



**Riedel Resources Limited  
ACN 143 042 022**

**NOTICE OF GENERAL MEETING  
AND  
EXPLANATORY STATEMENT**

**General Meeting of Shareholders to be held at Level 3, 88 William Street, Perth on Friday  
11 March 2016 commencing at 11.30 a.m. (AWST).**

This Notice of General Meeting and Explanatory Statement should be read in its entirety.  
If Shareholders are in doubt as to how to vote, they should seek advice from their accountant,  
solicitor or other professional adviser without delay.

# NOTICE OF GENERAL MEETING

Notice is given that the General Meeting of Shareholders of Riedel Resources Limited ACN 143 042 022 ("**Company**") will be held at Level 3, 88 William Street, Perth, Western Australia on Friday, 11 March 2016 commencing at 11.30 a.m. (AWST).

## SPECIAL BUSINESS

### 1. Resolutions 1-4 – Approval of Grant of Options

#### 1.1 Resolution 1 - Approval of Grant of Options to Jeffrey Moore

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

*"That, for the purposes of section 195(4) of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 5,000,000 Options to Jeffrey Moore, a director of the Company (or his nominee) on the terms and conditions set out in the Explanatory Statement."*

##### **Voting Exclusion**

Under Listing Rule 14.11, the Company will disregard any votes cast on Resolution 1 by Mr Jeffrey Moore (or his nominee) and any of his associates.

However the Company need not disregard a vote if:

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

#### 1.2 Resolution 2 - Approval of Grant of Options to Andrew Childs

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

*"That, for the purposes of section 195(4) of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 5,000,000 Options to Andrew Childs, a director of the Company (or his nominee) on the terms and conditions set out in the Explanatory Statement."*

##### **Voting Exclusion**

Under Listing Rule 14.11, the Company will disregard any votes cast on Resolution 2 by Mr Andrew Childs (or his nominee) and any of his associates.

However the Company need not disregard a vote if:

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

### 1.3 Resolution 3 - Approval of Grant of Options to Ed Turner

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

*“That, for the purposes of section 195(4) of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 5,000,000 Options to Ed Turner, a related party of the Company (or his nominee) on the terms and conditions set out in the Explanatory Statement.”*

#### **Voting Exclusion**

Under Listing Rule 14.11, the Company will disregard any votes cast on Resolution 3 by Mr Ed Turner (or his nominee) and any of his associates.

However the Company need not disregard a vote if:

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

### 1.4 Resolution 4 - Approval of Grant of Options to Ian Tchacos

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

*“That, for the purposes of section 195(4) of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 3,000,000 Options to Ian Tchacos, a related party of the Company (or his nominee) on the terms and conditions set out in the Explanatory Statement.”*

#### **Voting Exclusion**

Under Listing Rule 14.11, the Company will disregard any votes cast on Resolution 4 by Mr Ian Tchacos (or his nominee) and any of his associates.

However the Company need not disregard a vote if:

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

## 2. Resolutions 5 - Approval of Grant of Performance Rights

### 2.1 Resolution 5 – Approval of Grant of Performance Rights to Jeffrey Moore

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

*“That for the purposes of section 208 of the Corporations Act, ASX Listing Rule 10.14 and for all other purposes, Shareholders approve the grant of 10,000,000 Performance Rights to Jeffrey Moore, a Director of the Company, under the Riedel Resources Limited Performance Rights Plan on the terms and conditions contained in the Explanatory Notes to this Notice of Meeting.”*

#### **Voting Exclusion**

Under Listing Rule 14.11, the Company will disregard any votes cast on Resolution 5 by Mr Jeffrey Moore (or his nominees) and any of their associates, and:-

- (a) a director (except one who is ineligible to participate in any employee incentive scheme in relation to the Company; and
- (b) an associate of that director.

However the Company need not disregard a vote if:

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

In accordance with section 250BD of the Corporations Act, a vote on this Resolution must not be cast by a person appointed as a proxy, where that person is either a member of the Key Management Personnel or a closely related party of such member.

**By Order of the Board of Directors**

**Leonard Math**  
Company Secretary  
Riedel Resources Limited

8 February 2016

## **ENTITLEMENT TO ATTEND AND VOTE**

You will be entitled to attend and vote at the General Meeting if you are registered as a Shareholder of the Company as at 5.00pm (AWST) on 9 March 2016. This is because, in accordance with the Corporations Regulations 2001 (Cth), the Board has determined that the Shares on issue at that time will be taken, for the purposes of the General Meeting, to be held by the persons who held them at that time. Accordingly, transactions registered after that time will be disregarded in determining entitlements to attend and vote at the meeting.

## **HOW TO VOTE**

### **Voting in person**

Shareholders who plan to attend the meeting are asked to arrive at the venue 15 minutes prior to the time designated for the meeting if possible, so that their holding may be checked against the Company's register of members and attendances recorded.

### **Corporate representatives**

A body corporate, which is a Shareholder or which has been appointed as a proxy, may appoint an individual to act as its corporate representative at the meeting in accordance with section 250D of the Corporations Act. The appropriate appointment document must be produced prior to admission. A form of the certificate can be obtained from the Company's registered office.

### **Voting by proxy**

A Shareholder who is entitled to attend and cast a vote at the meeting may appoint a proxy. A proxy need not be a Shareholder and may be an individual or body corporate. If a body corporate is appointed as a proxy it must appoint a corporate representative in accordance with section 250D of the Corporations Act to exercise its powers as proxy at the meeting (see above).

A Shareholder who is entitled to cast two or more votes may appoint two proxies to attend the meeting and vote on their behalf and may specify the proportion or a number of votes each proxy is appointed to exercise. If a Shareholder appoints two proxies and the appointment does not specify the proportion or number of the Shareholder's votes each proxy may exercise, each proxy may exercise half of the votes (disregarding fractions). If you wish to appoint a second proxy, you may copy the enclosed proxy form or obtain a form from the Company's registered office.

To be effective for the scheduled meeting a proxy appointment (and any power of attorney or other authority under which it is signed or otherwise authenticated, or a certified copy of that authority) must be received at an address or fax number below no later than 11.30 am (AWST) 9 March 2016, being 48 hours before the time of the meeting. Any proxy appointment received after that time will not be valid for the scheduled meeting.

### **In person**

Registered Office  
Suite 1, 6 Richardson Street,  
West Perth, Western Australia 6005,

### **By mail**

PO Box 1559,  
West Perth, Western Australia 6872

### **By fax**

(08) 9486 7375

### **By email**

j.moore@riedelresources.com.au

For further information concerning the appointment of proxies and the ways in which proxy appointments may be submitted, please refer to the enclosed proxy form.

### **Voting by attorney**

A Shareholder may appoint an attorney to attend and vote on their behalf. For an appointment to be effective for the meeting, the instrument effecting the appointment (or a certified copy of it) must be received by the Company at one of the addresses listed above for the receipt of proxy appointments at least 48 hours prior to the commencement of the meeting.

### **Chairman as proxy**

If you appoint a proxy, the Company encourages you to consider directing them how to vote by marking the appropriate box on each of the proposed Resolutions.

If a Shareholder entitled to vote on a Resolution appoints the Chairman of the meeting as their proxy (or the Chairman becomes their proxy by default) and the Shareholder does not direct the Chairman how to vote on the Resolution:-

- The Chairman intends to vote in favour of the Resolutions, as proxy for that Shareholder on a poll; and

- For Resolutions 1-5, the Shareholder will have given the Chairman express authority to vote as the Shareholder's proxy on the relevant resolution even though the resolution is connected directly or indirectly with the remuneration of a member of the KMP for the Company and even though the Chairman is a member of the KMP, unless the Shareholder expressly indicates to the contrary in the proxy appointment.

If you do not want to put the Chairman of the meeting in the position to cast your votes in favour of any of the proposed Resolutions, you should complete the appropriate box on the proxy form, directing your proxy to vote against, or to abstain from voting, on the resolution.

**Other members of KMP as proxy**

If a Shareholder appoints a Director (other than the Chairman of the meeting) or another member of KMP (or a Closely Related Party of any such person) as their proxy and does not direct the proxy how to vote on Resolution 1-5 by marking the 'For', 'Against' or 'Abstain' box opposite the relevant Resolution on the proxy appointment, the proxy will not be able to exercise the Shareholder's proxy and vote on their behalf on the relevant Resolution.

## Explanatory Statement

This Explanatory Statement has been prepared for the information of Shareholders in relation to the business to be conducted at the Company's General Meeting.

The purpose of this Explanatory Statement is to provide Shareholders with all information known to the Company which is material to a decision on how to vote on the resolution in the accompanying Notice.

This Explanatory Statement should be read in conjunction with the Notice. Capitalised terms in this Explanatory Statement are defined in the Glossary.

### 1. Resolutions 1-4 – Approval of Grant of Options to Directors and Related Parties

#### Background

Resolutions 1-4 seek Shareholder approval to a grant of a total of 18,000,000 Options to the following directors and related parties:-

Director	No. of Options	Exercise Price	Expiry Date
Jeffrey Moore	5,000,000	150% of the 5 day VWAP immediately prior to the date of approval	3 years from the date of approval
Andrew Childs	5,000,000	150% of the 5 day VWAP immediately prior to the date of approval	3 years from the date of approval
Related Party	No. of Options	Exercise Price	Expiry Date
Ed Turner*	5,000,000	150% of the 5 day VWAP immediately prior to the date of approval	3 years from the date of approval
Ian Tchacos*	3,000,000	150% of the 5 day VWAP immediately prior to the date of approval	3 years from the date of approval

*\*Mr Turner and Tchacos are former directors of the Company. Mr Turner and Mr Tchacos resigned as a director of the Company on 27 November 2015 and 18 January 2016 respectively. In accordance with section 228 of the Corporations Act 2001, Mr Turner and Mr Tchacos are considered as related parties to the Company.*

The Options are being issued in accordance with the summary of terms set out in Annexures A are issued to the Directors and former Directors in recognition of their services over the past 2 years and for future incentives.

ASX Listing Rule 10.11 requires shareholder approval to be obtained where an entity issues, or agrees to issue securities to a related party of the entity, a director of the entity, an associate of the director, or a person whose relationship with the entity, director or associate of the director is, in ASX's opinion, such that approval should be obtained. Options are securities for the purposes of the ASX Listing Rules.

The issue of Options to the Related Parties requires the Company to obtain Shareholder approval as this constitutes giving a financial benefit.

Accordingly, Shareholder approval is sought for the issue of Options to the Related Parties.

## Section 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 a public company, the public company must:-

- (a) obtain the approval of the public company's shareholders 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.

In accordance with the requirements of section 219 of the Corporations Act and ASX Listing Rule 10.13, the following information is provided to enable Shareholders to assess the proposed issue of Options to the related parties:

- (a) the Related Parties are Jeffrey Moore, Andrew Childs, Mr Ed Turner and Ian Tchacos, being Directors and former Directors of the Company;
- (b) the nature of the financial benefit being provided to the Related Parties is the issue of 18,000,000 Options (comprising 5,000,000 Options to each of Jeffrey Moore, Ed Turner and Andrew Childs and 3,000,000 Options to Ian Tchacos) which will result in the issue of Shares subject to the terms and conditions set out in Annexures A and B;
- (c) the maximum number of Options to be issued under Resolutions 1-4 is 18,000,000;
- (d) the Options will be issued for no consideration and have an exercise price of 150% of the 5 day VWAP immediately prior to the date of approval;
- (e) the Options will be issued within one month after the date of the meeting;
- (f) in determining the number of Options to be issued to the Related Parties, consideration was given to the respective relevant experience and role of the Related Parties, their overall remuneration terms and the terms of share packages granted to directors of similar companies. The number of Options to be issued to the Related Parties was agreed by the Board of Directors.
- (g) If the Options are exercised, the Shares issued will be fully paid ordinary shares in the capital of the Company and will rank equally with all of the Shares of the Company currently on issue;
- (h) as at the date of this Notice the current and past annual remuneration payable to the Related Parties is as follows:-

Director	Salary 2015/16	Salary 2014/15	Salary 2013/14
Jeffrey Moore	\$109,500	\$72,233*	\$152,927*
Andrew Childs	-	-	-
Ed Turner**	\$60,000	\$65,346	\$54,625
Ian Tchacos	-	-	-

*\*includes share based payments (non-cash) of \$5,297 and \$77,333 in 2014/2015 and 2013/2014 respectively.*

*\*\*Mr Turner has resigned as a director of the Company on 27 November 2015 but remain as a consultant to the Company.*



- (i) as at the date of this Notice, the Related Parties have notifiable interests in the securities of the Company as set out below:-

Director	Shares	Unlisted Options	Performance Rights
Jeffrey Moore	2,661,305	Nil	Nil
Andrew Childs	2,987,305	Nil	Nil
Ed Turner	1,588,234	Nil	Nil
Ian Tchacos	2,230,305	Nil	Nil

- (j) if Shareholders approve the issue of the Options to the Related Parties and the Options are exercised into Shares, the effect will be to dilute the shareholding of existing Shareholders by approximately 7.72% on an undiluted basis (based on 233,099,553 Shares being currently on issue);
- (k) in the 12 months preceding the date of this Notice, the highest, lowest and last trading price of Shares on ASX are set out below:-

Highest	\$0.011 on 11 November 2015
Lowest	0.005 on 25 March 2015
Last	0.01 on 27 January 2016

- (l) the value of the financial benefit provided to the Directors is:-

Director	Options Value
Jeffrey Moore	\$27,500
Andrew Childs	\$27,500
Ed Turner	\$27,500
Ian Tchacos	\$16,500

The Company has obtained a valuation of the Options proposed to be issued to the Directors, which has been valued using the Black & Scholes pricing model based upon the following assumptions:-

- (i) Current price of Ordinary Shares: \$0.01 as at 27 January 2016, the date of the valuation;
- (ii) Expiry date of the Options being 3 years from the date of issue;
- (iii) Exercise price of \$0.0105
- (iv) Volatility: 100%; and
- (v) Risk free rate: 2.00%

Based on the Black & Scholes pricing model, each option is valued at \$0.0055.

- (m) the primary purpose of the issue of the Options to the Related Parties is to provide cost effective remuneration to the Related Parties for their ongoing commitment and contribution to the Company in their respective roles as Directors and to compensate the former Directors for the lack of remuneration as Directors in the past few years. The Board does not consider that there are any significant opportunity costs or benefits foregone by the Company in issuing the Options upon the terms proposed.
- (n) Jeffrey Moore declines to make a recommendation to Shareholders in relation to Resolution 1 due to his material personal interest in the outcome of the Resolution. The Directors (other than Jeffrey Moore) recommend that Shareholders vote in favour of Resolution 1 as they are of the view that the issue of Options to Jeffrey Moore is an appropriate form of incentive to maximize returns to Shareholders. The Directors are not aware of any other information that would be reasonably required by Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass Resolution 1; and
- (o) Andrew Childs declines to make a recommendation to Shareholders in relation to Resolution 2 due to his material personal interest in the outcome of the Resolution. The Directors (other than Andrew Childs) recommend that Shareholders vote in favour of Resolution 2 as they are of the view that the issue of Options to Andrew Childs is an appropriate form of incentive to maximize returns to Shareholders. The Directors are not aware of any other information that would be reasonably required by Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass Resolution 2; and
- (p) The Directors recommend that Shareholders vote in favour of Resolutions 3 and 4 as they are of the view that the issue of Options to Ed Turner and Ian Tchacos is an appropriate form of to compensate for their past effort and contribution to the Company. The Directors are not aware of any other information that would be reasonably required by Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass Resolutions 3 and 4.

## **2. Resolution 5 – Grant of Performance Rights**

### **Background**

Resolution 5 seeks Shareholder approval for the issue of 10,000,000 Performance Rights to Jeffrey Moore, Executive Chairman and Related Party to the Company.

The Performance Rights will be issued to Mr Moore for no consideration.

The Performance Rights are to be issued for the purpose of aligning the interests of Mr Moore with the Company and to secure ongoing commitment of them to the growth of the Company.

ASX Listing Rule 10.14 requires shareholder approval to be obtained where an entity issues, or agrees to issue, securities under an employee incentive scheme to a director of the entity, an associate of the director, or a person whose relationship with the entity, director or associate of the director is, in ASX's opinion, such that approval should be obtained. Performance rights are securities for the purposes of the ASX Listing Rules.

The issue of Performance Rights to the Related Party requires the Company to obtain Shareholder approval as this constitutes giving a financial benefit.

Accordingly, Shareholder approval is sought for the issue of Performance Rights to the Executive Chairman.

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

Chapter 2E of the Corporations Act prohibits a public company from giving a financial benefit to a related party of the company unless either:

- the giving of the financial benefit falls within one of the exceptions to the provision; or
- prior shareholder approval is obtained to the giving of the financial benefit.

Related party is widely defined under the Corporations Act, and includes directors of a company.

Financial benefit is defined broadly and includes benefits from the public company's subsidiaries. It is necessary to look at the economic and commercial substance and the effect of the transaction in determining the financial benefit. The Corporations Act requires that any consideration that is given is disregarded, even if the consideration is adequate.

Jeffrey Moore is a Director, and therefore related party of the Company, and the issue of the securities to him or his nominees constitutes the provision of a financial benefit for the purposes of Chapter 2E of the Corporations Act.

Shareholder approval is therefore being sought pursuant to Chapter 2E of the Corporations Act and Listing Rule 10.14.

The Performance Rights will be issued subject to the Company's Performance Rights Plan Rules. Refer to Annexure C for the summary of the terms and conditions of the Company's Performance Rights Plan.

#### **Resolution 5 – Grant of Performance Rights to Mr Jeffrey Moore**

The Board agreed to grant Mr Moore the following Performance Rights, subject to Shareholder approval:-

<b>Director</b>	<b>No. of Performance Rights</b>	<b>Vesting Conditions</b>
Jeff Moore	10,000,000	4,000,000 Performance Rights will vest 12 months from the date of approval 3,000,000 Performance Rights will vest when the market capitalisation of the Company reaches \$4 million for 20 consecutive trading days 3,000,000 Performance Rights will vest when the market capitalisation of the Company reaches \$5 million for 20 consecutive trading days

#### **Information required by the Corporations Act**

For the purposes of section 219 of the Corporations Act and ASIC Regulatory Guide 76, the following information is provided to Shareholders to enable them to assess the merits of the resolution:

- (a) The related party to whom Resolution 5 would permit the benefit to be given:  
Jeffrey Moore, Executive Chairman
- (b) The nature of the financial benefit:  
The proposed financial benefits to be given are the issue of 10,000,000 Performance Rights to Jeffrey Moore the terms of which are set out in this Explanatory Memorandum.
- (c) Reasons for giving the benefit  
The Board independent of Mr Moore have determined that the issue of 10 million Performance Rights to Mr Moore recognises the skills and value that Mr Moore will bring to the Company based on his past and current experience and his contact base.
- (d) Jeffrey Moore's existing relevant interest  
Jeffrey Moore currently holds 2,661,305 Shares (equal to approximately 1.14% of the Company's current issued share capital).
- (e) Total remuneration package  
As an Executive Chairman, Jeffrey Moore is paid a remuneration package of \$109,500 per annum (including superannuation)

- (e) Dilution  
The Company's issued share capital will not change as a result of the issue of 10,000,000 Performance Rights to Jeffrey Moore.
- (f) Valuation of the financial benefit to be given  
The Company has obtained a valuation of the Performance Rights, which is set out in Schedule 1 to this Explanatory Memorandum.
- (g) Other Information  
The Directors are not aware of any other information that is reasonably required by Shareholders to allow them to make a decision on whether it is in the best interests of the Company to pass the Resolution.

### **Information required by the Listing Rules**

In compliance with the information requirements of ASX Listing Rule 10.15, Shareholders are advised of the following information:

- (a) Nature of relationship between allottee and the Company  
The Performance Rights are proposed to be issued to Jeffrey Moore. Mr Moore is the Executive Chairman of the Company and, as such, is a related party of the Company.
- (b) Details of the maximum number of securities that may be issued  
The maximum number of securities that may be acquired by Mr Moore under Resolution 5 is 10,000,000.
- (c) Issue price  
The 10,000,000 Performance Rights will be issued for nil cash consideration.
- (d) Previous issues under the Plan  
At the date of this Notice of Meeting no Performance Rights have been granted to Mr Moore or any other Eligible Persons.
- (e) Eligible participants under the Plan  
Persons eligible to participate in the Plan are full time or part-time employees or executive or non-executive directors of the Company or a Related Body Corporate of the Company, being Messrs Jeffrey Moore, Andrew Childs, Mark Skiffington and Luke Matthews.
- (f) Voting exclusion statement  
A voting exclusion statement for Resolution 5 is included in the Notice of General Meeting preceding this Explanatory Statement.
- (g) Terms of any loan  
The Company will not be providing a loan in connection with Mr Moore's acquisition of Performance Rights under the Plan.
- (h) Issue date  
The Company will issue the Performance Rights under Resolution 5 on a date no later than 12 months after the date of this General Meeting.
- (i) Valuation of the Performance Rights  
The value of the Performance Rights being given to Mr Moore, and the pricing methodology is set out in Schedule 1;

### **Directors' recommendation**

The Board of Directors, with Mr Moore abstaining, recommend that Shareholders vote in favour of Resolution 5 as the Company will receive the benefits outlined above.

Mr Moore declines to make a recommendation to Shareholders in relation to Resolution 5 as he has a material personal interest in the outcome of Resolution 5.

## Glossary

In this Explanatory Statement, the following terms have the following meaning unless the context otherwise requires:

<b>ASX</b>	ASX Limited ACN 008 624 691 trading as the Australian Securities Exchange.
<b>AWST</b>	Australian Western Standard Time, being the time in Perth, Western Australia.
<b>Board</b>	the board of Directors.
<b>Chairman</b>	the chairman of the General Meeting.
<b>Closely Related Party</b>	<p>a closely related party of a member of Key Management Personnel as defined in Section 9 of the Corporations Act, being:</p> <ul style="list-style-type: none"><li>(a) a spouse or child of the member;</li><li>(b) a child of that member's spouse;</li><li>(c) a dependent of that member or of that member's spouse;</li><li>(d) anyone else who is one of that member's family and may be expected to influence that member, or be influenced by that member, in that member's dealings with the Company;</li><li>(e) a company that is controlled by that member; or</li><li>(f) any other person prescribed by the regulations.</li></ul>
<b>Company</b>	Riedel Resources Limited ACN 143 042 022.
<b>Corporations Act</b>	<i>Corporations Act 2001</i> (Cth).
<b>Director</b>	a director of the Company.
<b>Equity Securities</b>	has the meaning given in the Listing Rules.
<b>Explanatory Statement</b>	the explanatory statement accompanying the Notice.
<b>General Meeting</b>	the general meeting convened by this Notice.
<b>Key Management Personnel</b>	the key management personnel of the Company as defined in Section 9 of the Corporations Act and Australian Accounting Standards Board accounting standard 124, being 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).
<b>Listing Rules</b>	the ASX Listing Rules published and distributed by ASX.
<b>Notice</b>	the notice of general meeting accompanying the Explanatory Statement.
<b>Ordinary Resolution</b>	a resolution that has been passed by at least 50% of the votes cast by shareholders entitled to vote on the resolution

<b>Proxy Form</b>	the proxy form attached to the Notice.
<b>Related Party</b>	has the meaning as defined in section 228 of the Corporations Act.
<b>Resolution</b>	a resolution contained in the Notice.
<b>Share</b>	a fully paid ordinary share in the capital of the Company.
<b>Shareholder</b>	a holder of Shares.
<b>VWAP</b>	the volume weighted average price.

## **Annexure A – Terms and Conditions of the Related Party Options**

- (a) Each Option will lapse if not exercised on or before 3 years from the date of approval (**Expiry Date**).
- (b) The exercise price for each Option will be 150% of the 5 day VWAP immediately prior to the date of approval. (**Exercise Price**).
- (c) Each Option shall entitle the holder of the Option (**Holder**) to subscribe for and to be allotted one fully paid ordinary share in the capital of Company upon exercise of the Option and payment to the Company of the Exercise Price.
- (d) An Option may be exercised by the Holder at any time prior to the Expiry Date by sending a completed and signed notice of exercise, together with the payment of the Exercise Price for each Option exercised and the statement for the Option, to the Company's Registered Office. If the Holder holds more than one Option, the Options may be exercised in whole or in part.
- (e) A notice of exercise is only effective when the Company has received the full amount of the Exercise Price in cash or cleared funds for each of the Options Exercised.
- (f) Subject to any restrictions in the ASX Listing Rules, within 14 days of receipt of a properly executed notice of exercise and the required Exercise Price, the number of shares specified in the notice will be allotted.
- (g) Each statement will bear a suitable form of notice of exercise of Options, endorsed on the back of the statement, for completion by the Holder (if required). If the Options comprised in any such statement are exercised in part only, before the expiry Date, the Company will issue the Holder with a fresh statement for the balance of the Options held and not yet exercised.
- (h) Subject to clause (k) below, the period during which the Options may be exercised will not be extended.
- (i) If there is a bonus issue to the holders of Shares, the number of Shares over which an Option is exercisable may be increased by the number of Shares which the Holder would have received if the Option had been exercised before the record date for the bonus issue.
- (j) There are no participating rights or entitlements inherent in the Options the Holder will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options. However the Company will ensure that for the purposes of determining entitlement to any such issue, the record date will be at least 7 business days after the issue is announced. This will give the Holder the opportunity to exercise their Options prior to the date for determining entitlements to participate in any such issue.
- (k) In the event of any reconstruction (including consolidation, subdivision, reduction, cancellation or return) of the issued capital of the Company before the expiry of any Options, all rights of the option holder, will be reconstructed (as appropriate) in accordance with the Listing Rules applying to a reorganisation of capital at the time of the re-organisation.
- (l) Shares allotted pursuant to the exercise of the Options will rank equally with the then issued Shares of the Company.
- (m) The Company will not apply for quotation of the Options on ASX. However the Company will apply for quotation of all Shares allotted pursuant to the exercise of Options on ASX within 10 business days after the day of allotment of those Shares.
- (n) Other than as set out above, an Option does not confer the right to a change in Exercise Price, or a change to the number of underlying Shares over which it can be exercised.

**Annexure B – Further terms and conditions of Options for the purposes of resolutions 1-4**

<b>Director</b>	<b>No. of Options</b>	<b>Exercise Price</b>	<b>Expiry Date</b>
Jeff Moore	5,000,000	150% of the 5 day VWAP immediately prior to the date of approval.	3 years from date of approval
Andrew Childs	5,000,000	150% of the 5 day VWAP immediately prior to the date of approval.	3 years from date of approval
Ed Turner	5,000,000	150% of the 5 day VWAP immediately prior to the date of approval.	3 years from date of approval
Ian Tchacos	3,000,000	150% of the 5 day VWAP immediately prior to the date of approval.	3 years from date of approval



## **Annexure C – Summary of the Riedel Performance Rights Plan ('Plan')**

### *Type of Plan*

Awards under the Plan are structured as Rights to acquire ordinary shares in the Company for nil consideration, provided specific performance criteria decided by the Board are met within defined time restrictions.

The Plan allows participation by Eligible Participants. Eligible Participants include employee, director or consultant of a Group Company.

A Performance Right awarded under the Plan means an entitlement to a Share subject to satisfaction of any vesting conditions.

### *Purchase price*

Unless otherwise determined, an Eligible Participant will not be required to make any payment for a grant of Performance Rights.

### *Number of Rights to be granted*

The Board will determine the number of Performance Rights to be granted to each participant through an assessment of market remuneration practice and the performance of the Company.

### *Vesting*

Subject to a change of control, takeover etc, a Performance Right will not vest unless certain conditions are satisfied.

In the normal course, the exact number of Rights that will vest will be determined by reference to whether the performance criteria has been achieved.

### *Performance Criteria*

Performance criteria will be designed to align the performance of senior executives with the interests of shareholders. While performance hurdles will be determined by the Board in its discretion, the current intention is to use market capitalisation as a measure of performance.

### *Compliance*

The Plan is subject to compliance with the Corporations Act and the ASX Listing Rules.

### *Limitation of Offers*

An offer to grant Performance Rights to an Eligible Participant shall not be made where the number of Shares to be issued on exercise of the Performance Rights the subject of the Offer, aggregated with the total number of Shares to be issued on exercise of all outstanding Performance Rights does not exceed 15% of the undiluted number of Shares on issue in the Company as at the date of the purported offer.

### *Management of the Plan*

The Plan will be administered by the Board or a committee to whom the Board has delegated the responsibility for administering the Plan.

## Schedule 1

### VALUATION OF EXECUTIVE CHAIRMAN PERFORMANCE RIGHTS

The Performance Rights to be issued to Mr Jeffrey Moore pursuant to Resolution 5 have been internally valued.

The variables required to value the Performance Rights are as follows:

Assumptions	Executive Chairman Rights
Valuation date	27 January 2016
Spot price	\$0.01
Exercise price	Nil
Expiry date	25 January 2021
Expected future volatility	100%
Risk free rate	2.00%
Dividend yield	Nil

Using the above variables, RSM have calculated the value for the Performance Rights as follows:

Performance Rights	Average Value per right	Number	Value
<b><i>Executive Chairman</i></b>			
- Tranche 1	\$0.0070	4,000,000	\$28,000
- Tranche 2	\$0.0046	3,000,000	\$13,800
- Tranche 3	\$0.0044	3,000,000	\$13,200
<b>TOTAL</b>		<b>10,000,000</b>	<b>\$55,000</b>

## PROXY FORM

### Shareholder Details

Name: .....  
 Address: .....  
 Contact Telephone No: .....  
 Contact Email Address: .....  
 Contact Name (if different from above): .....

### Step 1: Appointment of Proxy

I/We being a Shareholder/s of Riedel Resources Limited and entitled to attend and vote hereby appoint

☐

The Chairman  
of the meeting  
(mark with an 'X')

OR

Write here the name of the person you  
are appointing if this person is someone  
other than the Chairman of the Meeting.

or failing the person named, or if no person is named, the Chairman of the Meeting, as my/our proxy to attend and 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 General Meeting of Riedel Resources Limited to be held at Level 3, 88 William Street, Perth, Western Australia on 11 March 2016 at 11.30 am (AWST) and at any adjournment of that meeting.

**Chairman authorised to exercise proxies on remuneration related resolutions:** Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman of the Meeting becomes my/our proxy by default) and am/are entitled to vote on the relevant Resolution, I/we expressly authorise the Chairman of the Meeting to exercise my/our proxy in relation to Resolutions 1-5 (and any motion for amendment of, or any procedural motion relating to that resolution) even though that resolution (and any such motion) may be connected directly or indirectly with the remuneration of a member of the key management personnel for the Company, and even though the Chairman is a member of the key management personnel.

If the Chairman of the Meeting is (or becomes) your proxy, you can direct the Chairman how to exercise your proxy on Resolution 1 by marking the appropriate box below.

**Chairman to vote undirected proxies in favour:** I/we acknowledge that the Chairman of the Meeting intends to vote undirected proxies in favour of each of the proposed Resolutions (to the extent permitted by law).

### Step 2: Voting directions to your proxy – please mark ☒ to indicate your directions

#### Special Business

Resolution 1	Grant of Options to Jeffrey Moore
Resolution 2	Grant of Options to Andrew Childs
Resolution 3	Grant of Options to Ed Turner
Resolution 4	Grant of Options to Ian Tchacos
Resolution 5	Grant of Performance Rights to Jeffrey Moore

For                  Against                  Abstain\*


\*If you mark the Abstain box for a particular Resolution, 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.

Appointment of a second proxy (see instructions attached).

- If you wish to appoint a second proxy, state the % of your voting rights applicable to the proxy appointed by this form

%

### PLEASE SIGN HERE

**This section must be signed in accordance with the instructions attached to enable your directions to be implemented**

Individual or Shareholder 1

Sole Director and  
Sole Company Secretary

Shareholder 2

Director

Shareholder 3

Director/Company Secretary

## How to complete this Proxy Form

### Your Name and Address

Please print your name and address as it appears on your holding statement and the Company's share register. If shares are jointly held, please ensure the name and address of each joint Shareholder is indicated. Shareholders should advise the Company of any changes. Shareholders sponsored by a broker should advise their broker of any changes. Please note, you cannot change ownership of your securities using this form.

### Appointment of a Proxy

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box. If the person you wish to appoint as your proxy is someone other than the Chairman of the Meeting please write the name of that person. If you leave this section blank, or your named proxy does not attend the meeting, the Chairman of the Meeting will be your proxy. A proxy need not be a Shareholder of the Company.

### Votes on Resolutions

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each Resolution. All your shareholding will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any Resolution by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given Resolution, your proxy may vote as he or she chooses. If you mark more than one box on a Resolution your vote on that Resolution will be invalid.

### Appointment of a Second Proxy

You are entitled to appoint up to two 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 telephoning the Company on 08 9226 0866 or you may photocopy this form.

To appoint a second proxy you must on each Proxy Form state (in the appropriate box) the percentage of your voting rights which are the subject of the relevant proxy. If both Proxy Forms do not specify that percentage, each proxy may exercise half your votes. Fractions of votes will be disregarded.

### Signing Instructions

You must sign this form as follows in the spaces provided:

Individual:	where the holding is in one name, the holder must sign.
Joint Holding:	where the holding is in more than one name, all of the Shareholders should 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 can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

If a representative of the corporation is to attend the meeting a "Certificate of Appointment of Corporate Representative" should be produced prior to admission. A form of the certificate can be obtained from the Company's share registry.

### Lodgement of a Proxy

This Proxy Form (and any Power of Attorney under which it is signed) must be received at the address given below not later than 48 hours before the commencement of the meeting, ie. no later than 11.30 am (AWST) on 9 March 2016. Any Proxy Form received after that time will not be valid for the scheduled meeting.

This Proxy Form (and any Power of Attorney and/or second Proxy Form) may be sent or delivered to the Company's registered office at Suite 1, 6 Richardson Street, West Perth Western Australia 6005 or sent by facsimile to the registered office on (08) 9486 7375 or by email [j.moore@riedelresources.com.au](mailto:j.moore@riedelresources.com.au).