

NOTICE OF GENERAL MEETING

EXPLANATORY MEMORANDUM

PROXY FORM

Date and time of meeting

30 April 2015 at 8.00 a.m.

Place of meeting

3rd Floor
1060 Hay Street
West Perth, Western Australia

GTI RESOURCES LTD
NOTICE OF GENERAL MEETING

Notice is hereby given that a general meeting of shareholders of GTI Resources Ltd (Company) will be held at 3rd Floor, 1060 Hay Street, West Perth, Western Australia on Thursday, 30 April 2015 at 8.00 a.m.

AGENDA

SPECIAL BUSINESS

To consider and if thought fit to pass, with or without amendment, the following resolutions as ordinary resolutions.

1. Ratification of share issue

“That for the purposes of ASX Listing Rule 7.4 and for all other purposes, shareholders ratify the placement made by the Company in July 2014 of 7,000,000 ordinary fully paid shares at an issue price of 2 cents each, further details of which are set out in the explanatory memorandum accompanying the notice of meeting.”

The Company will disregard any votes cast on this resolution by any shareholder who participated in the share placement and any of their associates.

2. Share issue to consultant

“That for the purposes of ASX Listing Rule 7.1 and for all other purposes, shareholders approve the issue of 2,000,000 ordinary fully paid shares to Grant Harding (or his nominee) at a deemed issue price of 2.5 cents per share, in satisfaction of technical consulting services provided to the Company, further details of which are set out in the explanatory memorandum accompanying the notice of meeting.”

The Company will disregard any votes cast on Resolution 2 by Grant Harding (or his nominee) and any of his associates.

3. Share issue to consultant

“That for the purposes of ASX Listing Rule 7.1 and for all other purposes, shareholders approve the issue of 2,000,000 ordinary fully paid shares to Andrew Law (or his nominee) at a deemed issue price of 2.5 cents per share, in satisfaction of technical consulting services provided to the Company, further details of which are set out in the explanatory memorandum accompanying the notice of meeting.”

The Company will disregard any votes cast on Resolution 3 by Andrew Law (or his nominee) and any of his associates.

4. Approval of share issue to director

“That for the purposes of ASX Listing Rule 10.11 and for all other purposes, shareholders approve the issue of 6,000,000 ordinary fully paid shares at a deemed issue price of 2.5 cents per share to Murray McDonald (or his nominee) in partial satisfaction of outstanding salary, further details of which are set out in the explanatory memorandum accompanying the notice of meeting.”

The Company will disregard any votes cast on Resolution 4 by:

- (a) *the relevant director and any person who is to receive the securities the subject of the relevant Resolution;*

- (b) any person who might obtain a benefit if the relevant Resolution is passed, except a benefit solely in the capacity of a holder of ordinary securities; and
- (c) any associates of the persons excluded from voting pursuant to paragraphs (a) and (b) above.

A member of Key Management Personnel or a Closely Related Party of such a member who is appointed as a proxy will not vote on Resolution 4 if the appointment does not specify the way the proxy is to vote on the Resolution, unless the proxy is the Chair of the meeting and the appointment expressly authorises the Chair to exercise the proxy even though the Resolution is connected directly or indirectly with the remuneration of a member of Key Management Personnel.

By order of the Board

Frank Campagna
Company Secretary

Perth, Western Australia
24 March 2015

VOTING EXCLUSION NOTE

Where a voting exclusion applies, the Company will 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.

PROXIES

A member of the Company who is entitled to attend and vote at the meeting may appoint a proxy to attend and vote for the member at the meeting. A proxy need not be a member of the Company.

A proxy form is attached. If required it should be completed, signed and returned to the Company's registered office in accordance with the proxy instructions on that form.

In accordance with Regulation 7.11.37 of the Corporations Regulations, the directors have determined that the identity of those entitled to attend and vote at the meeting is to be taken as those persons who held shares in the Company as at 5.00 p.m. on 28 April 2015.

GTI RESOURCES LTD
EXPLANATORY MEMORANDUM

This explanatory memorandum has been prepared for the information of shareholders of GTI Resources Ltd in connection with the business to be considered at the general meeting of the Company and should be read in conjunction with the accompanying notice of meeting.

RATIFICATION OF SHARE ISSUE

On 21 July 2014, the Company undertook a private placement of 7,000,000 ordinary fully paid shares at a subscription price of 2 cents each. Funds raised from the placement amounted to \$140,000 were to be used as additional working capital for the Company. The placement was made by way of an excluded offer of ordinary shares under Section 708 of the Corporations Act, meaning that the offer did not require disclosure under Part 6D.2 of the Corporations Act.

ASX Listing Rule 7.1 prohibits a listed company from issuing equity securities representing more than 15% of its issued capital in any 12 month period without first obtaining shareholder approval (subject to certain exceptions).

Under ASX Listing Rule 7.4, a company can seek ratification of issues that have been made within the previous 12 month period. The effect of such ratification is that the issue of shares is then deemed to have been made with shareholder approval, thus not counting towards the 15% limit.

The placement was made within the Company's available 15% capacity at the time of issue. Resolution 1 seeks the ratification by shareholders of the issue of the 7,000,000 shares to sophisticated and professional investors. If the resolution is approved then those shares will be deemed to have been issued pursuant to shareholder approval and will therefore not be counted in the Company's 15% placement capacity pursuant to ASX Listing Rule 7.1.

ASX Listing Rule 7.5 requires that the following information be provided to shareholders for the purposes of obtaining shareholder approval pursuant to ASX Listing Rule 7.4:

- (a) the total number of securities issued was 7,000,000 ordinary fully paid shares.
- (b) the issue price of the shares was 2 cents per share.
- (c) the shares were allotted and credited as fully paid and rank equally with existing shares on issue.
- (d) the shares were allotted and issued to sophisticated and professional investors, who are not related parties of the Company.
- (e) the funds raised were to be used for general working capital purposes.

Board recommendation

The Board recommends that shareholders vote in favour of Resolution 1 as it allows the Company to retain the flexibility to issue further securities representing up to 15% of the Company's share capital during the next 12 month period. The Chairman intends to vote undirected proxies in favour of Resolution 1.

APPROVAL OF SHARE ISSUES TO CONSULTANTS

The Company has been investigating a potential investment opportunity to build and operate a nickel smelter in Indonesia. This follows the introduction in January 2014 of an export ban of nickel ores in Indonesia. The Indonesian government now requires domestic down-stream processing of all nickel ores in-country and has sought expressions of interest in respect of the installation of nickel smelters within the country.

The investigations of this investment opportunity by the Company have included numerous visits to Indonesia and China.

Mr Grant Harding has provided technical consulting services to the Company over a period of 15 months in relation to the nickel smelter opportunity. Mr Harding has agreed to accept shares in the Company in satisfaction of outstanding fees for the consulting services provided.

Similarly, Mr Andrew Law has also provided technical consulting services over a period of 15 months in relation to the nickel smelter investment opportunity. Mr Law has agreed to accept shares in the Company in satisfaction of outstanding fees for the consulting services provided.

Resolutions 2 and 3 seek the approval of shareholders for the issue of 2,000,000 shares to Mr Harding and 2,000,000 shares to Mr Law for the purposes of ASX Listing Rule 7.1.

Regulatory requirements

ASX Listing Rule 7.1 prohibits a listed company from issuing or agreeing to issue securities representing more than 15% of its issued capital in any 12 month period without obtaining shareholder approval (subject to certain exceptions). Approval is sought pursuant to Resolutions 2 and 3 for the issue of 2,000,000 shares to Mr Harding and 2,000,000 shares to Mr Law.

The following information is provided to shareholders for the purposes of obtaining shareholder approval pursuant to ASX Listing Rule 7.3:

- (a) the maximum number of shares that will be issued is 4,000,000.
- (b) the shares will be issued no later than three months after the date of the meeting (or such later date as permitted by any ASX waiver or modification of the ASX Listing Rules).
- (c) the shares will be issued for a deemed price of 2.5 cents per share.
- (d) the 2,000,000 shares to be issued pursuant to Resolution 2 will be issued to Grant Harding (or his nominee) and the 2,000,000 shares to be issued pursuant to Resolution 3 will be issued to Andrew Law (or his nominee).
- (e) the shares to be issued pursuant to Resolutions 2 and 3 will be ordinary fully paid shares in the capital of the Company and will rank equally in all respects with existing shares on issue.
- (f) no funds will be raised from the issue of the shares. The shares are being issued in satisfaction of consulting fees due by the Company to Mr Harding and Mr Law.
- (g) it is anticipated that the shares will be allotted as one allotment immediately after the meeting (or at least within the three months after the date of the meeting).

Board recommendation

The Board believes that the proposed issue of shares is beneficial to the Company and recommends shareholders vote in favour of Resolutions 2 and 3 as they assist in preserving the cash resources of the Company. In addition, the Company will retain the flexibility to issue further equity securities representing up to 15% of the Company's issued share capital during the next 12 months. Accordingly, the Board recommends that shareholders vote in favour of Resolutions 2 and 3.

APPROVAL OF SHARE ISSUE TO DIRECTOR

In order to assist in preserving the Company's cash resources in prevailing economic conditions, where many companies are experiencing challenging times raising equity capital, the executive chairman of the Company, Murray McDonald, has agreed that a portion of his executive salary entitlement can be satisfied by the issue of shares in the Company. The purpose of Resolution 4 is to seek the approval of shareholders for the issue of shares to Mr McDonald in partial satisfaction of outstanding salary.

It is proposed to issue 6,000,000 shares to Mr McDonald at a deemed issue price of 2.5 cents per share in satisfaction of an amount of \$150,000 in unpaid salary due by the Company. The balance of accrued salary and other fees due to Mr McDonald as at the date of this notice of meeting (assuming that Resolution 4 is passed and 6,000,000 shares are issued to Mr McDonald in partial satisfaction of accrued salary) is \$48,000.

ASX Listing Rule and Corporations Act requirements

Mr McDonald is a director of the Company and is thereby a related party of the Company. ASX Listing Rule 10.11 requires shareholder approval to be obtained where an entity issues, or agrees to issue, securities to a related party unless an exception applies.

In addition, the proposed issue of shares to Mr McDonald constitutes the giving of a financial benefit to a related party. Yohannes Sucipto and Emma Gilbert, who are directors of the Company who do not have a material personal interest in the outcome of the proposed resolution, have determined that the proposed issue of shares constitutes reasonable remuneration, given the circumstances of the Company and the position held by Mr McDonald as executive chairman. Accordingly, the proposed issue of shares falls within the exception set out in Section 211 of the Corporations Act so that member approval is not required for the purposes of Chapter 2E of the Corporations Act.

Pursuant to the exception in ASX Listing Rule 7.1(14), approval under ASX Listing Rule 7.1 is not required in order to issue shares to Mr McDonald as approval is being obtained under ASX Listing Rule 10.11. Accordingly, the issue of shares pursuant to Resolution 4 will not be included in the 15% calculation of the Company's annual placement capacity pursuant to ASX Listing Rule 7.1.

The relevant interests of Mr McDonald in securities of the Company are set out below:

Director	Shares
Murray McDonald	5,250,001

The issue of Shares to Mr McDonald will be equal to approximately 8.97% of the Company's fully diluted issued capital (based on the number of shares on issue as at the date of the notice of meeting and assuming that shareholders approve the issue of an additional 4,000,000 shares to consultants pursuant to Resolutions 2 and 3). Mr McDonald's combined shareholding after the share issue would equate to 16.8% of total share capital.

Information required by ASX Listing Rule 10.11

In accordance with the requirements of ASX Listing Rule 10.13, the following information is provided in relation to the proposed issue of shares to Mr McDonald.

- (a) the shares will be issued to Murray McDonald (or his nominee).
- (b) the maximum number of Shares to be issued is 6,000,000.
- (c) the shares will be issued no later than 1 month after the date of the meeting (or such later date as permitted by any ASX waiver or modification of the ASX Listing Rules).
- (d) the shares will be issued for nil cash consideration as they are being issued in satisfaction of outstanding salary.
- (e) the shares will rank equally with all existing shares on issue.
- (f) the deemed issue price of the shares is 2.5 cents per share.
- (g) no funds will be raised from the issue of the shares however, the liability of the Company to pay part of the outstanding salary will be extinguished (in an amount of \$150,000).

Voting exclusion

The Company will disregard any votes cast on Resolution 4 respectively by:

- (a) the relevant director and any person who is to receive the securities the subject of the relevant Resolution;
- (b) any person who might obtain a benefit if the relevant Resolution is passed, except a benefit solely in the capacity of a holder of ordinary securities; and
- (c) any associates of the persons excluded from voting pursuant to paragraphs (a) and (b) above.

A member of Key Management Personnel or a Closely Related Party of such a member who is appointed as a proxy will not vote on Resolution 4 if the appointment does not specify the way the proxy is to vote on the Resolution, unless the proxy is the Chair of the meeting and the appointment expressly authorises the Chair to exercise the proxy even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

The Chairman of the meeting intends to vote all available undirected proxies in favour of Resolution 4.

Directors' recommendation

Mr McDonald declines to make a recommendation in relation to Resolution 4 because of his material personal interest in the outcome of the resolution. The remaining directors, Yohannes Sucipto and Emma Gilbert, recommend that shareholders vote in favour of Resolution 4 in order to assist in preserving the cash resources of the Company.

GLOSSARY OF TERMS

“ASIC” means Australian Securities and Investments Commission.

“ASX” means ASX Limited.

“ASX Listing Rules” means the official listing rules of ASX.

“Board” means the board of directors of the Company.

“Closely Related Party” is defined in the Corporations Act and includes a spouse, dependant and certain other close family members, as well as any companies controlled by a member of KMP.

“Company” or “GTI” means GTI Resources Ltd (ABN 33 124 792 132).

“Constitution” means the constitution of the Company.

“Corporations Act” means the Corporations Act 2001 (Commonwealth).

“Corporations Regulations” means the Corporations Regulations 2001 (Commonwealth).

“Key Management Personnel” or “KMP” means those persons having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly, including any director (whether executive or otherwise) of the Company.

GTI RESOURCES LTD
ABN 33 124 792 132

PROXY FORM

Company Secretary
GTI Resources Ltd
PO Box 287
West Perth WA 6872

FACSIMILE: (08) 6323 1128

I/We _____

of _____

being a shareholder of GTI Resources Ltd (Company) hereby appoint as proxy to vote in accordance with the following directions (or if no directions have been given, as the proxy or Chairman sees fit) at the general meeting of shareholder to be held at 3rd Floor, 1060 Hay Street, West Perth, Western Australia on 30 April 2015 at 8.00 a.m. (WST) (and at any adjournment thereof).

	or	<i>the Chairman</i>
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Name of person you are appointing (if not the Chairman)

Resolution	For	Against	Abstain*
1. Ratification of share issue	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Share issue to consultant – Grant Harding	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Share issue to consultant – Andrew Law	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Approval of share issue to director – Murray McDonald	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

* If you mark the abstain box for a particular item, you are directing your proxy not to vote on that item.

If you nominate the Chairman as your proxy and do not specify the way Chairman is to vote on Resolution, you expressly authorise the Chairman to exercise your proxy even though Resolution 4 is connected directly or indirectly with the remuneration of a member of Key Management Personnel of the Company. The Chairman of the meeting intends to vote undirected proxies in favour of the Resolutions.

Signature(s)

Shareholder 1

Director

Shareholder 2

Director/Secretary

Shareholder 3

Sole Director and Secretary

Company Seal (if required)

Proxies may be lodged at GTI Resources Ltd either by facsimile on (+61-8) 6323 1128, by mail to PO Box 287, West Perth WA, 6872, or by delivery to the office of the Company at A1, 118 Railway Street, West Perth 6005. To be valid, a proxy form (and any authority under which the proxy form is signed or a certified copy of the authority) must be received by the Company not less than 48 hours before the time scheduled for commencement of the meeting.

VOTING BY PROXY

1. A member of the Company entitled to attend and vote at the general meeting is entitled to appoint a proxy (who need not be a member) to attend and vote on his/her behalf.
2. If the member is entitled to cast two or more votes at the meeting, they may appoint two proxies. If the member appoints two proxies and the appointment does not specify the proportion or number of the member's votes each proxy may exercise, each proxy may exercise half of the votes.
3. The proxy form must be received at the Company's registered office at A1, 118 Railway Street, West Perth, Western Australia, 6005, or by facsimile on (08) 6323 1128 and in both cases, not less than 48 hours before the time of the holding of the meeting.
4. In the case of joint holders of a share in the Company the vote of the senior holder who tenders a vote, whether in person or by proxy, must be accepted to the exclusion of the votes of the other joint holders and, for this purpose, seniority is determined by the order in which the names stand in the register.
5. An instrument appointing a proxy must be in writing under the hand of the appointor or of the appointor's attorney, duly authorised in writing or, if the appointor is a corporation, under seal. A copy of the power of attorney must be lodged for any proxy appointed under a power of attorney.
6. A proxy for a corporation must be appointed under the common seal of the corporation or signed in accordance with the requirements of Section 127 of the Corporations Act. Section 127 of the Corporations Act provides that a company may execute a document without using its common seal if the document is signed by:
 - 2 directors of the company; or
 - a director and a company secretary of the company; or
 - for a proprietary company that has a sole director who is also the sole company secretary, that director.

For the Company to rely on the assumptions set out in Sections 129(5) and (6) of the Corporations Act, a document must appear to have been executed in accordance with Section 127(1) or (2). This effectively means that the status of the persons signing the document or witnessing the affixing of the seal must be set out and conform to the requirements of Section 127(1) or (2) as applicable. In particular, a person who witnesses the affixing of a common seal and who is the sole director and sole company secretary of the company must state that next to his or her signature.

7. If no voting instructions are marked on the proxy form then the proxy may vote as he/she thinks fit or may abstain from voting.

If a proxy is instructed to abstain from voting on an item of business, that person is directed not to vote on the shareholder's behalf on a poll and the shares the subject of the proxy appointment will not be counted in calculating the required majority.

Shareholders who return their proxy forms with a direction on how to vote but do not nominate the identity of their proxy will be taken to have appointed the chairman of the meeting as their proxy to vote on their behalf. If a proxy form is returned and the nominated proxy does not attend the meeting, the chairman of the meeting will act in place of the nominated proxy and vote in accordance with any instructions. Proxy appointments in favour of the chairman of the meeting which do not contain a direction how to vote will be used to support each of the resolutions proposed in the notice of meeting.