

**NOTICE IS HEREBY GIVEN** that the 2014 Annual General Meeting of Eastern Iron Limited (the “Company”) will be held on Wednesday 19 November 2014 at 2:00pm (Sydney time) the offices of BDO East Coast Partnership, Level 11, No. 1 Margaret Street Sydney, New South Wales.

The business to be considered at the meeting is set out below. This Notice of Meeting should be read in conjunction with the accompanying Explanatory Memorandum, which contains information in relation to each of the following items of business. A Proxy Form also accompanies this Notice of Meeting.

## **ORDINARY BUSINESS**

### **1. Financial Statements and Reports**

To receive and consider the Reports of the Directors and the Auditors, and the Financial Statements for the period ended 30 June 2014.

A copy of the Company’s 2014 Annual Report (including the Reports of the Directors and Auditors, and the Financial Statements for the period ended 30 June 2014) has not been mailed to all shareholders with this Notice of Meeting. Shareholders may access these documents electronically at the following website: [www.easterniron.com.au](http://www.easterniron.com.au).

### **2. Adoption of the Remuneration Report**

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

*“That the Remuneration Report for the financial period ended 30 June 2014 be adopted.”*

### **3. Re-election of Mr Adrian Critchlow as a Director**

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

*“That Mr Adrian Critchlow who retires as a Director in accordance with the Company’s Constitution and, being eligible and offering himself for re-election, be elected as a Director of the Company.”*

The Directors (Mr Critchlow excepted) recommend that shareholders vote in favour of this resolution.

### **4. Re-election of Mr Steve Gemell as a Director**

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

*“That Mr Steve Gemell who retires as a Director in accordance with the Company’s Constitution and, being eligible and offering himself for re-election, be elected as a Director of the Company.”*

The Directors (Mr Gemell excepted) recommend that shareholders vote in favour of this resolution.

### **5. Election of Mr Michael Giles as a Director**

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

*“That Mr Michael Giles who was appointed to the Board on 11 March 2014 in accordance with the Company’s Constitution to hold office until the next AGM, being eligible and offering himself for election, is elected as a Director of the Company.”*

The Directors (Mr Giles excepted) recommend that shareholders vote in favour of this resolution.

**6. Ratification of a previous issue of shares**

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

*"That, for the purposes of ASX Listing Rules 7.1 and 7.4 and for all other purposes, ratification be given to the Company of this issue of 4,361,776 fully paid ordinary shares in the Company at an issue price of \$0.060 per share and 3,804,115 fully paid ordinary shares in the Company at an issue price of \$0.042 per share to Planning & Property Partners Pty Ltd on the terms and conditions set out in the Explanatory Memorandum accompanying this Notice."*

The Directors recommend that shareholders vote in favour of this resolution.

**7. Ratification of a previous issue of shares**

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

*"That, for the purposes of ASX Listing Rules 7.1, 7.1A and 7.4 and for all other purposes, ratification be given to the Company of an issue of 16,700,000 fully paid ordinary shares in the Company at an issue price of \$0.042 per share to Harland Capital Fund LLC on the terms and conditions set out in the Explanatory Memorandum accompanying this Notice."*

The Directors (Mr Giles excepted) recommend that shareholders vote in favour of this resolution.

**8. Ratification of a previous issue of shares**

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

*"That, for the purposes of ASX Listing Rules 7.1 and 7.4 and for all other purposes, ratification be given to the Company of an issue of 23,809 fully paid ordinary shares in the Company at an issue price of \$0.042 per share to Jeans Holland Pty Ltd on the terms and conditions set out in the Explanatory Memorandum accompanying this Notice."*

The Directors recommend that shareholders vote in favour of this resolution.

**9. Issue of shares to a company associated with a Director**

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

*"That, for the purposes of ASX Listing Rules 10.11 and for all other purposes, approval be given to the Company for an issue of 3,500,000 fully paid ordinary shares in the Company at an issue price of \$0.042 per share to Harland Capital Fund LLC, a company associated with Mr Michael Giles, on the terms and conditions set out in the Explanatory Memorandum accompanying this Notice."*

The Directors (Mr Giles excepted) recommend that shareholders vote in favour of this resolution.

**10. Grant of options to a Director**

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

*"That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval be given to grant a maximum of 450,000 options to Mr Michael Giles, or his nominee for nil cash consideration and otherwise on the terms and conditions set out in Annexure A to the Explanatory Memorandum accompanying this Notice."*

The Directors (Mr Giles excepted) recommend that shareholders vote in favour of this resolution.

## **SPECIAL BUSINESS**

### **11. Issue of shares up to 10% of the Company's issued capital**

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

*"That pursuant to ASX Listing Rules 7.1A and 7.3A the Directors be authorised to issue and allot additional fully paid ordinary shares up to 10%, calculated in accordance with the formula in listing rule 7.1A.2, of the Company's issued fully paid ordinary capital by placement(s) within twelve months from the date hereof at an issue price not less than 75% of the volume weighted average price for the Company's existing shares over the fifteen trading days prior to the date of issue thereof."*

The Directors recommend that shareholders vote in favour of this resolution.

## **VOTING EXCLUSION STATEMENT**

### **Item 2**

A vote on the Item 2 must not be cast (in any capacity) by or on behalf of a member of the Key Management Personnel details of whose remuneration are included in the Remuneration Report, or a closely related party of that member. However, a person described above may cast a vote on Item 2 if the person does so as a proxy appointed by writing that specifies how the proxy is to vote on the proposed resolution, and the vote is not cast on behalf of a person described above. The Chair will not vote any undirected proxies in relation to Item 2 unless the shareholder specifically authorises the Chair to vote in accordance with the Chair's stated voting intentions. If a shareholder wishes to nominate the Chair as their proxy for the purpose of Item 2 the shareholder must either tick the 'for' or 'against' box, directing the Chair how to vote, or tick the box authorising the Chair to vote in accordance with his or her stated voting intentions on the enclosed Proxy Form in order for their proxy vote to be counted. Alternatively, shareholders can nominate as their proxy for the purpose of Item 2 a proxy who is not a member of the Company's Key Management Personnel. That person would be permitted to vote undirected proxies.

### **Item 6**

Under ASX Listing Rule 14.11, the Company will disregard any votes cast on Item 6 by Planning & Property Partners Pty Ltd and any of their associates. However, the Company need not disregard any vote by any such persons on Item 6 if it is cast by any of them as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or it is cast by any of them who is 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.

### **Item 7**

Under ASX Listing Rule 14.11, the Company will disregard any votes cast on Item 7 by Harland Capital Fund LLC and any of their associates. However, the Company need not disregard any vote by any such persons on Item 7 if it is cast by any of them as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or it is cast by any of them who is 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.

### **Item 8**

Under ASX Listing Rule 14.11, the Company will disregard any votes cast on Item 8 by Jeans Holland Pty Ltd and any of their associates. However, the Company need not disregard any vote by any such persons on Item 8 if it is cast by any of them as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or it is cast by any of them who is 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.

### **Item 9**

In accordance with s224 of the Corporations Act and ASX Listing Rule 10.11, Mr Giles and his associates may not vote on Item 9. However, the Company need not disregard any vote by any such persons on Item 9 if it is cast by any of them as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or it is cast by any of them who is 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.

### **Item 10**

In accordance with s224 of the Corporations Act and ASX Listing Rule 10.11, Mr Giles and his associates may not vote on Item 10. However, the Company need not disregard any vote by any such persons on Item 10 if it is cast by any of them as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or it is cast by any of them who is 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.

### Item 11

The Company will disregard any votes cast on Item 11 by a person who may participate in any issue of the shares and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the resolution is passed and any associate of that person. However, the Company need not disregard any vote by any such persons on Item 11 if it is cast by any of them as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or it is cast by any of them who is 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.

### VOTING ENTITLEMENT

In accordance with Regulation 7.11.37 of the *Corporations Regulations 2001*, the Board has determined that, for the purposes of the Annual General Meeting, shares will be taken to be held by the persons who are registered holders at close of business (7pm Sydney time) on 17 November 2014. Only those persons will be entitled to vote at the Annual General Meeting on 19 November 2014.

### ADMISSION TO MEETING

Corporate representatives are required to bring appropriate evidence of appointment as a representative in accordance with the constitution of the represented company. Attorneys are requested to bring the original or certified copy of the power of attorney pursuant to which they were appointed. Proof of identity will also be required for corporate representatives and attorneys.

### PROXIES

- Votes at the Annual General Meeting may be given personally, by proxy, attorney or representative;
- Each Shareholder has a right to appoint one or two proxies;
- A proxy need not be a Shareholder of the Company;
- Documents executed by Shareholders that are companies must be done under common seal or otherwise in accordance with the represented company's constitution and the Corporations Act.;
- Where a Shareholder is entitled to cast two or more votes, the Shareholder may appoint two proxies and may specify the proportion or 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 half of the votes;
- If a proxy has two or more appointments that specify different ways to vote on a resolution, the proxy must not vote on a show of hands; and
- A proxy must be signed by the Shareholder or his or her power of attorney who has not received any notice of revocation of the authority. Proxies given by companies must be signed in accordance with the represented company's constitution and the Corporations Act.

To be effective, proxy forms must be received by the Company's share registry (Boardroom Pty Limited) no later than 24 hours before the commencement of the Annual General Meeting, that is no later than 2.00pm Sydney time on 18 November 2014. Any proxy form received after that time will not be valid for the scheduled meeting.

#### Hand Delivery

Boardroom Pty Limited  
Level 7,  
207 Kent St  
SYDNEY NSW 2000

#### By Mail

Boardroom Pty Limited  
GPO Box 3993  
SYDNEY NSW 2001

#### By Facsimile

(02) 9290 9655

#### BY ORDER OF THE BOARD



**Ian K White**  
Company Secretary

8 October 2014

# Explanatory Memorandum

These Explanatory Notes set out information in connection with the business to be considered at the 2014 Annual General Meeting.

## ORDINARY BUSINESS

### Item 1 – Financial Statements and Reports

The Corporations Act requires that the reports of the Directors, Auditor and the financial statements of the Company (collectively the "Annual Report") be laid before shareholders at the Annual General Meeting. The Corporations Act does not require a vote of shareholders on these reports or statements.

The 2014 Annual Report was released to the ASX on 30 September 2014. As a result of the legislative changes, the 2014 Annual Report has not been automatically mailed to all Shareholders. The 2014 Annual Report can be accessed on the Company's website at [www.easterniron.com.au](http://www.easterniron.com.au).

Shareholders will be given a reasonable opportunity at the Annual General Meeting to ask questions of the Board in relation to the Annual Report and the management of the Company. Shareholders will also be given reasonable opportunity to ask the Auditor questions relevant to the conduct of the audit, the preparation and content of the Independent Auditor's Report, the accounting policies adopted by the Company in relation to the preparation of its financial statements and the independence of the Auditor in relation to the conduct of the audit.

### Item 2 – Adoption of the Remuneration Report

The Remuneration Report for the year ended 30 June 2014 is set out in the Directors' Report on pages 15 to 20 of the Annual Report.

The Remuneration Report:

- Explains the Board's policies relating to remuneration of directors, secretaries and executives of the Company;
- Discusses the relationship between such policies and the Company's performance;
- Provides details of any performance conditions attached to such remuneration; and
- Sets out remuneration details for each director and certain named executives.

The Chair of the meeting will allow a reasonable opportunity for shareholders to ask questions about or make comments on the Remuneration Report at the meeting.

In addition, shareholders will be asked to vote on the Remuneration Report. The vote on this Item is advisory only and does not bind the Directors or the Company. However, if at least 25% of the votes cast are against the adoption of the Remuneration Report, the Company's next Remuneration Report must explain the Board's proposed action in response or explain why no action has been taken.

In the following year, if at least 25% of the votes cast on the resolution that the Remuneration Report be adopted are against adoption, shareholders will then vote to determine whether the Directors, excluding the Managing Director, will need to stand for re-election. If more than 50% of the votes cast on the resolution are in favour, a separate re-election meeting must be held within 90 days.

A vote on this resolution must not be cast (in any capacity) by or on behalf of either of the following classes of persons:

- A member of the Key Management Personnel details of whose remuneration are included in the Remuneration Report; or
- A closely related party of such a member.

However such a person may cast a vote on the resolution if:

- The person does so as a proxy appointed by writing that specifies how the proxy is to vote on the proposed resolution; and
- The vote is not cast on behalf of such a person.

The Chair will not vote any undirected proxies in relation to Item 2 unless the shareholder specifically authorises the Chair to vote in accordance with the Chair's stated voting intentions. If a shareholder wishes to nominate the Chair as their proxy for the purpose of Item 2 the shareholder must either tick the 'for' or 'against' box directing the Chair how to vote, or tick the box authorising the Chair to vote in accordance with his or her stated voting intentions, on the enclosed proxy form in order for their proxy vote to be counted. Alternatively, shareholders can nominate as their proxy for the purpose of Item 2 a proxy who is not a member of the Company's Key Management Personnel. That person would be permitted to vote undirected proxies.

The Chair will vote all undirected proxies in favour of Item 2.

### Item 3 – Re-election of Mr Adrian Critchlow as a Director

Mr Critchlow has been a Non-Executive Director of the Company since October 2012. He holds a Bachelor of Science degree with an engineering major and has a background in the development of start-up technology companies including founding Active Hotels/Booking.com which is now a significant part of Priceline.com, the largest hotel online booking engine in the world. He is also the founder of the Australian Solar Group Ltd which is developing alternative energy projects in Australia. Mr Critchlow brings to the Board connections to various financial and government institutions in Australia and the UK and has been valuable in assisting the Company to connect with various Victorian government and regulatory authorities in the development of its Nowa Nowa project.

During the past three years Mr Critchlow has not served as a director of any other listed companies.

### Item 4 – Re-election of Mr Steve Gemell as a Director

Mr Gemell has been a Director since January 2010 and was elected Chairman in November 2012. He is a consulting mining engineer with more than 35 years' experience in the mining industry, both in Australia and overseas. He has previously held senior operating roles including CEO positions, and executive and non-executive directorships in ASX listed mining companies and unlisted mine operations and joint ventures.

His experience has included a variety of roles in areas covering resource development, feasibility studies, mine planning, and operations in a large range of commodities including base and precious metals and uranium.

During the past three years Mr Gemell has also served as a director of Argent Minerals Limited, Golden Cross Resources Limited, UXA Resources Limited, Indochine Mining Limited, UCL Resources Limited and Dateline Resources Limited.



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### **Item 5 – Election of Mr Michael Giles as a Director**

On 11 March 2014 the Board announced to the ASX that Mr Michael Giles had been appointed as a Non-Executive Director of the Company.

Under article 9.1 of the Company's constitution, Directors can appoint a qualified person to be a Director provided that the total number of directors in office does not exceed 9. Under article 9.2, any Director appointed under article 9.1 hold office only until the end of the next Annual General Meeting, but is eligible for election at that meeting. Mr Giles was appointed in accordance with article 9.1 and being eligible, now offers himself for election. All of the other Directors support the election of Mr Giles.

Mr Giles is the CEO of Harland Group Pty Ltd; the managing member of Harland Capital Fund LLC, which is a substantial shareholder of the Company.

Mr Giles has a long history of investment management having founded Harland Group in 2004. Additionally, he is the Chairman of PennTrade Financial Inc., the holding company to Pennaluna & Company Inc., one of the oldest stockbrokers in the United States founded in 1926 with a focus on the mining sector. He holds a Diploma in Financial Planning from FINSIA and a Master's Degree in Entrepreneurship and Innovation from Swinburne University of Technology. Mr Giles is based in New York.

### **Item 6 – Ratification of a previous issue of shares**

Item 6 seeks that for the purposes of ASX Listing Rules 7.1 and 7.4 and for all other purposes, ratification be given to the Company for the issue on 28 February 2014 of 2,274,575 and 22 April 2014 2,087,201 fully paid ordinary shares in the Company at an issue price of \$0.06 and on 11 August 2014 of 2,350,129 and 8 October of 1,453,986 fully paid ordinary shares in the Company at an issue price of \$0.042 per share as consideration for services provided by Planning & Property Partners Pty Ltd ("PPP").

PPP is a Melbourne based firm specialising in providing advice on a range of planning, environment and property development issues. PPP has been extensively involved in providing permitting and development advice to the Company in regard to its Nowa Nowa project.

In March 2013 PPP agreed to take part of its fees in shares in order to conserve the Company's cash. In April 2013, the Board agreed to offer PPP shares sufficient to satisfy any part of its account at its option, quarterly in arrears at a share price of \$0.06 per share. In July 2014 the Board resolved that future issues to PPP subject to this agreement would be made at an issue price of \$0.042 which was in line with a placement made at this time to Harland Capital Fund LLC.

Since the last AGM and up to 30 September 2014, PPP had invoiced EFE fees of \$421,479. The company offered in three tranches to settle this account by the issues of shares described above and PPP accepted this offer.

### **Item 7 – Ratification of a previous issue of shares**

Item 7 seeks that for the purposes of ASX Listing Rules 7.1, 7.1A and 7.4 and for all other purposes, ratification be given to the Company for the issue on 11 March 2014 of 14,300,000 and on 16 April 2014 a further 2,400,000 fully paid ordinary shares in the Company for cash at an issue price of \$0.042 to Harland Capital Fund LLC ("Harland"). The issue was made pursuant to an agreement previously entered into which amongst things gave Harland the right after the first placement on 11 March 2014, to nominate a Director to the Board of the Company. Harland nominated Mr Michael Giles to the Board at that time.

As a consequence of these issues Harland is a significant

shareholder of the Company and holds 11.4% of the issued capital.

Proceeds of the placement have been used to progress the work on the Nowa Nowa including completing a programme of drilling required to upgrade the additional areas of the resource to a reserve status.

### **Item 8 – Ratification of a previous issue of shares**

Item 8 seeks that for the purposes of ASX Listing Rules 7.1 and 7.4 and for all other purposes, ratification be given to the Company for the issue on 11 August 2014 of 23,809 fully paid ordinary shares in the Company at an issue price of \$0.042 per share as consideration for services provided by Jeans Holland Pty Ltd. ("JH").

JH is a Melbourne based firm specialising in providing advice on a range of public and government relations services and has been extensively involved in advice to the Company in regard to its Nowa Nowa project.

In August 2014 JH agreed to take that part of its fees in excess of \$5,000 per month in shares in order to conserve the Company's cash. In August 2014 the Board agreed to offer JH shares sufficient to satisfy \$1,000 of its \$6,000 August account at its option and JH accepted this offer.

### **Item 9 – Issue of shares to a company associated with a Director**

The Company has entered into an agreement with Harland Capital Fund LLC ("Harland") to issue to Harland 3,500,000 ordinary shares for cash at an issue price of \$0.042 per share. The agreement was made conditional upon shareholder approval for the issue of these shares which is the subject of Item 9.

Mr Michael Giles is the CEO of Harland Group Pty Ltd which is the managing member of Harland Capital Fund LLC and as a consequence, will have a relevant indirect interest in the shares issued.

The Board has determined that for the purpose of s210 of the Corporations Act this issue at \$0.042 per share will be conducted on an arm's length basis. In making this determination the Board has considered that the 30-day VWAP for the Company's shares up to 6 October 2014 was \$0.040

The funds raised will be used to further exploration and development of the Company's Nowa Nowa project and for working capital.

The shares will be issued as soon as practicable after the Company's 2014 Annual General Meeting and in any case no later than 19 December 2014.

### **Item 10 – Grant of options to a Director**

The Company proposes to grant a total of 450,000 options ("Options") to Mr Michael Giles, who is a Director of the Company.

The grant of Options is designed to incentivise the Director by participating in the future growth and prosperity of the Company through share ownership and in recognition of the contribution made to the Company by the Director and his ongoing responsibility. As a recently appointed Director, Mr Giles has not participated in previous issues of options. If approved, the Options will be issued before Friday 19 December 2014 and will expire on 19 November 2017.

The options will be issued for nil consideration and will be exercisable at a 50% premium to the volume weighted average price for the 30 business days immediately preceding issue. The full terms and conditions attaching to the grant of Options are contained in Annexure A to this Explanatory Memorandum.

Funds raised on the exercise of Options will be used to finance the Company's exploration projects, acquire new exploration assets and/or fund working capital.

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## **SPECIAL BUSINESS**

### **Item 11 - Issue of shares up to 10% of the Company's issued capital**

Listing Rule 7.1A enables an eligible entity to seek shareholder approval to issue Equity Securities up to 10% of its issued share capital over a 12 month period commencing from the Annual General Meeting where shareholder approval is received. The 10% issue capacity allowed under Listing Rule 7.1A ("7.1A 10% Capacity") is in addition to the Company's 15% annual 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 7.1A 10% Capacity. The exact number of Equity Securities to be issued under the 7.1A 10% Capacity will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2.

The Company may use the 7.1A 10% Capacity to acquire new resource assets or investments, to carry out further exploration on the Company's tenements, as part of the consideration for the acquisition of further tenements and/or for the working capital needs of the Company.

Item 11 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).

#### **a) Listing Rule 7.1A**

##### Shareholder approval required

The ability to issue Equity Securities under Listing Rule 7.1A is subject to shareholder approval by way of special resolution at an Annual General Meeting.

##### Class of equity securities issued

Any Equity Securities issued under the 7.1A 10% Capacity must be in the same class as an existing quoted class of Equity Securities of the Company.

As at the date of this Notice, the Company has only one class of quoted Equity Securities – fully paid ordinary shares.

##### Calculating 7.1A 10% Capacity

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

$$(Ax D) - E$$

Where:

**A** is the number of shares on issued 12 months before the date of issue or agreement:

- **Plus** the number of fully paid shares issued in the 12 months under an exception in Listing Rule 7.2;
- **Plus** the number of partly paid shares that became fully paid in the 12 months;
- **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;
- **Less** the number of fully paid shares cancelled in the 12 months.

**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.

##### Effect of Listing Rule 7.1 with 7.1A

The ability of an entity to issue Equity Securities under Listing Rule 7.1A is in addition to the entity's 15% issue capacity under Listing Rule 7.1.

At the date of this Notice, the Company has on issue 147,700,630 shares and therefore will have a capacity to issue:

- (i) 22,155,094 Equity Securities under Listing Rule 7.1; and
- (ii) Subject to shareholder approval being sought under Item 11, 14,770,063 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.

##### 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:

- The date on which the price at which the Equity Securities are to be issued is agreed; or
- If the Equity Securities are not issued within 5 trading days of the date referred to above, the date on which the Equity Securities are issued.

##### Approval Validity Period

Shareholder approval of the 7.1A 10% Capacity under Listing Rule 7.1A is valid from the date of the Annual General Meeting at which the approval is obtained and expires on the earlier to occur of:

- The date that is 12 months after the date of the Annual General Meeting at which the approved is obtained; or
- 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).

#### **b) Specific Information required by Listing Rule 7.3A**

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.

If Item 11 is approved by Shareholders and the Company issues Equity Securities under the 7.1A 10% Capacity, the existing Shareholders' voting power in the Company will be diluted as shown in the table overpage. 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 Annual General 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.

The following table 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 with resolutions at items 6,7 and 8 passed.

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Variable 'A' in Listing Rule 7.1A2		Issue Price Assumptions		
		Less: 50% \$0.0165	Base \$0.033	Plus: 100% \$0.066
<b>Current</b>	10% issue	14,770,063	14,770,063	14,770,063
<b>147,700,630</b>	Funds raised	\$243,706	\$487,412	\$974,824
<b>Plus 50%</b>	10% issue	22,155,095	22,155,095	22,155,095
<b>221,550,945</b>	Funds raised	\$365,559	\$731,118	\$1,462,236
<b>Plus 100%</b>	10% issue	29,540,126	29,540,126	29,540,126
<b>295,401,260</b>	Funds raised	\$487,412	\$974,824	\$1,949,648

The table also shows:

- 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 specific placements under Listing Rule 7.1 that are approved at a future Shareholders' meeting; and
- Two examples of where the issue price of ordinary securities has decreased by 50% and increased by 100% as against the current market price.

The table has been prepared on the following assumptions

- The Company issues the maximum number of Equity Securities available under the 7.1A 10% Capacity.
- 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%.
- The table does not show an example of dilution that may be caused to a particular shareholder by reason of placements under the 7.1A 10% Capacity, based on that Shareholder's holding at the date of the Meeting.
- The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A and not under the 15% placement capacity under Listing Rule 7.1.
- The issue price is \$0.033 being the closing price of the Shares on ASX on 6 October 2014.

The Company will only issue and allot the Equity Securities during 12 months following the approval of Item 11. The approval under Item 11 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).

The Company may seek to issue the Equity Securities for the following purposes:

### Non-cash consideration

- For all or part of the cost of acquisition of new resources assets and investments (including expenses associated with such acquisition); and/or
- Continued exploration and feasibility study expenditure on any of the Company's current assets; and/or
- For the payment of any creditors of any kind who may agree with the Company to accept Equity Securities in lieu of cash.

In all of the foregoing circumstances the Company will provide a valuation of the non-cash consideration as required by Listing Rule 7.1A.3;

### Cash consideration

- For all or part of the cost of acquisition of new resources assets and investments (including expenses associated with such acquisition); and/or
- Continued exploration and feasibility study expenditure on any of the Company's current assets; and/or
- General working capital.

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 7.1A 10% Capacity. 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:

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

The allottees under the 7.1A 10% Capacity 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 resources assets or investments, it is likely that the allottees under the 7.1A 10% Capacity will be the vendors of the new resources assets or investments.

The following table shows details of all issues of Equity Securities in the 12 months preceding this Annual General Meeting and other information required under Listing Rule 7.3A. On 19 November 2013 the Company had on issue 117,870,484 ordinary shares and 8,400,000 options making a total of 126,270,484 Equity Securities. During the 12 months prior to this Annual General Meeting the Company issued 29,830,146 ordinary shares and 1,000,000 options making a total of 30,830,146 Equity Securities or 26.2% of the total on issue at 19 November 2013. The Company previously obtained Shareholder approval under Listing Rule 7.1A on 26 November 2013.

A voting exclusion statement is included in this Notice of Meeting. At the date of this Notice, the Company has not approached any particular existing Shareholder or security holder or an identifiable class of existing security holders 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.



# Notice of Annual General Meeting

19 November 2014



Date	Details	Consideration	Use of Cash Raised	Balance Remaining	Number	Class	Issue Price	Market	- Discount/ + Premium
26 November 2013	Options issued to Directors pursuant to shareholder approval at 2013 AGM	Nil	NA	NA	1,000,000	Unlisted options expiring 26 November 2016 exercisable at \$0.062	NA	NA	NA
28 February 2014	Shares issued to Planning & Property Partners Pty Ltd in consideration for professional services provided	Professional services provided to value of \$136,475	NA	NA	2,274,575	Fully paid ordinary shares	\$0.060	\$0.041	+46%
11 March 2014	Share placement to Harland Capital Fund LLC	\$600,600 cash	Nowa Nowa development & working capital	Nil	14,300,000	Fully paid ordinary shares	\$0.042	\$0.050	-16%
16 April 2014	Share placement to Harland Capital Fund LLC	\$100,800 cash	Nowa Nowa development & working capital	Nil	2,400,000	Fully paid ordinary shares	\$0.042	\$0.050	-16%
22 April 2014	Shares issued to Planning & Property Partners Pty Ltd in consideration for professional services provided	Professional services provided to value of \$125,232	NA	NA	2,087,201	Fully paid ordinary shares	\$0.060	\$0.050	+20%
30 May 2014	Shares offered to all shareholders and issued to various existing shareholders pursuant to Share Purchase Plan	\$207,499 cash	Nowa Nowa development & working capital	Nil	4,940,446	Fully paid ordinary shares	\$0.042	\$0.047	-11%
11 August 2014	Shares issued to Planning & Property Partners Pty Ltd in consideration for professional services provided	Professional services provided to value of \$98,705	NA	NA	2,350,129	Fully paid ordinary shares	\$0.042	\$0.040	+5%
11 August 2014	Shares issued to Jeans Holland Pty Ltd in consideration for professional services provided	Professional services provided to value of \$1,000	NA	NA	23,809	Fully paid ordinary shares	\$0.042	\$0.040	+5%
8 October 2014	Shares issued to Planning & Property Partners Pty Ltd in consideration for professional services provided	Professional services provided to value of \$61,067	NA	NA	1,453,986	Fully paid ordinary shares	\$0.042	\$0.033	+27%
				<b>Total</b>	<b>30,830,146</b>				

**ANNEXURE A**

**Terms of Options – Item 10**

- (a) Each Option entitles the holder to one Share in the capital of the Company.
- (b) The Options are to be exercised by completing an Option exercise form and providing payment for the number of Shares in respect of which the Options are exercised, to the registered office of the Company.
- (c) The exercise price of the Options is the volume weighted average price of EFE shares traded during the 30 business days prior to issue plus a 50% premium and the Options expire 19 November 2017 (**Expiry Date**).
- (d) The Options are not transferable.
- (e) All Shares issued upon exercise of Options will rank pari passu in any respects with the Company's then issued Shares. The Company will apply for Official Quotation by the ASX of all Shares issued upon exercise of Options.
- (f) There are no participating rights and entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising their Options. However, the Company will ensure that option holders will be allowed ten business days' notice to convert their Options to Shares to participate in an entitlement issue on the same basis as Shareholders.
- (g) If any takeover bid (including by way of scheme of arrangement or otherwise) is publicly announced in respect of the Company, then the following provisions apply in relation to the takeover bid:
- (i) the Company must promptly give written notice of the takeover bid to the option holder whereupon all Options (which have not lapsed or expired), notwithstanding anything to the contrary, must be exercised at any time prior to the expiry of the later of:
- A. 60 days after receiving such notice; and
- B. the date that a takeover bid (which is recommended for acceptance by the Board) becomes unconditional,
- ("Takeover Exercise Period") or, if applicable, within the further seven day period referred to in (iv) below.
- (ii) The dates referred to in paragraph (g)(i)(A) and (B) above only apply where they occur before the Expiry Date. For the avoidance of doubt, where the Expiry Date occurs before a date referred to in (g)(i)(A) or (B), the Options must be exercised on or before the Expiry Date.
- (iii) If, during the Takeover Exercise Period, the person making the takeover bid ("bidder") offers to grant options in the capital of the bidder ("Replacement Options") to the option holder (and, for the avoidance of doubt, this does not obligate the Company in any way to procure such an offer from the bidder) in consideration for the cancellation or acquisition of the Options, the option holder may, in their discretion, accept such Replacement Options instead of exercising their Options.
- (iv) If no offer of Replacement Options is made during the Takeover Exercise Period and accepted, the option holder has (other than in the case of a scheme of arrangement) a further seven days' grace after the expiry of the Takeover Exercise Period within which to exercise their Options (Grace Period), whereupon unexercised Options will lapse. For the avoidance of doubt, where the Expiry Date occurs before the end of the Grace Period, the Options must be exercised on or before the Expiry Date. In the case of a scheme of arrangement, the Options will lapse at the end of the Takeover Exercise Period.
- (v) If the takeover bid lapses or is withdrawn or closes without being recommended for acceptance by the Board, whether the bid is conditional or unconditional, then the provisions of all the paragraphs hereof will revive in respect of any unexercised Options which Options will remain on foot.
- (h) In the event of any reconstruction (including consolidation, sub-division, reduction or return) of the issued capital of the Company prior to the Expiry Date of the Options, the number of Options or the exercise price of the Options, or both, shall be reconstructed in accordance with the Listing Rules.
- (i) Adjustment for bonus issues
- If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu of, or in satisfaction of, dividends or by way of dividend reinvestment):
- (i) the number of Shares which must be issued on the exercise of an Option will be increased by the number of Shares which the option holder would have received if the option holder had exercised the Option before the record date for the bonus issue; and
- (ii) no change will be made to the exercise price of the Options.

(j) Adjustment for pro rata issue

If the Company makes a pro rata issue of Shares or other securities to existing Shareholders (other than a bonus issue or an issue in lieu of in satisfaction of dividends or by way of dividend reinvestment) the exercise price of an Option will be reduced according to the following formula:

$$\text{New exercise price} = \frac{O - E [P - (S + D)]}{N + 1}$$

**O** = the old Exercise Price of the Option.

**E** = the number of underlying Shares into which one Option is exercisable.

**P** = average market price per Share weighted by reference to volume of the underlying Shares during the five trading days ending on the day before the ex-rights date or ex entitlements date.

**S** = the subscription price of a Share under the pro rata issue.

**D** = the dividend due but not yet paid on the existing underlying Shares (except those to be issued under the pro rata issue).

**N** = the number of Shares with rights or entitlements that must be held to receive a right to one new share.



#### All Correspondence to:

✉ **By Mail** Boardroom Pty Limited  
GPO Box 3993  
Sydney NSW 2001 Australia

Level 7, 207 Kent Street,  
Sydney NSW 2000 Australia

📠 **By Fax:** +61 2 9290 9655

💻 **Online:** [www.boardroomlimited.com.au](http://www.boardroomlimited.com.au)

☎ **By Phone:** (within Australia) 1300 737 760  
(outside Australia) +61 2 9290 9600

## YOUR VOTE IS IMPORTANT

For your vote to be effective it must be recorded **before 2:00pm (Sydney Time) on Tuesday 18<sup>th</sup> November 2014.**

### TO VOTE BY COMPLETING THE PROXY FORM

#### STEP 1 APPOINTMENT OF PROXY

Indicate who you want to appoint as your Proxy.

If you wish to appoint the Chair of the Meeting as your proxy, mark the box. If you wish to appoint someone other than the Chair of the Meeting as your proxy please write the full name of that individual or body corporate. If you leave this section blank, or your named proxy does not attend the meeting, the Chair of the Meeting will be your proxy. A proxy need not be a security holder of the company. Do not write the name of the issuer company or the registered securityholder in the space.

##### Appointment of a Second Proxy

You are entitled to appoint up to two proxies to attend the meeting and vote. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by contacting the company's securities registry or you may copy this form.

To appoint a second proxy you must:

- (a) complete two Proxy Forms. On each Proxy Form state the percentage of your voting rights or the 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 your votes. Fractions of votes will be disregarded.
- (b) return both forms together in the same envelope.

#### STEP 2 VOTING DIRECTIONS TO YOUR PROXY

To direct your proxy how to vote, mark one of the boxes opposite each item of business. All your securities will be voted in accordance with such a direction unless you indicate only a portion of securities are to be voted on any item by inserting the percentage or number that you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given item, your proxy may vote as he or she chooses. If you mark more than one box on an item for all your securities your vote on that item will be invalid.

##### Proxy which is a Body Corporate

Where a body corporate is appointed as your proxy, the representative of that body corporate attending the meeting must have provided an "Appointment of Corporate Representative" prior to admission. An Appointment of Corporate Representative form can be obtained from the company's securities registry.

#### STEP 3 SIGN THE FORM

The form **must** be signed as follows:

**Individual:** This form is to be signed by the securityholder.

**Joint Holding:** where the holding is in more than one name, all the securityholders should sign.

**Power of Attorney:** to sign under a Power of Attorney, you must have already lodged it with the registry. Alternatively, attach a certified photocopy of the Power of Attorney to this form when you return it.

**Companies:** this form must be signed by a Director jointly with either another Director or a Company Secretary. Where the company has a Sole Director who is also the Sole Company Secretary, this form should be signed by that person. **Please indicate the office held by signing in the appropriate place.**

#### STEP 4 LODGEMENT

Proxy forms (and any Power of Attorney under which it is signed) must be received no later than 24 hours before the commencement of the meeting, therefore by **2:00pm on Tuesday, 18 November 2014.** Any Proxy Form received after that time will not be valid for the scheduled meeting.

Proxy forms may be lodged using the enclosed Reply Paid Envelope or:

📠 **By Fax** + 61 2 9290 9655

✉ **By Mail** Boardroom Pty Limited  
GPO Box 3993,  
Sydney NSW 2001 Australia

👤 **In Person** Level 7, 207 Kent Street,  
Sydney NSW 2000 Australia

#### Attending the Meeting

If you wish to attend the meeting please bring this form with you to assist registration.

☐

**Your Address**

This is your address as it appears on the company's share register. If this is incorrect, please mark the box with an "X" and make the correction in the space to the left. Securityholders sponsored by a broker should advise their broker of any changes. Please note, you cannot change ownership of your securities using this form.

**PROXY FORM**

**STEP 1 APPOINT A PROXY**

I/We being a member/s of **Eastern Iron Limited** (Company) and entitled to attend and vote hereby appoint:

☐

the **Chair of the Meeting** (mark box)

**OR** if you are **NOT** appointing the Chair of the Meeting as your proxy, please write the name of the person or body corporate (excluding the registered shareholder) you are appointing as your proxy below

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chair of the Meeting as my/our proxy at the Annual General Meeting of the Company to be held at the **offices of BDO East Coast Partnership, Level 11, 1 Margaret Street, Sydney NSW 2000 on Wednesday 19th November 2014 at 2:00pm (Sydney Time)** and at any adjournment of that meeting, to act 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.

☐

If the Chair of the meeting is appointed as your proxy, or may be appointed by default and you do not wish to direct your proxy how to vote as your proxy in respect of the resolution at item 2, please place a mark in the box. By marking this box, you acknowledge that the Chair of the meeting may exercise your proxy even if he has an interest in the outcome of the item and that votes cast by the Chair of the meeting for item 2 other than as proxy holder will be disregarded because of that interest. If you do not mark this box, and you have not directed your proxy how to vote, the Chair will not cast your votes on item 2 and your votes will not be counted in calculating the required majority if a poll is called on the resolution.

The Chair of the Meeting intends to vote undirected proxies in favour of the Resolution at item 2.

**STEP 2 VOTING DIRECTIONS**

\* 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 vote will not be counted in calculating the required majority if a poll is called.

Item	Ordinary Business	For	Against	Abstain*
2	Adoption of the Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3	Re-election of Mr Adrian Critchlow as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4	Re-election of Mr Steve Gemell as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5	Election of Mr Michael Giles as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6	Ratification of a previous issue of shares – 8,165,891 shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7	Ratification of a previous issue of shares – 16,700,000 shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8	Ratification of a previous issue of shares – 23,809 shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9	Issue of shares to a company associated with a Director – 3,500,000 shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10	Grant of 450,000 Options to Director Mr Michael Giles	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11	<b>Special Business</b> Issue of shares up to 10% of the Company's issued capital	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**STEP 3 SIGNATURE OF SHAREHOLDERS**

This form must be signed to enable your directions to be implemented.

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director / Company Secretary

Contact Name.....

Contact Daytime Telephone.....

Date / / 2014