

# Notice of Annual General Meeting

**Annual General Meeting to be held at  
Level 10, 25 Grenfell Street, Adelaide SA  
on 21 October 2015 at 2:30 pm (Adelaide time).**



**TYCHEAN RESOURCES LIMITED**

ABN 40 119 031 864

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## NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of the shareholders of Tychean Resources Limited (the **Company**) will be convened at 2:30 pm on Wednesday 21 October 2015 at Level 10, 25 Grenfell Street, Adelaide SA, to consider and, if thought fit, pass the following resolutions.

If you are unable to attend the meeting, we encourage you to complete and return the enclosed proxy form. The completed proxy form must be received by the Company at least 48 hours before the commencement of the meeting.

### AGENDA

#### ORDINARY BUSINESS

##### **Annual financial report**

To receive and consider the Company's financial statements and reports of the directors and the independent auditor for the year ended 30 June 2015.

The annual financial report is available at <http://www.tycheanresources.com/reports.html>

##### **RESOLUTION 1 – Adoption of the remuneration report**

To consider and, if thought fit, pass the following non-binding resolution as an ordinary resolution:

"That the remuneration report required by section 300A of the *Corporations Act 2001* (Cth) (**Corporations Act**), as contained in the Company's directors' report for the year ended 30 June 2015 be adopted."

##### Voting exclusion

In accordance with the Corporations Act, the Company will disregard any votes cast in relation to this resolution:

- by or on behalf of a member of the Key Management Personnel (**KMP**) named in the Company's remuneration report or their closely related parties, regardless of the capacity in which the vote is cast; or
- as a proxy by a person who is a member of the KMP or their closely related parties.

However, the Company will not disregard a vote if the vote is cast as proxy for a person entitled to vote in respect of this resolution:

- in accordance with the directions on the proxy form; or
- by the chairman of the meeting pursuant to an express authorisation to exercise the proxy.

*Note: The vote on this resolution is advisory only and does not bind the directors or the Company.*

##### **RESOLUTION 2 – Election of Dr Kevin Wills as a director**

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

"That Dr Kevin Wills, being a director of the Company who was appointed by the directors of the Company since the last annual general meeting and retires in accordance with the Company's constitution, and being eligible, is elected as a director of the Company."

A summary of Dr Wills' qualifications and experience is set out in the Explanatory Statement accompanying this Notice.

### **RESOLUTION 3 – Re-election of Mr Robert Kennedy as a director**

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

“That Mr Robert Kennedy, being a director of the Company who retires by rotation in accordance with the Company’s constitution, and being eligible, is re-elected as a director of the Company.”

A summary of Mr Kennedy’s qualifications and experience is set out in the Explanatory Statement accompanying this Notice.

### **SPECIAL BUSINESS**

### **RESOLUTION 4 – Ratification of a previous issue of shares**

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

“That approval be given for the purpose of ASX Listing Rule 7.4 and for all other purposes, for the issue of 100,000,000 fully paid ordinary shares at \$0.002 per fully paid ordinary share on 27 January 2015.”

#### Voting exclusion

The Company will disregard any votes cast in relation to this resolution by or on behalf of a person who participated in the issue and any associate of those persons. However, in respect of this resolution, the Company need not disregard a vote if:

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

### **RESOLUTION 5 – Ratification of a previous issue of shares**

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

“That approval be given for the purpose of ASX Listing Rule 7.4 and for all other purposes, for the issue of 75,000,000 fully paid ordinary shares to Blue Spec Drilling Pty Ltd on 6 July 2015.”

#### Voting exclusion

The Company will disregard any votes cast in relation to this resolution by or on behalf of a person who participated in the issue and any associate of those persons. However, in respect of this resolution, the Company need not disregard a vote if:

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

## **RESOLUTION 6 – Consolidation of capital**

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

“That approval be given for the purpose of section 254H of the Corporations Act and for all other purposes, for the issued capital of the Company to be consolidated on the basis that:

- every ten shares be consolidated into one share; and
- every ten options exercisable at \$0.004 on or before 4 June 2016 be consolidated into one option, with the exercise price per option amended in inverse proportion to that ratio,

and where this consolidation results in a fraction of a share, right or option being held, the directors be authorised to round that fraction up to the nearest whole share, right or option.”

### **OTHER BUSINESS**

To transact any further business that may be lawfully brought forward.

Further information regarding the business to be transacted at the meeting is set out in the accompanying Explanatory Statement.

Dated this 18th day of September 2015.

### **BY ORDER OF THE BOARD**



Kaitlin Smith  
Company Secretary

## **TYCHEAN RESOURCES LIMITED**

ABN 40 119 031 864

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### **EXPLANATORY STATEMENT**

This Explanatory Statement accompanies and forms part of the Notice of Annual General Meeting dated 18 September 2015 (**Notice**) and has been prepared to provide shareholders with material information to enable them to make an informed decision on the business to be conducted at the meeting of the Company. Amongst other things, this Explanatory Statement provides shareholders with the information required to be provided to shareholders by the Corporations Act and the ASX Listing Rules.

The Explanatory Statement sets out an explanation of each of the resolutions to be put to shareholders. Shareholders should read this Explanatory Statement carefully before determining how to vote in respect of the resolutions.

#### **ANNUAL FINANCIAL REPORT**

The first item of the Notice is to receive and consider the annual financial report for the Company for the year ended 30 June 2015, comprising the financial statements and notes, together with the directors' report and the auditor's report. No resolution is required in respect of this agenda item. However, it provides shareholders with the opportunity to ask questions of the Company's management and auditors in relation to the Company's results and operations for that financial year. The annual financial report may be found on the Company's website at: <http://www.tycheanresources.com/reports.html>.

#### **RESOLUTION 1 – ADOPTION OF THE REMUNERATION REPORT**

In accordance with section 250R of the Corporations Act the Company submits to shareholders for consideration and adoption by way of a non-binding resolution its remuneration report for the year ended 30 June 2015. The remuneration report is a distinct section of the directors' report that deals with the remuneration of directors and KMP of the Company and can be located on pages 7 to 10 in the 2015 annual financial report and also on the Company's website.

The remuneration report sets out the Company's remuneration arrangements for its directors, officers and senior management.

Shareholders will be given reasonable opportunity at the meeting to discuss the report.

*The directors recommend shareholders vote in favour of adopting the remuneration report.*

#### **RESOLUTION 2 – ELECTION OF DR KEVIN WILLS AS A DIRECTOR**

Under the Company's constitution, any director appointed to the board by the directors since the last annual general meeting must retire at the next annual general meeting. The director will be eligible for election. The director required to retire under the above framework is Dr Kevin Wills. Dr Wills has indicated that he will offer himself for election by members at the meeting.

In accordance with clause 47 of the Company's constitution, Dr Wills retires and being eligible, has offered himself for election. A brief summary of Dr Wills' qualifications and experience follows.

##### **Kevin Wills**

Kevin Wills is a geologist with 40 years global experience in multi commodity exploration, feasibility studies, mine operations and corporate management. He has been closely involved in the discovery and evaluation of six economic mineral deposits including: diamonds (Argyle WA), base metals (Thalanga & Waterloo QLD), gold (Murchison WA and Challenger SA), mineral sands (Burekup WA) and iron ore (Blacksmith WA). Dr Wills was Managing Director of Flinders Mines Limited for over ten years from conception until August 2010. During this Period Flinders Mines located significant Iron Ore resources at the Blacksmith Project in the Pilbara Region of Western Australia. In November 2010, he was appointed an Adjunct Associate Professor at the University of Adelaide to engage in teaching economic and mine geology. He is an Associate of the Royal School of Mines,

past Chairman of the SA Division of the Geological Society of Australia and past Chairman of the Adelaide Branch and Fellow of the Australasian Institute of Mining and Metallurgy.

The board considers that Dr Wills will, if elected, be an independent director.

*The directors (except Dr Wills, who abstains) recommend shareholders vote in favour of the election of Dr Wills.*

### **RESOLUTION 3 – RE-ELECTION OF MR ROBERT KENNEDY AS A DIRECTOR**

Under the Company's constitution, one third of the directors (excluding the Managing Director) must retire at the Annual General Meeting. The director will be eligible for re-election. The director required to retire under the above framework is Mr Robert Kennedy. Mr Kennedy has indicated that he will offer himself for re-election by members at the meeting.

In accordance with clause 47 of the Company's constitution, Mr Kennedy retires and being eligible, has offered himself for re-election. A brief summary of Mr Kennedy's qualifications and experience follows.

#### **Robert Michael Kennedy ASAIT, Grad. Dip. (Systems Analysis), FCA, ACIS, Life member AIM, FAICD**

Mr Kennedy, a Chartered Accountant, has been the non-executive chairman of the Company since 2006. He is also a director of ASX listed companies Ramelius Resources Limited (since 1995), Flinders Mines Limited (since 2001), Maximus Resources Limited (since 2004) and Monax Mining Limited (since 2004). His special responsibilities include membership of the audit committee. Mr Kennedy brings to the board his expertise in finance and management consultancy and extensive experience as chairman and non-executive director of a range of listed public companies.

The board considers Mr Kennedy to be an independent director.

*The directors (except Mr Kennedy, who abstains) recommend shareholders vote in favour of the re-election of Mr Kennedy.*

### **RESOLUTION 4 – RATIFICATION OF A PREVIOUS ISSUE OF SHARES**

The Company has issued 100,000,000 fully paid ordinary shares at \$0.002 per fully paid ordinary share in a placement to sophisticated and professional investors.

These shares were issued on 27 January 2015 on the same terms and conditions as other existing ordinary shares in the Company quoted on the Australian Securities Exchange.

The funds raised by the placement have been and will be used to:

- progress exploration and resource definition at the Company's Redback Gold Project near Spargoville in Western Australia; and
- provide working capital to the Company.

ASX Listing Rule 7.1 provides that, except in limited circumstances, prior approval of shareholders is required for an issue of securities if the securities will, when aggregated with securities issued by the Company during the previous 12 months, exceed 15% of the number of shares on issue at the commencement of that 12 month period.

The issue of the shares detailed in resolution 4 did not exceed the 15% limit referred to above.

ASX Listing Rule 7.4 provides that where a company ratifies an issue of securities, the issue will be treated as having been made with approval for the purpose of ASX Listing Rule 7.1, thereby refreshing the company's 15% capacity and enabling it to issue further securities up to that limit.

Resolution 4 proposes the ratification and approval of the allotment and issue of 100,000,000 shares to sophisticated and professional investors for the purpose of satisfying the requirements of ASX Listing Rule 7.4.

ASX Listing Rule 14.9 requires the approval be given by an ordinary resolution of the Company.

*The directors recommend shareholders vote in favour of ratifying the placement made in January 2015.*

## **RESOLUTION 5 – RATIFICATION OF A PREVIOUS ISSUE OF SHARES**

The Company has issued 75,000,000 fully paid ordinary shares to Blue Spec Drilling Pty Ltd.

These shares were issued on 6 July 2015 on the same terms and conditions as other existing ordinary shares in the Company quoted on the Australian Securities Exchange.

The shares were issued at a deemed issue price of \$0.002 per share as consideration pursuant to an agreement with Blue Spec Drilling Pty Ltd for the provision of drilling services for the drilling programme at the Redback Prospect within the Company's wholly owned Spargoville Gold Project in the Eastern Goldfields of Western Australia.

ASX Listing Rule 7.1 provides that, except in limited circumstances, prior approval of shareholders is required for an issue of securities if the securities will, when aggregated with securities issued by the Company during the previous 12 months, exceed 15% of the number of shares on issue at the commencement of that 12 month period.

The issue of the shares and options detailed in resolution 5 did not exceed the 15% limit referred to above.

ASX Listing Rule 7.4 provides that where a company ratifies an issue of securities, the issue will be treated as having been made with approval for the purpose of ASX Listing Rule 7.1, thereby refreshing the company's 15% capacity and enabling it to issue further securities up to that limit.

Resolution 5 proposes the ratification and approval of the allotment and issue of 75,000,000 shares to Blue Spec Drilling Pty Ltd for the purpose of satisfying the requirements of ASX Listing Rule 7.4.

ASX Listing Rule 14.9 requires the approval be given by an ordinary resolution of the Company.

*The directors recommend shareholders vote in favour of ratifying the issue made in July 2015.*

## **RESOLUTION 6 – CONSOLIDATION OF CAPITAL**

On 11 September 2015, the Company announced a proposed consolidation of share capital through the consolidation of:

- every ten fully paid ordinary shares into one fully paid ordinary share; and
- every ten options exercisable at \$0.004 on or before 4 June 2016 into one option, with the exercise price per option amended in inverse proportion to that ratio.

If resolution 6 is passed, the number of securities on issue will be reduced from:

- [2,506,582,518] fully paid ordinary shares to [250,658,252]; and
- [167,699,726] options exercisable at \$0.004 on or before 4 June 2016 to [16,769,973] options exercisable at \$0.04 on or before 4 June 2016;

(subject to rounding).

### *Reasons for the consolidation*

The Company has a very large number of shares on issue, which imposes a number of disadvantages on the Company, including:

- a large number of shares on issue relative to comparable companies, resulting in a lower share price;
- negative perceptions associated with a low share price; and
- additional share price volatility relating to the fact that the minimum share price movement permitted by the ASX (\$0.001) represents a high proportion of the share price.

The directors are of the opinion that a consolidation will create a more efficient capital structure and assist in mitigating these disadvantages.

#### *Legal requirements*

Section 254H of the Corporations Act provides that a company may convert all of its shares into a smaller number of shares by a resolution passed at a general meeting.

Approval of the proposed consolidation of the Company's shares is sought pursuant to this section.

In relation to the options, ASX Listing Rule 7.22.1 requires the options to be consolidated in the same ratio as the ordinary capital and the exercise price must be amended in inverse proportion to that ratio.

The terms of resolution 6 have been drafted in accordance with this rule.

Further, ASX Listing Rule 7.20 requires an entity to tell security holders in writing each of the following:

- the effect of the proposed consolidation on the number of securities;
- the proposed treatment of any fractional entitlements;
- the proposed treatment of any convertible securities on issue.

This Notice contains this required information and is provided to security holders pursuant to this rule.

In relation to any retention, performance or incentive rights on issue, every ten rights are to be consolidated into one right.

#### *Effect on shareholders*

The consolidation will not result in any change to the substantive rights and obligations of existing shareholders of the Company. The holding of all shareholders will be consolidated on the same terms and so there is no effect on voting power.

Where the consolidation would result in the holding of a fraction of a share, the Company will round that fraction up to the nearest whole number of shares.

It is not considered that any taxation implications exist for shareholders. However, shareholders are advised to seek their own taxation advice on the effect of the consolidation.

From the date of the consolidation, all holding statements will cease to have any effect, except as evidence of entitlement to a certain number of shares on a post-consolidation basis.

After the consolidation becomes effective, the Company will arrange for new holding statements to be issued to shareholders. It is the responsibility of each shareholder to check the number of shares held prior to disposal.

#### *Timetable*

<b>ACTION</b>	<b>DATE</b>
Annual General Meeting of shareholders.	21 October 2015
The Company tells ASX that security holders have approved reorganisation.	21 October 2015
If the details of holdings change as a result of the reorganisation, last day for trading in pre-reorganised securities.	22 October 2015
If the details of holdings change as a result of the reorganisation, trading in the reorganised securities on a deferred settlement basis starts.	23 October 2015



ACTION	DATE
If the details of holdings change as a result of the reorganisation, last day for the Company to register transfers on a pre-reorganisation basis.	27 October 2015
<p>If the details of holdings change as a result of the reorganisation:</p> <ul style="list-style-type: none"> <li>• First day for entity to send notice to each security holder.</li> <li>• In the case of uncertificated holdings, first day for the Company to register securities on a post-reorganisation basis and first day for issue of holding statements.</li> <li>• In the case of certificated holdings, first day for issue of new certificates. From now on, the Company rejects transfers accompanied by a certificate that was issued before the reorganisation.</li> </ul>	28 October 2015
<p>If the details of holdings change as a result of the reorganisation:</p> <ul style="list-style-type: none"> <li>• Issue date. Deferred settlement market ends.</li> <li>• Last day for securities to be entered into the holders' security holdings. If securities are certificated, last day for the Company to issue them and send the certificates to the holders.</li> <li>• Last day for the Company to send notice to each security holder</li> </ul>	4 November 2015
Normal trading starts.	5 November 2015

*The directors recommend shareholders vote in favour of approving the consolidation of capital.*

**Definitions:**

**Key Management Personnel** (KMP) of the Company are, as adopted from the Australian Accounting Standards Board, those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any director (whether executive or otherwise) of the Company.

**Closely related parties** of the Company's KMP include certain family members, dependents and companies they control.

## TYCHEAN RESOURCES LIMITED

ABN 40 119 031 864

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### VOTING INFORMATION AND NOTES

#### 1. **Voting entitlement on a poll**

On a poll, each shareholder present (in person, by proxy, attorney or representative) has one vote for each fully paid share they hold.

#### 2. **Proxies**

A shareholder entitled to attend and vote at this meeting is entitled to appoint a proxy to attend and vote on the shareholder's behalf. If the shareholder is entitled to cast two or more votes at the meeting, the shareholder may appoint up to two proxies to attend and vote on the shareholder's behalf.

If a shareholder appoints two proxies, each proxy must be appointed to represent a specified proportion or number of the shareholder's votes. Absent this specification, on a poll, each proxy may exercise half the votes.

A proxy can be either an individual or a body corporate and need not be a shareholder of the Company. If a shareholder appoints a body corporate as proxy, the body corporate will need to appoint an individual as its corporate representative and provide satisfactory evidence of this appointment.

If a shareholder's instruction is to abstain from voting for a particular item of business, the shareholders' votes will not be counted in computing the required majority on a poll.

To appoint a proxy, a proxy form must be signed by the shareholder or the shareholder's attorney duly authorised in writing. If the shareholder is a corporation, the proxy form must be signed in accordance with section 127 of the Corporations Act. To be effective, a proxy form (and, if it is signed by an attorney, the authority under which it is signed or a certified copy of the authority) must be received by the Company not later than 48 hours prior to the commencement of the meeting. Proxy form and authorities may be lodged:

- by post to Computershare Investor Services Pty Ltd, GPO Box 242, Melbourne VIC 3001, or;
- by facsimile to Computershare on (within Australia) 1800 783 447 (outside Australia) +61 3 9473 2555 or the Company on +61 8 8271 1988; or

Custodian voting - For Intermediary Online subscribers only (custodians), please visit [www.intermediaryonline.com](http://www.intermediaryonline.com) to submit your voting intentions.

Shareholders who forward their proxy forms by fax must make available the original executed form of the proxy for production at the meeting, if called upon to do so.

#### ***Chairman acting as proxy***

Shareholders may appoint the chairman of the meeting as their proxy.

Where the chairman is appointed as a proxy by a shareholder entitled to cast a vote on a particular resolution and the proxy form specifies how the chairman is to vote on the resolution (that is, a directed proxy), the chairman must vote in accordance with that direction.

In respect of proxies where no voting direction has been given (undirected proxies), the chairman intends to vote all available proxies in favour of each resolution.

In relation to resolution 1, if the shareholder has appointed the chairman as their proxy and no voting direction has been given, the shareholder will be expressly authorising the chairman to exercise the undirected proxy in respect of resolution 1 even though the resolution is connected with

the remuneration of members of the KMP of the Company. Please read the directions on the proxy form carefully, especially if you intend to appoint the chairman of the meeting as your proxy.

3. **Entitlement to vote at the meeting**

For the purpose of the meeting, shares in the Company will be taken to be held by those persons who are registered holders at 7.00 pm (Adelaide time) on 19 October 2015. Accordingly, transactions registered after that time will be disregarded in determining entitlements to attend and vote at the meeting.

4. **Quorum**

The constitution of the Company provides that 10 shareholders present in person, by proxy, attorney or body corporate representative shall be a quorum for a general meeting of the Company.

5. **Appointment of a corporate representative**

Corporate representatives are requested to bring appropriate evidence of appointments as a representative. Proof of identity will be required for corporate representatives.

6. **Appointment of an attorney**

Attorneys are requested to bring a power of attorney pursuant to which they are appointed. Proof of identity will also be required for attorneys.