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# **SOUTHERN HEMISPHERE MINING LIMITED**

**ACN 140 494 784**

## **NOTICE OF GENERAL MEETING**

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**TIME:** 11:00 AM WST

**DATE:** 18 December 2019

**PLACE:** Suite 12, Level 1  
11 Ventnor Avenue  
West Perth WA 6005

*The business of the Meeting affects your shareholding and your vote is important.*

*This 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 professional advisers prior to voting.*

*The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 4:00pm (WST) on 16 December 2019.*

*Should you wish to discuss the matters in this Notice of General Meeting please do not hesitate to contact the Company Secretary on +61 8 6245 2050.*

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## IMPORTANT INFORMATION

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### TIME AND PLACE OF MEETING

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Notice is given that the general meeting of the Shareholders to which this Notice of General Meeting relates will be held at 11:00 AM WST on 18 December 2019 at Suite 12, Level 1, 11 Ventnor Avenue, West Perth WA 6005.

### YOUR VOTE IS IMPORTANT

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The business of the General Meeting affects your shareholding and your vote is important.

### VOTING ELIGIBILITY

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The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the general meeting are those who are registered Shareholders at 4:00 PM WST on 16 December 2019.

### VOTING IN PERSON

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

### VOTING BY PROXY

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

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

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

New sections 250BB and 250BC of the Corporations Act came into effect on 1 August 2011 and apply to voting by proxy on or after that date. Shareholders and their proxies should be aware of these changes to the Corporations Act, as they will apply to this General Meeting. Broadly, the changes mean that:

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

Further details on these changes is set out below.

**Proxy vote if appointment specifies way to vote**

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

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

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

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

- an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of Southern Hemisphere Mining Limited members; and
- the appointed proxy is not the chair of the meeting; and
- at the meeting, a poll is duly demanded on the resolution; and
- either of the following applies:
  - the proxy is not recorded as attending the meeting;
  - the proxy does not vote on the resolution,

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

**DEFINED TERMS**

Capitalised terms in this Notice of General Meeting and Explanatory Statement are defined either in the “Glossary” Section or where the relevant term is first used.

**ASIC AND ASX**

A final copy of this Notice of General Meeting and Explanatory Statement has been lodged with ASIC and ASX. Neither ASIC, ASX nor any of their respective officers takes any responsibility for the contents of this document.

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## BUSINESS OF THE MEETING

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### AGENDA

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#### ORDINARY BUSINESS

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##### 1. RESOLUTION 1 – RATIFICATION OF PRIOR ISSUE OF SECURITIES

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 3,600,000 ordinary fully paid shares on the terms and conditions set out in the Explanatory Memorandum"*

##### **Voting Exclusion**

The Company will disregard any votes cast in favour of Resolution 1 by or on behalf of a person who participated in the issue of the relevant Securities, or an associate of those persons.

The Company will not disregard a vote if:

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

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##### 2. RESOLUTION 2(A) AND RESOLUTION 2(B) – APPROVAL OF ISSUE OF PLACEMENT SECURITIES TO DIRECTORS

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

*"That, pursuant to and in accordance with Listing Rule 10.11 and for all other purposes, Shareholders approve the following issues of Securities on the terms and conditions set out in the Explanatory Memorandum:*

- (a) up to 1,200,000 Placement Shares to Mark Stowell (or his nominees);
- (b) up to 1,200,000 Placement Shares to David Lenigas (or his nominees);

##### **Voting Exclusion**

The Company will disregard any votes cast in favour of Resolution 2(a) by or on behalf of Mark Stowell (or his nominees) or an associate of those persons.

The Company will disregard any votes cast in favour of Resolution 2(b) by or on behalf of David Lenigas (or his nominees) or an associate of those persons.

The Company will not disregard a vote if:

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

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Dated: 8 November 2019

By Order of the Board  
Jessamyn Lyons  
**COMPANY SECRETARY**

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## EXPLANATORY STATEMENT

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This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions which are the subject of the business of the Meeting.

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### 1. RESOLUTION 1 – RATIFICATION OF PRIOR ISSUE OF SECURITIES

On 31 October 2019, the Company announced that it had raised \$150,000 (before costs) through a placement of Securities to sophisticated and professional investors (**Placement**) as an interim measure to supplement the Company's capital whilst it continues to advance its Chilean Projects.

On 5 November 2019, the Company issued a total of 3,600,000 Shares at \$0.025 per Share (**Placement Shares**) to sophisticated and professional investors (**Placement Participants**).

This issue excluded the applications by Company directors, which are the subject of Resolution 2.

The Placement Shares were issued within the Company's 15% placement capacity permitted by Listing Rule 7.1 without the need for Shareholder approval.

Resolution 1 seeks the ratification by Shareholders pursuant to Listing Rule 7.4 of the issue of the Placement Shares.

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

Resolution 1 is an ordinary resolution.

#### 1.2 Listing Rule 7.1

Listing Rule 7.1 provides that an entity 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.

#### 1.3 Listing Rule 7.4

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

The effect of Resolution 1 will be to allow the Company to retain the flexibility to issue Equity Securities in the future up to the 15% annual placement capacity set out in Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

#### 1.4 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 Resolution 2:

- (a) a total of 3,600,000 Placement Shares were issued pursuant to the Placement;
- (b) the Placement Shares were issued at an issue price of \$0.025 each;
- (c) the 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 Placement Shares were issued to the Placement Participants, none of whom is a related party of the Company;
- (e) the funds raised from the issue of the Placement Shares will be used for working capital; and
- (f) a voting exclusion statement is included in the Notice.

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## **2. RESOLUTION 2(A) AND RESOLUTION 2(B) – APPROVAL OF ISSUE OF PLACEMENT SECURITIES TO DIRECTORS**

### **1.5 General**

In addition to the Securities issued pursuant to the Placement, the Directors have applied for a total of 2,400,000 shares at \$0.025 per Share (**Director Shares**) to raise \$60,000 (before costs).

The issue of the Director Shares to the Directors is subject to and conditional upon Shareholder approval being obtained.

Resolutions 2(a) and 2(b) seek the approval of Shareholders pursuant to Listing Rule 10.11 for the issue of the Director Shares to the Directors.

Each of the resolutions which form part of Resolution 2 are ordinary resolutions.

### **1.6 Chapter 2E of the Corporations Act**

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in sections 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 issue of the Director Shares to Messrs Stowell and Lenigas constitutes giving a financial benefit. Messrs Stowell and Lenigas are each a related party of the Company by virtue of being a Director.

The Board (other than Mr Stowell in relation to Resolution 1(a) and Mr Lenigas in relation to Resolution 2(b)) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue of the Director Shares and Director Options because the Director Shares will be issued to the nominated Directors on the same terms as the Placement Shares are issued to other Shareholders under the Placement and as such the giving of the financial benefit is on arm's length terms.

### **1.7 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.

It is the view of the Board that the exceptions set out in Listing Rule 10.12 do not apply in the current circumstances.

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

## **1.8 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 Resolutions 2(a) and 2(b):

- (a) the Director Shares will be issued to Directors Mark Stowell (or his nominees) and David Lenigas (or his nominees);
- (b) a maximum of 2,400,000 Director Shares will be issued as follows:

<b>Director</b>	<b>Director Shares</b>
Mr Mark Stowell (or his nominees)	1,200,000
Mr David Lenigas (or his nominees)	1,200,000
<b>TOTAL</b>	<b>2,400,000</b>

- (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 Director Shares will be issued at an issue price of \$0.025 each;
- (e) the Director Shares will be 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) a voting exclusion statement is included in the Notice; and
- (g) the funds raised from the issue of the Director Shares will be used for working capital.

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## GLOSSARY

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**\$** means Australian dollars.

**ASIC** means the Australian Securities and Investments Commission.

**ASX** means ASX Limited.

**ASX Listing Rules** means the Listing Rules of ASX.

**Board** means the current Board of Directors of Southern Hemisphere Mining Limited.

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

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

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent of the member or the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the *Corporations Regulations 2001* (Cth) for the purposes of the definition of 'closely related party' in the Corporations Act.

**Company** means Southern Hemisphere Mining Limited (ACN 140 494 784).

**Constitution** means Southern Hemisphere Mining Limited constitution.

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

**Directors** means the current directors of Southern Hemisphere Mining Limited.

**Explanatory Statement** means the explanatory statement accompanying the Notice.

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

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

**Proxy Form** means the proxy form accompanying the Notice.

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

**Share** means a fully paid ordinary share in the capital of Southern Hemisphere Mining Limited.

**Shareholder** means a holder of a Share.

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



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## PROXY FORM

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**APPOINTMENT OF PROXY  
SOUTHERN HEMISPHERE MINING LIMITED  
ACN 140 494 784**

**GENERAL MEETING**

I/We

of:

being a Shareholder entitled to attend and vote at the Meeting, hereby appoint:

Name:

**OR:** ☐ the Chair of the Meeting as my/our proxy.

or failing the person so named or, if no person is named, the Chair, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, and subject to the relevant laws as the proxy sees fit, at the Meeting to be held at 11:00 AM WST on 18 December 2019 at Suite 12, Level 1, 11 Ventnor Avenue, West Perth WA 6005, and at any adjournment thereof.

**AUTHORITY FOR CHAIR TO VOTE UNDIRECTED PROXIES ON REMUNERATION RELATED RESOLUTIONS**

**Where I/we have appointed the Chair as my/our proxy (or where the Chair becomes my/our proxy by default), I/we expressly authorise the Chair to exercise my/our proxy on Resolutions 1 to 2 (except where I/we have indicated a different voting intention below).**

**CHAIR'S VOTING INTENTION IN RELATION TO UNDIRECTED PROXIES**

**The Chair intends to vote undirected proxies in favour of all Resolutions. In exceptional circumstances the Chair may change his/her voting intention on any Resolution. In the event this occurs an ASX announcement will be made immediately disclosing the reasons for the change.**

**Voting on business of the Meeting**

		FOR	AGAINST	ABSTAIN
Resolution 1	Ratification of Prior Issue of Securities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2a	Approval of Issue of Placement Securities to Director – Mark Stowell	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2b	Approval of Issue of Placement Securities to Director – David Lenigas	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**Please note:** If you mark the abstain box for a particular Resolution, you are directing your proxy not to vote on that Resolution on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

**If two proxies are being appointed, the proportion of voting rights this proxy represents is:** \_\_\_\_\_ %

**Signature of Shareholder(s):**

**Individual or Shareholder 1**

Sole Director/Company Secretary

**Shareholder 2**

Director

**Shareholder 3**

Director/Company Secretary

**Date:** \_\_\_\_\_

**Contact name:** \_\_\_\_\_ **Contact ph (daytime):** \_\_\_\_\_

**SOUTHERN HEMISPHERE MINING LIMITED**

**ACN 140 494 784**

**Instructions for Completing 'Appointment of Proxy' Form**

1. **(Appointing a proxy):** A Shareholder entitled to attend and cast a vote at the Meeting is entitled to appoint a proxy to attend and vote on their behalf at the Meeting. If a Shareholder is entitled to cast 2 or more votes at the Meeting, the Shareholder may appoint a second proxy to attend and vote on their behalf at the Meeting. However, where both proxies attend the Meeting, voting may only be exercised on a poll. The appointment of a second proxy must be done on a separate copy of the Proxy Form. A Shareholder who appoints 2 proxies may specify the proportion or number of votes each proxy is appointed to exercise. If a Shareholder appoints 2 proxies and the appointments do not specify the proportion or number of the Shareholder's votes each proxy is appointed to exercise, each proxy may exercise one-half of the votes. Any fractions of votes resulting from the application of these principles will be disregarded. A duly appointed proxy need not be a Shareholder.
2. **(Direction to vote):** A Shareholder may direct a proxy how to vote by marking one of the boxes opposite each item of business. The direction may specify the proportion or number of votes that the proxy may exercise by writing the percentage or number of Shares next to the box marked for the relevant item of business. Where a box is not marked the proxy may vote as they choose subject to the relevant laws. Where more than one box is marked on an item the vote will be invalid on that item.
3. **(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 should sign.
  - **(Power of attorney):** If you have not already provided the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Form when you return it.
  - **(Companies):** Where the company has a sole director who is also the sole company secretary, that person must sign. Where the company (pursuant to Section 204A of the Corporations Act) does not have a company secretary, a sole director can also sign alone. Otherwise, a director jointly with either another director or a company secretary must sign. Please sign in the appropriate place to indicate the office held. In addition, if a representative of a company is appointed pursuant to Section 250D of the Corporations Act to attend the Meeting, the documentation evidencing such appointment should be produced prior to admission to the Meeting. A form of a certificate evidencing the appointment may be obtained from the Company.
4. **(Attending the Meeting):** Completion of a Proxy Form will not prevent individual Shareholders from attending the Meeting in person if they wish. Where a Shareholder completes and lodges a valid Proxy 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.
5. **(Return of Proxy Form):** To vote by proxy, please complete and sign the enclosed Proxy Form and return by:
  - (a) Email to the Company Secretary at [jlyons@shmining.com.au](mailto:jlyons@shmining.com.au)
  - (b) post to the Company, Suite 12, 11 Ventnor Avenue, West Perth WA 6005; or
  - (c) facsimile to the Company on facsimile number +61 8 6245 2055,

so that it is received not less than 48 hours prior to commencement of the Meeting.

**Proxy Forms received later than this time will be invalid.**