



ACN 072 745 692

**NOTICE OF ANNUAL GENERAL MEETING
PROXY FORM
AND
EXPLANATORY MEMORANDUM**

Date of Meeting
Wednesday, 9 November 2016

Time of Meeting
11.30am WST

Place of Meeting
The Celtic Club
48 Ord Street
West Perth WA 6005

NOTICE OF TWENTIETH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Twentieth Annual General Meeting of the shareholders of Mincor Resources NL ACN 072 745 692 ("Company") will be held at the Celtic Club, 48 Ord Street, West Perth, Western Australia on Wednesday, 9 November 2016 at 11.30am WST for the purpose of transacting the following business referred to in this Notice of Annual General Meeting.

Details of the definitions and abbreviations used in this Notice are set out in the Glossary to the Explanatory Memorandum.

A G E N D A

Business

An Explanatory Memorandum containing information in relation to each of the following resolutions accompanies this Notice of Annual General Meeting. Capitalised terms used in this Notice of AGM are defined in the Glossary to the Explanatory Memorandum.

Annual Accounts

To receive and consider the financial statements of the Company for the year ended 30 June 2016, consisting of the Consolidated Income Statement, Consolidated Statement of Comprehensive Income, Consolidated Statement of Financial Position, Consolidated Statement of Changes in Equity, Consolidated Statement of Cash Flows, the Directors' Report, the Directors' Declaration and the Auditor's Report.

RESOLUTION 1 – Non-binding Resolution to adopt Remuneration Report

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

That, pursuant to and in accordance with section 250R(2) of the Corporations Act, the Remuneration Report for the year ended 30 June 2016 as contained within the Directors' Report be adopted.

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

The Company will disregard any votes cast on this Resolution by or on behalf of a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report, or their Closely Related Parties. However, the Company need not disregard a vote if:

- a) it is cast by a person as a proxy appointed by writing that specifies how the proxy is to vote on the proposed Resolution or the proxy is the Chair of the meeting and the appointment of the Chair as proxy does not specify the way the proxy is to vote on the Resolution and expressly authorises the Chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel; and
- b) it is not cast on behalf of a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report, or their Closely Related Parties.

Further, a Restricted Voter who is appointed as a proxy will not vote on Resolution 1 unless:

- a) the appointment specifies the way the proxy is to vote on Resolution 1; or
- b) the proxy is the Chair of the meeting and the appointment expressly authorises the Chair to exercise the proxy even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

Shareholders should note that the Chair intends to vote any undirected proxies in favour of Resolution 1. Shareholders may also choose to direct the Chair to vote against Resolution 1 or to abstain from voting.

If you purport to cast a vote other than as permitted above, that vote will be disregarded by the Company (as indicated above) and you may be liable for breaching the voting restrictions that apply to you under the Corporations Act.

RESOLUTION 2 – Re-election of Mr David James Humann as a Director

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

That, for all purposes, Mr David James Humann, being a Director, retiring in accordance with Listing Rule 14.4. and, being eligible, offers himself for re-election, be re-elected as a Director.

RESOLUTION 3 – Re-election of Mr David Charles Moore as a Director

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

That, for all purposes, Mr David Charles Moore, being a Director, retiring by rotation in accordance with Rule 15.2 of the Company's Constitution and, being eligible, offers himself for re-election, be re-elected as a Director.

RESOLUTION 4 – Ratification of issue of Shares to various employees

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

That, for the purpose of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 592,130 Shares issued on the vesting of Performance Rights, on the terms and conditions set out in the Explanatory Memorandum.

The Company will disregard any votes cast on this Resolution by any person who participated in the issue the subject of this Resolution and any person who is an Associate of those persons. However, the Company need not disregard a vote if the vote is cast by:

- a) a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- b) 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.

Further, a Restricted Voter who is appointed as a proxy will not vote on Resolution 4 unless:

- a) the appointment specifies the way the proxy is to vote on Resolution 4; or
- b) the proxy is the Chair of the meeting and the appointment expressly authorises the Chair to exercise the proxy even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

Shareholders should note that the Chair intends to vote any undirected proxies in favour of Resolution 4. Shareholders may also choose to direct the Chair to vote against Resolution 4 or to abstain from voting.

If you purport to cast a vote other than as permitted above, that vote will be disregarded by the Company (as indicated above) and you may be liable for breaching the voting restrictions that apply to you under the Corporations Act.

RESOLUTION 5 – Ratification of issue of Options to various employees

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

That, for the purpose of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 6,500,000 Options (each with an exercise price of \$0.50 expiring 18 May 2021), on the terms and conditions set out in the Explanatory Memorandum.

The Company will disregard any votes cast on this Resolution by any person who participated in the issue the subject of this Resolution and any person who is an Associate of those persons. However, the Company need not disregard a vote if the vote is cast by:

- a) a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- b) 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.

Further, a Restricted Voter who is appointed as a proxy will not vote on Resolution 5 unless:

- a) the appointment specifies the way the proxy is to vote on Resolution 5; or
- b) the proxy is the Chair of the meeting and the appointment expressly authorises the Chair to exercise the proxy even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

Shareholders should note that the Chair intends to vote any undirected proxies in favour of Resolution 5. Shareholders may also choose to direct the Chair to vote against Resolution 5 or to abstain from voting.

If you purport to cast a vote other than as permitted above, that vote will be disregarded by the Company (as indicated above) and you may be liable for breaching the voting restrictions that apply to you under the Corporations Act.

RESOLUTION 6 –Approval of ESOP

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

That, pursuant to and in accordance with Listing Rule 7.2, Exception 9 and for all other purposes, Shareholders approve any issue of securities under the ESOP for employees and Directors known as "Mincor Resources NL – Employee Share Option Plan", a summary of the rules of which are set out in the Explanatory Memorandum, as an exception to Listing Rule 7.1.

The Company will disregard any votes cast on this Resolution by a Director of the Company and any person who is an Associate of those persons (except one who is ineligible to participate in any employee incentive scheme of the Company). However, the Company need not disregard a vote if it is cast by:

- a) a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- b) 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.

Further, a Restricted Voter who is appointed as a proxy will not vote on Resolution 6 unless:

- a) the appointment specifies the way the proxy is to vote on Resolution 6; or
- b) the proxy is the Chair of the meeting and the appointment expressly authorises the Chair to exercise the proxy even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

Shareholders should note that the Chair intends to vote any undirected proxies in favour of Resolution 6. Shareholders may also choose to direct the Chair to vote against Resolution 6 or to abstain from voting.

If you purport to cast a vote other than as permitted above, that vote will be disregarded by the Company (as indicated above) and you may be liable for breaching the voting restrictions that apply to you under the Corporations Act.

Other Business

To deal with any other business which may be brought forward in accordance with the Company's Constitution and the *Corporations Act 2001* (Cth).

BY ORDER OF THE BOARD



Graham Fariss
Company Secretary

Dated: 23 September 2016

VOTING IN PERSON (OR BY ATTORNEY)

Shareholders, or their attorneys, who plan to attend the Meeting are asked to arrive at the venue 15 minutes prior to the time designated for the Meeting, if possible, so that their holding may be checked against the Company's share register and their attendance recorded. To be effective a certified copy of the Power of Attorney, or the original Power of Attorney, must be received by the Company in the same manner, and by the same time as outlined for proxy forms below.

PROXIES

- A Shareholder entitled to attend and vote at the AGM may appoint not more than two proxies. Where more than one proxy is appointed, each proxy may be appointed to represent a specified proportion of the Shareholder's voting rights. If such appointment is not made, then each proxy may exercise half of the Shareholder's voting rights.
- A proxy may, but need not be, a Shareholder of the Company.
- The instrument appointing a proxy must be in writing, executed by the appointor or his/her attorney duly authorised in writing or, if such appointer is a corporation, either under seal or under hand of an officer or his/her attorney 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. Capitalised terms used in the enclosed Proxy Form have the same meaning as defined in the Glossary to the Explanatory Memorandum.
- If a proxy is not directed how to vote on an item of business, the proxy may generally vote, or abstain from voting, as they think fit. However, where a Restricted Voter is appointed as a proxy, the proxy may only vote on Resolutions 1, 4, 5 and 6 in accordance with a direction on how the proxy is to vote or, if the proxy is the Chair of the Meeting and the appointment expressly authorises the Chair to exercise the proxy even if the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.
- Shareholders who return their Proxy Forms with a direction how to vote, but who do not nominate the identity of their proxy, will be taken to have appointed the Chair of the Meeting as their proxy to vote on their behalf. If a Proxy Form is returned but the nominated proxy does not attend the Meeting, the Chair of the Meeting will act in place of the nominated proxy and vote in accordance with any instructions. Proxy appointments in favour of the Chair of the Meeting, the secretary or any Director that do not contain a direction how to vote will be used, where possible, to support each of the Resolutions proposed in this Notice, provided they are entitled to cast votes as a

proxy under the voting exclusion rules which apply to some of the proposed Resolutions. In exceptional circumstances, the Chair of the Meeting may change his voting intention on any Resolution, in which case an ASX announcement will be made.

VOTING BY A CORPORATION

A Shareholder that is a corporation may appoint an individual to act as its representative and vote in person at the Meeting. The appointment must comply with the requirements of section 250D of the Corporations Act. The representative should bring to the Meeting evidence of his or her appointment, including any authority under which it is signed.

ENTITLEMENT TO VOTE

For the purposes of regulation 7.11.37 and 7.11.38 of the Corporations Regulations, the Board has determined that members holding ordinary shares at 4.00pm WST on 7 November 2016 will be entitled to attend and vote at the AGM.

EXPLANATORY MEMORANDUM

This Explanatory Memorandum is intended to provide shareholders with sufficient information to assess the merits of the Resolutions contained in the accompanying Notice of AGM ("Notice") of Mincor Resources NL ("Company").

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

Certain terms and abbreviations used in this Explanatory Memorandum have defined meanings which are explained in the Glossary appearing at the end of this Explanatory Memorandum.

The following information should be noted in respect of the various matters contained in the accompanying Notice:

1. ANNUAL ACCOUNTS

The Corporations Act requires Shareholders to receive and consider the annual financial statements of the Company for the financial year ended 30 June 2016 together with the Directors' Report, the Directors' Declaration and the Auditor's Report. A copy of these reports may be accessed by visiting the Company's website www.mincor.com.au.

There is no requirement for Shareholders to approve these reports. However, the Company will provide a reasonable opportunity for Shareholders to ask questions or make comments about the annual financial statements and the management of the Company. Shareholders will also be given a reasonable opportunity to ask the Auditor questions relevant to:

- the conduct of the audit;
- the preparation and content of the Auditor's Report;
- the accounting policies adopted by the Company in relation to the preparation of the financial statements; and
- the independence of the auditor in relation to the conduct of the audit.

The Chair will also allow a reasonable opportunity for the Auditor or their representative to answer any written questions submitted to the Auditor under section 250PA of the Corporations Act.

2. RESOLUTION 1 – Non-binding Resolution to adopt Remuneration Report

Section 298 of the Corporations Act requires that the annual Directors' Report contain a Remuneration Report prepared in accordance with section 300A of the Corporations Act.

Pursuant to Section 250R(2) of the Corporations Act, a resolution must be put to Shareholders to adopt the Remuneration Report as contained in the Company's 2016 Annual Report, which is available on the Company's website www.mincor.com.au.

The Remuneration Report is set out within the Directors' Report. The Report:

- explains the Board's policy for determining the nature and amount of remuneration of executive Directors and senior executives of the Company;
- explains the relationship between the Board's remuneration policy and the Company's performance;
- sets out remuneration details for each Director and the most highly remunerated senior executives of the Company; and
- details and explains any performance conditions applicable to the remuneration of executive Directors and senior executives of the Company.

A reasonable opportunity will be provided for discussion of the Remuneration Report at the meeting.

Shareholders are advised that pursuant to Section 250R(3) of the Corporations Act, this 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 two consecutive annual general meetings, the Company will be required to put a resolution to the second annual general meeting ("Spill Resolution"), to approve calling an extraordinary general meeting ("Spill Meeting"). If more than 50% of Shareholders vote in favour of the Spill Resolution, the Company must convene a Spill Meeting within 90 days of the second annual general meeting. All of the Directors who were in office when the Directors' Report was approved, other than the Managing Director, will need to stand for re-election at the Spill Meeting if they wish to continue as Directors.

It is noted that the Remuneration Report for the financial year ended 30 June 2015 did not receive a vote of more than 25% against its adoption at the Company's last annual general meeting held on 11 November 2015. Accordingly, a spill resolution is not required for this AGM.

The Board unanimously recommends that Shareholders vote in favour of adopting the Remuneration Report.

3. RESOLUTION 2 – Re-election of David James Humann as a Director

Listing Rule 14.4 provides that a director (excluding the Managing Director) must not hold office (without re-election) past the third annual general meeting following the director's appointment or 3 years, whichever is longer.

David James Humann, having last been elected at the Company's 2013 annual general meeting, retires in accordance with Listing Rule 14.4 and, being eligible, offers himself for re-election as a Director.

Mr Humann joined Mincor Resources NL on 30 July 1999 as a Non-executive Director and Chairman of the Company. Mr Humann is a fellow of the Institute of Chartered Accountants, a fellow of the Institute of Certified Practising Accountants and also a fellow of the Australian Institute of Company Directors.

He was Chairman and Senior Partner of Price Waterhouse (Hong Kong and China firm) from 1986 until 1994. He was also the Managing Partner of Price Waterhouse, Asia Pacific Region, and a member of the World Board of Price Waterhouse and of the global firm's World Executive Management Committee based in London and New York. He was formerly a member of the Australia and New Zealand firm's Executive Policy Committee.

Mr Humann is currently a non-executive director of India Resources Ltd and Future Directions International Pty Ltd. and a director of James Anne Holdings Pty Ltd and Exxaro Australia Sands Pty Ltd (Group).

The Board has determined (in the absence of Mr Humann) that notwithstanding his length of service, Mr Humann has no close association with the management of the Company or other members of the Board, and otherwise does not have any interest, position, association or relationship of the type set out in the Company's Policy on Assessing the Independence of Directors. Accordingly, Mr Humann is considered to be an independent director of the Company.

The members of the Board of Mincor Resources NL (other than Mr Humann) support the re-election of Mr Humann.

4. RESOLUTION 3 – Re-election of David Charles Moore as a Director

Rule 15.2 of the Company's Constitution provides that at every annual general meeting of the Company one-third of the Directors (other than alternate Directors and the Managing Director), or if their number is not a multiple of 3, such number as is appropriate to ensure that no Director (other than alternate Directors and the Managing Director) holds office for more than 3 years, shall retire from office. A retiring Director is eligible for re-election. The Company has 3 Directors, and accordingly 1 Director needs to retire by rotation in accordance with Rule 15.2. The Director to retire at the annual general meeting is the one who has been longest in office since his last election.

Accordingly, pursuant to Rule 15.2 of the Company's Constitution, David Charles Moore, having retired from the position of Managing Director in February 2016 and appointed as a Non-Executive Director, now retires as a Non-Executive Director by way of rotation and, being eligible, offers himself for re-election as a Director.

Mr Moore joined Mincor Resources NL on 16 August 1999 to become Managing Director, a position which he held until his retirement in February 2016 when he assumed the role of Non-executive Deputy Chairman.

Mr Moore's earlier experience includes 13 years with Shell/Billiton where he worked internationally in minerals exploration, business development, project management and strategic planning. In 1996 he left a position as Billiton's Chief Geologist in Peru to join Iscor Australia Pty Ltd as director of business development. In that role he established Iscor's gold and base metal exploration unit in Australasia. During 1999 he conducted the transactions that led to the creation of Mincor Resources NL and Managing Director,

In 2000 Mr Moore founded Tethyan Copper Company Ltd and as Managing Director drove that company's development, spin-off, listing and growth until its successful cash takeover by a joint venture between Antofagasta and Barrick in 2006.

Mr Moore has worked extensively in South America, southern and eastern Africa and Australasia. He holds a B.Sc (Eng) (Mining Geology).

As a former and recently retired executive of the Company, Mr Moore is not considered to be an Independent Director of the Company.

The members of the Board of Mincor Resources NL (other than Mr Moore) support the re-election of Mr Moore.

5. RESOLUTION 4 – Ratification of issue of Shares to employees

On 4 April 2016, the Company announced that it had issued 592,130 Shares on vesting of Performance Rights issued to employees under the Company's Performance Rights Plan.

Listing Rule 7.1 broadly provides that a company may issue Equity Securities up to 15% of its issued capital in any 12-month period without shareholder approval.

Listing Rule 7.4 permits the ratification of previous issues of securities made without prior shareholder approval, provided the issue did not breach the 15% threshold set by Listing Rule 7.1. The effect of the ratification is to restore the Company's discretionary power to issue further Equity Securities up to 15% of the issued capital of the Company without requiring Shareholder approval.

Resolution 4 seeks ratification under Listing Rule 7.4 of the issue of 592,130 Shares that were made on 4 April 2016 in order to restore the ability of the Company to issue further Equity Securities within the 15% limit during the next 12 months.

The following information in relation to the Shares is provided to Shareholders for the purposes of Listing Rule 7.5:

- a) 592,130 Shares were issued;
- b) the Shares were issued on vesting of Performance Rights. No issue price was payable for the issue of the Shares;
- c) the Shares issued were fully paid ordinary Shares in the capital of the Company and rank equally in all respects with the existing fully paid ordinary Shares on issue;
- d) the Shares were issued to various employees under the Company's Performance Rights Plan (including Key Management Personnel), all of whom are unrelated parties of the Company; and
- e) no funds were raised from this issue as the Shares were issued on vesting of Performance Rights issued under the Company's Performance Rights Plan.

6. RESOLUTION 5 – Ratification of issue of Options to employees

On 20 May 2016, the Company issued 6,500,000 Options (each with an exercise price of \$0.50 expiring 18 May 2021), to various employees under the ESOP. On 31 August 2016, the Company announced that 950,000 of these Options had lapsed due to the holders ceasing to be eligible persons under the ESOP.

A summary of Listing Rules 7.1 and 7.4 are provided above.

Resolution 5 seeks ratification under Listing Rule 7.4 of the issue of 6,500,000 Options that was made on 20 May 2016 in order to restore the ability of the Company to issue further Equity Securities within the 15% limit during the next 12 months.

The following information in relation to the Options is provided to Shareholders for the purposes of Listing Rule 7.5:

- a) 6,500,000 Options were issued;
- b) the Options were granted pursuant to the terms of the ESOP and do not vest until 12 months after the date of issue. No issue price was payable for the issue of the Options;
- c) the Options have an exercise price of \$0.50 and expire on 18 May 2021 and were otherwise issued under the terms of the ESOP;
- d) the Options were issued to various employees under the ESOP (including Key Management Personnel), all of whom are unrelated parties of the Company; and
- e) no funds were raised from this issue as the Options were issued under the ESOP.

7. RESOLUTION 6 – Approval of ESOP

The Board considered that it was desirable to establish an option plan under which employees may be offered the opportunity to subscribe for Options to acquire Shares in the Company in order to increase the range of potential incentives available to them and to strengthen links between the Company and its employees and accordingly adopted the Mincor Resources NL – Employee Share Option Plan (ESOP) on 14 April 2016.

The ESOP is designed to provide incentives to the employees of the Company and to recognise their contribution to the Company's success. Under the Company's current circumstances, the Board considers that the incentives to employees are a cost effective and efficient incentive for the Company as opposed to alternative forms of incentives such as cash bonuses or increased remuneration. To enable the Company to secure employees and Directors who can assist the Company in achieving its objectives, it is necessary to provide remuneration and incentives to such personnel. The ESOP is designed to achieve this objective, by encouraging continued improvement in performance over time and by encouraging personnel to acquire and retain significant shareholdings in the Company.

Shareholder approval is required if any issue of Options pursuant to the ESOP is to fall within the exception to the calculation of the 15% limit imposed by Listing Rule 7.1 on the number of securities which may be issued without shareholder approval. Accordingly, Shareholder approval is sought for the purposes of Listing Rule 7.2 Exception 9(b) which provides that Listing Rule 7.1 does not apply to an issue of securities under an employee incentive scheme that has been approved by the holders of ordinary securities within three years of the date of issue.

Prior Shareholder approval will be required before any Director or related party of the Company can participate in the ESOP.

Under the ESOP, the Board may offer to Eligible Persons the opportunity to subscribe for such number of Options in the Company as the Board may decide and on the terms set out in the rules of the ESOP. Employee Options granted under the ESOP will be offered to Eligible Persons under the ESOP on the basis of the Board's view of the contribution of the Eligible Person to the Company.

A summary of the key terms of the ESOP are set out below:

- a) **Eligibility:** The Board may provide an invitation to a non-executive director, an employee (whether full-time, part-time or casual) of the Company (or associated body corporate of the Company) or a Contractor to participate in the ESOP (**Eligible Employee**). The Board may exercise its powers in relation to the participation of an Eligible Employee on any number of occasions.
- b) **Offer:** Subject to the terms of the ESOP and the Listing Rules, the Board may make an offer of Options at any time. The offer must contain specific information, including the maximum number of Options which the Eligible Employee may apply for, details of any vesting conditions attaching the Options, and the expiry date and exercise price of the Options.
- c) **Cap on number of Options:** Where an offer is made under the ESOP, the Board must, at the time of making the offer, have reasonable grounds to believe that the number of Shares that may be issued on exercise of the Options will not exceed 5% of the total number of Shares on issue when aggregated with the number of Shares issued or that may be issued as a result of offers made at any time during the previous 3-year period under:
 - i) the ESOP or any other employee incentive scheme covered by the Class Order; or
 - ii) an ASIC exempt arrangement of a similar kind to an employee incentive scheme.Offers under the ESOP that are not made in relation to the Class Order or other ASIC class order or case-by case relief are not included in the 5% limit calculation.
- d) **Plan Trustee:** The Board may use an employee share trust or other mechanism for the purposes of holding any Shares for participants under the ESOP and/or delivering any Shares to participants upon exercise of any Options.
- e) **Exercise Price:** The exercise price must be denominated and payable in Australian dollars, unless otherwise determined by the Board.
- f) **Nominee:** An Eligible Employee may nominate an immediate family member, corporate trustee of a self-managed superannuation fund (where the Eligible Employee is a director of the trustee) or a company whose members comprise no persons other than the Eligible Employee or immediate family members, to receive the Options the subject of the Offer. The Board may, in its absolute discretion, decide not to permit the Options to be issued to a nominated party.
- g) **Consideration:** No consideration is payable for a grant of an Option.
- h) **Quotation:** The Company will not apply for official quotation of any Options.
- i) **Transferability:** Options are not transferrable, except with the prior consent of the Board or by force of law upon the death of a participant.
- j) **Exercise of Option:** Subject to any vesting conditions, Options may be exercised at any time during the period commencing on the issue date and ending on the expiry date, by the participant delivering to the Company Secretary:
 - i) the certificate for the Options;
 - ii) a notice of exercise signed by the participant; and
 - iii) payment to the Company of the exercise price for the Options.

- k) **Cashless exercise:** The Board may permit a participant to elect for a cashless exercise of Options, with the number of Shares to be issued upon exercise of Options determined in accordance with the following formula:

$$A = (B(C-D))/C$$

where:

A = the number of Shares to be received

B = the number of Shares otherwise issuable or transferable upon the exercise of the Option or portion of the Option being exercised

C = the 5-day volume weighted average price of Shares on the 5 days prior to the date the participant gives the notice of exercise

D = the exercise price of the Option

- l) **Adjustment to terms of exercise:** subject to the Corporations Act and the Listing Rules, the Board may adjust the terms of exercise of an Option, including reducing or waiving vesting conditions.
- m) **Issue of Shares:** Within 15 business days of delivery of the notice of exercise and payment (if any), the Board must allot and issue (or procure the delivery of) the relevant number of Shares to the participant or plan trustee (as applicable).
- n) **Delivery Event:** if a plan trustee is used, upon the occurrence of a Delivery Event, the trustee shall, as directed by the relevant participant, sell the relevant Shares and remit the net proceeds to that participant within 30 days of such sale; and/or transfer the Shares to the participant.
- o) **Lapse of Option:** Unless otherwise specified in the vesting conditions or determined otherwise by the Board an Option lapses on the earlier of:
- i) the Board determining that any vesting condition applicable to the Option has not been satisfied;
 - ii) the day immediately following the expiry date; or
 - iii) the Option lapsing in accordance with the ESOP in relation to the cessation of employment of the Eligible Employee, a change of control event occurring, or breach, fraud or misconduct on the part of the Eligible Employee.
- p) **Cessation of employment:** if an Eligible Employee ceases to be employed due to resignation (other than due to a Special Circumstance), dismissal for cause or poor performance, or any other circumstance determined by the Board, unless the Board determines otherwise, any unvested Options held by the Eligible Employee will automatically lapse in accordance with (n) above, and any vested Options will lapse in accordance with (n) above on the day of cessation of employment. If an Eligible Employee ceases to be an Eligible Employee for a Special Circumstance, all unvested Options will lapse in accordance with (n) above, and all vested Options will continue in force and remain exercisable until the expiry date.
- q) **Change of Control Event:** upon the occurrence of a Change of Control Event, the Board may in its sole and absolute discretion and subject to the Listing Rules, determine how unvested Options will be treated.
- r) **Pro rata issues:** If there is a pro rata issue (other than a bonus issue) to the existing holders of Shares and no Share has been issued or transferred in respect of an Option before the record date for determining entitlements to the pro rata issue, the exercise price of the Option will be reduced according to the formula specified in the Listing Rules.

- s) **Bonus issues:** If there is a bonus issue to the existing holders of Shares, the number of Shares over which an Option is exercisable will be increased by the number of Shares which the participant would have received if the Option had been exercised before the record date for the bonus issue. No adjustments will be made to the exercise price.
- t) **Reorganisation of Capital:** If there is a reorganisation of the issued capital of the Company, then the rights of a participant (including the number of Options to which each participant is entitled and the exercise price) will be changed to the extent necessary to comply with the Listing Rules applying to a reorganisation of capital at the time of the reorganisation.
- u) **Winding up:** If, prior to the expiry of any Options, a resolution for a members' voluntary winding up of the Company is proposed (other than for the purpose of a reconstruction or amalgamation), the Board may, in its absolute discretion, give written notice to the participants of the proposed resolution. Subject to any vesting conditions, the participants may, during the period referred to in the notice, exercise their Options.
- v) **Amendments to the ESOP:** Subject to the Listing Rules, the ESOP may be amended by the Directors (without the necessity of obtaining the prior or subsequent consent of Shareholders of the Company in a general meeting), provided that where the amendments adversely affect the rights of participants, the Board obtains the prior consent of participants.

GLOSSARY

Accounting Standards has the meaning given to that term in the Corporations Act.

AGM or Meeting means the Company's annual general meeting, being the meeting convened by the Notice.

Associate has the meaning given in sections 12 and 16 of the Corporations Act. Section 12 is to be applied as if paragraph 12(1)(a) included a reference to the Listing Rules and on the basis that the Company is the "designated body" for the purposes of that section.

ASX means ASX Limited ABN 98 008 624 691 and, where the context permits, the Australian Securities Exchange operated by ASX Limited.

Auditor means the auditor of the Company.

Board means the board of Directors.

Change of Control Event occurs where:

- a) an offer is made for Shares pursuant to a takeover bid under Chapter 6 of the Corporations Act and is, or is declared, unconditional; or
- b) the Court sanctions/shareholders approve with the requisite majorities under Part 5.1 of the Corporations Act a compromise or arrangement relating to the Company or a compromise or arrangement proposed for the purposes of or in connection with a scheme for the reconstruction of the Company or its amalgamation with any other company or companies; or
- c) any other merger, consolidation or amalgamation involving the Company occurs which results in the holders of Shares immediately prior to the merger, consolidation or amalgamation being entitled to 50 per cent or less of the voting shares in the body corporate resulting from the merger, consolidation or amalgamation; or
- d) any Group Company enters into agreements to sell in aggregate a majority in value of the businesses or assets (whether or not in the form of shares in a Group Company) of the Group to a person, or a number of persons, none of which are Group Companies; or
- e) the Board determines in its reasonable opinion, control of the Company has or is likely to change or pass to one or more persons, none of which are Group Companies.

Class Order means ASIC Class Order 14/1000 (or any amendment to or replacement of that Class Order).

Closely Related Party has the meaning given to that term in the Corporations Act. Under the Corporations Act, a Closely Related Party of a member of the Key Management Personnel for an entity means:

- a) a spouse or child of the member; or
- b) a child of the member's spouse; or
- c) a dependant of the member or of the member's spouse; or
- d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, or in the member's dealings with the entity; or
- e) a company the member controls; or
- f) a person prescribed by the Corporations Regulations 2001 to be a Closely Related Party.

Company means Mincor Resources NL ACN 072 745 692.

Contractor means:

- a) an individual with whom a Group Company has entered into a contract for the provision of services under which the individual performs work for a Group Company; or
- b) a company with whom a Group Company has entered into a contract for the provision of services under which an individual, who is a director of the company or their spouse, performs work for a Group Company,

where the individual who performs the work under or in relation to the contract is, or might reasonably be expected to be, engaged to work the number of hours that are the pro-rata equivalent of 40% or more of a comparable full-time position with a Group Company.

Corporations Act means Corporations Act 2001 (Cth).

Constitution means the Company's constitution, as amended from time to time.

Delivery Event means:

- a) receipt by a plan trustee of a direction in writing, in a form and containing such customary certifications as are satisfactory to the plan trustee, from a participant directing that plan trustee to sell its Shares on its behalf;
- b) receipt by a plan trustee of a direction in writing, in a form and containing such customary certifications as are satisfactory to the plan trustee, from a participant directing that plan trustee to transfer the Shares held for the participant to the participant or the participant's designee;
- c) following the termination of a participant's employment, engagement or office in the Company, receipt by a plan trustee of a direction in writing from the Company, in a form and containing such customary certifications as are satisfactory to the plan trustee, directing that plan trustee either sell or transfer that participant's Shares; or
- d) the occurrence of a Change of Control Event and receipt by a plan trustee of a direction in writing from the participant either directing that plan trustee to sell or transfer that participant's Shares.

Director means a director of the Company.

Eligible Person has the meaning given in the ESOP.

Equity Securities has the meaning given in the Listing Rules.

ESOP means the Employee Share Option Plan adopted by the Board on 14 April 2016.

Explanatory Memorandum means this explanatory memorandum accompanying the Notice.

Group means the Company and its associated bodies corporate and **Group Company** means the Company or any of its associated bodies corporate.

Key Management Personnel has the meaning given to that term in the Accounting Standards. The Accounting Standards define the Key Management Personnel of an entity to be those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity.

Listing Rules means the ASX Listing Rules.

Meeting means the Annual General Meeting convened by the Notice.

Notice means the Notice of Annual General Meeting accompanying this Explanatory Memorandum.

Options means options to acquire Shares.

Performance Rights means the right to acquire Shares subject to the satisfaction of specified performance conditions.

Performance Rights Plan means the Performance Rights Plan adopted by the Company on 15 August 2012.

Proxy Form means the proxy form accompanying the Notice.

Resolution means a resolution proposed pursuant to the Notice.

Restricted Voter means Key Management Personnel and their Closely Related Parties as at the date of the Meeting.

Shares means fully paid ordinary shares in the capital of the Company.

Special Circumstance means total and permanent disablement, mental illness, redundancy, death or terminal illness.

Shareholders means holders of fully paid ordinary shares in the Company.

WST means Australian Western Standard Time.

Lodge your vote:



By Mail:

Computershare Investor Services Pty Limited
GPO Box 242 Melbourne
Victoria 3001 Australia

Alternatively you can fax your form to
(within Australia) 1800 783 447
(outside Australia) +61 3 9473 2555

For intermediary Online subscribers only
(custodians) www.intermediaryonline.com

For all enquiries call:

(within Australia) 1300 733 703
(outside Australia) +61 3 9415 4819

Proxy Form

For your vote to be effective it must be received by 11.30am (WST) Monday, 7 November 2016

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

Appointment of Proxy

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

Signing Instructions

Individual: Where the holding is in one name, the securityholder must sign.

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

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

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

Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at www.investorcentre.com under the help tab, "Printable Forms".

Comments & Questions: If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

Turn over to complete the form →



View the annual report, 24 hours a day, 7 days a week:

www.mincor.com.au

To view and update your securityholding:

www.investorcentre.com

Your secure access information is:



PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.



☐

Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.

Proxy Form

Please mark ☒ to indicate your directions

STEP 1 Appoint a Proxy to Vote on Your Behalf

I/We being a member/s of Mincor Resources NL hereby appoint

☐

the Chairman
of the Meeting **OR**



PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman 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, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Mincor Resources NL to be held at Celtic Club, 48 Ord Street, West Perth, Western Australia on Wednesday, 9 November 2016 at 11.30am (WST) and at any adjournment or postponement of that Meeting.

Chairman authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Resolutions 1, 4 - 6 (except where I/we have indicated a different voting intention below) even though Resolutions 1, 4 - 6 are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

Important Note: If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Resolutions 1, 4 - 6 by marking the appropriate box in step 2 below.

STEP 2 Items of Business



PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

		For	Against	Abstain
Resolution 1	Non-binding Resolution to adopt Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Re-election of Mr David James Humann as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Re-election of Mr David Charles Moore as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Ratification of issue of Shares to various employees	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Ratification of issue of Options to various employees	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Approval of ESOP	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

SIGN

Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact
Name

Contact
Daytime
Telephone

Date / /