



**LANEWAY RESOURCES LTD**

**ACN 003 049 714**

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**NOTICE OF ANNUAL GENERAL MEETING**

**and**

**MEETING MATERIALS**

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**Date of Meeting:** Monday 23 November 2015

**Time of Meeting:** 8:30am (Brisbane time)

**Venue of Meeting:** Level 9, Waterfront Place,  
1 Eagle Street  
Brisbane, Qld, 4000

This document should be read in its entirety.

If Shareholders are in doubt as to how they should vote on the Resolutions, they should seek advice from their financial or other professional adviser prior to voting.

**CORPORATE DIRECTORY**

<b>Directors</b>	Stephen Bizzell Richard Anthon Mark Baker
<b>Secretary</b>	Paul Marshall
<b>Registered Office</b>	Level 9 Waterfront Place 1 Eagle Street BRISBANE QLD 4000 Ph: (07) 3108 3500 Fax: (07) 3108 3501 Email: <a href="mailto:admin@lanewayresources.com.au">admin@lanewayresources.com.au</a> Website: <a href="http://www.lanewayresources.com.au">www.lanewayresources.com.au</a>
<b>ABN</b>	75 003 049 714
<b>Auditors</b>	BDO Level 10, 12 Creek Street BRISBANE QLD 4000
<b>Legal Advisers</b>	GRT Lawyers Level 1, 400 Queen Street BRISBANE QLD 4000 Ph: (07) 3309 7000
<b>Share Registry</b>	Link Market Services Level 15 324 Queen Street BRISBANE QLD 4000 Ph: 1300 554 474

## NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that an Annual General Meeting of the Shareholders of **LANEWAY RESOURCES LIMITED ACN 003 049 714** (the **Company** or **LNY**) will be held on Monday 23 November 2015, commencing at 8.30am (Brisbane time) at Level 9, Waterfront Place, 1 Eagle Street, Brisbane, QLD 4000 (**Meeting**) for the purpose of transacting the business set out below. Registration will commence just prior to the Meeting.

This Notice incorporates, and should be read together with, the Meeting Materials which includes the Explanatory Memorandum and Proxy Form.

Terms used in this Notice will, unless the context otherwise requires, have the same meaning given to them in the Glossary contained in the Explanatory Memorandum.

### ORDINARY BUSINESS

#### RECEIPT OF 2015 FINANCIAL STATEMENTS

This item does not require voting by Shareholders. It is intended to provide an opportunity for Shareholders to raise questions on the financial statements and reports. The Company's auditor will be present at the Meeting and available to answer any questions.

#### RESOLUTION 1: Adoption of Remuneration Report

To consider and, if thought fit, to pass, with or without amendment, the following **advisory only resolution**:

*"That, for the purposes of section 250R(2) of the Corporations Act, and for all other purposes, the Remuneration Report forming part of the Company's 2015 Annual Report be adopted."*

**Note: the vote on this Resolution is advisory only and does not bind the Directors or the Company.**

**Voting Exclusion Statement:** A vote on this Resolution 1 must not be cast (in any capacity) by or on behalf of either of the following persons:

- (a) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or
- (b) a Closely Related Party of such a member.

However, a person (the **voter**) described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:

- (a) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or
- (b) the voter is the Chairman and the appointment of the Chairman as proxy:
  - (i) does not specify the way the proxy is to vote on this Resolution; and
  - (ii) expressly authorises the Chairman to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

**RESOLUTION 2: Re-election of Mr Richard Anthon as a Director**

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

*“That in accordance with the Company’s Constitution and the Listing Rules, Mr Richard Anthon who retires by rotation and being eligible, be re-elected as a Director of the Company.”*

**Voting Exclusion Statement:** The Company will disregard any votes cast on this Resolution 2 by Mr Richard Anthon and any of his Associates, unless it is cast:

- (a) by a person as proxy for a person who is entitled to vote (in accordance with the directions on the Proxy Form); or
- (b) by a person chairing the Meeting as proxy for a person who is entitled to vote (in accordance with a direction on the Proxy Form to vote as the proxy decides).

**RESOLUTION 3: Ratification of prior issue of Placement Securities**

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

*“That pursuant to and in accordance with Listing Rule 7.4 and for all other purposes, Shareholders ratify the allotment and issue of 192,333,332 Shares at an issue price of \$0.003 per Share with 51,666,667 free attaching options to raise \$577,000 to Exempt Investors unrelated to the Company and otherwise on the terms and conditions set out in the Explanatory Memorandum.”*

**Voting Exclusion Statement:** The Company will disregard any votes cast on Resolution 3, by any person who participated in the issue and a person who might obtain a benefit, except a benefit solely in the capacity of a Shareholder, if the resolution is passed, and any of their Associates, unless it is cast:

- (a) by a person as proxy for a person who is entitled to vote (in accordance with the directions on the proxy form); or
- (b) by the person chairing the meeting as proxy for a person who is entitled to vote (in accordance with a direction on the proxy form to vote as the proxy decides).

**RESOLUTION 4: Approval to issue the Placement Options**

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

*“That, pursuant to Listing Rule 7.1 and for all other purposes, Shareholders approve the issue of 140,666,665 Options (being one free attaching Option to be issued for every Share subscribed for which have already been issued pursuant to the Placement, the issue of which is being ratified pursuant to Resolution 3 above) to Exempt Investors and/or their nominee who participated in the Placement and otherwise on the terms and conditions set out in the Explanatory Memorandum.”*

**Voting Exclusion Statement:** The Company will disregard any votes cast on Resolution 4, by or on behalf of , by any person who may participate in the issue and a person who might obtain a benefit, except a benefit solely in the capacity of a Shareholder, if the resolution is passed, and any of their Associates, , unless it is cast:

- (a) by a person as proxy for a person who is entitled to vote (in accordance with the directions on the proxy form); or
- (b) by the person chairing the meeting as proxy for a person who is entitled to vote (in accordance with a direction on the proxy form to vote as the proxy decides).

**RESOLUTION 5: Approval to issue the Balance of Placement Securities**

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

*“That, pursuant to Listing Rule 7.1 and for all other purposes, Shareholders approve the issue of 210,287,373 Shares at an issue price of \$0.003 per Share to raise up to \$630,862 with 210,287,373 free attaching Options (one free attaching Option will be issued for every Share subscribed for) to Exempt Investors and/or their nominee and otherwise on the terms and conditions set out in the Explanatory Memorandum.”*

**Voting Exclusion Statement:** The Company will disregard any votes cast on Resolution 5, by or on behalf of , by any person who may participate in the issue and a person who might obtain a benefit, except a benefit solely in the capacity of a Shareholder, if the resolution is passed, and any of their Associates, , unless it is cast:

- (a) by a person as proxy for a person who is entitled to vote (in accordance with the directions on the proxy form); or
- (b) by the person chairing the meeting as proxy for a person who is entitled to vote (in accordance with a direction on the proxy form to vote as the proxy decides).

**RESOLUTION 6: Approval to issue Placement Securities to Bizzell**

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

*“That, for the purposes of Listing Rule 10.11 and section 208 of the Corporations Act and for all other purposes, Shareholders approve the allotment and issue of 70,000,000 Shares at a price per Share of \$0.003 to raise \$210,000 and 70,000,000 free attaching Options to Mr Stephen Bizzell and/or his nominee (**Bizzell Securities**) at any time during the period of 1 month after the date of the Meeting and otherwise on the terms set out in the Explanatory Memorandum.”*

**Note:** If approval is given under Listing Rule 10.11, approval is not required under Listing Rule 7.1.

**Voting Exclusion Statement:** The Company will, in accordance with section 224 of the Corporations Act and Listing Rules 10.13 and 14.11, disregard any votes cast on Resolution 6, by or on behalf of Mr Stephen Bizzell and any of his Associates, unless it is cast:

- (a) by a person as proxy for a person who is entitled to vote (in accordance with the directions on the proxy form); or
- (b) by the person chairing the meeting as proxy for a person who is entitled to vote (in accordance with a direction on the proxy form to vote as the proxy decides).

**RESOLUTION 7: Approval to issue Placement Securities to Baker**

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

*“That, for the purposes of Listing Rule 10.11 and section 208 of the Corporations Act and for all other purposes, Shareholders approve the allotment and issue of 37,545,700 Shares at a price per Share of \$0.003 to raise \$112,637 and 37,545,700 free attaching Options to Mr Mark Baker and/or his nominee (**Baker Securities**) at any time during the period of 1 month after the date of the Meeting, and otherwise on the terms set out in the Explanatory Memorandum.”*

**Note: If approval is given under Listing Rule 10.11, approval is not required under Listing Rule 7.1.**

**Voting Exclusion Statement:** The Company will, in accordance with section 224 of the Corporations Act and Listing Rules 10.13 and 14.11, disregard any votes cast on Resolution 7, by or on behalf of Mr Mark Baker and any of his Associates, unless it is cast:

- (a) by a person as proxy for a person who is entitled to vote (in accordance with the directions on the proxy form); or
- (b) by the person chairing the meeting as proxy for a person who is entitled to vote (in accordance with a direction on the proxy form to vote as the proxy decides).

**RESOLUTION 8: Approval to issue Placement Securities to Anthon**

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

*“That, for the purposes of Listing Rule 10.11 and section 208 of the Corporations Act and for all other purposes, Shareholders approve the allotment and issue of 32,448,009 Shares at a price per Share of \$0.003 to raise \$97,344.03 and 32,448,009 free attaching Options to Mr Richard Anthon and/or his nominee (**Anthon Securities**) at any time during the period of 1 month after the date of the Meeting and otherwise on the terms set out in the Explanatory Memorandum.”*

**Note: If approval is given under Listing Rule 10.11, approval is not required under Listing Rule 7.1.**

**Voting Exclusion Statement:** The Company will, in accordance with section 224 of the Corporations Act and Listing Rules 10.13 and 14.11, disregard any votes cast on Resolution 8, by or on behalf of Mr Richard Anthon and any of his Associates, unless it is cast:

- (a) by a person as proxy for a person who is entitled to vote (in accordance with the directions on the proxy form); or
- (b) by the person chairing the meeting as proxy for a person who is entitled to vote (in accordance with a direction on the proxy form to vote as the proxy decides).

**RESOLUTION 9: Approval to issue Shares under the First Drilling Funding Agreement to Etheridge Operations Pty Ltd**

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

*“That, pursuant to Listing Rule 7.1 and for all other purposes, Shareholders approve the issue of up to 47,857,140 Shares to Etheridge Operations Pty Ltd and/or its nominee at an issue price of \$0.0035 per Share as consideration for the provision of services worth up to \$167,500 under the First Drilling Funding Agreement and otherwise on the terms and conditions set out in the Explanatory Memorandum.”*

**Voting Exclusion Statement:** The Company will disregard any votes cast on Resolution 9, by or on behalf of Etheridge Operations Pty Ltd and any of its Associates, unless it is cast:

- (a) by a person as proxy for a person who is entitled to vote (in accordance with the directions on the proxy form); or
- (b) by the person chairing the meeting as proxy for a person who is entitled to vote (in accordance with a direction on the proxy form to vote as the proxy decides).

**RESOLUTION 10: Approval to issue Shares and Options under the Drilling Funding Agreement to Etheridge Operations Pty Ltd**

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

*“That, pursuant to Listing Rule 7.1 and for all other purposes, Shareholders approve the issue of up to 60 million Shares to Etheridge Operations Pty Ltd and/or its nominee at an issue price of \$0.005 per Share and up to 60 million free attaching Etheridge Options exercisable at \$0.005 as consideration for the provision of services worth up to \$300,000 under the Drilling Funding Agreement and otherwise on the terms and conditions set out in the Explanatory Memorandum.”*

**Voting Exclusion Statement:** The Company will disregard any votes cast on Resolution 10, by or on behalf of Etheridge Operations Pty Ltd and any of its Associates, unless it is cast:

- (a) by a person as proxy for a person who is entitled to vote (in accordance with the directions on the proxy form); or
- (b) by the person chairing the meeting as proxy for a person who is entitled to vote (in accordance with a direction on the proxy form to vote as the proxy decides).

Please refer to the Explanatory Memorandum attached to this Notice for more information regarding these Resolutions.

By order of the Board

Paul Marshall  
Company Secretary  
21 October 2015

*See the following notes on Voting and Proxies*



## NOTES ON ATTENDANCE AND VOTING AT THE MEETING

These notes form part of the Notice.

### VOTING ENTITLEMENT

In accordance with regulation 7.11.37 of the *Corporations Regulations 2001 (Cth)*, the Board has determined that the Shareholders who are on the Company's Share register at 8:30am (Brisbane time) on Saturday 21 November 2015 will be taken, for the purposes of the Annual General Meeting, to be entitled to attend and vote at the Meeting.

If you are not the registered holder of a relevant Share at that time, you will not be entitled to vote at the Meeting.

### VOTING AT THE MEETING

Ordinary resolutions require the support of more than 50% of the votes cast. Resolutions 1 – 10 to be considered at this Meeting are ordinary resolutions.

Every question arising at this Meeting will be decided in the first instance by a show of hands. A poll may be demanded in accordance with the Company's Constitution.

On a show of hands, every Shareholder who is present in person or by proxy, representative or attorney, will have one vote. Upon a poll, every person who is present in person or by proxy, representative or attorney, will have one vote for each Share held by that person.

### APPOINTMENT OF PROXIES

A Shareholder who is entitled to attend and vote at the Meeting may appoint a person, who need not be a Shareholder of the Company, as the Shareholder's proxy to attend and vote on behalf of the Shareholder.

A Shareholder who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise.

A Proxy Form accompanies this Notice of Meeting. If you wish to appoint a proxy, please complete the Proxy Form and return it at least 48 hours before the Meeting, **being no later than 11:00am (Brisbane time) on Saturday 21 November 2015**:

- by post to: Laneway Resources Limited, GPO BOX 1164, Brisbane QLD 4001;
- by facsimile on: +61 7 3108 3501 (for proxy voting) (in Australia or from overseas);

If the appointment is signed by an attorney, the power of attorney or a certified copy of it must be sent with the Proxy Form.

### PROXIES AND CONDUCT OF MEETING

Pursuant to section 250BB of the Corporations Act, an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, if it does:



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

Under section 250BC of the Corporations Act, if:

- a) an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of a Company's members;
- b) the appointed proxy is not the chairman of the meeting;
- c) at the meeting, a poll is duly demanded on the resolution; and
- d) either of the following applies:
  - (i) the proxy is not recorded as attending the meeting; or
  - (ii) the proxy does not vote on the resolution,

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

If you choose to appoint a proxy, you are encouraged to direct your proxy how to vote on the Resolutions by marking either **For**, **Against** or **Abstain** on the voting form for each Resolution.

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## EXPLANATORY MEMORANDUM

### IMPORTANT NOTICE

This Explanatory Memorandum forms part of the Notice and has been prepared for Shareholders in connection with the Meeting. It provides information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions contained in the Notice.

The Notice, Explanatory Memorandum and Proxy Form are collectively referred to as the **Meeting Materials**. The Meeting Materials are all important documents that should be read carefully and in their entirety before Shareholders make a decision on how to vote at the Meeting.

This Explanatory Memorandum does not take into account the individual investment objectives, financial situation and needs of individual Shareholders or any other person. Accordingly, it should not be relied on solely in determining how to vote on the Resolutions.

Capitalised terms used in this Explanatory Memorandum are defined in the Glossary.

All times and dates referred to in these Meeting Materials are times and dates in Brisbane, Queensland, Australia, and all currency references are to Australian dollars, unless otherwise indicated.

This Explanatory Memorandum is dated 21 October 2015.

### RESPONSIBILITY FOR INFORMATION

The information contained in this Explanatory Memorandum has been prepared by the Company and is the responsibility of the Company.

A copy of this Notice and Explanatory Memorandum has been lodged with the ASX pursuant to the Listing Rules. Neither ASX, nor any of its officers take any responsibility for the contents of these documents.

### FORWARD LOOKING STATEMENTS

Certain statements in this Explanatory Memorandum relate to the future. These statements reflect views only as of the date of this Explanatory Memorandum. While the Company considers that the expectations reflected in the forward looking statements are reasonable, neither the Company, nor any other person, gives any representation, assurance or guarantee, that the occurrence of an event express or implied in any forward looking statements in this Explanatory Memorandum will actually occur.

### THE RESOLUTIONS

At this Annual General Meeting, Shareholders will be asked to vote on Resolutions relating to:

- Resolution 1 – Adoption of Remuneration Report;
- Resolution 2 – Re-election of Mr Richard Anthon as a Director;
- Resolution 3 - Ratification of prior issue of Placement Securities;
- Resolution 4 – Approval to issue Placement Options;

- Resolution 5 – Approval to issue balance of Placement Securities;
- Resolution 6 - Approval to issue Placement Securities to Bizzell;
- Resolution 7 – Approval to issue Placement Securities to Baker;
- Resolution 8 – Approval to issue Placement Securities to Anthon;
- Resolution 9 – Approval to issue Shares under the First Drilling Funding Agreement;
- Resolution 10 – Approval to issue Shares and Options under the Drilling Funding Agreement;

What if I have questions?

If you have any questions, you should contact your broker, financial or legal advisor immediately. Alternatively you can call the Company's Company Secretary, Paul Marshall on +61 7 3108 3500.

## RESOLUTION 1 ADOPTION OF REMUNERATION REPORT

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### 1. Introduction

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As required by the Corporations Act, the Board is presenting the Remuneration Report to Shareholders for consideration and adoption by a non-binding vote. The Remuneration Report contains:

- information about the Board's policy for determining the nature and amount of remuneration of the Key Management Personnel (including Directors and senior executives) of the Company;
- a description of the relationship between the Company's remuneration policy and the Company's performance;
- a summary of performance conditions for each of the Directors and senior executives, including a summary of why they were chosen and how performance is measured against them; and
- remuneration details for each Director and for each of the Company's specified executives.

The Remuneration Report, which is part of the Annual Report, has been sent to Shareholders who have made an election to receive the Annual Report. Copies of the Annual Report are available by contacting the Company or visiting the Company's website [www.lanewayresources.com.au](http://www.lanewayresources.com.au).

### 2. Two strikes

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If 25% or more of votes that are cast on this non-binding Resolution are voted against the adoption of the Remuneration Report at two consecutive AGMs, Shareholders will be required to vote at the second of these AGMs on a resolution (**Spill Resolution**) that another meeting be held within 90 days (**Spill Meeting**), at which:

- all of the Company's Directors (other than the Managing Director) cease to hold office immediately before the end of the Spill Meeting; and
- resolutions to appoint persons to offices that will be vacated immediately before the end of the Spill Meeting will be put to the vote at the Spill Meeting.

The approval threshold for the Spill Resolution is 50% or more of votes that are cast on the resolution.

At the 2014 AGM, Shareholders voted in favour of the Remuneration Report, and no first 'strike' was recorded by the Company.

### 3. Board recommendation

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

The Chairman intends to vote all available proxies in favour of Resolution 1.

**1. Introduction**

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As required by the Corporations Act and the Company's Constitution, a Director must not hold office without re-election past the third annual general meeting following the Director's appointment, or 3 years, whichever is longer.

A Director who retires in accordance with these requirements is eligible for re-election.

Accordingly, Mr Richard Anthon is due to retire at the end of the Meeting and offers himself for re-election to the Board. Details of Mr Anthon's qualifications, experience, other directorships and special responsibilities are set out in the Annual Report and extracted below.

**2. Director's Biography**

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Rick Anthon

Non-Executive Director

Rick Anthon BA (ANU) LLB (ANU) MAICD was formerly the Managing Partner of the Queensland law firm Hemming+Hart. He has practiced extensively in corporate, mining and resources law for over 25 years. He has advised on numerous acquisitions, joint ventures, and debt and capital raisings both in Australia and overseas. Additionally, Rick has acted as non-executive Director and chairman for a number of public resource companies over the last 25 years and has previously chaired audit and remuneration committees for those companies.

Other Listed Company Directorships in the past three years:

- Elementos Ltd (appointed January 2015)
- Bass Metals Ltd (appointed October 2013)
- Pacific American Coal Ltd (appointed October 2010, resigned February 2015)
- Stratum Metals Ltd (appointed October 2011, resigned December 2014)
- Baru Resources Ltd (listed September 2011 resigned July 2012)
- Lamboo Resources Ltd (appointed June 2014, resigned January 2014)

**3. Board recommendation**

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All the Directors (except Mr Richard Anthon abstaining) recommend that Shareholders vote in favour of Resolution 2.

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## 1. Background

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The Company issued 192,333,332 Shares at the price of \$0.003 on 12 March 2015, together with 51,666,667 free attaching options (the **Prior Placement Securities** or **Prior Placement**).

The Prior Placements raised \$577,000 for the Company comprising part of the capital raising announced by LNY on 10 February 2015.

The Prior Placements were issued by LNY pursuant to Listing Rule 7.1.

## 2. ASX Listing Rules

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Pursuant to Listing Rule 7.4, Resolution 3 seeks ratification by Shareholders of the issue of the Prior Placement Securities.

Listing Rule 7.1 prohibits the Company (subject to certain exceptions such as pro-rata issues), from issuing or agreeing to issue equity securities representing more than 15% of the Company's total issued securities, during a rolling 12 month period, without Shareholder approval (**15% Threshold**).

Listing Rule 7.4 allows an issue of equity securities, for which Shareholder approval was not first obtained, to not be counted towards the 15% Threshold when Shareholder approval for that issue is subsequently obtained.

That is, Listing Rule 7.4 permits an issue of securities to be approved retrospectively. It provides that an issue of Equity Securities is treated as having been made with Shareholder approval if ASX Listing Rule 7.1 was not breached at the time the securities were issued and Shareholders subsequently approve (ratify) the issue. The Company did not breach Listing Rule 7.1 at the time the Prior Placement Securities were issued and now seeks Shareholder approval for the issue of the Prior Placement Securities.

By Shareholders approving Resolution 3 the Board is given the flexibility to issue more Equity Securities up to the available Placement Capacity over the next 12 month period. Once the issue of the Prior Placement Securities is approved, these securities will not be counted for the purposes of the 15% Threshold.

### **Specific information required by ASX Listing Rule 7.5**

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to the ratification of the issue of the Prior Placement Securities:

**Table 1: ASX Listing Rule 7.5 Disclosure**

<b>REQUIRED DISCLOSURE</b>		
<b>Securities issued on 12 March 2015</b>		
<b>ITEM</b>	<b>Shares</b>	<b>Options</b>
<b>Number of securities issued</b>	192,333,332 Shares	51,666,667 options
<b>Issue price</b>	\$0.003	nil
<b>Terms of the securities</b>	The Shares issued are fully paid ordinary shares in the capital of the Company that rank equally in all respects with the Company's existing Shares on issue. For further details refer to Annexure A.	The options were issued on the following terms: <ul style="list-style-type: none"><li>• each option was an option to acquire one fully paid ordinary share for the exercise price of \$0.003;</li><li>• expiry date of 26 June 2015;</li><li>• were unlisted, and LNY did not apply for quotation of the options;</li><li>• were exercisable over fully paid ordinary shares in the Company;</li><li>• Shares issued upon exercise of the options ranked equally with all existing Shares on issue for which quotation on the ASX was sought.</li></ul>
<b>Allottee / Basis of allotment</b>	Under the Capital Raising to various Exempt Investors unrelated to the Company.	The options were allotted to some of the participating Exempt Investors on a one for one basis, based on the number of Shares subscribed for. The Options to be issued to the balance of the participating Exempt Investors are the subject of Resolution 4 below.
<b>Use of funds</b>	The proceeds of the issue enabled the Company to advance its Agate Creek Gold Project, New Zealand Gold and NSW Coal Projects, repay/reduce some existing debts as well as provide general working capital. Specifically, funds and drilling activities were primarily directed towards LNY's 100% owned Agate Creek Gold Project where the Company continued the work required to progress the grant of a mining lease over part of the Agate Creek tenement area.	No further funds were raised via the issue of the Options.

### **3. Effect of the Resolution**

Shareholder approval was not required for the issue of the Prior Placement Securities. If Shareholder approval is not obtained for Resolution 4, the issue of the Prior Placement Securities will not be impacted or changed.

However, if Resolution 3 is **not** passed, the Prior Placement Securities issued on 12 March 2015 will count toward the calculation of the 15% Threshold for the purpose of Listing Rule 7.1. This means



that LNY's Placement Capacity to issue equity securities without shareholder approval will remain diminished by an amount corresponding to the Prior Placement Securities until the date that is 12 months after their issue.

The Directors wish to maximise the extent to which LNY can issue equity securities without shareholder approval in order to ensure the Company can complete the proposed Capital Raising and also have sufficient capacity and flexibility to raise the funds required to satisfy any future funding requirements.

#### **4. Directors' Recommendation**

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No members of the Board have any personal interests in the outcome of Resolution 3. Accordingly, the Board unanimously recommends that eligible Shareholders vote in favour of Resolution 3.

Each Director intends to vote all Shares they own or control the right to vote in favour of Resolution 3.

Voting exclusion statements are included in the Notice of Meeting.

## RESOLUTION 4: Approval to issue the Placement Options

### 1. The Resolution and Explanation

As noted in relation to Resolution 3 the Company issued 192,333,332 Shares at the price of \$0.003 on 12 March 2015, together with 51,666,667 free attaching options (the Prior Placement Securities or Prior Placement).

The company was unable to issue a total of 140,666,665 options that were due to be issued to subscribers to the placement, on 12 March 2015, as it did not have sufficient capacity under the 15% threshold allowable under Listing Rule 7.1.

Resolution 4 is proposed to approve the issue of the options due to the subscribers to the Capital Raising.

Specifically, Resolution 4 seeks Shareholder approval pursuant to Listing Rule 7.1 for the issue of up to a maximum of 140,666,665 free Options to various Exempt Investors or their nominees pursuant to the Capital Raising.

### 2. Listing Rule Requirements

#### 2.1 Information required by the Listing Rules

Listing Rule 7.3 requires that the information listed below be provided to Shareholders for the purpose of obtaining shareholder approval pursuant to Listing Rule 7.1:

**Table 1: ASX Listing Rule 7.3 Disclosure**

ITEM	Placement Options
<b>Number of securities to be issued</b>	140,666,665 Unlisted Options
<b>Issue price</b>	nil
<b>Terms of the securities</b>	<p>The Placement Options are issued on the following terms:</p> <ul style="list-style-type: none"><li>• each option is an option to acquire one fully paid ordinary share for the exercise price of \$0.003;</li><li>• expiry date of 31 January 2016;</li><li>• are unlisted, and LNY will not apply for quotation of the Options;</li><li>• are exercisable over fully paid ordinary shares in the Company; and</li><li>• Shares issued upon exercise of the Options will rank equally with all existing Shares on issue for which quotation on the ASX will be sought, and otherwise on the terms as detailed in Annexure B.</li></ul>
<b>Issue date / date by which the entity will issue the securities</b>	The Placement Options are proposed to be issued as soon as practicable after the date of the Meeting.
<b>Allottee / Basis of allotment</b>	The Placement Options are to be allotted to the participating Exempt Investors on a one for one basis, based on the number of Placement Shares subscribed for.
<b>Use of funds</b>	No further funds will be raised via the issue of the Placement Options.

### 3. Impact of Shareholder approval

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Importantly, Shareholders should note that:

- Shareholder approval is not required for the issue of the Placement Options; however
- if Shareholder approval is not obtained for Resolution 4, the Placement Options will be issued pursuant to Listing Rule 7.1 to the extent there is available Placement Capacity.

The impact of Shareholder approval for this Resolution will be the extent to which the Company's 15% Threshold is refreshed.

Accordingly, if:

- **Resolution 4 is approved** the Company's Placement Capacity under Listing Rule 7.1 will be impacted to the extent that it will increase the number of securities available for placement by 15% of the total number of shares for which approval is sought under this resolution.
- Assuming all the resolutions being put forward for this meeting are passed and no other Equity Securities are issued the Company will be able to issue an additional 378,132,043 new Shares in the following 12 months without Shareholder approval and without relying on any exceptions to the 15% Threshold;
- **Resolution 4 is not approved** the Company's Placement Capacity under Listing Rule 7.1 will be impacted to the extent of the Placement Options. Without obtaining Shareholder approval, the Company will only be able to issue new Shares in the following 12 months to the extent of its remaining Placement Capacity.

Voting exclusion statements are included in the Notice.

### 4. Directors' Recommendation

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No members of the Board have any personal interests in the outcome of Resolution 4. Accordingly, the Board unanimously recommends that eligible Shareholders vote in favour of Resolution 4. Each Director intends to vote all Shares they own or control the right to vote in favour of Resolution 4.

## RESOLUTION 5      APPROVAL TO ISSUE BALANCE PLACEMENT SECURITIES UNDER THE CAPITAL RAISING

### 5. Introduction

For the purpose of listing Rule 7.1, we are seeking Shareholder approval for Resolution 5 referred to in the accompanying Notice.

### 6. The Resolution and Explanation

The Company placed the Prior Placement Securities (referenced in Resolutions 3 and 4 above) pursuant to the terms of the Capital Raising to various Exempt Investors unrelated to the Company on 12 March 2015.

Resolution 5 is proposed to approve the issue of the balance of the securities under the Capital Raising to various Exempt Investors to raise up to \$630,863. Specifically, Resolution 5 seeks Shareholder approval pursuant to Listing Rule 7.1 for the issue of up to a maximum of 210,287,373 Shares and 210,287,373 free attaching Options to various Exempt Investors or their nominees pursuant to the Capital Raising (**Balance Placement Securities**).

### 7. Listing Rule Requirements

#### 7.1 Information required by the Listing Rules

Listing Rule 7.3 requires that the information listed below be provided to Shareholders for the purpose of obtaining shareholder approval pursuant to Listing Rule 7.1:

**Table 1: ASX Listing Rule 7.3 Disclosure**

REQUIRED DISCLOSURE		
ITEM	Balance Placement Shares	Balance Placement Options
Number of securities issued	210,287,373 Shares	210,287,373 Options
Issue price	\$0.003	nil
Terms of the securities	The Balance Placement Shares issued are fully paid ordinary shares in the capital of the Company that rank equally in all respects with the Company's existing Shares on issue. For further details refer to Annexure A.	<p>The Balance Placement Options are to be issued on the following terms:</p> <ul style="list-style-type: none"><li>• each option is an option to acquire one fully paid ordinary share for the exercise price of \$0.003;</li><li>• expiry date of 31 January 2016;</li><li>• are unlisted, and LNY will not apply for quotation of the Options;</li><li>• are exercisable over fully paid ordinary shares in the Company; and</li><li>• Shares issued upon exercise of the Options will rank equally with all existing Shares on issue for which quotation on the ASX will be sought,</li></ul> <p>and otherwise on the terms as detailed in Annexure B.</p>

REQUIRED DISCLOSURE		
<b>Issue date / date by which the entity will issue the securities</b>	The Balance Placement Shares are proposed to be issued as soon as practicable after the date of the Meeting, and in any event not later than 23 February 2016, being 3 months after the date of the Meeting.	The Balance Placement Options are proposed to be issued as soon as practicable after the date of the Meeting, and in any event not later than 23 February 2016, being 3 months after the date of the Meeting and at the same time at the Balance Placement Shares.
<b>Allottee / Basis of allotment</b>	Under the Capital Raising to various Exempt Investors unrelated to the Company.	The Balance Placement Options are to be allotted to the participating Exempt Investors on a one for one basis, based on the number of Balance Placement Shares subscribed for.
<b>Use of funds</b>	The proceeds of the issue will enable the Company to advance its Agate Creek Gold Project, New Zealand Gold and NSW Coal Projects, repay/reduce some existing debts as well as provide general working capital. Specifically, funds and drilling activities will be primarily directed towards LNY's 100% owned Agate Creek Gold Project. In addition to undertaking a further estimated 2,500 metre drilling program, the Company will also continue the work required to progress to grant a mining lease application over part of the Company's Agate Creek tenement area.	No further funds are to be raised via the issue of the Balance Placement Options.

## 8. Impact of Shareholder approval

Importantly, Shareholders should note that:

- Shareholder approval is not required for the issue of the Balance Placement Securities; however
- if Shareholder approval is not obtained for Resolution 5, the Balance Placement Securities will be issued pursuant to Listing Rule 7.1 to the extent there is available Placement Capacity.

The impact of Shareholder approval for this Resolution will be the extent to which the Company's 15% Threshold is refreshed.

Accordingly, if:

- **Resolution 5 is approved** the Company's Placement Capacity under Listing Rule 7.1 will be impacted to the extent that it will increase the number of securities available for placement by 15% of the total number of shares for which approval is sought under this resolution.
- Assuming all the resolutions being put forward for this meeting are passed and no other Equity Securities are issued the Company will be able to issue an additional 378,132,043 new Shares in the following 12 months without Shareholder approval and without relying on any exceptions to the 15% Threshold;
- **Resolution 5 is not approved** the Company's Placement Capacity under Listing Rule 7.1 will be impacted to the extent of the Balance Placement Securities. Without obtaining Shareholder approval, the Company will only be able to issue new Shares in the following 12 months to the extent of its remaining Placement Capacity.

Voting exclusion statements are included in the Notice.

## **9. Directors' Recommendation**

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No members of the Board have any personal interests in the outcome of Resolution 5. Accordingly, the Board unanimously recommends that eligible Shareholders vote in favour of Resolution 5. Each Director intends to vote all Shares they own or control the right to vote in favour of Resolution 5.

## 1. Introduction

The securities under Resolutions 6, 7 and 8 are proposed to be issued on the same terms and so for ease of Shareholder's review, the Company provides the required disclosure below, having regard to the .

Current Directors, Messrs Stephen Bizzell, Richard Anthon and Mark Baker are related parties of the Company in accordance with section 228 of the Corporations Act (**Related Parties** or **Related Party**).

The granting of a Financial Benefit (which includes the issue of securities) to a Related Party requires Shareholder approval under the related party provisions of the Corporations Act (contained in Chapter 2E) unless a relevant exception applies. If approved, each Related Party will receive a Financial Benefit under Resolutions 6-8 (inclusive).

Section 210 of the Corporations Act provides such an exception where the benefit is given on arm's length terms (**Arm's Length Exception**). In this case, the Company's Board has determined that it is appropriate in the circumstances to rely on the Arm's Length Exception on the basis of the assessment summarised in the Arm's Length Exception Assessment Table at Section 1.1 below.

As such:

1. Shareholder approval is not being sought for the purposes of Chapter 2E of the Corporations Act; and
2. Shareholder approval is sought pursuant to Listing Rule 10.11.

The Company makes the following disclosure under the Corporations Act and the Listing Rules.

### 1.1 CORPORATIONS ACT - Arm's Length Exception Assessment Table

Factor	Board's Assessment
How the terms of the overall transaction compare with those of any comparable transactions on an arm's length basis	The Directors are participating in the Capital Raising as announced on 10 February 2015 for amounts they had committed to at that date on the same terms as other third party participants. Namely, the Directors will subscribe based on an issue price of \$0.003 per Share with one free-attaching Option for every Share subscribed for, exercisable at \$0.003 before 31 January 2016 subject to the maximum number of Shares and Options for which approval is being sought. The Share issue price and Option exercise price is equivalent to the ASX market close price per Share of \$0.003 per Share on 10 February 2015. The price represents a nil discount to the ASX market close price per Share on 20 October 2015.
The nature and content of the bargaining process	<p>The structure of the Capital Raising (including issue price of Shares and basis for determining the number of free-attaching Options and their exercise price) was largely determined by the Company's negotiations with proposed third party participants.</p> <p>The Directors did not negotiate with the Company or influence the pricing of their Shares or the number of free-attaching Options they would receive. Rather, the Directors</p>

Factor	Board's Assessment
	simply agreed to invest on the same terms as a result of the preliminary negotiations with potential third party investors, the prevailing trading price and market conditions at the time.
<b>The impact of the transaction on the Company</b>	The participation of the Directors will enable the Company to achieve its capital raising targets. The proceeds of the raising (with additional funding under the Drill Funding Agreement pursuant to Resolution 10) are to be primarily applied towards funding the planned further drill program. The dilutionary impact on existing Shareholders would be the same irrespective of whether these Shares and Options were placed with the Directors or any other party.
<b>Any other options available to the Company</b>	<p>The Company has carefully considered its capital raising options having regard to such factors as time to receive available funds, conditions attaching to and the costs of funding, prevailing economic, market and industry sector conditions.</p> <p>The Company has also had regard to its corporate objectives, financial projections and its desire to continue further exploration development activities in order to take advantage of cost efficiencies potentially achieved through continuing the further drilling program rather than re-engaging at a later date. It has been determined that the adopted capital raising strategy and participation by Directors on the same terms as other third parties, is the most efficient way for the Company to raise the required capital to advance its Agate Creek Gold Project and assist the Company to achieve its other objectives.</p>
<b>Any expert advice received by the Company</b>	The Company has received advice from its lawyers that it is appropriate to rely on the arm's length exception in these circumstances where the Directors are participating in the Capital Raising on largely the same terms as other potential participants and will not receive any additional benefit in doing so.

On the basis of the Arm's Length Exception Assessment Table, the Directors consider that the Arm's Length Exception is available to the Company and that it is appropriate to rely upon it in these circumstances.

Accordingly, in relation to the participation of the Directors or their nominees in the Capital Raising, LNY:

1. is seeking Shareholder approval pursuant to Listing Rule 10.11 only; and
2. is not seeking Shareholder approval pursuant to the related party provisions of the Corporations Act (contained in Chapter 2E) on the basis of the Arm's Length Exception.



## 1.2 ASX LISTING RULES

For the purposes of Listing Rule 10.11, Resolutions 6-8 (inclusive) seeks Shareholder approval for the issue of up to the maximum number of Shares and Options by the Company (collectively the **Related Party Securities**) to the Related Parties (and/or entities associated with the respective Related Party) in the proportions set out in the table below (**Related Party Allocation Table**).

**Table 1 - Related Party Allocation Table**

Resolution	Related Party	Position	Maximum number of Shares to be issued	Maximum number of Options to be issued
6	Mr Stephen Bizzell	Chairman (Appointed on 28 June 1996).	70,000,000 Shares <b>(Bizzell Shares)</b>	70,000,000 Options <b>(Bizzell Options)</b>
7	Mr Mark Baker	Non-Executive Director (Appointed on 2 October 2014).	37,545,700 Shares <b>(Baker Shares)</b>	37,545,700 Options <b>(Baker Options)</b>
8	Mr Richard Anthon	Non-Executive Director (Appointed on 28 June 1996).	32,448,009 Shares <b>(Anthon Shares)</b>	32,448,009 Options <b>(Anthon Options)</b>
Collectively, the:			<b>"Director Shares"</b>	<b>"Director Options"</b>

## 2. The Resolutions and Explanation

Resolutions 6-8 (inclusive) are required for the purpose of enabling LNY to complete the capital raising, as initially announced to the market on 10 February 2015 via a securities issue of Shares at an issue price of \$0.003 per Share (equal to the 10 day volume weighted average price (**VWAP**) of LNY Shares on ASX as at close of trade on 20 October 2015), together with free attaching Options to acquire a further Share at \$0.003, exercisable before 31 January 2016 (**Capital Raising**).

The Company intends to issue 139,993,709 Shares, together with 139,993,709 free attaching Options to the Related Parties in accordance with the Related Party Allocation Table. These are being issued on the same terms as per issues to other non-related parties.

The Capital Raising (together with the drilling funding arrangement for which approval is sought under Resolution 10) will enable the Company to advance its Agate Creek Gold Project, New Zealand Gold and NSW Coal Projects as well as enable some existing debts to be repaid and provide general working capital. Specifically, funds and drilling activities will be primarily directed towards LNY's 100% owned Agate Creek Gold Project. In addition to undertaking further drilling works (having completed its initial 5,000 metre drilling program with encouraging results (refer to ASX Announcements including that of 18 February and 25 February 2015), the Company will also continue the work required to progress the mining lease application made over part of the Company's Agate Creek tenement area.

The successful grant of the mining lease will enable the Company to mine and process high grade near surface ore from the Agate Creek Gold Project. This follows the successful 5,472 tonne

metallurgical sample taken from the project in 2014, from which 1,725 ounces of gold were successfully recovered.

Resolutions 6-8 seek Shareholder approval of issue of the Shares as set out in the Related Party Allocation Table. The Company has already placed 192,333,332 Shares and the same number of Options to unrelated parties, the approval of which is set out in Resolutions 3 and 4 while Resolution 5 seeks approval for an additional 210,287,373 Shares, together with the same number of Options to be placed to unrelated parties.

### 3. Listing Rule Requirements

Listing Rule 10.11 prohibits the issue of or the agreement to issue securities to a Related Party of a company unless the approval of the shareholders of the company is obtained.

Listing Rule 7.1 broadly prohibits a company from issuing more than 15% of its shares in any one year without shareholder approval. Pursuant to Listing Rule 7.2 (Exception 14), if Shareholder approval is given under Listing Rule 10.11, further approval is not required for the purposes of Listing Rule 7.1.

In compliance with the requirements of Listing Rule 10.13, Shareholders are advised of the following information in relation to the Related Party Securities proposed to be issued pursuant to Resolutions 6-8.

**Table 2 – Listing Rule 10.13 Requirements**

Item		Related Party Securities	
Name of person/entity to receive the Related Party Securities and the Maximum Number of Related Party Securities to be issued	Related Party	Maximum number of Director Shares	Maximum number of Director Options
	Mr Stephen Bizzell or his nominee, being an entity associated with him (Resolution 6)	70,000,000 Shares <b>(Bizzell Shares)</b>	70,000,000 Options <b>(Bizzell Options)</b>
	Mr Mark Baker or his nominee, being an entity associated with him (Resolution 7)	37,545,700 Shares <b>(Baker Shares)</b>	37,545,700 Options <b>(Baker Options)</b>
	Mr Richard Anthon or his nominee, being an entity associated with him (Resolution 8)	32,448,009 Shares <b>(Anthon Shares)</b>	32,448,009 Options <b>(Anthon Options)</b>
<b>Issue date / date by which the entity will issue the Related Party securities</b>	All of the Related Party Securities may be issued as soon as practicable after the date of the Meeting, and in any event not later than 24 December 2015, being 1 month after the date of the Meeting. The allotments are proposed to occur in one tranche.		
<b>Relationship of Recipient to Related Parties/Directors</b>	<p>The Related Parties each make the following disclosure with respect to their own relationship to the Company:</p> <ul style="list-style-type: none"> <li>Mr Stephen Bizzell or an entity which is a related entity or otherwise associated with him will be the recipient of the Bizzell Shares and Bizzell Options.</li> </ul>		

	<ul style="list-style-type: none"> <li>Mr Mark Baker or an entity which is a related entity or otherwise associated with him will be the recipient of the Baker Shares and Baker Options.</li> <li>Mr Richard Anthon or an entity which is a related entity or otherwise associated with him will be the recipient of the Anthon Shares and Anthon Options.</li> </ul>	
<b>Issue price</b>	All of the Director Shares will be issued at an issue price of \$0.003 per Share.	Nil. All of the Director Options (Resolutions 6-8) are “free-attaching” options, meaning they are issued for no consideration as a bonus for subscribing for the Director Shares.
<b>Terms of the Related Party securities</b>	<p>LNy will apply for quotation of the Director Shares which shall rank equally in all respects with all existing Shares and as detailed in Annexure A.</p>	<p>The Director Options are issued on the following terms (being the same terms as the Options):</p> <ul style="list-style-type: none"> <li>each option is an option to acquire one fully paid ordinary share for the exercise price of \$0.003;</li> <li>expiry date of 31 January 2016;</li> <li>are unlisted, and LNy will not apply for quotation of the Director Options;</li> <li>are exercisable over fully paid ordinary shares in the Company; and</li> <li>Shares issued upon exercise of the Director Options will rank equally with all existing Shares on issue for which quotation on the ASX will be sought,</li> </ul> <p>and otherwise on the terms as detailed in Annexure B.</p>
<b>Use of funds</b>	<p>The funds raised from the issue of the Related Party Securities will, together with other funds raised under Capital Raising (Resolutions 4 and 5) and the Drilling Funding Agreement (Resolution 10), enable the Company to advance its Agate Creek gold project, New Zealand gold project and shall be primarily directed towards LNy’s 100% owned Agate Creek gold project.</p> <p>In particular, the funds raised are proposed to be applied to the following:</p> <ul style="list-style-type: none"> <li>advancing the Company’s Agate Creek Gold Project, New Zealand Gold and NSW Coal Projects;</li> <li>in particular, the proposed further 2500 metre drilling program at Agate Creek</li> <li>progressing the Company’s mining lease application over part of the Company’s Agate Creek tenement</li> </ul>	No additional funds will be raised from the issue of the Director Options.

	area; <ul style="list-style-type: none"> <li>• repayment of existing debts;</li> <li>• general working capital. Specifically, funds and drilling activities will be primarily directed towards LNY's 100% owned Agate Creek Gold Project.</li> </ul>	
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#### 4. Effect of the Resolutions

If Resolutions 6-8 are passed and the Directors each subscribe for the approved maximum number of securities, the Company will in total raise funds of \$419,981 which, together with other funds raised via the Capital Raising and under the Drilling Funding Agreement, will be applied to the objectives as disclosed above.

If Resolutions 6-8 are not passed the Directors may not participate in the Capital Raising and the Company's ability to achieve its objectives in the timeframes desired may be impeded.

#### 5. Dilutive effect of issuing Related Party Securities

If Shareholders approve the issue of the Related Party Securities and the Related Parties participate to their maximum allowances, the issue is anticipated to have no dilutionary impact on all other Shareholders' holdings in the Company by comparison to current percentage holdings overall (NB: this assumes that all other Resolutions are approved and all relevant shares are issued but no options are exercised). The issue will result in a dilution of the holdings of the three Directors compared to all other Shareholder holdings in the Company with the combined holdings of the three Directors falling from the current 54.6% to 50.2% of the total shares on issue.

If Shareholders approve the issue of the Director Options, they may also have a dilutive effect on existing Shareholders if those Options are exercised by their expiry on 31 January 2016 (which will likely occur if LNY's Share price is above the Exercise Price). Refer to the table below for details of the dilutive effect of Resolutions 6-8.

At the date of this Explanatory Memorandum, the issued Share capital of LNY is 2,062,742,065 shares.

The table below sets out the issued capital of the Company if the issue of the Related Party Securities (comprising both the Director Shares and Director Options) is approved and Directors subscribe for the maximum amount and no other securities (including the securities proposed to be issued under any other Resolution) are issued by the Company in the meantime.

**Table 4: Dilutive effect**

Description	Shares
Existing LNY Shares on issue	2,062,742,065
Existing Options on issue (assuming all will be exercised)	nil
Maximum number of Director Shares proposed to be issued	139,993,709
Maximum number of Director Options proposed to be issued	139,993,709
Number of LNY Shares on issue following the issue of the Director Shares and all other shares for which approval is being sought (undiluted basis)	2,520,880,287
Maximum number of LNY Shares on issue following the exercise of all Options including the Director Options (fully diluted)	3,071,828,034

Assuming Resolutions 6-8 are approved by Shareholders and the Related Parties subscribe for the maximum amount, the Related Parties could hold up to a maximum number of securities as set out in Table 5 below. Please note this Table 5 shows the maximum dilution upon Shareholders based on the stated assumptions and does not account for Options held by non-Related Parties being exercised.

**Table 5: Effect of Approval of Resolutions 6-8**

Related Party	Shares currently held	Options currently held	Total Shares held after issue of maximum number Director Shares	Total Options held after issue of maximum number of Director Options	% of new total Shares on issue (partially diluted)*
Mr Stephen Bizzell and his Associates	997,902,623	nil	1,067,902,623	70,000,000	42.76%
Mr Mark Baker and his Associates	102,320,533	nil	139,866,233	37,545,700	6.67%
Mr Richard Anthon and his Associates	25,490,567	nil	57,938,576	32,448,009	3.40%
*Assuming all Resolutions in this Notice are approved and all relevant Securities are issued; the Director Options are exercised but no other Options are exercised, and LNY's total Shares on issue is 2,660,873,996 Shares.					

## 6. Bizzell Securities

As at the date of these Meeting Materials, Mr Stephen Bizzell and his associates have a relevant interest in 997,902,623 voting shares in LNY, representing approximately 48.38% voting power. Under the Corporations Act, Mr Bizzell and his associates may only increase this relevant interest by an amount equivalent to 3% over a 6 month period (**3% Creep Rule**), or if another specific exception (such as Shareholder approval) applies.

The number of Bizzell Securities to be allocated to Mr Bizzell has been determined having regard to these restrictions.

Provided the Company is able to issue the securities contemplated by Resolutions 5 to 10 (relating to the issue of new securities to third parties under the Capital Raising and under the Drilling Funding Agreements, respectively) prior to (or simultaneously with) the Bizzell Securities then the relevant interest of Mr Bizzell (together with his associates) will actually decrease to 42.36%.

If the Company is not able to issue some or all of the other securities contemplated by Resolutions 5 to 10 prior to the issue of the Bizzell Securities, then the number of Bizzell Securities to be issued to Mr Bizzell (or his nominees) shall be scaled back to ensure the maximum amount permitted by the 3% Creep Rule is not exceeded at any time.

## 7. Directors' Recommendation

Each of the Directors' recommends that Shareholders vote in favour of Resolutions 6-8 (inclusive) as they consider the fundraising from these transactions to be in the best interests of the Company.

The reason for this recommendation is that the Capital Raising is the most efficient way for the Company to raise the required capital to advance its Agate Creek Gold Project.

The Company has attempted to source the funding through non-related entities and whilst it has

secured the funds under the Drilling Funding Agreement (detailed in respect of Resolution 10 of this Explanatory Memorandum), the Company requires additional funding to develop its flagship project and for ongoing working capital requirements.

Mr Stephen Bizzell will be excluded from voting on Resolution 6 because he is a Related Party for the purpose of that Resolution, as he will benefit (either directly or through an associated entity) from the issue of Shares.

Mr Mark Baker will be excluded from voting on Resolution 7 because he is a Related Party for the purpose of that Resolution, as he will benefit (either directly or through an associated entity) from the issue of Shares.

Mr Richard Anthon will be excluded from voting on Resolution 8 because he is a Related Party for the purpose of that Resolution, as he will benefit (either directly or through an associated entity) from the issue of Shares.

## Resolution 9 APPROVAL TO ISSUE SHARES UNDER THE FIRST DRILLING FUNDING AGREEMENT

### 1. Introduction

For the purpose of listing Rule 7.1, we are seeking Shareholder approval for Resolution 9 referred to in the accompanying Notice.

### 2. The Resolution and Explanation

In 2014 the Company entered into the first drilling funding agreement with Etheridge Operations Pty Ltd for up to \$350,000 worth of drilling and associated activities to continue to develop the projects and meet strategic goals (**First Drilling Funding Agreement**). At the 2014 AGM shareholders approved a resolution to issue of up to 100,000,000 Shares to Etheridge Operations Pty Ltd and/or its nominee at an issue price of \$0.0035 per Share as consideration for the provision of services worth up to \$350,000. The approval provided was for the shares to be issued within a three month period following the 2014 AGM. Within this three month period Laneway did issue a total 70,000,000 (\$245,000) shares based on the extent of the work completed within the three month period. Drilling and other services continued after the period in which the shares were available to be issued with an additional \$167,500 of services being invoiced. The Company is seeking to meet this payment by the issue of up to a further 47,857,140 shares at a price of \$0.0035 per share in line with the original drilling funding agreement.

Specifically, Resolution 9 seeks Shareholder approval pursuant to Listing Rule 7.1 for the issue of up to a maximum of 47,857,140 Shares to Etheridge Operations Pty Ltd or its nominees (**Etheridge**) pursuant to the first Drilling Funding Agreement (**Etheridge Shares**). If Shareholder approval is not obtained, Shares under the Drilling Funding Agreement will need to be issued pursuant to Listing Rule 7.1, which allows the Company to issue up to 15% of its total ordinary Share capital without Shareholder approval during the following 12 month period, or the liability met in cash.

If Shareholders approve the issue of the Etheridge Shares, LNY's Placement Capacity and LNY's Board will have the flexibility to issue further securities up to the 15% Threshold over the following 12 month period. On the basis that Shareholder approval for this Resolution 6 is obtained, the issue of the Etheridge Shares will not be counted as a new issue for the purposes of the 15% Threshold.

### 3. Listing Rule Requirements

#### 3.1 Information required by the Listing Rules

Listing Rule 7.3 requires that the information listed below be provided to Shareholders for the purpose of obtaining shareholder approval pursuant to Listing Rule 7.1:

**Table 1: ASX Listing Rule 7.3 Disclosure**

Item	Information
Maximum number of securities issued	47,857,140 Shares.
Issue Price	\$0.0035 per Share.
Issue date / date by which the entity will issue the securities	The Etheridge Shares are proposed to be issued as soon as practicable after the date of the Meeting, and, in any event, no later than the date that is 3 months after the date of the Meeting.
Terms of the securities	The Shares issued are fully paid ordinary shares in the capital of the Company that rank equally in all respects with the

Item	Information
	Company's existing Shares on issue. For further details refer to Annexure A.
<b>Name of allottees or basis on which determined</b>	Etheridge Operations Pty Ltd or its nominees
<b>Use of funds</b>	No funds are raised, however, the issue of the Etheridge Shares is consideration for the services provided including drilling and associated activities to continue to develop LNY's projects and meet its strategic goals.

### 3.2 Related party information

Etheridge is not a related party of LNY.

### 4. Impact of Shareholder approval

Importantly, Shareholders should note that:

- Shareholder approval is not required for the issue of the Etheridge Shares in accordance with the Drilling Funding Agreement; however
- if Shareholder approval is not obtained for Resolution 6, the Etheridge Shares will be issued pursuant to Listing Rule 7.1, assuming there is available Placement Capacity.

Accordingly, if:

- **Resolution 9 is approved** the Company's Placement Capacity under Listing Rule 7.1 will be impacted to the extent that it will increase the number of securities available for placement by 15% of the total number of shares for which approval is sought under this resolution.
- Assuming all the resolutions being put to this meeting are passed and no other Equity Securities are issued, the Company will be able to issue an additional 378,132,043 new Shares without Shareholder approval in the following 12 months and without relying on any exceptions to the 15% Threshold;
- **Resolution 9 is not approved** the Company's capacity under Listing Rule 7.1 will be impacted to the extent of the Etheridge Shares. Without obtaining Shareholder approval, the Company will only be able to issue new Shares in the following 12 months to the extent of its remaining Placement Capacity.

Voting exclusion statements are included in the Notice.

### 5. Directors' Recommendation

No members of the Board have any personal interests in the outcome of Resolution 9. Accordingly, the Board unanimously recommends that eligible Shareholders vote in favour of Resolution 9. Each Director intends to vote all Shares they own or control the right to vote in favour of Resolution 9.



## 1. Introduction

For the purpose of listing Rule 7.1, we are seeking Shareholder approval for Resolution 10 referred to in the accompanying Notice.

## 2. The Resolution and Explanation

In addition to the Capital Raising, the Company has also entered into a second drilling funding agreement with Etheridge Operations Pty Ltd for up to \$300,000 worth of drilling and associated activities to continue to develop the projects and meet strategic goals (**Drilling Funding Agreement**). Resolution 10 is proposed to approve the issue of Shares under the Drilling Funding Agreement.

Specifically, Resolution 10 seeks Shareholder approval pursuant to Listing Rule 7.1 for the issue of up to a maximum of 60,000,000 Shares and 60,000,000 options to Etheridge Operations Pty Ltd or its nominees (**Etheridge**) pursuant to the Drilling Funding Agreement (**Etheridge Securities**). If Shareholder approval is not obtained, Shares under the Drilling Funding Agreement will need to be issued pursuant to Listing Rule 7.1, which allows the Company to issue up to 15% of its total ordinary Share capital without Shareholder approval during the following 12 month period.

If Shareholders approve the issue of the Etheridge Securities, LNY's Placement Capacity and LNY's Board will have the flexibility to issue further securities up to the 15% Threshold over the following 12 month period. On the basis that Shareholder approval for this Resolution 10 is obtained, the issue of the Etheridge Securities will not be counted as a new issue for the purposes of the 15% Threshold.

## 3. Listing Rule Requirements

### 3.1 Information required by the Listing Rules

Listing Rule 7.3 requires that the information listed below be provided to Shareholders for the purpose of obtaining shareholder approval pursuant to Listing Rule 7.1:

**Table 1: ASX Listing Rule 7.3 Disclosure**

Item	Information
Maximum number of securities issued	60,000,000 Shares with 60,000,000 Free attaching unlisted options.
Issue Price	\$0.005 per Share.
Issue date / date by which the entity will issue the securities	The Etheridge Securities are proposed to be issued in a number of tranches as services are performed, as soon as practicable after the date of the Meeting, and, in any event, no later than the date that is 3 months after the date of the Meeting.
Terms of the securities	<p>The Shares issued are fully paid ordinary shares in the capital of the Company that rank equally in all respects with the Company's existing Shares on issue. For further details refer to Annexure A.</p> <p>The Etheridge Options will be issued on the following terms:</p> <ul style="list-style-type: none"> <li>each option is an option to acquire one fully paid ordinary share for the exercise price of \$0.005;</li> </ul>

Item	Information
	<ul style="list-style-type: none"> <li>• expiry date of 30 September 2016;</li> <li>• are unlisted, and LNY will not apply for quotation of the Etheridge Options;</li> <li>• are exercisable over fully paid ordinary shares in the Company; and</li> <li>• Shares issued upon exercise of the Etheridge Options will rank equally with all existing Shares on issue for which quotation on the ASX will be sought, and otherwise on the terms as detailed in Annexure C.</li> </ul>
<b>Name of allottees or basis on which determined</b>	Etheridge Operations Pty Ltd or its nominees
<b>Use of funds</b>	No funds are raised, however, the issue of the Etheridge Shares and Etheridge Options is consideration for the services to be provided including drilling and associated activities to continue to develop LNY's projects and meet its strategic goals.

### 3.2 Related party information

Etheridge is not a related party of LNY.

### 4. Impact of Shareholder approval

Importantly, Shareholders should note that:

- Shareholder approval is not required for the issue of the Etheridge Shares and Etheridge Options in accordance with the Drilling Funding Agreement; however
- if Shareholder approval is not obtained for Resolution 10, the Etheridge Shares and Etheridge Options will be issued pursuant to Listing Rule 7.1, assuming there is available Placement Capacity.

Accordingly, if:

- **Resolution 10 is approved** the Company's Placement Capacity under Listing Rule 7.1 will be impacted to the extent that it will increase the number of securities available for placement by 15% of the total number of shares for which approval is sought under this resolution.
- Assuming all the resolutions being put to this meeting are passed and no other Equity Securities are issued, the Company will be able to issue an additional 378,132,043 new Shares without Shareholder approval in the following 12 months and without relying on any exceptions to the 15% Threshold;
- **Resolution 10 is not approved** the Company's capacity under Listing Rule 7.1 will be impacted to the extent of the Etheridge Shares and Etheridge Options. Without obtaining Shareholder approval, the Company will only be able to issue new Shares in the following 12 months to the extent of its remaining Placement Capacity.

Voting exclusion statements are included in the Notice.

### 5. Directors' Recommendation

No members of the Board have any personal interests in the outcome of Resolution 10. Accordingly, the Board unanimously recommends that eligible Shareholders vote in favour of Resolution 10. Each Director intends to vote all Shares they own or control the right to vote in favour of Resolution 10.

## GLOSSARY

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In the Meeting Materials:

<b>\$</b>	means Australian dollars.
<b>ASIC</b>	means Australian Securities and Investments Commission.
<b>Associate(s)</b>	has the meaning given in section 12 of the Corporations Act.
<b>ASX</b>	means the Australian Securities Exchange or ASX Limited ACN 008 624 691.
<b>Arm's Length Exception</b>	means the exception from the requirement to obtain Shareholder Approval for the provision of a Financial Benefit under Chapter 2E of the Corporations Act which applies where a Financial Benefit is given on arm's length terms in accordance with section 210 of the Corporations Act.
<b>Board</b>	means the board of Directors of the Company.
<b>Capital Raising</b>	means the capital raising announced on 10 February 2015 via an issue of Ordinary Shares at an issue price of \$0.003 per Share together with a free attaching \$0.003 Option.
<b>Chairman</b>	means the chairman of the Board, Mr Stephen Bizzell.
<b>Company, Laneway Resources Ltd or LNY</b>	means Laneway Resources Ltd ACN 003 049 714.
<b>Constitution</b>	means the constitution of the Company as in force from time to time.
<b>Corporations Act</b>	means the Corporations Act 2001 (Cth).
<b>Directors</b>	means the Directors of the Company from time to time, which as at the date of this Notice are Stephen Bizzell, Richard Anthon and Mark Baker.
<b>First Drilling Funding Agreement</b>	means the agreement with Etheridge Operations Pty Ltd for up to \$0.35 million worth of drilling and associated activities to be provided in exchange for the issue of up to a maximum of 100,000,000 Shares at an issue price of \$0.0035 per Share.
<b>Drilling Funding Agreement</b>	means the agreement with Etheridge Operations Pty Ltd for up to \$300,000 worth of drilling and associated activities to be provided in exchange for the issue of up to a maximum of 60,000,000 Shares and 60,000,000 unlisted \$0.005 Etheridge Options at an issue price of \$0.005 per Share.
<b>Etheridge Shares</b>	means the issue of 60,000,000 Shares at an issue price of \$0.005 per Share, pursuant to the Drilling Funding Agreement.
<b>Etheridge Options</b>	means the issue of 60,000,000 unlisted \$0.005 options expiring 30 September 2015, pursuant to the Drilling Funding Agreement.
<b>Equity Security</b>	has the meaning given in Listing Rule 19.2.
<b>Exempt Investors</b>	means those investors who are sophisticated, professional or otherwise exempt from the disclosure requirements in accordance with an exception in section 708 of the Corporations Act.

<b>Explanatory Memorandum</b>	means this explanatory memorandum that accompanies and forms part of the Notice and Meeting Materials.
<b>Financial Benefit</b>	has the meaning given under section 229 of the Corporations Act.
<b>Issue Price</b>	means \$0.003
<b>Listing Rules</b>	means the official Listing Rules of ASX.
<b>Meeting or Annual General Meeting</b>	means the Annual general meeting of the Company to be convened by the Notice (unless the context otherwise requires), scheduled for 23 November 2015.
<b>Meeting Materials</b>	means the Notice, Explanatory Memorandum and Proxy Form.
<b>Notice</b>	means the notice of Annual General Meeting setting out the Resolutions dated 21 October 2015 and which these Meeting Materials accompany.
<b>Placement Capacity</b>	means the Company's capacity to issue equity securities without Shareholder approval having regard to the operation of Listing Rule 7.1 and Listing Rule 7.1A as they apply to LNY from time to time. As at the date of these Meeting Materials, LNY's Placement Capacity under Listing Rule 7.1 and Listing Rule 7.1A is 211,102,184 equity securities which is insufficient to complete the Capital Raising.
<b>Proxy Form</b>	means the proxy form accompanying the Notice.
<b>Related Parties or Related Party</b>	means Stephen Bizzell, Richard Anthon and Mark Baker in accordance with section 228 of the Corporations Act.
<b>Related Party Securities</b>	has the meaning given in Resolutions 6 - 8 (inclusive).
<b>Related Party Allocation Table</b>	Refers to the maximum number of Related Party Securities to be allocated across the Related Parties.
<b>Related Bodies Corporate</b>	has the meaning given in the Corporations Act.
<b>relevant interest</b>	has the meaning given in section 608 of the Corporations Act.
<b>Resolution</b>	means Resolution 1 (Adoption of Remuneration Report), Resolution 2 (Re-election of Director), Resolution 3 (Ratification of Prior Placement Securities), Resolution 4 (Approval to issue Placement Options), Resolution 5 (Approval of Balance Placement Securities), Resolutions 6-8 (Approval to issue Securities to Related Parties), and Resolutions 9 and 10 (Approval to issue Shares under the Drilling Funding Agreements), or all resolutions, as the context requires.
<b>Share</b>	means a fully paid ordinary share in the Company.
<b>Shareholder</b>	means a holder of Shares.
<b>Trading Day</b>	has the meaning given in Listing Rule 19.2.
<b>VWAP</b>	means the volume weighted average price for Shares traded on ASX, to be determined on the basis of price and volume quotes published by Bloomberg.

## **ANNEXURE A TERMS AND CONDITIONS OF SHARES**

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All Shares rank equally.

The following is a summary of the more significant rights and liabilities attaching to Shares. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders. To obtain such a statement, persons should seek independent legal advice.

Full details of the rights and liabilities attaching to Shares are set out in the Company's constitution, a copy of which is available for inspection at the Company's registered office during normal business hours.

### **(a) General meetings**

Shareholders are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings of the Company.

Shareholders may requisition meetings in accordance with the Corporations Act and the Company's Constitution.

### **(b) Voting**

Subject to any rights or restrictions for the time being attached to any class or classes of Shares, at general meetings of Shareholders or classes of Shareholders:

- each Shareholder entitled to vote may vote in person or by proxy, attorney or representative;
- on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one vote; and
- on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder shall, in respect of each Share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for each Share held, but in respect of partly paid Shares shall have a fraction of a vote for each partly paid Share. The fraction must be equivalent to the proportion which the amount paid (not credited) is of the total amounts paid and payable (excluding amounts credited). Amounts paid in advance of a call are ignored when calculating the proportion.

### **(c) Dividends**

Dividends are payable out of the Company's profits and are declared or determined to be payable by the Directors. Subject to the rights of persons (if any) entitled to Shares with special rights to dividends, dividends declared will be payable on the Shares in proportion to the amount for the time being paid in respect of each Share.

The Directors may carry forward so much of the profits remaining as they consider ought not to be distributed as dividends by transferring those profits to a reserve.

### **(d) Transfer of Shares**

A Shareholder may transfer Shares by a market transfer in accordance with any computerised or electronic system established or recognised by ASX or the Corporations Act for the purpose of facilitating transfers in Shares or by an instrument in writing in a form approved by ASX or in any other usual form or in any form approved by the Directors.

Generally (subject to formal requirements and to the registration of the transfer not resulting in a contravention of or failure to observe the provisions of a law of Australia including the transfer not being in breach of the Corporations Act or the ASX Listing Rules), the Shares are freely transferable.

**(e) Meetings and notice**

Each Shareholder is entitled to receive notice of and to attend general meetings of the Company and to receive all notices, accounts and other documents required to be sent to Shareholders under the constitution of the Company, the Corporations Act or the Listing Rules.

**(f) Winding up**

If the Company is wound up, the liquidator may, with the sanction of a special resolution of the Company, divide among the Shareholders in kind the whole or any part of the property of the Company, and may for that purpose set such value as the liquidator considers fair on any property to be so divided, and may determine how the division is to be carried out as between the Shareholders or different classes of Shareholders.

The liquidator may, with the sanction of a special resolution of the Company, vest the whole or any part of any such property in trustees on such trusts for the benefit of the contributories as the liquidator thinks fit, but so that no Shareholder is compelled to accept any Shares or other securities in respect of which there is any liability.

**(g) Shareholder liability**

As all Shares on issue are fully paid Shares, they are not subject to any calls for money by the Directors and will therefore not become liable for forfeiture.

**(h) Future increase in capital**

Subject to restrictions on the issue or grant of securities contained in the Corporations Act, Listing Rules and LNY's constitution, the Directors may issue, allot or dispose of Shares on terms determined by the Directors, at the issue price that the Directors determine and to Shareholders whether in proportion to their existing Shareholdings or otherwise, and to such other persons as the Directors may determine.

**(i) Variation of rights**

Subject to the relevant restrictions in the Corporations Act and Listing Rules, if at any time the Share capital is divided into different classes of Shares, the rights attached to any class may (unless otherwise provided by the terms of issue of the Shares of that class), whether or not the Company is being wound up, be varied or abrogated in any way with the consent in writing of the holders of three-quarters of the issued Shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the Shares of that class.

**(j) Alteration of Constitution**

The Constitution of the Company can only be amended by a special resolution passed by at least three quarters of Shareholders present and voting at the general meeting. At least 28 days written notice of the special resolution must be given.

## ANNEXURE B TERMS AND CONDITIONS OF OPTIONS

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The following is a summary of the more significant rights and liabilities attaching to the unlisted Options. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of unlisted Option holders. To obtain such a statement, persons should seek independent legal advice.

(a) **Definitions**

- **Company** means Laneway Resources Ltd.
- **Exercise Price** means \$0.003.
- **Expiry Date** means 31 January 2016.
- **Share** means a fully paid ordinary share in the Company.

(b) **Terms**

- The securities to be issued are Options to subscribe for fully paid ordinary shares in the capital of the Company (**Shares**).
- The Options are to be issued for no consideration.
- The Options will vest on issue.
- The exercise price of the Options will be \$0.003 each.
- The Options will expire on 31 January 2016 (**Expiry Date**) unless earlier exercised.
- Shares issued on exercise of the Options will rank pari passu with all existing Shares of the Company from the date of issue.
- The Options may be exercised, wholly or in part, by delivering a duly completed form of notice of exercise, together with a cheque (or a transfer of funds) for the Exercise Price per Option to the Company at any time on or before the Expiry Date.
- The number of Options that may be exercised at one time must be not less than 100,000 (or 1/3 of the total number issued if less than 150,000 Options have been issued).
- The issue of Shares following the receipt of an Option will be processed by the Company at the end of each calendar month for the exercise notifications received in that calendar month.
- The Options shall be unlisted.
- The Options are not transferable, except with the approval of the Board of Directors.
- Option holders will not participate in dividends unless the Options are exercised.
- Following the issue of the Options, in the event of any reconstruction (including consolidation, subdivision, reduction or return) of the issued capital of the Company:

- The number of Options, the exercise price of the Options, or both will be reconstructed (as appropriate) in a manner consistent with the ASX Listing Rules, but with the intention that such reconstruction will not result in any benefits being conferred on the holders of the Options which are not conferred on shareholders; and
- Subject to the provisions with respect to rounding of entitlements as sanctioned by a meeting of shareholders approving a reconstruction of capital, in all other respects the terms for the exercise of the Options will remain unchanged.
- If there is a pro rata issue (except a bonus issue), the Exercise Price of an Option may be reduced according to the following formula:

$$O^n = O - \frac{E [P - (S + D)]}{N + 1}$$

Where:

- $O^n$  = the new exercise price of the Option;
- $O$  = the old exercise price of the Option;
- $E$  = the number of underlying securities into which one Option is exercisable;
- $P$  = the average market price per security (weighted by reference to volume) of the underlying securities during the 5 trading days ending on the day before the ex-rights date or the ex-entitlements date;
- $S$  = the subscription price for a security under the pro rata issue;
- $D$  = dividend due but not yet paid on the existing underlying securities (except those to be issued under the pro rata issue); and
- $N$  = the number of securities with rights or entitlements that must be held to receive a right to one new security.
- If there is a bonus issue to the holders of shares in the Company, the number of shares over which the Option is exercisable may be increased by the number of shares which the Option holder would have received if the Option had been exercised before the record date for the bonus issue.
- The terms of the Options can be varied by the Directors of the Company. However, the terms of the Options shall not be changed to reduce the Exercise Price, increase the number of Options, change the vesting terms and conditions or change any period for exercise of the Options.
- The Company shall apply for listing of the resultant shares of the Company issued upon exercise of any Option.



## ANNEXURE C TERMS AND CONDITIONS OF ETHERIDGE OPTIONS

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The following is a summary of the more significant rights and liabilities attaching to the unlisted Etheridge Options. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of unlisted Option holders. To obtain such a statement, persons should seek independent legal advice.

### (c) Definitions

- **Company** means Laneway Resources Ltd.
- **Exercise Price** means \$0.005.
- **Expiry Date** means 30 September 2016.
- **Share** means a fully paid ordinary share in the Company.

### (d) Terms

- The securities to be issued are Options to subscribe for fully paid ordinary shares in the capital of the Company (**Shares**).
- The Options are to be issued for no consideration.
- The Options will vest on issue.
- The exercise price of the Options will be \$0.005 each.
- The Options will expire on 30 September 2016 (**Expiry Date**) unless earlier exercised.
- Shares issued on exercise of the Options will rank pari passu with all existing Shares of the Company from the date of issue.
- The Options may be exercised, wholly or in part, by delivering a duly completed form of notice of exercise, together with a cheque (or a transfer of funds) for the Exercise Price per Option to the Company at any time on or before the Expiry Date.
- The number of Options that may be exercised at one time must be not less than 1,000,000.
- The issue of Shares following the receipt of an Option will be processed by the Company at the end of each calendar month for the exercise notifications received in that calendar month.
- The Options shall be unlisted.
- The Options are not transferable, except with the approval of the Board of Directors.
- Option holders will not participate in dividends unless the Options are exercised.
- Following the issue of the Options, in the event of any reconstruction (including consolidation, subdivision, reduction or return) of the issued capital of the Company:
  - The number of Options, the exercise price of the Options, or both will be reconstructed (as appropriate) in a manner consistent with the ASX Listing Rules, but

with the intention that such reconstruction will not result in any benefits being conferred on the holders of the Options which are not conferred on shareholders; and

- Subject to the provisions with respect to rounding of entitlements as sanctioned by a meeting of shareholders approving a reconstruction of capital, in all other respects the terms for the exercise of the Options will remain unchanged.
- If there is a pro rata issue (except a bonus issue), the Exercise Price of an Option may be reduced according to the following formula:

$$O^n = O - \frac{E [P - (S + D)]}{N + 1}$$

Where:

- $O^n$  = the new exercise price of the Option;
- $O$  = the old exercise price of the Option;
- $E$  = the number of underlying securities into which one Option is exercisable;
- $P$  = the average market price per security (weighted by reference to volume) of the underlying securities during the 5 trading days ending on the day before the ex-rights date or the ex-entitlements date;
- $S$  = the subscription price for a security under the pro rata issue;
- $D$  = dividend due but not yet paid on the existing underlying securities (except those to be issued under the pro rata issue); and
- $N$  = the number of securities with rights or entitlements that must be held to receive a right to one new security.

- If there is a bonus issue to the holders of shares in the Company, the number of shares over which the Option is exercisable may be increased by the number of shares which the Option holder would have received if the Option had been exercised before the record date for the bonus issue.
- The terms of the Options can be varied by the Directors of the Company. However, the terms of the Options shall not be changed to reduce the Exercise Price, increase the number of Options, change the vesting terms and conditions or change any period for exercise of the Options.
- The Company shall apply for listing of the resultant shares of the Company issued upon exercise of any Option.

# LANEWAY RESOURCES LIMITED

ACN 003 049 714

## LODGE YOUR VOTE



By mail:

Laneway Resources Limited  
GPO BOX 1164  
Brisbane QLD 4001



By fax: (07) 3108 3501



All enquiries to: Telephone: (07) 3108 3500

**\*X999999999999999\***  
**X999999999999999**

## PROXY FORM

I/We being a member(s) of Laneway Resources Limited and entitled to attend and vote hereby appoint:

### STEP 1

### APPOINT A PROXY

☐

the Chairman  
of the Meeting  
(mark box)

OR if you are NOT appointing the Chairman 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.

Failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to vote on my/our behalf (including in accordance with the directions set out below or, if no directions have been given, to vote as the proxy sees fit, to the extent permitted by the law) at the Annual General Meeting of the Company to be held at 8:30am (Brisbane time) on Monday 23 November 2015 at Level 9, Waterfront Place, 1 Eagle Street, Brisbane, Qld, 4000 (the Meeting) and at any postponement or adjournment of the Meeting. I/we expressly authorise the Chairman of the Meeting to exercise my/our proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the key management personnel.

The Chairman of the Meeting intends to vote undirected proxies in favour of all items of business.

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting.

Please read the voting instructions overleaf before marking any boxes with an ☒

### STEP 2

### VOTING DIRECTIONS

#### Resolutions

	For	Against	Abstain*		For	Against	Abstain*
1 Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	7 Approval to issue the Placement Securities to Baker	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Re-election of Richard Anthon as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	8 Approval to issue Placement Securities to Anthon	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Ratification of prior issue of Placement Securities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	9 Approval to issue Shares under the First Drilling Funding Agreement to Etheridge Operations Pty Ltd	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Approval to issue the Placement Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	10 Approval to issue Shares and Options under the Drilling Funding Agreement to Etheridge Operations Pty Ltd	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5 Approval to issue the Balance of the Placement Securities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
6 Approval to issue the Placement Securities to Bizzell	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				

\* If you mark the Abstain box for a particular Item, you are directing your proxy not to vote on 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.

### STEP 3

### SIGNATURE OF SHAREHOLDERS - THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Sole Director and Sole Company Secretary

Joint Shareholder 2 (Individual)

Director/Company Secretary (Delete one)

Joint Shareholder 3 (Individual)

Director

This form should be signed by the shareholder. If a joint holding, either shareholder may sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).

LNYP401R

\*LNYP401\*

## HOW TO COMPLETE THIS PROXY FORM

### Your Name and Address

This is your name and address as it appears on the Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

### Appointment of a Proxy

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. 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 in Step 1. If you appoint someone other than the Chairman of the Meeting as your proxy, you will also be appointing the Chairman of the Meeting as your alternate proxy to act as your proxy in the event the named proxy does not attend the Meeting.

### Votes on Items of Business - Proxy Appointment

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item 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 the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item 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's share registry or you may copy this form and return them both together.

To appoint a second proxy you must:

- (a) on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares 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; and
- (b) return both forms together.

### 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, either shareholder may sign.

**Power of Attorney:** to sign under Power of Attorney, you must lodge the Power of Attorney with the 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 2007*) 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.

### Corporate Representatives

If a representative of the corporation is to attend the Meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission in accordance with the Notice of Meeting. A form of the certificate may be obtained from the Company's share registry or online at [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au).

## Lodgement of a Proxy Form

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by 8:30am (Brisbane time) on Saturday, 21 November 2015, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Proxy Forms may be lodged using the reply paid envelope or:



by mail:

Laneway Resources Limited  
GPO BOX 1164  
Brisbane QLD 4001



by fax:

(07) 3108 3501



by hand:

delivering it to Level 9, Waterfront Place, 1 Eagle Street, Brisbane QLD 4000.

If you would like to attend and vote at the Annual General Meeting, please bring this form with you.  
This will assist in registering your attendance.