

GOLDPHYRE RESOURCES LIMITED
ABN 58 149 390 394

NOTICE OF ANNUAL GENERAL MEETING
EXPLANATORY MEMORANDUM
AND
PROXY FORM

Date of Meeting
28 November 2016

Time of Meeting
10:00AM

Place of Meeting
31 Ord Street
WEST PERTH WA 6005

This Notice of Annual General Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser prior to voting.

*The **2016 Annual Report** may be viewed on the Company's website at www.goldphyresources.com.au*

GOLDPHYRE RESOURCES LIMITED
ABN 58 149 390 394
NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of Shareholders of Goldphyre Resources Limited (**Company**) will be held at 31 Ord Street, West Perth, Western Australia on 28 November 2016 at 10:00 am (WST) for the purpose of transacting the following business.

The Explanatory Memorandum to this Notice provides additional information on matters to be considered at the meeting. The Explanatory Memorandum and the Proxy Form are part of this Notice.

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.

2016 Financial Statements

To receive the financial statements of the Company for the year ended 30 June 2016, consisting of the annual financial report, the Directors' report, the declaration of Directors and the auditor's report.

Resolution 1 – Re-election of Mr Brenton Siggs as a Director

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

"That, Mr Brenton Siggs, having retired as a Director of the Company in accordance with the Company's Constitution and, being eligible, having offered himself for re-election, be re-elected a Director of the Company."

Short Explanation: Pursuant to the Company's Constitution, one-third of the Directors of the Company (other than the Managing Director) must retire at each AGM and, being eligible, may offer themselves for re-election at that AGM.

Resolution 2 – 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 2016 Annual Report be and is hereby adopted."

Short Explanation: Section 250R of the Corporations Act requires a listed company to put to Shareholders at each AGM a resolution adopting the report on the remuneration of the Company's key management personnel included in the Company's Annual Report. The above Resolution is being proposed to comply with this requirement. The vote on this Resolution is advisory and neither binds the Company's Directors nor the Company. A reasonable opportunity will be provided to Shareholders for discussion of the Remuneration Report at the AGM.

Voting Prohibition Statement:

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

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

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

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

Resolution 3 – Approval of 10% Placement Facility

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

"That, pursuant to and in accordance with Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of Equity Securities up to 10% of the issued capital of the Company (at the time of the issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions in the Explanatory Memorandum."

Voting Exclusion: For the purposes of Listing Rule 7.3A.7, the Company will disregard any votes cast on this Resolution by a person who may participate in the proposed issue under the 10% Placement Facility and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of Shares, if this Resolution is passed (and any associates of such a person).

However, the Company will not disregard a vote if:

- (a) it is cast by a person as a proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
- (b) it is cast by the Chairman 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 of Grant of Options to Mr Matthew Shackleton

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

“That, for the purpose of Listing Rule 10.11 of the Listing Rules, section 208 of the Corporations Act and for all other purposes, the issue to Director, Mr Matthew Shackleton in his capacity as Executive Chairman, or his nominees, for nil consideration of two tranches totalling 2,226,620 split as follows:

- a) *Tranche 1 of 1,063,830 Options at an exercise price of \$0.175 or 145% of the VWAP of the Shares on the five Trading Days prior to the date of the Meeting (whichever is the higher); and*
- b) *Tranche 2 of 1,162,790 Options at an exercise price of \$0.225 cents or 145% of the VWAP of the Shares on the five Trading Days prior to the date of the Meeting (whichever is the higher),*

expiring on 28 November 2019, on the terms and conditions outlined in the Explanatory Memorandum and in Annexure A be and is hereby approved.”

Short Explanation: Approval is sought under Listing Rule 10.11 and section 208 of the Corporations Act to authorise the Company to issue these securities. Please refer to the Explanatory Memorandum for details. If approval is given under Listing Rule 10.11, approval is not required under Listing Rule 7.1.

Voting Exclusion: The Company will, in accordance with the Listing Rules, disregard any votes cast on Resolution 4 by Mr Shackleton and any associate of Mr Shackleton. However, the Company will not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Voting Prohibition Statement:

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- the proxy is either:
 - a member of the Key Management Personnel; or
 - a Closely Related Party of such a member; and
- the appointment does not specify the way the proxy is to vote on this Resolution.

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

- the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or
- the voter is the Chair and the appointment of the Chair as proxy:
 - does not specify the way the proxy is to vote on this Resolution; and
 - expressly authorises the Chair 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 5 – Approval of Grant of Options to Mr Brenton Siggs

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

“That, for the purpose of Listing Rule 10.11 of the Listing Rules, section 208 of the Corporations Act and for all other purposes, the issue to Director, Mr Brenton Siggs in his capacity as Exploration Manager, or his nominees, for nil consideration of two tranches totalling 1,669,965 split as follows:

- a) *Tranche 1 of 797,872 Options at an exercise price of \$0.175 or 145% of the VWAP of the Shares on the five Trading Days prior to the date of the Meeting (whichever is the higher); and*
- b) *Tranche 2 of 872,093 Options at an exercise price of \$0.225 cents or 145% of the VWAP of the Shares on the five Trading Days prior to the date of the Meeting (whichever is the higher),*

expiring on 28 November 2019, on the terms and conditions outlined in the Explanatory Memorandum and in Annexure B be and is hereby approved.”

Short Explanation: Approval is sought under Listing Rule 10.11 and section 208 of the Corporations Act to authorise the Company to issue these securities. Please refer to the Explanatory Memorandum for details. If approval is given under Listing Rule 10.11, approval is not required under Listing Rule 7.1.

Voting Exclusion: The Company will, in accordance with the Listing Rules, disregard any votes cast on Resolution 5 by Mr Siggs and any associate of Mr Siggs. However, the Company will not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Voting Prohibition Statement:

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- the proxy is either:
 - a member of the Key Management Personnel; or
 - a Closely Related Party of such a member; and
- the appointment does not specify the way the proxy is to vote on this Resolution.

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

- the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or
- the voter is the Chair and the appointment of the Chair as proxy:
 - does not specify the way the proxy is to vote on this Resolution; and
 - expressly authorises the Chair 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 6 – Approval of Incentive Option Plan

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

*“That, for the purposes of ASX Listing Rule 7.2 (Exception 9(b)) and for all other purposes, approval is given for the Company to adopt, and to issue securities pursuant to the Goldphyre Resources Limited Incentive Option Plan (**Incentive Plan**), the terms and conditions outlined in the Explanatory Memorandum and in Annexure C be and is hereby approved.”*

Short Explanation: Approval is sought under Listing Rule 7.2 (*Exception 9(b)*) to approve the Company's Incentive Plan. Please refer to the Explanatory Memorandum for details.

Voting Exclusion: The Company will, in accordance with the Listing Rules, disregard any votes cast on Resolution 6 by a director of the Company (except one who is ineligible to participate in the Incentive Plan) and any associate of those persons. However, the Company will not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Voting Prohibition Statement:

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- the proxy is either:
 - a member of the Key Management Personnel; or
 - a Closely Related Party of such a member; and
- the appointment does not specify the way the proxy is to vote on this Resolution.

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

- the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or
- the voter is the Chair and the appointment of the Chair as proxy:
 - does not specify the way the proxy is to vote on this Resolution; and
 - expressly authorises the Chair 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 7 – Change of Company Name

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

*“That, for the purposes of section 157(1) of the Corporations Act 2001 (Cth) (“**Corporations Act**”) and for all other purposes, the Company’s name be changed from Goldphyre Resources Limited to Australian Potash Limited” and references in the Company’s Constitution to Goldphyre Resources Limited be amended to reflect the new name”.*

Short Explanation: In accordance with section 157(1) of the Corporations Act, if a company wants to change its name, it must pass a special resolution adopting a new name. Please refer to the Explanatory Memorandum for details.

A Proxy Form is attached.

To be valid, properly completed Proxy Forms must be received by the Company no later than 10:00 am (WST) 26 November 2016:

- by post to:
Security Transfer Australia
PO BOX A2020
South Sydney NSW 1235
- by facsimile on +8 9315 2233
- by email to registrar@securitytransfer.com.au

By order of the Board



Leigh-Ayn Absolom

Company Secretary

Date: 26 October 2016

PROXIES

A Shareholder entitled to attend and vote at the above meeting may appoint not more than two proxies. Where more than one proxy is appointed, each proxy must be appointed to represent a specified proportion of the Shareholder's voting rights.

A proxy may, but need not be, a Shareholder of the Company.

The instrument appointing the proxy must be in writing, executed by the appointor or his attorney duly authorised in writing or, if such appointor is a corporation, either under seal or under hand of an officer duly authorised.

The instrument of proxy (and the power of attorney or other authority, if any, under which it is signed) must be lodged by person, post, courier or facsimile and reach the registered office of the Company at least 48 hours prior to the meeting. For the convenience of Shareholders a Proxy Form is enclosed.

ENTITLEMENT TO VOTE

For the purposes of regulation 7.11.37 of the Corporations Regulations 2001, the Company determines that members holding Shares at 10:00 am Perth time on 26 November 2016 will be entitled to attend and vote at the AGM.

CORPORATIONS

A corporation may elect to appoint a representative in accordance with the Corporations Act, in which case the Company will require written proof of the representative's appointment, which must be lodged with, or presented to the Company before the meeting.

EXPLANATORY MEMORANDUM

This Explanatory Memorandum has been prepared for the Shareholders of Goldphyre Resources Limited ABN 58 149 390 394 (**Company**) in connection with the business to be conducted at the Annual General Meeting of the Company to be held at 31 Ord Street, West Perth, Western Australia, on 28 November 2016 commencing at 10:00 am.

This Explanatory Memorandum should be read in conjunction with, and form part of, the accompanying notice.

The Directors' recommend that Shareholders read this Explanatory Memorandum in full before making any decision in relation to the Resolutions.

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

At the AGM, Shareholders will be asked to consider the following Resolutions:

- re-electing Mr Brenton Siggs as a Director, who retires by rotation in accordance with the Company's Constitution;
- adopting the Remuneration Report;
- approving 10% Placement Facility;
- approval of Grant of Options to Mr Matthew Shackleton;
- approval of Grant of Options to Mr Brenton Siggs;
- approval of Incentive Option Plan; and
- change of Company Name.

Financial and Other Reports

As required by Section 317 of the Corporations Act, the financial statements for the year ended 30 June 2016 and the accompanying Directors' report, the Remuneration Report, Directors' declaration and auditor's report will be laid before the meeting.

Neither the Corporations Act, nor the Company's Constitution requires a vote on the reports. However, the Shareholders will have an opportunity to ask questions about the reports at the AGM.

Resolution 1 – Re-election of Mr Brenton Siggs as a Director

1.1 Introduction

Mr Brenton Siggs was appointed as a Non-Executive Director on 6 April 2011.

In accordance with Listing Rule 14.4, no director of the Company may hold office (without re-election) past the third AGM following the director's appointment or 3 years, whichever period is longer. The Company's Constitution also requires that one third of the Company's directors must retire at each AGM. Accordingly, Mr Siggs will retire by rotation and, being eligible, offers himself for re-election.

Resolution 1 is an ordinary resolution, requiring it to be passed by a simple majority of votes cast by the Shareholders entitled to vote on it.

1.2 Director's Biography

Mr Siggs is a geologist with over twenty six years' experience in the Australian mineral exploration and mining industry and has worked on a range of gold, nickel, petroleum, mineral sands, coal and phosphate projects throughout Australia.

Mr Siggs has extensive experience in all stages of regional and near-mine exploration project management, particularly in Western Australia, from conceptual targeting and ground acquisition through to resource definition drilling programs and open cut mining geology. He has held Senior Geologist and Project Leader roles with a variety of Australian and major international companies including Newcrest Mining Ltd., Inco Australia, VALE, Sons of Gwalia Ltd, Central Norseman Gold Corporation Ltd and Belvedere Coal Management Pty Ltd.

Mr Siggs' exploration successes include senior geology roles in Western Australian gold discoveries at Racetrack, Golden Funnel and Black Lady (Mount Pleasant), Dingo Range, Norseman and Menzies (Lady Irene). Other technical highlights include senior roles in resource upgrades at significant nickel laterite (Ravensthorpe Project and Kalgoorlie Nickel Project, Western Australia) and coal projects (Belvedere Coal Project, Queensland).

1.3 Directors' Recommendation

All the Directors except Mr Siggs recommend that Shareholders vote in favour of Resolution 1.

Resolution 2 – Adoption of Remuneration Report

2.1 Introduction

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, which is part of the 2016 Annual Report, has been sent to Shareholders who have made an election to receive the Annual Report. Copies of the 2016 Annual Report are available by contacting the Company's share register or visiting the Company's web site www.goldphyresources.com.au. The Chairman must allow a reasonable opportunity for Shareholders to ask questions about or make comments on the Remuneration Report at the Meeting.

The vote on the Resolution is advisory only and does not bind the Directors or the Company. However, if at least 25% of the votes cast are against adoption of the Remuneration Report at the 2016 AGM, and then again at the 2017 AGM, the Company will be required to put a resolution to the 2017 AGM to approve calling an extraordinary general meeting to consider the appointment of the directors of the Company (**Spill Resolution**). If more than 50% of votes cast are in favour of the Spill Resolution, the Company must convene an extraordinary general meeting (**Spill Meeting**) within 90 days of the 2017 AGM. All of the Directors who were in office when the 2017 Directors' Report was approved, other than the Managing Director, will cease to hold office immediately before the end of the Spill Meeting and (if desired) need to stand for re-election at the Spill Meeting. Following the Spill Meeting, those persons whose election or re-election as directors of the Company is approved will be directors of the Company.

As the Company's previous annual general meeting, the votes cast against the remuneration report considered at that meeting were less than 25%. Accordingly, the Spill Resolution is not relevant for this Meeting.

The Remuneration Report explains the Board policies in relation to the nature and level of remuneration paid to Key Management Personnel, sets out remuneration details for each member of the Key Management Personnel, details any service agreements and sets out the details of any share based compensation.

Resolution 3 – Approval of 10% Placement Facility

3.1 General

Listing Rule 7.1A enables eligible entities to issue Equity Securities up to 10% of its issued share capital through placements over a 12 month period after the AGM (**10% Placement Facility**). The 10% Placement Facility is in addition to the Company's 15% placement capacity under Listing Rule 7.1.

An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300 million or less. The Company is an eligible entity.

The Company is now seeking shareholder approval by way of a special resolution to have the ability to issue Equity Securities under the 10% Placement Facility.

The exact number of Equity Securities to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to Section 3.2(c) below).

3.2 Description of Listing Rule 7.1A

(a) Shareholder approval

The ability to issue Equity Securities under the 10% Placement Facility is subject to shareholder approval by way of a special resolution at an AGM.

(b) Equity Securities

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

The Company, as at the date of the Notice, has on issue one quoted class of Equity Securities, being Shares.

(c) Formula for calculating 10% Placement Facility

Listing Rule 7.1A.2 provides that eligible entities which have obtained shareholder approval at an annual general meeting may issue or agree to issue, during the 12 month period after the date of the AGM (or the earlier date that approval of Shareholders under Listing Rule 11.1.2 or Listing Rule 11.2 is obtained), a number of Equity Securities calculated in accordance with the following formula:

$$(A \times D) - E$$

- A** is the number of shares on issue 12 months before the date of issue or agreement:
- (i) plus the number of fully paid shares issued in the 12 months under an exception in Listing Rule 7.2;
 - (ii) plus the number of partly paid shares that became fully paid in the 12 months;
 - (iii) plus the number of fully paid shares issued in the 12 months with approval of holders of shares under Listing Rule 7.1 and 7.4. This does not include an issue of fully paid shares under the entity's 15% placement capacity without shareholder approval;
 - (iv) less the number of fully paid shares cancelled in the 12 months.

D is 10%.

E is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue that are not issued with the approval of shareholders under Listing Rule 7.1 or 7.4.

- (d) Listing Rule 7.1 and Listing Rule 7.1A

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

The actual number of Equity Securities that the Company will have capacity to issue under Listing Rule 7.1A will be calculated at the date of issue of the Equity Securities in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to Section 3.2(c) above).

- (e) Minimum Issue Price

The issue price of Equity Securities issued under Listing Rule 7.1A must be not less than 75% of the volume weighted average price (VWAP) of Equity Securities in the same class calculated over the 15 Trading Days **on which trades in that class were recorded** immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
- (ii) if the Equity Securities are not issued within 5 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.

- (f) 10% Placement Period

Shareholder approval of the 10% Placement Facility under Listing Rule 7.1A is valid from the date of the annual general meeting at which the approval is obtained and expires on the earlier to occur of:

- (i) the date that is 12 months after the date of the annual general meeting at which the approval is obtained; or
- (ii) the date of the approval by shareholders of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking),

or such longer period if allowed by ASX (**10% Placement Period**).

3.3 Listing Rule 7.1A

The effect of Resolution 3 will be to allow the Directors to issue the Equity Securities under Listing Rule 7.1A during the 10% Placement Period without using the Company's 15% placement capacity under Listing Rule 7.1.

Resolution 3 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

3.4 Specific information required by Listing Rule 7.3A

Pursuant to and in accordance with Listing Rule 7.3A, information is provided in relation to the approval of the 10% Placement Facility as follows:

- (a) The Equity Securities will be issued at an issue price of not less than 75% of the volume weighted average price (VWAP) of Equity Securities in the same class calculated over the 15 Trading Days **on which trades in that class were recorded** immediately before:
- (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
 - (ii) if the Equity Securities are not issued within 5 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.

- (b) If Resolution 3 is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Facility, if the existing Shareholders do not receive any Shares under the issue, their voting power in the Company will be diluted as shown in the below table. There is a risk that:
- (i) the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date of the Meeting; and
 - (ii) the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date or the Equity Securities are issued as part of consideration for the acquisition of a new asset, which may have an effect on the amount of funds raised by the issue of the Equity Securities.

The table below shows the voting dilution of existing Shareholders on the basis of the current market price of Shares and the current number of ordinary securities for variable "A" calculated in accordance with the formula in Listing Rule 7.1A.2 as at the date of this Notice.

The table shows:

- (i) two examples where variable "A" has increased by 50% and 100%. Variable "A" is based on the number of ordinary securities the Company has on issue. The number of ordinary securities on issue may increase as a result of issues of ordinary securities that do not require Shareholder approval (for example, a pro rata entitlements issue or scrip issued under a takeover offer) or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders' meeting; and
- (ii) two examples of where the issue price of ordinary securities has decreased by 50% and increased by 100% as against the current market price.

Table 1 – Ordinary Securities Currently on Issue

Variable "A" in Listing Rule 7.1A.2		Dilution		
		\$0.0425 50% decrease in Issue Price	\$0.085 Issue Price	\$0.170 100% increase in Issue Price
Current Variable A 221,454,213 Shares	10% voting dilution	22,145,421 Shares	22,145,421 Shares	22,145,421 Shares
	Funds raised	\$941,180.39	\$1,882,360.79	\$2,823,541.18
50% increase in current Variable A 332,181,320 Shares	10% voting dilution	33,218,131 Shares	33,218,131 Shares	33,218,131 Shares
	Funds raised	\$1,411,770.57	\$2,823,541.14	\$4,235,311.70
100% increase in current Variable A 442,908,426 Shares	10% voting dilution	44,290,842 Shares	44,290,842 Shares	44,290,842 Shares
	Funds raised	\$1,882,360.79	\$3,764,721.57	\$5,647,082.36

Table 1 has been prepared on the following assumptions:

- (i) The Company issues the maximum number of Equity Securities available under the 10% Placement Facility.
- (ii) The Company has no listed Options.
- (iii) The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
- (iv) The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on the Shareholder's holding at the date of the Meeting.
- (v) The table shows only the effect of issue of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.
- (vi) The use of Equity Securities under the 10% Placement Facility consists only of Shares. It also assumes that no Options are exercised into Shares before the date of the issue of the Equity Securities.
- (vii) The issue price is \$0.085, being the closing price of the Shares on ASX on 13 October 2016.

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- (viii) The Company has not issued any Equity Securities in the 12 months prior to the Meeting that were not issued under an existing exception to Listing Rule 7.2 or with Shareholder approval.
- (c) The Company will only issue and allot the Equity Securities during the Placement Period. The approval under Resolution 3 for the issue of the Equity Securities will cease to be valid in the event that Shareholders approve a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or Listing Rule 11.2 (disposal of main undertaking).
- (d) The Company may seek to issue the Equity Securities for the following purposes:
 - (i) non-cash consideration for the acquisition of new projects and other investments. In such circumstances the Company will provide a valuation of the non-cash consideration as required by Listing Rule 7.1A.3; or
 - (ii) cash consideration. In such circumstances, the Company intends to use the funds raised towards continued exploration on the Company's current assets and/or general working capital.

The Company will comply with the disclosure obligations under Listing Rules 7.1A(4) and 3.10.5A upon issue of any Equity Securities.

- (e) The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility. The identity of the allottees of Equity Securities will be determined on a case-by-case basis having regard to factors including but not limited to the following:
 - (i) the methods of raising funds that are available to the Company, including but not limited to, rights issue or other issue in which existing security holders can participate;
 - (ii) the effect of the issue of the Equity Securities on the control of the Company;
 - (iii) the financial situation and solvency of the Company; and
 - (iv) advice from corporate, financial and broking advisers (if applicable).

The allottees under the 10% Placement Facility have not been determined as at the date of this Notice but may include existing substantial Shareholders and/or new Shareholders who are not related parties or associates of a related party of the Company.

Further, if the Company is successful in acquiring new projects, it is likely that the allottees under the 10% Placement Facility will be the vendors.

- (f) The Company previously obtained Shareholder approval under ASX Listing Rule 7.1A at its AGM held on 30 November 2015.

In accordance with Listing Rule 7.3A.6 the total number of Equity Securities issued in the 12 months preceding the date of this notice of meeting is 142,649,209 representing 80.9% of the Equity Securities on issue at the commencement of the 12 month period.

The Company has issued the following equity securities in the 12 months preceding the date of this Notice, and may issue the following equity securities prior to the date of the Annual General Meeting:

Date of Issue	Number of Securities	Class	Issue Price	Discount to Market price ⁽⁵⁾	Form of Consideration	Issued to
2/12/2015	2,000,000	Options ⁽¹⁾ (Annexure C)	No issue price (nil cash consideration)	N/A	Nil cash consideration Consideration for continuing and future efforts. Current value ⁽⁴⁾ = \$72,200	Matthew William Shackleton & Nicole Jodie Shackleton <The Harryshack Super A/C> as part incentive for continuing and future efforts as approved at Annual General Meeting dated 30 November 2015.
2/12/2015	2,000,000	Options ⁽¹⁾ (Annexure D)	No issue price (nil cash consideration)	N/A	Nil cash consideration Consideration for continuing and future efforts.	Matthew William Shackleton & Nicole Jodie Shackleton <The Harryshack Super A/C> as part incentive for

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Date of Issue	Number of Securities	Class	Issue Price	Discount to Market price ⁽⁵⁾	Form of Consideration	Issued to
					Current value ⁽⁴⁾ = \$65,800	continuing and future efforts as approved at Annual General Meeting dated 30 November 2015.
2/12/2015	1,000,000	Options ⁽¹⁾ (Annexure C)	No issue price (nil cash consideration)	N/A	Nil cash consideration Consideration for continuing and future efforts. Current value ⁽⁴⁾ = \$36,100	Brenton Siggs as part incentive for continuing and future efforts as approved at Annual General Meeting dated 30 November 2015.
2/12/2015	1,000,000	Options ⁽¹⁾ (Annexure D)	No issue price (nil cash consideration)	N/A	Nil cash consideration Consideration for continuing and future efforts. Current value ⁽⁴⁾ = \$32,900	Brenton Siggs as part incentive for continuing and future efforts as approved at Annual General Meeting dated 30 November 2015.
2/12/2015	1,000,000	Options ⁽¹⁾ (Annexure C)	No issue price (nil cash consideration)	N/A	Nil cash consideration Consideration for continuing and future efforts. Current value ⁽⁴⁾ = \$36,100	Reliant Resources Pty Ltd <Goodwin Family Superfund A/C> as part incentive for continuing and future efforts as approved at Annual General Meeting dated 30 November 2015.
2/12/2015	1,000,000	Options ⁽¹⁾ (Annexure D)	No issue price (nil cash consideration)	N/A	Nil cash consideration Consideration for continuing and future efforts. Current value ⁽⁴⁾ = \$32,900	Reliant Resources Pty Ltd <Goodwin Family Superfund A/C> as part incentive for continuing and future efforts as approved at Annual General Meeting dated 30 November 2015.
2/12/2015	500,000	Options ⁽¹⁾ (Annexure C)	No issue price (nil cash consideration)	N/A	Nil cash consideration Issued pursuant to shareholder approval at Annual General Meeting dated 30 November 2015. Current value ⁽⁴⁾ = \$18,050	Antoinette Janet Ribbons as approved at Annual General Meeting dated 30 November 2015.
2/12/2015	500,000	Options ⁽¹⁾ (Annexure D)	No issue price (nil cash consideration)	N/A	Nil cash consideration Issued pursuant to shareholder approval at Annual General Meeting dated 30 November 2015. Current value ⁽⁴⁾ = \$16,450	Antoinette Janet Ribbons as approved at Annual General Meeting dated 30 November 2015.
18/03/2016	15,500,000	Ordinary Shares	\$0.064	Nil	Amount raised = \$992,000.00	Clients of Hartleys Limited as part of a placement to sophisticated and

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Date of Issue	Number of Securities	Class	Issue Price	Discount to Market price ⁽⁵⁾	Form of Consideration	Issued to
						professional investors announced on 14 March 2016.
22/04/2016	1,687,500	Ordinary Shares	\$0.064	Nil	Amount raised = \$108,000.00	Clients of Hartleys Limited as part of a placement to sophisticated and professional investors announced on 14 March 2016.
22/04/2016	29,030,772 3,430,000 3,430,000	Ordinary Shares Options ⁽²⁾ (Annexure E) Options ⁽²⁾ (Annexure F)	No issue price (nil cash consideration)	N/A	Nil cash consideration Current value of Shares ⁽⁴⁾ = 2,322,461.76 Consideration for the acquisition of Potash Rights on two exploration licences adjacent to the Company's Lake Wells Potash Project. Current value of Options ⁽⁴⁾ = \$479,171	Yandal Investments Pty Ltd
3/05/2016	5,000,000	Options ⁽³⁾ (Annexure G)	No issue price (nil cash consideration)	N/A	Nil cash consideration Part-consideration for the capital acquisition costs relating to the share placement announced on 18 March 2016. Current value ⁽⁴⁾ : \$284,500	Issued to Zenix Nominees Pty Ltd
31/05/2016	1,000,000	Ordinary Shares	\$0.08	\$0.016	Amount raised = \$80,000.00	Various options holders on exercise of listed options
30/06/2016	700,000	Ordinary Shares	\$0.08	\$0.05	Amount raised = \$56,000.00	Various options holders on exercise of listed options
8/07/2016	25,000	Ordinary Shares	\$0.08	\$0.04	Amount raised = \$2,000.00	Various options holders on exercise of listed options
15/07/2016	1,225,000	Ordinary Shares	\$0.08	\$0.035	Amount raised = \$98,000.00	Various options holders on exercise of listed options
22/07/2016	1,820,000	Ordinary Shares	\$0.08	\$0.03	Amount raised = \$145,600.00	Various options holders on exercise of listed options
29/07/2016	550,000	Ordinary Shares	\$0.08	\$0.03	Amount raised = \$44,000	Various options holders on exercise of listed options
5/08/2016	476,972	Ordinary Shares	\$0.08	\$0.02	Amount raised = \$38,157.76	Various options holders on exercise of listed options

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Date of Issue	Number of Securities	Class	Issue Price	Discount to Market price ⁽⁵⁾	Form of Consideration	Issued to
12/08/2016	587,500	Ordinary Shares	\$0.08	\$0.02	Amount raised = \$47,000.00	Various options holders on exercise of listed options
19/08/2016	330,000	Ordinary Shares	\$0.08	\$0.016	Amount raised = \$26,400.00	Various options holders on exercise of listed options
26/08/2016	112,500	Ordinary Shares	\$0.08	\$0.016	Amount raised = \$9,000.00	Various options holders on exercise of listed options
2/09/2016	191,334	Ordinary Shares	\$0.08	\$0.014	Amount raised = \$15,306.72	Various options holders on exercise of listed options
13/09/2016	918,984	Ordinary Shares	\$0.08	\$0.008	Amount raised = \$73,518.72	Various options holders on exercise of listed options
16/09/2016	3,082,910	Ordinary Shares	\$0.08	\$0.004	Amount raised = \$246,632.80	Various options holders on exercise of listed options
23/09/2016	3,053,861	Ordinary Shares	\$0.08	\$0.007	Amount raised = \$244,308.88	Various options holders on exercise of listed options
28/09/2016	9,995,938	Ordinary Shares	\$0.08	\$0.006	Amount raised = \$799,675.04	Various options holders on exercise of listed options
5/10/2016	11,988,668	Ordinary Shares	\$0.08	\$0.01	Amount raised = \$959,093.44	Various options holders on exercise of listed options
12/10/2016	14,850,000	Ordinary Shares	\$0.08	\$0.007	Amount raised = \$1,188,000	Various options holders on exercise of listed options
12/10/2016	24,662,270	Ordinary Shares	\$0.08	\$0.007	Amount raised = \$1,972,981.6	Underwriters on exercise of listed options

Notes:

- (1) Options are incentive options issued pursuant to the placement to Matthew William Shackleton & Nicole Jodie Shackleton <The Harryshack Super A/C>, Brenton Siggs, Reliant Resources Pty Ltd <Goodwin Family Superfund A/C> and Antoinette Janet Ribbons. The terms and conditions of the Unlisted Options are detailed in Annexures C and D accompanying this Notice of Meeting.
- (2) Shares and options issued to Yandal Investments Pty Ltd as consideration for the acquisition of Potash Rights on two exploration licenses adjacent to the Company's Lake Wells Potash Project. The terms and conditions of the Options are set out respectively in Annexure E and F accompanying this Notice of Meeting.
- (3) Options issued to Zenix Nominees Pty Ltd as part-consideration for the capital acquisition costs relating to the share placement. The terms and conditions of the Options are set out in Annexure G accompanying this Notice of Meeting.
- (4) In respect of quoted Equity Securities the value is based on the closing price of the Shares of \$0.08 on the ASX on 17 October 2016. In respect of unquoted Equity Securities the value of Options is measured using the Black & Scholes option pricing model. Measurement inputs include the Share price on the measurement date, the exercise price, the term of the Option, the impact of dilution, the expected volatility of the underlying Share (based on weighted

average historic volatility adjusted for changes expected due to publicly available information), the expected dividend yield and the risk free interest rate for the term of the Option. No account is taken of any performance conditions included in the terms of the Option other than market based performance conditions (i.e. conditions linked to the price of Shares).

- (5) Market Price means the closing price on ASX (excluding special crossings, overnight sales and exchange traded option exercises). For the purposes of this table the discount is calculated on the Market Price on the last trading day on which a sale was recorded prior to the date of issue of the relevant Equity Securities.

In the 12 months preceding the date of this Notice of Meeting, the Company has spent \$810,000 on payments to suppliers and employees, \$66,000 on share issue costs and \$1,560,000 on exploration related expenditure. The balance of funds has been unspent and will be applied to exploration expenditure and working capital purposes.

- (g) A voting exclusion statement is included in the Notice.
- (h) At the date of the Notice, the Company has not approached any particular existing Shareholder or security holder or an identifiable class of existing security holder to participate in the issue of the Equity Securities. No existing Shareholder's votes will therefore be excluded under the voting exclusion in the Notice.

3.5 Directors' recommendation

The Board unanimously recommends that Shareholders vote in favour of Resolution 3.

Resolution 4 – Grant of Options to Mr Matthew Shackleton

The Company proposes to grant 2,226,620 Options to Mr Matthew Shackleton in his capacity as Executive Chairman, or his nominees, for nil consideration, to be exercised as follows:

- (a) 1,063,830 Options at an exercise price of \$0.175 or 145% of the VWAP of the Shares on the five Trading Days prior to the date of the Meeting (whichever is the higher) and expiring 28 November 2019; and
- (b) 1,162,790 Options at an exercise price of \$0.225 or 145% of the VWAP of the Shares on the five Trading Days prior to the date of the Meeting (whichever is the higher) and expiring 28 November 2019.

The full terms of the Options are set out in Annexure A.

The Directors consider that the grant of the Options is a cost effective and efficient means for the Company to provide a reward and incentive.

The exercise prices will only be known on the date of issue. Assuming that the Options were issued on the date of this Notice, the exercise prices would be \$0.175 and \$0.225. On that basis, in the event all the Options are exercised, Mr Shackleton (or his nominees) will need to pay a total of \$447,798 to the Company.

4.1 Related Party Transactions Generally

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

- (a) the giving of the financial benefit falls within one of the nominated exceptions to the provision; or
- (b) prior Shareholder approval is obtained to the giving of the financial benefit and the benefit is given within 15 months after obtaining such approval.

For the purposes of Chapter 2E, Directors and persons who were a related party in the previous six months are considered to be related parties of the Company.

Resolution 4 provides for the grant of Options to a related party which is a financial benefit requiring Shareholder approval as the Directors have determined that no exception to the related party provisions applies. For the purpose of Chapter 2E of the Corporations Act the following information is provided.

4.2 The related party to whom the proposed Resolution would permit the financial benefit to be given

Subject to Shareholder approval, the Options the subject of Resolution 4 will be granted to Mr Shackleton, or his nominees, within one month of the passing of this Resolution (or such later date as permitted by an ASX waiver or modification of the ASX Listing Rules). Mr Shackleton is a Director of the Company and is therefore classified as a related party.

4.3 The nature of, reasons for and basis for the financial benefit

The proposed financial benefit is the grant of 2,226,620 Options (in total) to Mr Shackleton, or his nominees, for no issue price. Each Option will allow Mr Shackleton to subscribe for one Share. Tranche 1 of 1,063,830 Options has an exercise prices of \$0.175 or 145% of the VWAP of the Shares on the five Trading Days prior to the date of the Meeting (whichever is the higher) and Tranche 2 of 1,162,790 Options has an exercise prices of \$0.225 or 145% of the VWAP of the Shares on the five Trading Days prior to the date of the Meeting (whichever is the higher). Both Tranche 1 and Tranche 2 Options will expire on 28 November 2019.

The Options form part of Mr Shackleton's incentive for continuing and future efforts. The issue of Options to Mr Shackleton is subject to Resolution 4 being passed. Options are considered to be the appropriate incentive given the Company's current size and stage of development, being an exploration company with limited cash reserves. If Mr Shackleton is to derive any value from the Options, the market Share price must be in excess of the exercise price at the time of exercise. As the exercise price of the Options is at a premium to the most recent closing Share price prior to the date of this Notice, and the average Share price as traded over the previous 6 months, the Options represent an incentive to Mr Shackleton to achieve this increase in the Share price, which would result in an increase in Shareholder value.

4.4 Directors' recommendation

Mr Goodwin recommends that Shareholders vote in favour of Resolution 4 for the reasons set out in section 4.3 above and section 4.5(j) below. Mr Siggs also recommends that Shareholders vote in favour of Resolution 4 for these reasons. In forming these recommendations, Mr Goodwin and Mr Siggs considered the experience of Mr Shackleton, the current market price of Shares, the current market practices when determining the number of Options to be granted as well as the exercise price and expiry date of those Options.

Mr Shackleton does not wish to make a recommendation about the proposed Resolution 4 as he may potentially receive a financial benefit from the passing of the Resolution in relation to the grant of Options and does not consider himself sufficiently independent to make a recommendation.

4.5 Interests of Directors

Mr Shackleton has noted his interest in the approval of Resolution 4 in relation to the Options. With the exception of Mr Shackleton, no other Director has a personal interest in the outcome of Resolution 4.

Any other information that is reasonably required by members to make a decision and that is known to the Company or any of its officers:

- (a) The proposed Resolution 4 would have the effect of giving power to the Directors to grant 2,226,620 Options (in total) to Mr Shackleton, or his nominees.
- (b) The exercise of the Options is subject to the terms and conditions as set out in Annexure A to this Explanatory Memorandum and as otherwise mentioned below.
- (c) The Directors, in conjunction with the Company's advisers, have provided an indicative value to the Options by reference to the Black-Scholes valuation method.
- (d) The total value of the Options to be issued is outlined in Table 1 below. If Options granted to Mr Shackleton, or his nominees, are exercised, the effect would be to dilute the Shareholdings of the existing Shareholders.

Table 1 - Details of Director Options

Name	Relationship	Number of options	Exercise price	Expiry date	Vesting Condition	Value as determined by Black-Scholes valuation
Matthew Shackleton	Director	354,610	the greater of \$0.175 cents per Share or 145% of the VWAP of the Shares 5 Trading Days prior to the date of the Meeting	28 November 2019	Completion of, and release to the market the findings of, a feasibility study program (Class 3) into the Lake Wells Potash Project within 12 months (Ignoring factors determined by the board to be outside the control of the Project Team)	\$16,667 (i)
Matthew Shackleton	Director	354,610	the greater of \$0.175 cents per Share or 145% of the VWAP of Shares 5 Trading Days prior to the date of the Meeting	28 November 2019	On Shares trading at \$0.25 or above for 5 consecutive Trading Days	\$16,667 (i)

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Name	Relationship	Number of options	Exercise price	Expiry date	Vesting Condition	Value as determined by Black-Scholes valuation
Matthew Shackleton	Director	354,610	the greater of \$0.175 cents per Share or 145% of the VWAP of Shares 5 Trading Days prior to the date of the Meeting	28 November 2019	Upon finalisation of board approved finance package to commence development of the Lake Wells Potash Project	\$16,667 (i)
		1,063,830				
Matthew Shackleton	Director	387,597	the greater of \$0.225 cents per Share or 145% of the VWAP of the Shares of the Company 5 Trading Days prior to the date of the Meeting	28 November 2019	Completion of, and release to the market the findings of, a feasibility study program (Class 3) into the Lake Wells Potash Project within 12 months (ignoring factors determined by the board to be outside the control of the Project Team)	\$16,667 (ii)
Matthew Shackleton	Director	387,597	the greater of \$0.225 cents per Share or 145% of the VWAP of Shares 5 Trading Days prior to the date of the Meeting	28 November 2019	On Shares trading at \$0.25 or above for 5 consecutive Trading Days	\$16,667 (ii)
Matthew Shackleton	Director	387,596	the greater of \$0.225 cents per Share or 145% of the VWAP of the Shares 5 Trading Days prior to the date of the Meeting	28 November 2019	Upon finalisation of board approved finance package to commence development of the Lake Wells Potash Project	\$16,667 (ii)
		1,162,790				
TOTAL		2,226,620				

Option Valuation details

Details	Input	Input
Share price	\$0.086	\$0.086
Exercise Price	\$0.175	\$0.225
Risk Free Rate	2.75%	2.75%
Volatility (Annualised)	111%	111%
Start Date	28 November 2016	28 November 2016
Expiry Date	28 November 2019	28 November 2019
Value per Option	\$0.047 (i)	\$0.043 (ii)

- (e) As at the date of this Notice, the issued capital of the Company comprised 221,454,213 Shares. If all Options granted as proposed above are exercised, and assuming all existing Options on issue have been exercised, and assuming no other share issues proceed, the effect would be to dilute the Shareholding of existing Shareholders as per the table below:

	Existing Shares and Options
Shares and Options	242,314,213
Options to be granted	2,226,620
New Total	244,540,833
Dilutionary effect	0.92%

- (f) Mr Shackleton's current interests in securities of the Company are set out in the table below:

Director	Shareholding	Option holding
Matthew Shackleton	5,624,999	4,000,000

- (g) The market price of the Company's Shares during the term of the Options will normally determine whether or not the Option holder exercises the Options. At the time any Options are exercised and Shares are issued pursuant to the exercise of the Options, the Company's Shares may be trading at a price which is higher than the exercise price of the Options. In this instance, there may be a perceived cost to the Company.
- (h) The Options will not be quoted on ASX and as such have no actual market value. The Shares have been traded on ASX since December 2011. In the twelve months prior to the date of this notice the Shares have traded in the range of 5.5 cents (on 20 October 2015, 5 – 10 November 2015 and 22 – 25 December 2015) to 13 cents (on 16, 23 and 30 June 2016), the closing price on 17 October 2016 (being prior to the date of this Notice) was 8.0 cents. The Options are capable of being converted to Shares by payment of the exercise price.
- (i) Mr Shackleton received remuneration and emoluments for the financial year ending 30 June 2016 of \$261,304. It is proposed that Mr Shackleton will receive remuneration and emoluments for the current financial year of \$200,000 plus superannuation.
- (j) Under the Australian equivalent of IFRS, the Company is required to expense the value of the Options in its profit or loss for the current financial year. Other than as disclosed in this Explanatory Memorandum, the Directors do not consider that from an economic and commercial point of view, there are any costs or detriments, including opportunity costs or taxation consequences for the Company or benefits foregone by the Company in granting the Options to Mr Shackleton or his nominees pursuant to Resolution 4.
- (k) Neither the Directors nor the Company are aware of any other information that would be reasonably required by Shareholders to make a decision in relation to the financial benefits contemplated by this Resolution.

Specific information required by Listing Rule 10.13

Listing Rule 10.11 also requires shareholder approval to be obtained where an entity issues, or agrees to issue, securities to a related party or a person whose relationship with the entity or a related party is, in ASX's opinion, such that approval should be obtained unless an exception in Listing Rule 10.12 applies. It is the view of the Company that the exceptions in Listing Rule 10.12 do not apply in the current circumstances. Accordingly, Shareholder approval is sought for the issue of Options to Mr Shackleton.

Listing Rule 10.13 requires that information be provided to Shareholders for the purposes of obtaining Shareholder approval pursuant to Listing Rule 10.11 as follows:

- (a) The Options will be issued to Mr Shackleton (or his nominees).
- (b) The maximum number of Options to be issued to Mr Shackleton (or his nominees) is 2,226,620.
- (c) The Options will be issued no later than one month after the date of the Meeting (or such longer period of time as ASX may in its discretion allow) and it is anticipated the Options will be issued on one date.
- (d) The Options will be issued on the terms and conditions outlined in Annexure A.
- (e) A voting exclusion statement is included in the Notice of Meeting.
- (f) The Options will be issued for nil issue price. Accordingly, no funds will be raised from the issue of the Options.

Approval pursuant to Listing Rule 7.1 is not required in order to issue the Options to the Mr Shackleton as approval is being obtained under Listing Rule 10.11. Accordingly, the issue of Options to Mr Shackleton will not be included in the 15% calculation of the Company's annual placement capacity pursuant to Listing Rule 7.1.

Resolution 5 – Grant of Options to Mr Brenton Siggs

The Company proposes to grant 1,669,965 Options to Mr Brenton Siggs in his capacity as Non-Executive Director, or his nominees, for nil consideration, to be exercised as follows:

- (a) 797,872 Options at an exercise price of \$0.175 or 145% of the VWAP of the Shares on the five Trading Days prior to the date of the Meeting (whichever is the higher) and expiring 28 November 2019; and
- (b) 872,093 Options at an exercise price of \$0.225 or 145% of the VWAP of the Shares on the five Trading Days prior to the date of the Meeting (whichever is the higher) and expiring 28 November 2019.

The full terms of the Options are set out in Annexure B.

The Directors consider that the grant of the Options is a cost effective and efficient means for the Company to provide a reward and incentive.

The exercise prices will only be known on the date of issue. Assuming that the Options were issued on the date of this Notice, the exercise prices would be \$0.175 and \$0.225. On that basis, in the event all the Options are exercised, Mr Siggs (or his nominees) will need to pay a total of \$335,848 to the Company.

5.1 Related Party Transactions Generally

A summary of Chapter 2E of the Corporations Act is set out in section 4.1. Resolution 5 provides for the grant of Options to a related party which is a financial benefit requiring Shareholder approval as the Directors have determined that no exception to the related party provisions applies. For the purpose of Chapter 2E of the Corporations Act the following information is provided.

5.2 The related party to whom the proposed Resolution would permit the financial benefit to be given

Subject to Shareholder approval, the Options the subject of Resolution 5 will be granted to Mr Siggs, or his nominees, within one month of the passing of this Resolution (or such later date as permitted by an ASX waiver or modification of the ASX Listing Rules). Mr Siggs is a Director of the Company and is therefore classified as a related party.

5.3 The nature of, reasons for and basis for the financial benefit

The proposed financial benefit is the grant of 1,669,965 Options (in total) to Mr Siggs, or his nominees, for no issue price. Each Option will allow Mr Siggs to subscribe for one Share. Tranche 1 of 797,872 Options has an exercise prices of \$0.175 or 145% of the VWAP of the Shares on the five Trading Days prior to the date of the Meeting (whichever is the higher) and Tranche 2 of 872,093 Options has an exercise prices of \$0.225 or 145% of the VWAP of the Shares on the five Trading Days prior to the date of the Meeting to (whichever is the higher). Both Tranche 1 and Tranche 2 Options will expire on 28 November 2019. The Options form part of Mr Siggs' incentive for continuing and future efforts. The issue of Options to Mr Siggs is subject to Resolution 5 being passed. Options are considered to be the appropriate incentive given the Company's current size and stage of development, being an exploration company with limited cash reserves. If Mr Siggs is to derive any value from the Options, the market Share price must be in excess of the exercise price at the time of exercise. As the exercise price of the Options is at a premium to the most recent closing Share price prior to the date of this Notice, and the average Share price as traded over the previous 6 months, the Options represent an incentive to Mr Siggs to achieve this increase in the Share price, which would result in an increase in Shareholder value.

5.4 Directors' recommendation

Mr Goodwin recommends that Shareholders vote in favour of Resolution 5 for the reasons set out in section 5.3 above and section 5.5(j) below. Mr Shackleton also recommends that Shareholders vote in favour of Resolution 5 for these reasons. In forming these recommendations, Mr Goodwin and Mr Shackleton considered the experience of Mr Siggs, the current market price of Shares, the current market practices when determining the number of Options to be granted as well as the exercise price and expiry date of those Options.

Mr Siggs does not wish to make a recommendation about the proposed Resolution 5 as he may potentially receive a financial benefit from the passing of the Resolution in relation to the grant of Options and does not consider himself sufficiently independent to make a recommendation.

5.5 Interests of Directors

Mr Siggs has noted his interest in the approval of Resolution 5 in relation to the Options. With the exception of Mr Siggs, no other Director has a personal interest in the outcome of Resolution 5.

Any other information that is reasonably required by members to make a decision and that is known to the Company or any of its officers

- (a) The proposed Resolution 5 would have the effect of giving power to the Directors to grant 1,669,965 Options (in total) to Mr Siggs, or his nominees.
- (b) The exercise of the Options is subject to the terms and conditions as set out in Annexure B to this Explanatory Memorandum and as otherwise mentioned below.
- (c) the Board acknowledges the issue of Options with performance hurdles to Mr Siggs is contrary to the guidelines set out in The Corporate Governance Principles and Recommendations (3rd Edition)) as published by The ASX Corporate Governance Council. However, the Board considers the issue of Options to Mr Siggs reasonable in the circumstances for the reason set out in section 5.3 above and section 5.5(j) below.

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- (d) The Directors, in conjunction with the Company's advisers, have provided an indicative value to the Options by reference to the Black-Scholes valuation method.
- (e) The total value of the Options to be issued is outlined in Table 1 below. If Options granted to Mr Siggs, or his nominees, are exercised, the effect would be to dilute the Shareholdings of the existing Shareholders.

Table 1 - Details of Director Options

Name	Relationship	Number of options	Exercise price	Expiry date	Vesting Conditions	Value as determined by Black-Scholes valuation
Brenton Siggs	Director	265,958	the greater of \$0.175 cents per Share or 145% of the VWAP of the Shares 5 Trading Days prior to the date of the Meeting	28 November 2019	Completion of, and release to the market the findings of, a feasibility study program (Class 3) into the Lake Wells Potash Project within 12 months (Ignoring factors determined by the board to be outside the control of the Project Team)	\$12,500 (i)
Brenton Siggs	Director	265,957	the greater of \$0.175 cents per Share or 145% of the VWAP of the Shares 5 Trading Days prior to the date of the Meeting	28 November 2019	250,000 ounces at not less than 1.5g/t JORC compliant inferred resource gold equivalent on a spot value basis of gold, base metals, PGE and cobalt while not exceeding a maximum of 200 blocks of exploration tenure outside of Lake Wells	\$12,500 (i)
Brenton Siggs	Director	265,957	the greater of \$0.175 cents per Share or 145% of the VWAP of the Shares 5 Trading Days prior to the date of the Meeting	28 November 2019	150,000 ounces at not less than 1.5g/t JORC compliant indicated resource gold equivalent on a spot value basis of gold, base metals, PGE and cobalt while not exceeding a maximum of 200 blocks of exploration tenure outside of Lake Wells	\$12,500 (i)
		797,872				
Brenton Siggs	Director	290,698	the greater of \$0.225 cents per Share or 145% of the VWAP of the Shares 5 Trading Days prior to the date of the Meeting	28 November 2019	Completion of, and release to the market the findings of, a feasibility study program (Class 3) into the Lake Wells Potash Project within 12 months (Ignoring factors determined by the board to be outside the control of the Project Team)	\$12,500 (ii)
Brenton Siggs	Director	290,698	the greater of \$0.225 cents per Share or 145% of the VWAP of Shares 5 Trading Days prior to the date of the Meeting	28 November 2019	250,000 ounces at not less than 1.5g/t JORC compliant inferred resource gold equivalent on a spot value basis of gold, base metals, PGE and cobalt while not exceeding a maximum of 200 blocks of exploration tenure outside of Lake Wells	\$12,500 (ii)

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Name	Relationship	Number of options	Exercise price	Expiry date	Vesting Conditions	Value as determined by Black-Scholes valuation
Brenton Siggs	Director	290,697	the greater of \$0.225 cents per Share or 145% of the VWAP of Shares 5 Trading Days prior to the date of the Meeting	28 November 2019	150,000 ounces at not less than 1.5g/t JORC compliant indicated resource gold equivalent on a spot value basis of gold, base metals, PGE and cobalt while not exceeding a maximum of 200 blocks of exploration tenure outside of Lake Wells	\$12,500 (ii)
		872,093				
TOTAL		1,669,965				

Option Valuation details

Details	Input	Input
Share price	\$0.086	\$0.086
Exercise Price	\$0.175	\$0.225
Risk Free Rate	2.75%	2.75%
Volatility (Annualised)	111%	111%
Start Date	28 November 2016	28 November 2016
Expiry Date	28 November 2019	28 November 2019
Value per Option	\$0.047 (i)	\$0.043 (ii)

- (f) As at the date of this Notice, the issued capital of the Company comprised 221,454,213 Shares. If all Options granted as proposed above are exercised, and assuming all existing Options on issue have been exercised, and assuming no other share issues proceed, the effect would be to dilute the Shareholding of existing Shareholders as per the table below:

	Existing Shares and Options
Shares and Options	242,314,213
Options to be granted	1,669,965
New Total	243,984,178
Dilutionary effect	0.69%

- (g) Mr Siggs current interests in securities of the Company are set out in the table below:

Director	Shareholding	Option holding
Brenton Siggs	8,250,000	2,000,000

- (h) The market price of the Company's Shares during the term of the Options will normally determine whether or not the Option holder exercises the Options. At the time any Options are exercised and Shares are issued pursuant to the exercise of the Options, the Company's Shares may be trading at a price which is higher than the exercise price of the Options. In this instance, there may be a perceived cost to the Company.
- (i) The Options will not be quoted on ASX and as such have no actual market value. The fully paid ordinary Shares of the Company have been traded on ASX since December 2011. In the twelve months prior to the date of this notice the Shares have traded in the range of 5.5 cents (on 20 October 2015, 5 – 10 November 2015 and 22 – 25 December 2015) to 13 cents (on 16, 23 and 30 June 2016), the closing price on 17 October 2016 (being prior to the date of this Notice) was 8.0 cents. The Options are capable of being converted to Shares by payment of the exercise price.
- (j) Mr Siggs received remuneration and emoluments for the financial year ending 30 June 2016 of \$215,543. It is proposed that Mr Siggs will receive remuneration and emoluments for the current financial year of \$20,000. In

addition, it is anticipated that the Company will pay Reefus Geology Services, a business controlled by Mr Siggs, similar fees to that paid for the financial year ending 30 June 2016 (being \$150,749).

- (k) Under the Australian equivalent of IFRS, the Company is required to expense the value of the Options in its profit or loss for the current financial year. Other than as disclosed in this Explanatory Memorandum, the Directors do not consider that from an economic and commercial point of view, there are any costs or detriments, including opportunity costs or taxation consequences for the Company or benefits foregone by the Company in granting the Options to Mr Siggs or his nominees pursuant to Resolution 5.
- (l) Neither the Directors nor the Company are aware of any other information that would be reasonably required by Shareholders to make a decision in relation to the financial benefits contemplated by this Resolution.

Specific information required by Listing Rule 10.13

A summary of Listing Rule 10.11 is set out in section 4.5 above. It is the view of the Company that the exceptions in Listing Rule 10.12 do not apply in the current circumstances. Accordingly, Shareholder approval is sought for the issue of Options to Mr Siggs.

Listing Rule 10.13 requires that information be provided to Shareholders for the purposes of obtaining Shareholder approval pursuant to Listing Rule 10.11 as follows:

- (a) The Options will be issued to Mr Siggs (or his nominees).
- (b) The maximum number of Options to be issued to Mr Siggs (or his nominees) is 1,669,965.
- (c) The Options will be issued no later than one month after the date of the Meeting (or such longer period of time as ASX may in its discretion allow) and it is anticipated the Options will be issued on one date.
- (d) The Options will be issued on the terms and conditions outlined in Annexure B.
- (e) A voting exclusion statement is included in the Notice of Meeting.
- (f) The Options will be issued for nil issue price. Accordingly, no funds will be raised from the issue of the Options.

Approval pursuant to Listing Rule 7.1 is not required in order to issue the Options to the Mr Siggs as approval is being obtained under Listing Rule 10.11. Accordingly, the issue of Options to Mr Siggs will not be included in the 15% calculation of the Company's annual placement capacity pursuant to Listing Rule 7.1.

Resolution 6 – Approval of Incentive Option Plan

6.1 General

ASX Listing Rule 7.1 requires a listed company to obtain shareholder approval prior to the issue of (or agreement to issue) shares, or securities convertible into shares, representing more than 15% of the issued capital of that company in any rolling 12 month period.

An exception to ASX Listing Rule 7.1 is set out in ASX Listing Rule 7.2 (Exception 9(b)) which provides that issues under an employee incentive plan are exempt for a period of 3 years from the date on which shareholders approve the issue of securities under that plan as an exception to ASX Listing Rule 7.1 or, where the plan was established before the entity was listed, the terms were set out in the prospectus.

Resolution 6 seeks Shareholder approval for the Company to issue Options under the Company's Incentive Plan as an exception to ASX Listing Rule 7.1 in accordance with ASX Listing Rule 7.2 (Exception 9(b)).

The Incentive Plan is designed to incentivise and reward management and staff of the Company and to attract and retain a high standard of managerial and technical personnel for the benefit of the Company. A summary of the terms and conditions of the Incentive Plan is set out below.

6.2 Information required by Listing Rule 7.2 (Exception 9(b))

The following information is provided in accordance with Listing Rule 7.2 (Exception 9(b)).

Terms of the Incentive Plan

- (a) Eligible Persons

The Directors will administer the Incentive Plan awarding Options to acquire Shares to eligible persons. The selection of persons to whom the Options will be offered under the Incentive Plan and the number of Options which may be offered to those persons will be determined wholly by the Board in its absolute discretion and in compliance with applicable law and the ASX Listing Rules.

Directors, full time or part time employees and casual employees or contractors, to the extent permitted by the Class Order, are eligible to participate in the Incentive Plan, subject to any necessary shareholder approval being obtained including in accordance with Listing Rule 10.14 (**Eligible Person**).

(b) Duration of Incentive Plan

The Incentive Plan will commence on the date determined by resolution of the Board and will continue until terminated by the Board.

(c) Consideration

Each Plan Option shall be issued for no more than nominal cash consideration.

(d) Vesting conditions

The vesting terms for grants of Options under the Incentive Plan will be decided by the Board from time to time in its discretion and as specified in the offer for the Options under the Incentive Plan.

(e) Number of securities to be granted

The number of Options to be offered to Eligible Persons under the Incentive Plan will be decided by the Board from time to time in its discretion and in accordance with applicable law and the ASX Listing Rules. However, the applicable ASIC Class Order limits the maximum number of securities which may be granted to employees under incentive plans in reliance on the class order in a rolling 3 year period to 5% of the issued share capital of the Company (calculated at the date of the offer under the Incentive Plan).

(f) Exercise Price

The exercise price of any Options granted under the Incentive Plan is at the absolute discretion of the Board (subject to the ASX Listing Rules) and the Board will determine the exercise price from time to time.

(g) Resignation by employee

Under the terms of the Incentive Plan, Options which have not vested are forfeited if the person who was issued Options under the Incentive Plan ceases to be an Eligible Person, unless the Board determines otherwise.

(h) Re-organisation of issued capital

In the event of any re-organisation (including reconstruction, consolidation, subdivision, reduction or return of capital) of the issued capital of the Company, the Options will be re-organised as required by the Listing Rules, but in all other respects the terms of exercise will remain unchanged.

(i) Dividend and voting rights

Options granted under the Incentive Plan do not carry any dividend or voting rights.

(j) Board discretion

Under the terms of the Incentive Plan, the Board has absolute discretion to determine the exercise price, the expiry date and vesting conditions of any grants made under the Incentive Plan, without the requirement for further Shareholder approval.

6.3 Directors' recommendation

All directors recommend Shareholders vote in favour of Resolution 6.

Resolution 7 – Change of Company Name

7.1 General

In accordance with section 157(1) of the Corporations Act, if a company wants to change its name, it must pass a special resolution adopting a new name.

It is proposed that shareholders approve the Company's name being changed from Goldphyre Resources Limited to Australian Potash Limited. The Board has approved this change of name subject to the approval of shareholders.

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The Board considers that the change of name is appropriate to support the Company's focus on potash. The new name intends to provide a better representation of what we are and what we do and this will closely reflect our core activities.

Resolution 7 is a special resolution and, therefore, requires approval of 75% or more of all votes cast by shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a member which a corporation, by representative).

In accordance with section 157(3) of the Corporations Act, the change of name will take effect when ASIC alters the details of the Company's registration. The name Australian Potash Limited has been reserved by the Company.

The Board will also request that ASX change the Company's ASX listing code from "GPH" to "APC" after the change of name take effect. The ASX listing code "APC" has been reserved by the Company.

7.2 Directors' recommendation

All directors recommend Shareholders vote in favour of Resolution 7.

GLOSSARY

In this Explanatory Memorandum and the Notice, the following terms have the following meanings unless the context otherwise requires:

AGM or Meeting	means the Annual General Meeting convened by the Notice.
Meeting	means the meeting convened by the Notice
Annual Report	means the Directors' report, the annual financial report and auditor's report in respect of the financial year ended 30 June 2016.
Associate	has the same meaning as defined in Section 11 and Sections 13 to 17 of the Corporations Act.
ASIC	means the Australian Securities Investment Commission.
ASX	means ASX Ltd ABN 98 008 624 691 and, where the context requires, the Australian Securities Exchange operated by ASX Ltd.
Board	means the board of Directors of the Company.
Closely Related Party	has the same meaning as defined in Section 9 of the Corporations Act.
Company	means Goldphyre Resources Limited ABN 58 149 390 394.
Corporations Act	means Corporations Act 2001 (Cth).
Director	means a director of the Company.
Equity Securities	has the same meaning as defined in the Listing Rules.
Explanatory Memorandum	means this information attached to the Notice, which provides information to Shareholders about the Resolutions contained in the Notice.
Key Management Personnel	has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, of the consolidated entity, directly or indirectly, including any director (whether executive or otherwise) of the Company, or if the Company is part of a consolidated entity, of an entity within the consolidated group.
Listing Rules or ASX Listing Rules	means the listing rules of ASX.
Notice or Notice of Meeting	means the Notice of Annual General Meeting accompanying this Explanatory Memorandum.
Option	means an Option to acquire a Share.
Proxy Form	means the proxy form attached to this Notice.
Remuneration Report	means the remuneration report of the Company outlined in the Annual Report for the year ended 30 June 2016.
Resolution	means a resolution contained in the Notice.
Share	means a fully paid ordinary share in the capital of the Company.

Shareholder	means the holder of a share.
Trading Days	has the same meaning as defined in the Listing Rules.
WST	means Western Standard Time as observed in Perth, Western Australia.

ANNEXURE A

TERMS AND CONDITIONS
OPTIONS EXPIRING 28 November 2019

The Options are to be issued on the following terms:

1. Each Option shall be issued for no consideration.
2. Vesting conditions are detailed below:
 - Tranche 1:
 - (a) One third of the Options vest upon completion of, and release to the market the findings of, a feasibility study program (Class 3) into the Lake Wells Potash Project within 12 months (Ignoring factors determined by the board to be outside the control of the Project Team).
 - (b) One third of Options vest listed ordinary shares in the Company trading at \$0.25 or above for 5 consecutive trading days.
 - (c) One third of Options vest upon finalisation of board approved finance package to commence development of the Lake Wells Potash Project.
 - Tranche 2:
 - (a) One third of the Options vest upon completion of, and release to the market the findings of, a feasibility study program (Class 3) into the Lake Wells Potash Project within 12 months (Ignoring factors determined by the board to be outside the control of the Project Team).
 - (b) One third of Options vest listed ordinary shares in the Company trading at \$0.25 or above for 5 consecutive trading days.
 - (c) One third of Options vest upon finalisation of board approved finance package to commence development of the Lake Wells Potash Project.
3. The exercise price ("**Exercise Price**") of each Option will be:
 - (a) Tranche 1 of 1,063,830 Options: \$0.175 or 145% of the VWAP of the fully paid ordinary Shares of the Company on the five trading days prior to the date of the meeting to approve the issue (whichever is the higher); and
 - (b) Tranche 2 of 1,162,790 Options: \$0.225 or 145% of the VWAP of the fully paid ordinary Shares of the Company on the five trading days prior to the date of the meeting to approve the issue (whichever is the higher).
4. Each Option entitles the holder to subscribe for one Share in Goldphyre Resources Limited ABN 58 149 390 394 ("**Company**") upon the payment of the Exercise Price per Share subscribed for.
5. The Options will lapse at 5:00 pm, Western Standard Time on 28 November 2019 ("**Expiry Date**").
6. The Options may be transferred at any time in accordance with the Corporations Law, the SCH Business Rules and/or the Listing Rules.
7. There are no participating rights or entitlements inherent in these Options and holders of the Options will not be entitled to participate in new issues of capital that may be offered to shareholders during the currency of the Option.
8. Option holders have the right to exercise their Options prior to the date of determining entitlements to any capital issues to the then existing shareholders of the Company made during the currency of the Options, and will be granted a period of at least 10 business days before closing date to exercise the Options.
9. In the event the Company proceeds with a pro rata issue (except a bonus issue) of securities to the holders of Shares after the date of issue of the Options, the exercise price of the Options will be adjusted in accordance with the formula set out in ASX Listing Rule 6.22.2.
10. In the event of any re-organisation (including reconstruction, consolidation, subdivision, reduction or return of capital) of the issued capital of the Company, the Options will be re-organised as required by the Listing Rules, but in all other respects the terms of exercise will remain unchanged.

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11. The Options shall be exercisable at any time until the Expiry Date ("**Exercise Period**") by the delivery to the registered office of the Company of a notice in writing ("**Notice**") stating the intention of the Option holder to exercise all or a specified number of Options held by them accompanied by an Option certificate and a cheque made payable to the Company for the subscription monies for the Shares. The Notice and cheque must be received by the Company during the Exercise Period. An exercise of only some Options shall not affect the rights of the Option holder to the balance of the Options held by it.
12. The Company shall allot the resultant Shares and deliver a statement of shareholdings with a holders' identification number within 5 business days of exercise of the Options.
13. The Shares allotted shall rank, from the date of allotment, equally with the existing ordinary shares of the Company in all respects.

ANNEXURE B

**TERMS AND CONDITIONS
OPTIONS EXPIRING 28 November 2019**

The Options are to be issued on the following terms:

1. Each Option shall be issued for no consideration.
2. Vesting conditions are detailed below:
 - Tranche 1:
 - (a) One third of the Options vest upon completion of, and release to the market the findings of, a feasibility study program (Class 3) into the Lake Wells Potash Project within 12 months (Ignoring factors determined by the board to be outside the control of the Project Team).
 - (b) One third of Options vest where 250,000 ounces at not less than 1.5g/t JORC compliant inferred resource gold equivalent on a spot value basis of gold, base metals, PGE and cobalt while not exceeding a maximum of 200 blocks of exploration tenure outside of Lake Wells is announced.
 - (c) One third of Options vest upon 150,000 ounces at not less than 1.5g/t JORC compliant indicated resource gold equivalent on a spot value basis of gold, base metals, PGE and cobalt while not exceeding a maximum of 200 blocks of exploration tenure outside of Lake Wells is announced.
 - Tranche 2:
 - (d) One third of the Options vest upon completion of, and release to the market the findings of, a feasibility study program (Class 3) into the Lake Wells Potash Project within 12 months (Ignoring factors determined by the board to be outside the control of the Project Team).
 - (e) One third of Options vest where 250,000 ounces at not less than 1.5g/t JORC compliant inferred resource gold equivalent on a spot value basis of gold, base metals, PGE and cobalt while not exceeding a maximum of 200 blocks of exploration tenure outside of Lake Wells is announced.
 - (f) One third of Options vest upon 150,000 ounces at not less than 1.5g/t JORC compliant indicated resource gold equivalent on a spot value basis of gold, base metals, PGE and cobalt while not exceeding a maximum of 200 blocks of exploration tenure outside of Lake Wells is announced.
3. The exercise price ("**Exercise Price**") of each Option will be:
 - (a) Tranche 1 of 797,872 Options: \$0.175 or 145% of the VWAP of the fully paid ordinary Shares of the Company on the five trading days prior to the date of the meeting to approve the issue (whichever is the higher); and
 - (b) Tranche 2 of 872,093 Options: \$0.225 or 145% of the VWAP of the fully paid ordinary Shares of the Company on the five trading days prior to the date of the meeting to approve the issue (whichever is the higher).
3. Each Option entitles the holder to subscribe for one Share in Goldphyre Resources Limited ABN 58 149 390 394 ("**Company**") upon the payment of the Exercise Price per Share subscribed for.
4. The Options will lapse at 5:00 pm, Western Standard Time on 30 November 2018 ("**Expiry Date**").
5. The Options may be transferred at any time in accordance with the Corporations Law, the SCH Business Rules and/or the Listing Rules.
6. There are no participating rights or entitlements inherent in these Options and holders of the Options will not be entitled to participate in new issues of capital that may be offered to shareholders during the currency of the Option.
7. Option holders have the right to exercise their Options prior to the date of determining entitlements to any capital issues to the then existing shareholders of the Company made during the currency of the Options, and will be granted a period of at least 10 business days before closing date to exercise the Options.
8. In the event the Company proceeds with a pro rata issue (except a bonus issue) of securities to the holders of Shares after the date of issue of the Options, the exercise price of the Options will be adjusted in accordance with the formula set out in ASX Listing Rule 6.22.2.

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9. In the event of any re-organisation (including reconstruction, consolidation, subdivision, reduction or return of capital) of the issued capital of the Company, the Options will be re-organised as required by the Listing Rules, but in all other respects the terms of exercise will remain unchanged.
10. The Options shall be exercisable at any time until the Expiry Date ("**Exercise Period**") by the delivery to the registered office of the Company of a notice in writing ("**Notice**") stating the intention of the Option holder to exercise all or a specified number of Options held by them accompanied by an Option certificate and a cheque made payable to the Company for the subscription monies for the Shares. The Notice and cheque must be received by the Company during the Exercise Period. An exercise of only some Options shall not affect the rights of the Option holder to the balance of the Options held by it.
11. The Company shall allot the resultant Shares and deliver a statement of shareholdings with a holders' identification number within 5 business days of exercise of the Options.
12. The Shares allotted shall rank, from the date of allotment, equally with the existing ordinary shares of the Company in all respects.

ANNEXURE C

**TERMS AND CONDITIONS
OPTIONS EXPIRING 30 NOVEMBER 2018**

The Options are to be issued on the following terms:

1. Each Option shall be issued for no consideration.
2. Vesting and Vesting Dates ("**Vesting Conditions**")
 - (a) One third of the Options vest immediately upon issue.
 - (b) One third of Options vest on 30 November 2016.
 - (c) One third of Options vest on 30 November 2017.
3. The exercise price of each Option will be \$0.125 or 145% of the VWAP of the fully paid ordinary Shares of the Company on the five trading days prior to the date of the meeting to approve the issue (whichever is the higher) ("**Exercise Price**").
4. Each Option entitles the holder to subscribe for one Share in Goldphyre Resources Limited ABN 58 149 390 394 ("**Company**") upon the payment of the Exercise Price per Share subscribed for.
5. The Options will lapse at 5:00 pm, Western Standard Time on 30 November 2018 ("**Expiry Date**").
6. The Options may be transferred at any time in accordance with the Corporations Law, the SCH Business Rules and/or the Listing Rules.
7. There are no participating rights or entitlements inherent in these Options and holders of the Options will not be entitled to participate in new issues of capital that may be offered to shareholders during the currency of the Option.
8. Option holders have the right to exercise their Options prior to the date of determining entitlements to any capital issues to the then existing shareholders of the Company made during the currency of the Options, and will be granted a period of at least 10 business days before closing date to exercise the Options.
9. In the event the Company proceeds with a pro rata issue (except a bonus issue) of securities to the holders of Shares after the date of issue of the Options, the exercise price of the Options will be adjusted in accordance with the formula set out in ASX Listing Rule 6.22.2.
10. In the event of any re-organisation (including reconstruction, consolidation, subdivision, reduction or return of capital) of the issued capital of the Company, the Options will be re-organised as required by the Listing Rules, but in all other respects the terms of exercise will remain unchanged.
11. The Options shall be exercisable at any time until the Expiry Date ("**Exercise Period**") by the delivery to the registered office of the Company of a notice in writing ("**Notice**") stating the intention of the Option holder to exercise all or a specified number of Options held by them accompanied by an Option certificate and a cheque made payable to the Company for the subscription monies for the Shares. The Notice and cheque must be received by the Company during the Exercise Period. An exercise of only some Options shall not affect the rights of the Option holder to the balance of the Options held by it.
12. The Company shall allot the resultant Shares and deliver a statement of shareholdings with a holders' identification number within 5 business days of exercise of the Options.
13. The Shares allotted shall rank, from the date of allotment, equally with the existing ordinary shares of the Company in all respects.

ANNEXURE D

**TERMS AND CONDITIONS
OPTIONS EXPIRING 30 NOVEMBER 2018**

The Options are to be issued on the following terms:

1. Each Option shall be issued for no consideration.
2. Vesting and Vesting Dates ("**Vesting Conditions**")
 - (a) One third of the Options vest immediately upon issue.
 - (b) One third of Options vest on 30 November 2016.
 - (c) One third of Options vest on 30 November 2017.
3. The exercise price of each Option will be \$0.175 or 145% of the VWAP of the fully paid ordinary Shares of the Company on the five trading days prior to the date of the meeting to approve the issue (whichever is the higher) ("**Exercise Price**").
4. Each Option entitles the holder to subscribe for one Share in Goldphyre Resources Limited ABN 58 149 390 394 ("**Company**") upon the payment of the Exercise Price per Share subscribed for.
5. The Options will lapse at 5:00 pm, Western Standard Time on 30 November 2018 ("**Expiry Date**").
6. The Options may be transferred at any time in accordance with the Corporations Law, the SCH Business Rules and/or the Listing Rules.
7. There are no participating rights or entitlements inherent in these Options and holders of the Options will not be entitled to participate in new issues of capital that may be offered to shareholders during the currency of the Option.
8. Option holders have the right to exercise their Options prior to the date of determining entitlements to any capital issues to the then existing shareholders of the Company made during the currency of the Options, and will be granted a period of at least 10 business days before closing date to exercise the Options.
9. In the event the Company proceeds with a pro rata issue (except a bonus issue) of securities to the holders of Shares after the date of issue of the Options, the exercise price of the Options will be adjusted in accordance with the formula set out in ASX Listing Rule 6.22.2.
10. In the event of any re-organisation (including reconstruction, consolidation, subdivision, reduction or return of capital) of the issued capital of the Company, the Options will be re-organised as required by the Listing Rules, but in all other respects the terms of exercise will remain unchanged.
11. The Options shall be exercisable at any time until the Expiry Date ("**Exercise Period**") by the delivery to the registered office of the Company of a notice in writing ("**Notice**") stating the intention of the Option holder to exercise all or a specified number of Options held by them accompanied by an Option certificate and a cheque made payable to the Company for the subscription monies for the Shares. The Notice and cheque must be received by the Company during the Exercise Period. An exercise of only some Options shall not affect the rights of the Option holder to the balance of the Options held by it.
12. The Company shall allot the resultant Shares and deliver a statement of shareholdings with a holders' identification number within 5 business days of exercise of the Options.
13. The Shares allotted shall rank, from the date of allotment, equally with the existing ordinary shares of the Company in all respects.

ANNEXURE E

TERMS AND CONDITIONS
OPTIONS EXPIRING 21 APRIL 2021

The Options were issued on the following terms:

1. Each Option shall be issued for no consideration.
2. The exercise price of each Option will be \$0.10 ("**Exercise Price**").
3. Each Option entitles the holder to subscribe for one Share in Goldphyre Resources Limited ABN 58 149 390 394 ("**Company**") upon the payment of the Exercise Price per Share subscribed for.
4. The Options will lapse at 5:00 pm, Western Standard Time on 21 April 2021 ("**Expiry Date**").
5. The Options may be transferred at any time in accordance with the Corporations Law, the SCH Business Rules and/or the Listing Rules.
6. There are no participating rights or entitlements inherent in these Options and holders of the Options will not be entitled to participate in new issues of capital that may be offered to shareholders during the currency of the Option.
7. Option holders have the right to exercise their Options prior to the date of determining entitlements to any capital issues to the then existing shareholders of the Company made during the currency of the Options, and will be granted a period of at least 10 business days before closing date to exercise the Options.
8. In the event the Company proceeds with a pro rata issue (except a bonus issue) of securities to the holders of Shares after the date of issue of the Options, the exercise price of the Options will be adjusted in accordance with the formula set out in ASX Listing Rule 6.22.2.
9. In the event of any re-organisation (including reconstruction, consolidation, subdivision, reduction or return of capital) of the issued capital of the Company, the Options will be re-organised as required by the Listing Rules, but in all other respects the terms of exercise will remain unchanged.
10. The Options shall be exercisable at any time until the Expiry Date ("**Exercise Period**") by the delivery to the registered office of the Company of a notice in writing ("**Notice**") stating the intention of the Option holder to exercise all or a specified number of Options held by them accompanied by an Option certificate and a cheque made payable to the Company for the subscription monies for the Shares. The Notice and cheque must be received by the Company during the Exercise Period. An exercise of only some Options shall not affect the rights of the Option holder to the balance of the Options held by it.
11. The Company shall allot the resultant Shares and deliver a statement of shareholdings with a holders' identification number within 5 business days of exercise of the Options.
12. The Shares allotted shall rank, from the date of allotment, equally with the existing ordinary shares of the Company in all respects.

ANNEXURE F

TERMS AND CONDITIONS
OPTIONS EXPIRING 21 APRIL 2021

The Options were issued on the following terms:

1. Each Option shall be issued for no consideration.
2. The exercise price of each Option will be \$0.15 ("**Exercise Price**").
3. Each Option entitles the holder to subscribe for one Share in Goldphyre Resources Limited ABN 58 149 390 394 ("**Company**") upon the payment of the Exercise Price per Share subscribed for.
4. The Options will lapse at 5:00 pm, Western Standard Time on 21 April 2021 ("**Expiry Date**").
5. The Options may be transferred at any time in accordance with the Corporations Law, the SCH Business Rules and/or the Listing Rules.
6. There are no participating rights or entitlements inherent in these Options and holders of the Options will not be entitled to participate in new issues of capital that may be offered to shareholders during the currency of the Option.
7. Option holders have the right to exercise their Options prior to the date of determining entitlements to any capital issues to the then existing shareholders of the Company made during the currency of the Options, and will be granted a period of at least 10 business days before closing date to exercise the Options.
8. In the event the Company proceeds with a pro rata issue (except a bonus issue) of securities to the holders of Shares after the date of issue of the Options, the exercise price of the Options will be adjusted in accordance with the formula set out in ASX Listing Rule 6.22.2.
9. In the event of any re-organisation (including reconstruction, consolidation, subdivision, reduction or return of capital) of the issued capital of the Company, the Options will be re-organised as required by the Listing Rules, but in all other respects the terms of exercise will remain unchanged.
10. The Options shall be exercisable at any time until the Expiry Date ("**Exercise Period**") by the delivery to the registered office of the Company of a notice in writing ("**Notice**") stating the intention of the Option holder to exercise all or a specified number of Options held by them accompanied by an Option certificate and a cheque made payable to the Company for the subscription monies for the Shares. The Notice and cheque must be received by the Company during the Exercise Period. An exercise of only some Options shall not affect the rights of the Option holder to the balance of the Options held by it.
11. The Company shall allot the resultant Shares and deliver a statement of shareholdings with a holders' identification number within 5 business days of exercise of the Options.
12. The Shares allotted shall rank, from the date of allotment, equally with the existing ordinary shares of the Company in all respects.

ANNEXURE G

**TERMS AND CONDITIONS
OPTIONS EXPIRING 2 MAY 2019**

The Options were issued on the following terms:

1. Each Option shall be issued for no consideration.
2. The exercise price of each Option will be \$0.125 ("**Exercise Price**").
3. Each Option entitles the holder to subscribe for one Share in Goldphyre Resources Limited ABN 58 149 390 394 ("**Company**") upon the payment of the Exercise Price per Share subscribed for.
4. The Options will lapse at 5:00 pm, Western Standard Time on 2 May 2019 ("**Expiry Date**").
5. The Options may be transferred at any time in accordance with the Corporations Law, the SCH Business Rules and/or the Listing Rules.
6. There are no participating rights or entitlements inherent in these Options and holders of the Options will not be entitled to participate in new issues of capital that may be offered to shareholders during the currency of the Option.
7. Option holders have the right to exercise their Options prior to the date of determining entitlements to any capital issues to the then existing shareholders of the Company made during the currency of the Options, and will be granted a period of at least 10 business days before closing date to exercise the Options.
8. In the event the Company proceeds with a pro rata issue (except a bonus issue) of securities to the holders of Shares after the date of issue of the Options, the exercise price of the Options will be adjusted in accordance with the formula set out in ASX Listing Rule 6.22.2.
9. In the event of any re-organisation (including reconstruction, consolidation, subdivision, reduction or return of capital) of the issued capital of the Company, the Options will be re-organised as required by the Listing Rules, but in all other respects the terms of exercise will remain unchanged.
10. The Options shall be exercisable at any time until the Expiry Date ("**Exercise Period**") by the delivery to the registered office of the Company of a notice in writing ("**Notice**") stating the intention of the Option holder to exercise all or a specified number of Options held by them accompanied by an Option certificate and a cheque made payable to the Company for the subscription monies for the Shares. The Notice and cheque must be received by the Company during the Exercise Period. An exercise of only some Options shall not affect the rights of the Option holder to the balance of the Options held by it.
11. The Company shall allot the resultant Shares and deliver a statement of shareholdings with a holders' identification number within 5 business days of exercise of the Options.
12. The Shares allotted shall rank, from the date of allotment, equally with the existing ordinary shares of the Company in all respects.

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GOLDPHYRE RESOURCES LIMITEDREGISTERED OFFICE:
31 ORD STREET
WEST PERTH WA 6005

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ACN: 149 390 394

«EFT_REFERENCE_NUMBER»

«Company_code» «Sequence_number»

«Holder_name»
«Address_line_1»
«Address_line_2»
«Address_line_3»
«Address_line_4»
«Address_line_5»**SHARE REGISTRY:**
Security Transfer Australia Pty Ltd
All Correspondence to:
PO BOX A2020
South Sydney NSW 1235
The Trust Building, Suite 511
155 King Street
Sydney NSW 2000 AUSTRALIA
T: +61 3 9628 2200 F: +61 8 9315 2233
E: registrar@securitytransfer.com.au
W: www.securitytransfer.com.auCode: Holder Number: **PROXY FORM**

THIS DOCUMENT IS IMPORTANT. IF YOU ARE IN DOUBT AS TO HOW TO DEAL WITH IT, PLEASE CONTACT YOUR STOCK BROKER OR LICENSED PROFESSIONAL ADVISOR.

**VOTE
ONLINE**Lodge your proxy vote securely at www.securitytransfer.com.au

1. Log into the Investor Centre using your holding details.
2. Click on "Proxy Voting" and provide your Online Proxy ID to access the voting area.

SECTION A: Appointment of Proxy

I/We, the above named, being registered holders of the Company and entitled to attend and vote hereby appoint:

 The meeting chairperson**OR**

or failing the person named, or if no person is named, the Chairperson of the meeting, as my/our Proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, as the Proxy sees fit) at the Annual General Meeting of the Company to be held at 10:00am WST on Monday 28 November 2016 at 31 Ord Street, West Perth WA 6005 and at any adjournment of that meeting.

Where I/we have appointed the Chairperson as my/our proxy (or where the Chairperson becomes my/our proxy by default), I/we expressly authorise the Chairperson to exercise my/our proxy on Resolutions 2, 4, 5 and 6 (except where I/we have indicated a different voting intention below) even though Resolutions 2, 4, 5 and 6 are connected directly or indirectly with the remuneration of a member of the Key Management Personnel, which includes the Chairperson.

SECTION B: Voting Directions

Please mark "X" in the box to indicate your voting directions to your Proxy. The Chairperson of the Meeting intends to vote undirected proxies in FAVOUR of all the resolutions. In exceptional circumstances, the Chairperson of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

RESOLUTION

	For	Against	Abstain*
1. Re-election of Mr Brenton Siggs as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Approval of 10% Placement Facility	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Approval of Grant of Options to Mr Matthew Shackleton	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Approval of Grant of Options to Mr Brenton Siggs	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Approval of Incentive Option Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Change of Company Name	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

If no directions are given my proxy may vote as the proxy thinks fit or may abstain. * 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.

SECTION C: Signature of Security Holder(s)

This section must be signed in accordance with the instructions overleaf to enable your directions to be implemented.

Individual or Security Holder

Security Holder 2

Security Holder 3

Sole Director & Sole Company Secretary

Director

Director/Company Secretary

Proxies must be received by Security Transfer Australia Pty Ltd no later than 10:00am WST on Saturday 26 November 2016.

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My/Our contact details in case of enquiries are:

Name:

Number:

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1. NAME AND ADDRESS

This is the name and address on the Share Register of the Company. If this information is incorrect, please make corrections on this form. Shareholders sponsored by a broker should advise their broker of any changes. Please note that you cannot change ownership of your shares using this form.

2. APPOINTMENT OF A PROXY

If the person you wish to appoint as your Proxy is someone other than the Chairperson of the Meeting please write the name of that person in Section A. If you leave this section blank, or your named Proxy does not attend the meeting, the Chairperson of the Meeting will be your Proxy. A Proxy need not be a shareholder of the Company.

3. DIRECTING YOUR PROXY HOW TO VOTE

To direct the Proxy how to vote place an "X" in the appropriate box against each item in Section B. Where more than one Proxy is to be appointed and the proxies are to vote differently, then two separate forms must be used to indicate voting intentions.

4. APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two (2) 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 contacting the Company's share registry or you may photocopy this form.

To appoint a second Proxy you must:

- a) On each of the Proxy forms, state the percentage of your voting rights or number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each Proxy may exercise, each Proxy may exercise half of your votes; and
- b) Return both forms in the same envelope.

5. SIGNING INSTRUCTIONS

Individual: where the holding is in one name, the Shareholder must sign.

Joint Holding: where the holding is in more than one name, all of the Shareholders must sign.

Power of Attorney: to sign under Power of Attorney you must have already lodged this document with the Company's share registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: where the Company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the Company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director may sign alone. Otherwise this form must be signed by a Director jointly with either another Director or Company Secretary. Please indicate the office held in the appropriate place.

If a representative of the corporation is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be lodged with the Company before the meeting or at the registration desk on the day of the meeting. A form of the certificate may be obtained from the Company's share registry.

6. LODGEMENT OF PROXY

Proxy forms (and any Power of Attorney under which it is signed) must be received by Security Transfer Australia Pty Ltd no later than the date and time stated on the form overleaf. Any Proxy form received after that time will not be valid for the scheduled meeting.

The proxy form does not need to be returned to the share registry if the votes have been lodged online.

Security Transfer Australia Pty Ltd

Online www.securitytransfer.com.au

Postal Address PO BOX A2020
South Sydney NSW 1235
AUSTRALIA

Street Address The Trust Building, Suite 511
155 King Street
SYDNEY NSW 2000 AUSTRALIA

Telephone +61 3 9628 2200

Facsimile +61 8 9315 2233

Email registrar@securitytransfer.com.au

PRIVACY STATEMENT

Personal information is collected on this form by Security Transfer Australia Pty Ltd as the registrar for securities issuers for the purpose of maintaining registers of security holders, facilitating distribution payments and other corporate actions and communications. Your personal details may be disclosed to related bodies corporate, to external service providers such as mail and print providers, or as otherwise required or permitted by law. If you would like details of your personal information held by Security Transfer Australia Pty Ltd or you would like to correct information that is inaccurate please contact them on the address on this form.

