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**AUSTIN EXPLORATION LIMITED**

**ACN 114 198 471**

**NOTICE OF GENERAL MEETING**

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**TIME:** 10:00 am (AEST)

**DATE:** 14 June 2016

**PLACE:** Boardroom Pty Ltd  
Grosvenor Place, Level 12  
225 George Street, Sydney NSW 2000

*This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.*

*Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 3 9606 3888.*

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## IMPORTANT INFORMATION

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### Time and place of Meeting

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Notice is given that the Meeting will be held at 10:00am (AEST) on Tuesday 14 June 2016 at:

Boardroom Pty Ltd  
Grosvenor Place, Level 12  
225 George Street, Sydney NSW 2000

### Your vote is important

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The business of the Meeting affects your shareholding and your vote is important.

### Voting eligibility

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The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 10:00 am (AEST) on Sunday, 12 June 2016.

### Voting in person

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To vote in person, attend the Meeting at the time, date and place set out above.

### Voting by proxy

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To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

In accordance with section 249L of the Corporations Act, Shareholders are advised that:

- each Shareholder has a right to appoint a proxy;
- the proxy need not be a Shareholder of the Company; and
- a Shareholder who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints 2 proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

Shareholders and their proxies should be aware that changes to the Corporations Act made in 2011 mean that:

- if proxy holders vote, they must cast all directed proxies as directed; and
- any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

Further details on these changes are set out below.

### ***Proxy vote if appointment specifies way to vote***

Section 250BB(1) of the Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, **if it does:**

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

### ***Transfer of non-chair proxy to chair in certain circumstances***

Section 250BC of the Corporations Act provides that, if:

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

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

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## BUSINESS OF THE MEETING

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### AGENDA

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#### 1. RESOLUTION 1 – ISSUE OF SHARES TO MR STUART MIDDLETON

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 10.11 and for all other purposes, approval is given for the Company to issue 500,000 Shares to Mr Stuart Middleton (or his nominee) on the terms and conditions described in the Explanatory Memorandum."*

**ASX Voting Exclusion:** The Company will disregard any votes cast on this Resolution by Mr Stuart Middleton (or his nominee) and any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the 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:

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

However, the above prohibition does not apply if:

- (a) the proxy is the Chairman ; and
- (b) the appointment expressly authorises the Chairman to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

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#### 2. RESOLUTION 2 – RATIFICATION OF PRIOR ISSUE – MAGNA SHARES

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 7.4 and for all other purposes, Shareholders ratify the issue of 18,938,030 Shares on the terms and conditions set out in the Explanatory Statement."*

**Voting Exclusion:** The Company will disregard any votes cast on this Resolution by a person who participated in the issue and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the 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.

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### 3. RESOLUTION 3 – RATIFICATION OF PRIOR ISSUE – PLACEMENT SHARES

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 7.4 and for all other purposes, Shareholders ratify the issue of 37,586,973 Shares on the terms and conditions set out in the Explanatory Statement.”*

**Voting Exclusion:** The Company will disregard any votes cast on this Resolution by a person who participated in the issue and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the 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.

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### 4. RESOLUTION 4 – ISSUE OF PLACEMENT OPTIONS

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 7.1 and for all other purposes, approval is given for the Company to issue up to 18,793,487 Options on the terms and conditions set out in the Explanatory Statement.”*

**Voting Exclusion:** The Company will disregard any votes cast on this Resolution by any person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the Resolution is passed and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the 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.

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### 5. RESOLUTION 5 – ISSUE OF OPTIONS TO SUB-UNDERWRITERS

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 7.1 and for all other purposes, approval is given for the Company to issue up to 216,679,179 Options on the terms and conditions set out in the Explanatory Statement.”*

**Voting Exclusion:** The Company will disregard any votes cast on this Resolution by any person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the Resolution is passed and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the 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.

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**Dated: 5 May 2016**

**By order of the Board**

**Robert Lees**  
**Company Secretary**

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## EXPLANATORY STATEMENT

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This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions.

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### 1. RESOLUTION 1 – ISSUE OF SHARES TO MR STUART MIDDLETON

#### 1.1 General

At the Company's Annual General Meeting of Shareholders held on 27 November 2015, Shareholders approved the issue of 500,000 Shares, each at a deemed issue price of \$0.02 per Share, to Mr Stuart Middleton in lieu of a cash payment for services provided to the Company. Due to an administrative oversight, the Shares were not issued to Mr Middleton within one month of the date of the Annual General Meeting, as is required by ASX Listing Rule 10.13.3.

Shareholder approval is now sought pursuant to Resolution 1 to re-approve the issue of the 500,000 Shares (**Related Party Shares**) to Mr Stuart Middleton (or his nominee).

#### 1.2 Chapter 2E of the Corporations Act

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The issue of the Related Party Shares constitutes the giving of a financial benefit and Stuart Middleton is a related party of the Company by virtue of being a Director.

The Directors (other than Mr Stuart Middleton who has a material personal interest in the Resolution) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue of the Related Party Shares because the benefit is in lieu of remuneration to a related party as an officer of the Company and the giving of the benefit is reasonable given the circumstances of the Company in conserving cash reserves where the alternative would be to pay the \$10,000 to Mr Middleton.

#### 1.3 ASX Listing Rule 10.11

ASX 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 ASX Listing Rule 10.12 applies.

As the issue of the Related Party Shares involves the issue of securities to a related party of the Company, Shareholder approval pursuant to ASX Listing Rule 10.11 is required unless an exception applies. It is the view of the Directors that

the exceptions set out in ASX Listing Rule 10.12 do not apply in the current circumstances.

#### 1.4 Technical Information required by ASX Listing Rule 10.13

Pursuant to and in accordance with ASX Listing Rule 10.13, the following information is provided in relation to Resolution 1:

- (a) the Related Party Shares will be issued to Mr Stuart Middleton (or his nominee);
- (b) the number of Related Party Shares to be issued is 500,000;
- (c) the Related Party Shares will be issued no later than 1 month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that issue of the Options will occur on the same date;
- (d) the Related Party Shares will be issued at a deemed issue price of \$0.02 per Share, in lieu of cash remuneration. Accordingly, no funds will be raised from the issue; and
- (e) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares.

Approval pursuant to ASX Listing Rule 7.1 is not required for the issue of the Related Party Shares as approval is being obtained under ASX Listing Rule 10.11. Accordingly, the issue of Related Party Share to Mr Stuart Middleton (or his nominee) will not be included in the use of the Company's 15% annual placement capacity pursuant to ASX Listing Rule 7.1.

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## 2. RESOLUTION 2 – RATIFICATION OF PRIOR ISSUE – MAGNA SHARES

### 2.1 General

As announced on 1 February 2016, the Company has entered into a loan agreement (**Loan Agreement**) pursuant to which it has secured a funding facility from Magna Equities II, LLC (**Magna**). The funding will be provided by way of a loan of up to US\$1,350,000 to be advanced in a series of tranches. On 4 February 2016, the Company received the first tranche of the loan, being US\$275,000. Advance of the second and third tranches is subject to the satisfaction of certain conditions precedent.

In consideration of Magna entering into the Loan Agreement, the Company must pay a deferred establishment fee to Magna in respect the loan. The deferred establishment fee will be an amount equal to 10% of the principal amount outstanding of the loan, with such fee being capitalised and the principal outstanding for the loan shall include the deferred establishment fee.

The Company has also entered into a subscription deed with Magna (**Subscription Deed**) pursuant to which Magna may subscribe for Shares by giving the Company a share issue notice in respect of all or part of the principal outstanding under the Loan Agreement. The subscription amount to be paid by Magna for the Shares will be applied against the principal outstanding owed by the Company to Magna under the loan.

As at the date of this Notice of Meeting, the Company has issued 18,938,030 Shares to Magna in satisfaction of US\$90,000 of the first tranche of the loan. The Shares were issued without prior Shareholder approval out of the Company's 15% annual placement capacity.

Resolution 2 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 of the 18,938,030 Shares issued to Magna.

## **2.2 ASX Listing Rules 7.1 and 7.4**

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1. It provides that where a company in general meeting ratifies the previous issue of securities made pursuant to ASX Listing Rule 7.1 (and provided that the previous issue did not breach ASX Listing Rule 7.1) those securities will be deemed to have been made with shareholder approval for the purpose of ASX Listing Rule 7.1.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

## **2.3 Technical information required by ASX Listing Rule 7.4**

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to Resolution 2:

- (a) 18,938,030 Shares were issued;
- (b) the Shares were issued in four tranches at the following issue prices:
  - (i) 700,907 Shares issued on 4 February 2016 at an issue price of \$0.01008 per Share;
  - (ii) 5,404,106 Shares issued on 16 February 2016 at an issue price of \$0.00656 per Share;
  - (iii) 7,399,368 Shares issued on 29 February 2016 at an issue price of \$0.0056 per Share; and
  - (iv) 5,433,649 Shares issued on 22 March 2016 at an issue price of \$0.00728 per Share;
- (c) the Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (d) the Shares were issued to Magna Equities LLC, which is not a related party of the Company; and
- (e) the funds raised from the issue of Shares will be applied against repayment of the principal outstanding under the Loan Agreement. The funds received from the loan will be applied towards drilling, exploration and development of the Company's projects and general working capital.



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### **3. RESOLUTION 3 – RATIFICATION OF PRIOR ISSUE – PLACEMENT SHARES**

#### **3.1 General**

On 11 April 2016, the Company announced a capital raising of \$150,347 through the issue of 37,586,973 Shares at an issue price of \$0.004 per Share together with one (1) free attaching Option for every two (2) Shares subscribed for and issued (**Placement**).

The Company issued the Shares the subject of the Placement on 15 April 2016 without prior Shareholder approval out of its 15% annual placement capacity, however, the issue of the Options remains subject to Shareholder approval (and is the subject of Resolution 4).

Resolution 3 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of those Shares.

A summary of ASX Listing Rules 7.1 and 7.4 is set out in Section 2.2 above.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

#### **3.2 Technical information required by ASX Listing Rule 7.4**

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to Resolution 3:

- (a) 37,586,973 Shares were issued;
- (b) the issue price was \$0.004 per Share;
- (c) the Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (d) the Shares were issued to clients of Patersons Securities Limited. None of these subscribers are related parties of the Company; and
- (e) the funds raised from this issue will be applied towards ongoing development of the Company's Pathfinder Project and working capital.

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### **4. RESOLUTION ISSUE OF PLACEMENT OPTIONS**

#### **4.1 General**

Resolution 4 seeks Shareholder approval for the issue of up to 18,793,487 Options for nil cash consideration to subscribers in the Placement on the basis of one (1) Option for every two (2) Shares subscribed for and issued. The Options pursuant to the Placement are being offered under a prospectus which has been sent to each subscriber under the Placement.

A summary of ASX Listing Rule 7.1 is set out in Section 2.2 above.

The effect of Resolution 4 will be to allow the Company to issue the Options pursuant to the Placement during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

## 4.2 Technical information required by ASX Listing Rule 7.1

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to the Option Placement:

- (a) the maximum number of Options to be issued is 18,793,487;
- (b) the Options will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that issue of the Options will occur on the same date;
- (c) the issue price of the Options will be nil as they will be issued free attaching with the Shares issued pursuant to the Placement on a 1:2 basis;
- (d) the Options will be issued to the subscribers in the Placement the subject of Resolution 3 on the basis of one (1) Option for every two (2) Shares subscribed for and issued;
- (e) the Options will be issued on the terms and conditions set out in Schedule 1; and
- (f) no funds will be raised from the issue as the Options are being issued for nil cash consideration.

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## 5. RESOLUTION 5 – ISSUE OF OPTIONS TO SUB-UNDERWRITERS

### 5.1 General

On 11 April 2016, the Company announced that it was undertaking a renounceable entitlement issue of one (1) Share for every one (1) Share held by eligible Shareholders at an issue price of \$0.004 per Share to raise up to approximately \$1,733,433, together with one (1) free attaching Option for every two (2) Shares subscribed for and issued (**Rights Issue**).

The Rights Issue is fully underwritten by Patersons Securities Limited (**Underwriter**) pursuant to an underwriting agreement between the Company and the Underwriter dated 19 April 2016 (**Underwriting Agreement**).

Pursuant to the Underwriting Agreement, the Company agreed, subject to receipt of Shareholder approval, to issue up to 216,679,179 Options (**Sub-Underwriter Commitment Options**) to parties that have participated as sub-underwriter to the Rights Issue, on the basis of one (1) Option for every two (2) Shares subscribed for and issued to a sub-underwriter (or their nominee) as sub-underwriter of the Rights Issue.

The Sub-Underwriter Commitment Options are being offered under a prospectus which has been sent to parties that will participate as sub-underwriters to the Rights Issue.

A summary of ASX Listing Rule 7.1 is set out in Section 2.2 above.

The effect of Resolution 5 will be to allow the Company to issue the Sub-Underwriter Commitment Options during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

## 5.2 Technical information required by ASX Listing Rule 7.1

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to Resolution 5:

- (a) the maximum number of Sub-Underwriter Commitment Options to be issued is 216,679,179;
- (b) the Sub-Underwriter Commitment Options will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that issue of the Options will occur on the same date;
- (c) the Sub-Underwriter Commitment Options will be issued for nil cash consideration as they are being issued as part consideration payable by the Company pursuant to the Underwriting Agreement;
- (d) the Sub-Underwriter Commitment Options will be issued to sub-underwriters under the Rights Issue, all of which are clients of the Underwriter. None of these subscribers are related parties of the Company;
- (e) the Sub-Underwriter Commitment Options will be issued on the terms and conditions set out in Schedule 1; and
- (f) no funds will be raised from issue as the Sub-Underwriter Commitment Options are being issued as part consideration payable by the Company pursuant to the Underwriting Agreement.

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## GLOSSARY

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**\$** means Australian dollars.

**AEST** means Australian Eastern Standard Time as observed in Sydney, New South Wales.

**ASIC** means the Australian Securities & Investments Commission.

**ASX** means ASX Limited (ACN 008 624 691) or the financial market operated by ASX Limited, as the context requires.

**ASX Listing Rules** means the Listing Rules of ASX.

**Board** means the current board of directors of the Company.

**Business Day** means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

**Chair** means the chair of the Meeting.

**Closely Related Party** of a member of the Key Management Personnel means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent of the member or the member's spouse;
- (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, in the member's dealing with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the Corporations Regulations 2001 (Cth) for the purposes of the definition of 'closely related party' in the Corporations Act.

**Company** means Austin Exploration Limited (ACN 114 198 471).

**Constitution** means the Company's constitution.

**Corporations Act** means the *Corporations Act 2001* (Cth).

**Directors** means the current directors of the Company.

**Explanatory Statement** means the explanatory statement accompanying the Notice.

**General Meeting** or **Meeting** means the meeting convened by 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.

**Notice** or **Notice of Meeting** means this notice of meeting including the Explanatory Statement and the Proxy Form.

**Option** means an option to acquire a Share.

**Optionholder** means a holder of an Option.

**Placement** has the meaning given in Section 3.1.

**Proxy Form** means the proxy form accompanying the Notice.

**Resolutions** means the resolutions set out in the Notice, or any one of them, as the context requires.

**Section** means a section of the Explanatory Statement.

**Share** means a fully paid ordinary share in the capital of the Company.

**Shareholder** means a registered holder of a Share.

**Sub-Underwriter Commitment Options** means Options granted pursuant to Resolution 5 with the terms and conditions set out in Schedule 1.

**Underwriter** means Patersons Securities Limited (ACN 008 896 311, AFSL 239052).

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## SCHEDULE 1 – TERMS AND CONDITIONS OF OPTIONS

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(a) **Entitlement**

Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

(b) **Exercise Price**

Subject to paragraph (j), the amount payable upon exercise of each Option will be \$0.006 (**Exercise Price**).

(c) **Expiry Date**

Each Option will expire at 5:00 pm (WST) on 30 June 2019 (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

(e) **Notice of Exercise**

The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(f) **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

(g) **Timing of issue of Shares on exercise**

Within 15 Business Days after the Exercise Date, the Company will:

- (i) allot and issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under (g)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(h) **Shares issued on exercise**

Shares issued on exercise of the Options rank equally with the then issued shares of the Company.

(i) **Quotation of Shares issued on exercise**

If admitted to the official list of ASX at the time, application will be made by the Company to ASX for quotation of the Shares issued upon the exercise of the Options.

(j) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(k) **Participation in new issues**

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

(l) **Change in exercise price**

An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

(m) **Quotation**

The Options are unlisted, however, the Company intends to apply for quotation of the Options on ASX, subject to the requirements of ASX Listing Rule 2.5.

(n) **Transferability**

The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities law.





**All Correspondence to:**

- ✉ **By Mail** Boardroom Pty Limited  
GPO Box 3993  
Sydney NSW 2001 Australia
- 📠 **By Fax:** +61 2 9290 9655
- 💻 **Online:** www.boardroomlimited.com.au
- ☎ **By Phone:** (within Australia) 1300 737 760  
(outside Australia) +61 2 9290 9600

## YOUR VOTE IS IMPORTANT

For your vote to be effective it must be recorded **before 10:00am (AEST) on Sunday, 12 June 2016.**

### 🖥 TO VOTE ONLINE

- STEP 1: VISIT** [www.votingonline.com.au/akkgm2016](http://www.votingonline.com.au/akkgm2016)
- STEP 2: Enter your Postcode OR Country of Residence (if outside Australia)**
- STEP 3: Enter your Voting Access Code (VAC):**

### 📱 BY SMARTPHONE



Scan QR Code using smartphone  
QR Reader App

### TO VOTE BY COMPLETING THE PROXY FORM

#### STEP 1 APPOINTMENT OF PROXY

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

#### Appointment of a Second Proxy

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

To appoint a second proxy you must:

- complete two Proxy Forms. On each Proxy Form state the percentage of your voting rights or the number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded.
- return both forms together in the same envelope.

#### STEP 2 VOTING DIRECTIONS TO YOUR PROXY

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

#### Proxy which is a Body Corporate

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

#### STEP 3 SIGN THE FORM

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

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

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

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

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

#### STEP 4 LODGEMENT

Proxy forms (and any Power of Attorney under which it is signed) must be received no later than 48 hours before the commencement of the meeting, therefore by **10:00am (AEST) on Sunday, 12 June 2016.** Any Proxy Form received after that time will not be valid for the scheduled meeting.

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

- 🖥 **Online** [www.votingonline.com.au/akkgm2016](http://www.votingonline.com.au/akkgm2016)
- 📠 **By Fax** + 61 2 9290 9655
- ✉ **By Mail** Boardroom Pty Limited  
GPO Box 3993,  
Sydney NSW 2001 Australia
- 👤 **In Person** Boardroom Pty Limited  
Level 12, 225 George Street,  
Sydney NSW 2000 Australia
- ✉ **By Email** [robert@coysec.com.au](mailto:robert@coysec.com.au)

#### Attending the Meeting

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

**Your Address**

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

**PROXY FORM**

**STEP 1 APPOINT A PROXY**

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

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

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

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chair of the Meeting as my/our proxy at the General Meeting of the Company to be held at **Boardroom Pty Ltd, Grosvenor Place, Level 12, 225 George Street, Sydney NSW 2000, on Tuesday, 14 June 2016 at 10:00am (AEST)** and at any adjournment of that meeting, to act on my/our behalf and to vote in accordance with the following directions or if no directions have been given, as the proxy sees fit.

Where I/we have appointed the Chair as my/our proxy (or where the Chair becomes my/our proxy by default), I/we expressly authorise the Chair to exercise my/our proxy on Resolution 1 (except where I/we have indicated a different voting intention below) even though Resolution 1 is connected directly or indirectly with the remuneration of a member of the Key Management Personnel, which includes the Chair.

The Chair intends to vote undirected proxies in favour of all Resolutions. In exceptional circumstances the Chair may change his/her voting intention on any Resolution. In the event this occurs an ASX announcement will be made immediately disclosing the reasons for the change.

**STEP 2 VOTING DIRECTIONS**  
\* If you mark the Abstain box for a particular item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your vote will not be counted in calculating the required majority if a poll is called.

|              |  | For                      | Against                  | Abstain*                 |
|--------------|--|--------------------------|--------------------------|--------------------------|
| Resolution 1 | Issue of Shares to Mr Stuart Middleton         | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 2 | Ratification of Prior Issue – Magna Shares     | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 3 | Ratification of Prior Issue – Placement Shares | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 4 | Issue of Placement Options                     | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 5 | Issue of Options to Sub-Underwriters           | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

**STEP 3 SIGNATURE OF SHAREHOLDERS**  
This form must be signed to enable your directions to be implemented.

|  |                  |                              |
|--|------------------|------------------------------|
| Individual or Securityholder 1           | Securityholder 2 | Securityholder 3             |
|  |                  |                              |
| Sole Director and Sole Company Secretary | Director         | Director / Company Secretary |

Contact Name..... Contact Daytime Telephone..... Date / / 2016