a corporation, in accordance with the Corporations Act.
- (d) The proxy must either be completed online or the instrument of proxy (and the power of attorney or other authority, if any, under which it is signed) must be lodged by person, post, courier or facsimile with the Company's share registry at least 48 hours prior to the meeting. For the convenience of Shareholders a Proxy Form is enclosed.

2. ENTITLEMENT TO VOTE

For the purposes of regulation 7.11.37 of the Corporations Regulations 2001, the Company determines that members holding Shares at 4:00pm WST time on 26 November 2019 will be entitled to attend and vote at the AGM.

3. CORPORATIONS

A corporation may elect to appoint a representative in accordance with the Corporations Act, in which case the Company will require written proof of the representative's appointment, which must be lodged with, or presented to the Company before or at the meeting.

IMPORTANT TIMES AND DATES

Record time/date to determine Shareholders eligible to vote	4:00pm WST time on 26 November 2019
Last time/date for receipt of valid proxies	10:30am WST time on 26 November 2019
Meeting	10:30am WST 28 November 2019

FURTHER INFORMATION

If you have questions about the Meeting or the resolutions to be voted on, please call the Company Secretary, Mr Graeme Smith, on +61 8 9382 8822.

EXPLANATORY MEMORANDUM

This Explanatory Memorandum has been prepared for the Shareholders of Anglo Australian Resources NL ACN 009 159 077 (**Company**) in connection with the business to be conducted at the Annual General Meeting of the Company to be held at the Celtic Club 48 Ord St, West Perth Western Australia 6005, on 28 November 2019 commencing at 10:30am.

This Explanatory Memorandum should be read in conjunction with, and forms part of, the accompanying Notice.

The Directors recommend that Shareholders read this Explanatory Memorandum in full before making any decision in relation to the Resolutions.

Terms used in this Explanatory Memorandum will, unless the context otherwise requires, have the same meaning given to them in the glossary as contained in this Explanatory Memorandum.

At the AGM, Shareholders will be asked to consider the following Resolutions:

- adopting the Remuneration Report;
- re-electing Mr Graeme Smith as a Director in accordance with the Company's constitution;
- ratifying the issue of securities;
- approving the Company's 10% Placement Facility; and
- adoption of a new Constitution.

FINANCIAL AND OTHER REPORTS

As required by Section 317 of the Corporations Act, the financial statements for the year ended 30 June 2019 and the accompanying Directors' report, Directors' declaration and auditor's report will be laid before the meeting.

Neither the Corporations Act, nor the Company's Constitution requires a vote on the reports. However, the Shareholders will have an opportunity to ask questions about the reports at the AGM.

1. RESOLUTION 1 – REMUNERATION REPORT

1.1 Introduction

As required by the Corporations Act, the Board is presenting the Remuneration Report to Shareholders for consideration and adoption by a non-binding vote. The Remuneration Report contains:

- (a) information about the Board's policy for determining the nature and amount of remuneration of the Directors and senior executives of the Company;
- (b) a description of the relationship between the Company's remuneration policy and the Company's performance;
- (c) a summary of performance conditions for each of the Directors and senior executives, including a summary of why they were chosen and how performance is measured against them; and
- (d) remuneration details for each Director and for each of the Company's specified executives.

The Remuneration Report, which is part of the Annual Report, has been sent to Shareholders who have made an election to receive the Annual Report. Copies of the Annual Report are available by contacting the Company's share register or visiting the Company's website www.anglo.com.au.

1.2 Voting on the Remuneration Report

In accordance with Section 250R(4) of the Corporations Act, a vote on the Remuneration Report Resolution must not be cast (in any capacity) by or on behalf of either the following persons:

- (a) a member of the key management personnel, whose remuneration details are included in the Remuneration Report; or
- (b) a Closely Related Party of such a member.

However, a person described above may cast a vote on the Resolution if:

- (c) the person does so as a proxy appointed in writing that specifies how the proxy is to vote on the Remuneration Report Resolution; and

(d) the vote is not cast on behalf of the person described in paragraph (a) or (b) above.

The Chairman will cast available proxies in favour of Resolution 1.

Shareholders may choose to direct the Chairman to vote for or against Resolution 1 or to abstain from voting.

1.3 Directors' Recommendation

The Directors of the Company recommend that Shareholders vote in favour of Resolution 1.

2. RESOLUTION 2 – ELECTION OF GRAEME SMITH AS A DIRECTOR

2.1 General

Resolution 2 proposes the election of Mr Graeme Smith as a Director of the Company with effect from close of the Meeting. In accordance with ASX Listing Rule 14.5, an election of directors must be held at each AGM of the Company.

The Company's Constitution also requires that one third of the Company's directors must retire at each AGM.

Accordingly, Mr Graeme Smith will retire by rotation at this Meeting and, being eligible, offers himself for re-election.

Resolution 2 is an ordinary resolution, requiring it to be passed by a simple majority of votes cast by the Shareholders entitled to vote on it.

2.2 Director's Biography

Mr Graeme Smith is a finance professional with over 25 years' experience in accounting and company administration. He is the principal of Wembley Corporate Services and has held CFO and Company Secretary positions with other Australian mining and mining service companies. He is a Fellow of the Australian Society of Certified Practising Accountants, the Governance Institute of Australia and the Chartered Institute of Secretaries and Administrators.

2.3 Directors' Recommendation

The Chairman of the Company recommends that Shareholders vote in favour of Resolution 2.

3. RESOLUTION 3 – RATIFICATION OF ISSUE OF SHARES

3.1 General

On 5 August 2019, the Company announced it would be carrying out a \$1.4 million capital raising to current and new sophisticated investors through the issue of shares at \$0.065 each (**\$1.4M Capital Raising**).

A total of 23,257,031 shares were issued under the \$1.4M Capital Raising in the following tranches:

- (a) 8,230,692 shares at \$0.065 each on 12 August 2019;
- (b) 12,814,418 shares at \$0.065 each on 30 August 2019; and
- (c) 2,211,921 shares at a deemed price of \$0.065 each on 27 September 2019.

The Shares issued under the \$1.4M Capital Raising were issued pursuant to the Company's 15% placement capacity in accordance with the requirements of Listing Rule 7.1. The Company is now seeking, pursuant to Resolution 3 of the Notice, to ratify the allotment and issue of those Shares.

ASX 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 such a ratification is to restore a company's discretionary power to issue further shares up to 15% of the issued capital of the company under Listing Rule 7.1 without requiring shareholder approval.

Accordingly, Resolution 3 seeks Shareholder ratification of the issue of 23,257,031 Shares to restore the ability of the Company to issue further Shares under its 15% threshold set by Listing Rule 7.1 over the next 12 months. The Company confirms that the issue and allotment of the Shares the subject of Resolution 3 did not breach Listing Rule 7.1.

3.2 Information required by Listing Rule 7.5

The following information is provided to Shareholders for the purposes of Listing Rule 7.5 in respect of the \$1.4M Capital Raising:

- a) 23,257,031 Shares were allotted and issued by the Company under the \$1.4M Capital Raising;
- b) the issue price per Share was \$0.065;
- c) the Shares allotted were fully paid ordinary shares which rank equally with all other fully paid ordinary Shares on issue;
- d) the Shares were issued to professional and sophisticated investors who are not related parties of the Company;
- e) \$1,367,932 was raised through the issue of the Shares. The funds were applied to working capital costs and towards expanding the Company's exploration efforts at Mandilla as per its ASX release on 5 August 2019; and
- f) a voting exclusion statement is included in the Notice.

3.3 Directors' Recommendation

The Directors of the Company believe that Resolution 3 is in the best interests of the Company and unanimously recommend that Shareholders vote in favour of Resolution 3.

4. RESOLUTION 4 – RATIFICATION OF ISSUE OF SHARES

4.1 General

On 18 February 2019, the Company announced it would be carrying out a \$1.15 million capital raising to current and new sophisticated investors through the issue of shares at \$0.06 each (**\$1.15M Capital Raising**).

A total of 21,082,949 shares were issued under the \$1.15M Capital Raising in the following tranches:

- (a) 16,113,333 shares at \$0.06 each on 28 February 2019;
- (b) 2,500,000 shares at \$0.06 each on 12 March 2019;
- (c) 1,666,666 shares at \$0.06 each on 13 March 2019; and
- (d) 802,950 shares at a deemed price of \$0.06 each on 26 July 2019.

The Shares issued under the \$1.15M Capital Raising were issued pursuant to the Company's 15% placement capacity in accordance with Listing Rule 7.1. The Company is now seeking, pursuant to Resolution 4 of the Notice, to ratify the allotment and issue of those Shares.

ASX 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 such a ratification is to restore a company's discretionary power to issue further shares up to 15% of the issued capital of the company under Listing Rule 7.1 without requiring shareholder approval.

Accordingly, Resolution 4 seeks Shareholder ratification of the issue of 21,082,949 Shares to restore the ability of the Company to issue further Shares under its 15% threshold set by Listing Rule 7.1 over the next 12 months. The Company confirms that the issue and allotment of the Shares the subject of Resolution 4 did not breach Listing Rule 7.1.

4.2 Information required by Listing Rule 7.5

The following information is provided to Shareholders for the purposes of Listing Rule 7.5 in respect of the \$1.15M Capital Raising:

- a) 21,082,949 Shares were allotted and issued by the Company;
- b) the issue price per Share was \$0.06;
- c) the Shares allotted were fully paid ordinary shares which rank equally with all other fully paid ordinary Shares on issue;

- d) the Shares were issued to professional and sophisticated investors who are not related parties of the Company;
- e) \$1,216,800 was raised through the issue of the Shares. The funds were applied towards the 2019 field exploration season at several of the Company's key targets, particularly at the Company's flagship Feysville Project as per its ASX release on 18 February 2019; and
- f) a voting exclusion statement is included in the Notice.

4.3 Directors' Recommendation

The Directors of the Company believe that Resolution 4 is in the best interests of the Company and unanimously recommend that Shareholders vote in favour of Resolution 4.

5. RESOLUTION 5 – APPROVAL OF 10% PLACEMENT FACILITY

5.1 General

Listing Rule 7.1A enables eligible entities to issue Equity Securities up to 10% of its issued share capital through placements over a 12 month period after the AGM (**10% Placement Facility**). The 10% Placement Facility is in addition to the Company's 15% placement capacity under Listing Rule 7.1.

An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. The Company is an eligible entity.

The Company is now seeking Shareholder approval by way of a special resolution to have the ability to issue Equity Securities under the 10% Placement Facility.

The exact number of Equity Securities to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to Section 6.2(c) below).

5.2 Description of Listing Rule 7.1A

(a) Shareholder approval

The ability to issue Equity Securities under the 10% Placement Facility is subject to Shareholder approval by way of a special resolution at an AGM.

(b) Equity Securities

- (i) Any Equity Securities issued under the 10% Placement Facility must be in the same class as an existing quoted class of Equity Securities of the Company.
- (ii) The Company, as at the date of the Notice, has on issue two classes of Equity Securities, being listed Shares and unlisted Options.

(c) Formula for calculating 10% Placement Facility

Listing Rule 7.1A.2 provides that eligible entities which have obtained shareholder approval at an AGM may issue or agree to issue, during the 12 month period after the date of the AGM, a number of Equity Securities calculated in accordance with the following formula:

(A x D) – E

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

- (i) plus the number of fully paid shares issued in the 12 months under an exception in Listing Rule 7.2;
- (ii) plus the number of partly paid shares that became fully paid in the 12 months;
- (iii) plus the number of fully paid Shares issued in the 12 months with approval of holders of Shares under Listing Rule 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;
- (iv) less the number of fully paid Shares cancelled in the 12 months.

Note that A 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 Rule 7.1 or 7.4.

(d) Listing Rule 7.1 and Listing Rule 7.1A

- (i) The ability of an entity to issue Equity Securities under Listing Rule 7.1A is in addition to the entity's 15% placement capacity under Listing Rule 7.1.
- (ii) At the date of this Notice, the Company has on issue 375,704,034 Shares. If Resolutions 3 and 4 are passed, the Company will have a capacity to issue:
 - A. 56,355,605 Equity Securities under Listing Rule 7.1; and
 - B. 35,570,403 Equity Securities under Listing Rule 7.1A.

The actual number of Equity Securities that the Company will have capacity to issue under Listing Rule 7.1A will be calculated at the date of issue of the Equity Securities in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to Section 5.2(c) above).

(e) Minimum Issue Price

The issue price of Equity Securities issued under Listing Rule 7.1A must be not less than 75% of the VWAP of Equity Securities in the same class calculated over the 15 Trading Days immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
- (ii) if the Equity Securities are not issued within 5 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.

(f) 10% Placement Period

Shareholder approval of the 10% Placement Facility under Listing Rule 7.1A is valid from the date of the AGM at which the approval is obtained and expires on the earlier to occur of:

- (i) the date that is 12 months after the date of the AGM at which the approval is obtained; or
- (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) (**10% Placement Period**).

5.3 Listing Rule 7.1A

- (a) The effect of Resolution 5 will be to allow the Directors to issue the Equity Securities under Listing Rule 7.1A during the 10% Placement Period without using the Company's 15% placement capacity under Listing Rule 7.1.
- (b) Resolution 5 is a special resolution and therefore requires 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).

5.4 Specific information required by Listing Rule 7.3A

Pursuant to and in accordance with Listing Rule 7.3A, information is provided in relation to the approval of the 10% Placement Facility as follows:

- (a) The Equity Securities will be issued at an issue price of not less than 75% of the VWAP for the Company's Equity Securities over the 15 Trading Days immediately before:
 - (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
 - (ii) if the Equity Securities are not issued within 5 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.
- (b) If Resolution 5 is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Facility, the existing Shareholders' voting power in the Company will be diluted as shown in the below table (in the case of Convertible Securities, only if the Convertible Securities are converted into Shares). There is a risk that:

- (i) the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date of the meeting; and
- (ii) the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date or the Equity Securities are issued as part of consideration for the acquisition of a new asset,

which may have an effect on the amount of funds raised by the issue of the Equity Securities

- (c) If Resolution 5 is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Facility, the existing Shareholders' voting power in the Company will be diluted as shown in the below table.

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

The table shows:

- (i) two examples where variable "A" has increased by 50% and 100%. Variable "A" is based on the number of ordinary securities the Company has on issue. The number of ordinary securities on issue may increase as a result of issues of ordinary securities that do not require shareholder approval (for example, a pro rata entitlements issue or scrip issued under a takeover offer) or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders' meeting; and
- (ii) two examples of where the issue price of ordinary securities has decreased by 50% and increased by 100% as against the current market price.

Variable "A" in Listing Rule 7.1A.2		Dilution		
		\$0.05 50% decrease in Issue Price	\$0.10 Issue Price	\$0.20 100% increase in Issue Price
Current Variable A 357,704,034 Shares	10% voting dilution	37,570,403	37,570,403	37,570,403
	Funds raised	\$1,878,520	\$3,757,040	\$7,514,081
50% increase in current Variable A 563,556,051 Shares	10% voting dilution	56,355,605	56,355,605	56,355,605
	Funds raised	\$2,817,780	\$5,635,561	\$11,271,121
100% increase in current Variable A 751,408,068 Shares	10% voting dilution	75,140,806	75,140,806	75,140,806
	Funds raised	\$3,757,040	\$7,514,081	\$15,028,161

The table has been prepared on the following assumptions:

- (i) The Company issues the maximum number of Equity Securities available under the 10% Placement Facility.
- (ii) No Convertible Securities (including any Convertible Securities issued under the 10% Placement Facility) are converted into Shares before the date of the issue of the Equity Securities.
- (iii) The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
- (iv) The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on that Shareholder's holding at the date of this Meeting.
- (v) 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.

- (vi) The issue of Equity Securities under the 10% Placement Facility consists only of Shares. If the issue of Equity Securities includes Convertible Securities, it is assumed that those Convertible Securities are converted into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.
 - (vii) The issue price is \$0.10, being the closing price of Shares on the ASX on 16 October 2019.
 - (viii) Ratification of the Securities, the subject of Resolutions 3 and 4, is assumed to have occurred.
- (d) The Company will only issue and allot the Equity Securities during the Placement Period. The approval under Resolution 5 for the issue of the Equity Securities will cease to be valid in the event that Shareholders approve a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or Listing Rule 11.2 (disposal of main undertaking).
- (e) The Company may seek to issue the Equity Securities for the following purposes:
- (i) cash consideration. In such circumstances, the Company intends to use the funds raised towards exploration expenditure and/or general working capital; or
 - (ii) non-cash consideration for the acquisition of new resources, assets, investments and the provision of services. In such circumstances the Company will provide a valuation of the non-cash consideration as required by Listing Rule 7.1A.3.

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

The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility. The identity of the allottees of Equity Securities will be determined on a case-by-case basis having regard to the factors including but not limited to the following:

- (i) the methods of raising funds that are available to the Company, including but not limited to, rights issue or other issue in which existing security holders can participate;
- (ii) the effect of the issue of the Equity Securities on the control of the Company;
- (iii) the financial situation and solvency of the Company; and
- (iv) advice from corporate, financial and broking advisers (if applicable).

The allottees under the 10% Placement Facility have not been determined as at the date of this Notice but may include existing substantial Shareholders and/or new Shareholders who are not related parties or Associates of a related party of the Company.

Further, if the Company is successful in acquiring new assets or investments, it is possible that the allottees under the 10% Placement Facility will be the vendors of the new assets or investments.

- (f) The Company previously obtained Shareholder approval under Listing Rule 7.1A at the 2018 Annual General Meeting on 26 November 2018.

In accordance with Listing Rule 7.3A.6 the total number of Equity Securities issued in the 12 months preceding the date of this Notice of Meeting is 57,439,980 representing 18% of the Equity Securities on issue at the commencement of the 12 month period.

The Company has issued the following Equity Securities in the 12 months preceding the date of this Notice of Meeting:

Date of issue	Number of Securities	Class	Issue Price	Discount to Market price	Current Value of consideration	Allottee
16.10.2019	2,500,000	ORD	\$0.02	80%	\$50,000 These funds will be used for working capital	Option Holder converting options
26.9.2019	400,000	ORD	\$0.025	72%	\$40,000 These funds will be used for working capital	Option Holder converting options
26.9.2019	2,211,921	ORD	\$0.065 (deemed)	Nil	\$143,775 Provision of consulting services	Professional and sophisticated investors
30.8.2019	12,814,418	ORD	\$0.065	Nil	\$832,937 These funds will be used for exploration at the Mandilla Gold Project including RC Drilling, assaying, consultant geologists and working capital.	Professional and sophisticated investors
12.8.2019	8,230,692	ORD	\$0.065	Nil	\$966,800 These funds were spent on exploration on the Company's projects in WA including drilling (diamond and RC), assaying, sampling, geological expenditure and working capital	Professional and sophisticated investors
26.7.2019	802,950	ORD	\$0.06 (deemed)	Nil	\$48,177 Provision of drilling services	Professional and sophisticated investors
13.3.2019	1,666,666	ORD	\$0.06	Nil	\$100,000 These funds were spent on exploration on the Company's projects in WA including infill drilling	Professional and sophisticated investors

Date of issue	Number of Securities	Class	Issue Price	Discount to Market price	Current Value of consideration	Allottee
					at Mandilla, assaying, sampling, geological expenditure and working capital	
12.3.2019	2,500,000	ORD	\$0.06	Nil	\$150,000 These funds were spent on exploration on the Company's Think Big project in WA including drilling (diamond and RC), assaying, sampling, geological expenditure and working capital	Professional and sophisticated investors
28.2.2019	16,113,333	ORD	\$0.06	Nil	\$966,800 These funds were spent on drilling at Think Big, Sainly and Hyperno, assaying, sampling, geological expenditure and working capital	Professional and sophisticated investors
14.2.2019	10,200,000	ORD	\$0.02	66%	\$204,000 These funds have been used for general exploration, and on working capital.	Option Holders converting options

- (g) A voting exclusion statement is included in the Notice.
- (h) At the date of the Notice, the Company has not approached any particular existing Shareholder or security holder or an identifiable class of existing security holder to participate in the issue of the Equity Securities. No existing Shareholder's votes will therefore be excluded under the voting exclusion in the Notice.

5.5 Directors' Recommendation

The Directors unanimously recommend that Shareholders vote in favour of Resolution 5. Resolution 5 is a special resolution and therefore requires 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).

The Chairman intends to exercise all available proxies in favour of Resolution 5.

6. RESOLUTION 6 – REPLACEMENT OF CONSTITUTION

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

Resolution 6 is a special resolution which will enable the Company to repeal its existing Constitution and adopt a new constitution which is of the type required for a public no liability company updated to ensure it reflects the current provisions of the Corporations Act and the ASX Listing Rules as well as changes to the ASX Listing Rules scheduled to take effect on 1 December 2019 in relation to the issue of restricted securities pursuant to transactions to which ASX Listing Rules 10.1 or 11.1.3 apply.

The Directors are of the view that it is preferable in the circumstances to replace the existing Constitution with the proposed Constitution rather than to amend specific provisions.

A copy of the proposed Constitution is available for review by Shareholders at the office of the Company. A copy of the proposed Constitution can also be sent to Shareholders upon request to the Company Secretary.

6.1 Directors' Recommendation

The Directors of the Company believe that Resolution 6 is in the best interests of the Company and unanimously recommend that Shareholders vote in favour of Resolution 6.

OTHER BUSINESS

Pursuant to section 250S of the Corporations Act the Chairman will allow reasonably opportunity for the Shareholders at the meeting to ask questions about or make comments on the management of the Company.

Management is not aware on any other business to come before the Meeting other than as set forth in the accompanying Notice. If any other business properly comes before the Meeting, it is the intention of the persons named in the Proxy Form to vote the Shares represented thereby in accordance with their best judgement on such matter.

GLOSSARY

In this Explanatory Memorandum and the Notice, the following terms have the following meanings unless the context otherwise requires:

AGM	means an Annual General Meeting
Annual Report	means the Directors' report, the annual financial report and auditors' report in respect of the financial year ended 30 June 2019.
Associate	has the same meaning as defined in Section 11 and Sections 13 to 17 of the Corporations Act.
ASX	means ASX Ltd ABN 98 008 624 691 and, where the context requires, the Australian Securities Exchange operated by ASX Ltd.
Board	means the board of Directors of the Company.
Closely Related Party	has the same meaning as defined in Section 9 of the Corporations Act.
Company	means Anglo Australian Resources NL ACN 009 159 077
Corporations Act	means <i>Corporations Act 2001</i> (Cth).
Director	means a director of the Company.
Explanatory Memorandum	means this information attached to the Notice, which provides information to Shareholders about the Resolutions contained in the Notice.
Listing Rules	means the listing rules of ASX.
Notice or Notice of Meeting	means the Notice of Annual General Meeting accompanying this Explanatory Memorandum.
Proxy Form	means the Proxy Form attached to this Notice.
Remuneration Report	means the remuneration report of the Company outlined in the Annual Report.
Resolution	means a resolution contained in the Notice.
Share	means a fully paid ordinary share in the capital of the Company.

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ANGLO AUSTRALIAN RESOURCES NL

ACN: 009 159 077

REGISTERED OFFICE:

GROUND FLOOR
63 HAY STREET
SUBIACO WA 6008

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«EFT_REFERENCE_NUMBER»

«Company_code» «Sequence_number»

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

SHARE REGISTRY:

Security Transfer Australia Pty Ltd

All Correspondence to:

PO BOX 52
Collins Street West VIC 8007
Suite 913, Exchange Tower
530 Little Collins Street
Melbourne VIC 3000
T: 1300 992 916
E: registrar@securitytransfer.com.au
W: www.securitytransfer.com.au

Code:

AAR

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:

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 10:30am WST on Thursday 28 November 2019 at the Celtic Club, 48 Ord Street, West Perth, Western Australia 6005 and at any adjournment of that meeting.

SECTION B: Voting Directions

Please mark "X" in the box to indicate your voting directions to your Proxy. The Chairperson of the Meeting intends to vote undirected proxies in FAVOUR of all the resolutions.

In exceptional circumstances, the Chairperson of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

RESOLUTION

1. ADOPTION OF REMUNERATION REPORT

For

Against

Abstain*

2. RE-ELECTION OF GRAEME SMITH AS A DIRECTOR

3. RATIFICATION OF ISSUE OF SECURITIES

4. RATIFICATION OF ISSUE OF SECURITIES

5. APPROVAL OF 10% PLACEMENT FACILITY

6. REPLACEMENT OF CONSTITUTION

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

SECTION C: Signature of Security Holder(s)

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

Individual or Security Holder

Security Holder 2

Security Holder 3

Sole Director & Sole Company Secretary

Director

Director/Company Secretary

Proxies must be received by Security Transfer Australia Pty Ltd no later than 10:30am WST on Tuesday 26 November 2019.

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My/Our contact details in case of enquiries are:

Name:

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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:

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

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 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 Suite 913, Exchange Tower
530 Little Collins Street
Melbourne VIC 3000

Telephone 1300 992 916

Facsimile +61 8 9315 2233

Email registrar@securitytransfer.com.au

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.

