



MACPHERSONS

MacPhersons Resources Limited
ACN 139 357 967

NOTICE OF ANNUAL GENERAL MEETING AND EXPLANATORY STATEMENT

Annual General Meeting to be held at
The Kalgoorlie Boulder Chamber of Commerce and Industry Meeting Rooms,
58 Egan Street, Kalgoorlie, Western Australia
on 24 November 2016 commencing at 3:00pm (WST)

This Notice of Annual General Meeting and Explanatory Statement should be read in its entirety.
If Shareholders are in doubt as to how to vote, they should seek advice from their accountant,
solicitor or other professional adviser without delay.

TIME AND PLACE OF MEETING AND HOW TO VOTE

VENUE

The Annual General Meeting of Shareholders of MacPhersons Resources Ltd which this Notice of Meeting relates to will be held at 3.00pm WST on 24 November 2016 at the Kalgoorlie Boulder Chamber of Commerce and Industry Meeting Rooms, 58 Egan Street, Kalgoorlie, Western Australia.

YOUR VOTE IS IMPORTANT

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

VOTING IN PERSON

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

VOTING BY PROXY

To vote by proxy, please complete and sign the Proxy Form enclosed and either:

- (a) send the Proxy Form by post to MacPhersons Resources Ltd, PO Box Z5183, Perth WA 6831; or
- (b) send the Proxy Form by facsimile to the Company on facsimile number (08) 9218 8875.

so that it is received not later than 3.00pm WST on 22 November 2016.

Proxy forms received later than this time will be invalid.

NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Annual General Meeting of Shareholders of MacPhersons Resources Ltd will be held at Kalgoorlie Boulder Chamber of Commerce and Industry Meeting Rooms, 58 Egan Street, Kalgoorlie, Western Australia at 3.00pm WST on 24 November 2016.

The Explanatory Statement annexed to this Notice of Meeting provides additional information on matters to be considered at the Annual General Meeting. The Explanatory Statement and the Proxy Form are part of this Notice of Meeting.

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Annual General Meeting are those who are registered Shareholders at the close of business on 22 November 2016.

Terms and abbreviations used in this Notice of Meeting and Explanatory Statement are defined in the Glossary.

AGENDA

The business to be transacted at the Annual General Meeting is the consideration of Item 1 and proposal of Resolutions 1 and 5 (inclusive) as set out below.

Item 1 – Financial Statement and Reports: 2015/2016

To receive and consider the 2016 Annual Report, together with the Directors' report and auditor's report for the financial year ended 30 June 2016.

Resolution 1 – Approval of Remuneration Report: 2015/2016

To consider and, if thought fit, pass 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 as set out in the Directors' Report for the year ended 30 June 2016 be adopted."

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

Voting Exclusion

A vote in respect of Resolution 1 must not be cast (in any capacity) by or on behalf of any of the following persons:

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

However, a person (the **voter**) described above may cast a vote on this Resolution 1 as a proxy if the vote is not cast on behalf of a person described above and either:

- (a) the voter is appointed as proxy by writing that specifies the way the proxy is to vote on this Resolution 1; or
- (b) the voter is the Chairman and the appointment of the Chairman as proxy:
 - (i) does not specify the way the proxy is to vote on this Resolution 1; and
 - (ii) expressly authorises the Chairman to exercise the proxy even if this Resolution 1 is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

Resolution 2 – Re-election of Director – Mr Ashok Parekh

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

"That Mr Ashok Parekh, being a director of the Company, retires by rotation and, being eligible, offers himself for re-election, is re-elected as a Director in accordance with clause 11.1 of the Constitution."

Resolution 3 – Approval of Employee Incentive Plan

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

"That in accordance with Exception 9 of Listing Rule 7.2, and for all other purposes, Shareholders approve the Employee Incentive Plan and the issue of Awards under the Employee Incentive Plan, as described in the Explanatory Memorandum."

Voting exclusion: The Company will disregard any votes cast on this Resolution by the Directors and any of their Associates.

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 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 the relevant Resolution.

However, the above prohibition does not apply if:

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

Resolution 4 – Approval of issue of Options to Mr Jeffrey Williams

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

“That, subject to the passing of Resolution 4 for the purposes of section 208 of the Corporations Act and Listing Rule 10.14, and for all other purposes, approval is given for the issue of 2,500,000 Options with an exercise price of \$0.15 and expiry date 36 months from the date of issue to Mr Jeffrey Williams (and/or his nominee) under the Employee Incentive Plan as set out in the Explanatory Statement.”

Voting exclusion: The Company will disregard any votes cast on this Resolution by Mr Jeffrey Williams and any of his 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 the direction on the Proxy Form to vote as the proxy decides.

Resolution 5 – Approval of 10% Placement Facility

To consider and, if thought fit, pass the following resolution as a **special resolution**:

“That, for the purposes of Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of Equity Securities totalling up to 10% of the issued capital of the Company (at the time of issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2, over a 12 month period from the date of the Annual General Meeting, at a price not less than that determined pursuant to Listing Rule 7.1A.3 and otherwise on the terms and conditions in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution 5 by a person (and any Associates of such a person) who may participate in the 10% Placement Facility and a person who might obtain a benefit (and any Associates of such a person), except a benefit solely in the capacity of a holder of Shares, if Resolution 5 is passed.

However, the Company need not disregard a vote if:

- (a) it is cast by the person as 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.

DATED: 7 October 2016

BY ORDER OF THE BOARD



**STEPHEN HEWITT-DUTTON
COMPANY SECRETARY
MACPHERSONS RESOURCES LTD**

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared for the information of the Shareholders in connection with the business to be conducted at the Annual General Meeting of MacPhersons Resources Ltd to be held at the Kalgoorlie Boulder Chamber of Commerce and Industry Meeting Rooms, 58 Egan Street, Kalgoorlie, Western Australia at 3.00pm WST on 24 November 2016.

The purpose of this Explanatory Statement is to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions in the Notice of Meeting (of which this Explanatory Statement forms a part).

There are 5 Resolutions to be put to the General Meeting.

Resolutions 1 to 4 (inclusive) are ordinary resolutions. Resolution 5 is a special resolution.

Resolutions 1 and 2 relate to the ordinary business of the Company at an Annual General Meeting, as required by the Listing Rules, the Corporations Act and the Constitution. Each of these Resolutions are not conditional upon the passing of each other Resolution.

Resolutions 3 and 4 relate to the Company's proposed Employee Incentive Plan and the proposed issue of Awards pursuant to the Employee Incentive Plan. Resolution 4 is conditional upon the passing of Resolution 3.

Resolution 5 is a special resolution to approve the additional 10% placement facility under Listing Rule 7.1A.

An explanation of each Resolution is set out below.

ITEM 1 – FINANCIAL STATEMENTS AND REPORT

The 2016 Annual Report, Directors' reports and auditor' reports for the Company for the year ended 30 June 2016 will be laid before the Annual General Meeting. The 2016 Annual Report is also available on ASX's website and the Company's website.

There is no requirement for Shareholders to approve these reports. However, the Chairman will allow a reasonable opportunity for Shareholders to ask questions or make comments about these reports and the management of the Company. Shareholders will also be given an opportunity to ask the auditor questions about the:

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

In addition to taking questions at the Meeting, written questions to the Chairman about the management of the Company, or to the Company's auditor about the content of the auditor's reports of the conduct of the audit may be submitted no later than 5 Business Days before the Annual General Meeting date to the Company Secretary at c/o Trident Capital Level 24, 44 St Georges Terrace Perth WA 6000, or by facsimile on (08) 9218 8875.

RESOLUTION 1 – APPROVAL OF REMUNERATION REPORT

The Remuneration Report of the Company for the financial year ended 30 June 2016 is included in the Directors' report in the Company's annual report for the financial year ended 30 June 2016. The Remuneration Report sets out the Company's remuneration arrangements for the executive and non-executive Directors and executive Employees.

Section 249L(2) of the Corporations Act requires a company to inform shareholders that a resolution on the Remuneration Report will be put at the Annual General Meeting. Section 250R(2) of the Corporations Act provides that a resolution that the Remuneration Report be adopted must be put to the vote. Resolution 1 seeks the adoption of the Remuneration Report.

However, Shareholders should note that in accordance with Section 250R(3) of the Corporations Act, Resolution 1 is an “advisory only” Resolution and does not bind the Directors or the Company.

Following consideration of the Remuneration Report at the Annual General Meeting, the Chairman, in accordance with Section 250SA of the Corporations Act, must give Shareholders a reasonable opportunity to ask questions about, or make comments on, the Remuneration Report.

Section 250V of the Corporations Act provides that if the resolution to approve the Remuneration Report receives “no” votes of 25% or more at two successive annual general meetings of the Company, the Shareholders will be required to vote at the second of those annual general meetings on a resolution (“spill resolution”) that an extraordinary meeting be held at which all of the Directors (except the Managing Director) must stand for re-election. If more than 50% of Shareholders vote in favour of the spill resolution, the Company must convene the extraordinary meeting (“spill meeting”) within 90 days of the second annual general meeting. All of the Directors who were in office when the resolution to make the 2017 Director’s report was passed, other than the Managing Director (who may in accordance with the Listing Rules continue to hold office indefinitely without being re-elected to office), will cease to hold office immediately before the end of the spill meeting but may stand for re-election at the spill meeting. Following the spill meeting, those persons whose election or re-election as Directors is approved will be the Directors.

Section 250R of the Corporations Act restricts the Chairperson, Key Management Personnel and any Closely Related Parties of them from voting on a Remuneration Report.

Section 250R(4) of the Corporations Act prohibits any votes on this Resolution 1 being cast by Key Management Personnel or a Closely Related Party, whose remuneration details are disclosed in the Remuneration Report. This prohibition extends to undirected proxy votes to be cast by the Chairman. In this regard, you should specifically note that if you indicate on the Proxy Form that you do not wish to specify how your proxy should vote on Resolution 1, you will be deemed to have expressly directed the Chairman to cast your votes in favour of Resolution 1.

What this means for Shareholders: If you wish to appoint the Chairman as your proxy but do NOT want your votes to be cast in favour of Resolution 1, you must indicate your voting intention by marking either “against” or “abstain” on Resolution 1 in the Proxy Form. Please see the Proxy Form for further information on such appointments.

RESOLUTION 2 – RE-ELECTION OF DIRECTOR

Clause 11.1 of the Constitution requires that one third (or the number nearest one-third) of Directors (excluding the Managing Director) must retire at each annual general meeting and may be re-elected. Accordingly, Mr Ashok Parekh retires, but being eligible, offers himself for re-election as a Director.

A brief summary of Mr Parekh is detailed below:

Mr Ashok Parekh is a Chartered Accountant, with over 38 years’ experience, who owns a large accounting practice in Kalgoorlie, which he has operated for 32 years. He was awarded the Centenary Medal in 2003 by the Governor General of Australia, and was recently awarded the Meritorious Service Award by Chartered Accountants Australia and New Zealand, the highest award granted by the Institute in Australia.

Mr Parekh has over 32 years’ experience in providing advice to mining companies and service providers to the mining industry. He has spent many years negotiating with public listed companies and prospectors on mining deals which have resulted in new IPOs and the commencement of new gold mining operations. He has also been involved in the management of gold mining and milling companies in the Kalgoorlie region, and has been the Managing Director of some of these companies. He is well known in the West Australian mining industry and has a very successful background in the ownership of numerous businesses in the Goldfields, including Coolgardie Custom Milling, a toll processing gold and nickel plant which Ashok and his partner operated in the Goldfields for 12 years.

The Board (excluding Mr Parekh) recommends that Shareholders vote in favour of Resolution 2.

RESOLUTION 3 – APPROVAL OF EMPLOYEE INCENTIVE PLAN

Resolution 3 is an ordinary resolution which provides for the approval of the proposed employee incentive plan (**Plan**). A copy of the Plan is included as Annexure A and a summary of the Plan is set out below.

The Plan forms what the Board considers to be an important element of the Company's total remuneration strategy for officers and staff. The Board resolved to adopt the Plan on 4 October 2016, and is now seeking Shareholder approval of the Plan.

Summary of the Plan

Objectives

The primary objectives of the Plan are to:

- (a) establish a method by which eligible participants can participate in the future growth and profitability of the Company;
- (b) to provide an incentive and reward for eligible participants for their contribution to the Company; and
- (c) attract and retain a high standard of managerial and technical personnel for the benefit of the Company.

Set out below is a summary of the Plan Rules.

(a) Eligible Participants

Under the Plan, the Board has the ability to issue either:

- (i) an Option; or
- (ii) a Performance Right,

as applicable (**Award**).

The Board at its sole discretion may invite any eligible person selected by it to complete an application relating to a specified number of Awards allocated to that eligible person by the Board. The Board may offer Awards to any eligible person it determines and determine the extent of that person's participation in the Plan (**Participant**).

An offer by the Board is required to specify, among other things, the type of Award offered, the date and total number of Awards granted, the exercise price and exercise period in the case of an Option and any other matters the Board determines necessary, including the exercise conditions and disposal restrictions attaching to the Awards.

(b) 5% Limit

The Plan has been prepared to comply with ASIC Class Order [CO 14/1000] (**Class Order**) and as such, offers under the Plan are limited to the 5% capital limit set out in the Class Order.

(c) Award Rights

Unless the Board determines otherwise, Awards granted under the Plan are not capable of being transferred or encumbered by a Participant. Awards do not carry any voting or dividend rights however Shares issued to Participants on the exercise of an Award carry the same rights and entitlements as other Shares on issue. The Company will not seek quotation of any Awards on the ASX however will seek quotation for Shares issued on the exercise of Awards.

(d) Exercise of Awards

At the sole and absolute discretion of the Board, and in general terms, Awards granted under the Plan may only be exercised if particular exercise or vesting conditions have been met, the exercise price has been paid to the Company (in the case of Options) and the Awards are exercised within the respective exercise period. An Award granted under the Plan may not be exercised once it has lapsed.

(e) Cashless Exercise Facility

Under the terms of the Plan, a Participant may request to pay the exercise price for an Option by setting off the exercise price against the number of Shares which they are entitled to receive upon exercise (**Cashless Exercise Facility**). By using the Cashless Exercise Facility, the holder will receive Shares

to the value of the surplus after the exercise price has been set off. Any such request must be expressly made by the Participant in the exercise notice. The Board may approve or refuse the request in its sole and absolute discretion.

(f) Change of Control Event

On the occurrence of a change of control event, being, in general terms, an unconditional takeover bid under Chapter 6 of the Corporations Act, a court sanctioned scheme of arrangement or any other merger involving the Company occurs which results in the holders of Shares holding 50% or less of the voting shares in the Company, the Board may in its sole discretion determine that all or a percentage of unvested Awards will vest and become exercisable in accordance with the Plan Rules.

(g) Cessation of Employment

If a Participant ceases to be a director, employee or a contractor of any member of the Company's group, being associated bodies corporate of the Company, due to his or her resignation, redundancy, dismissal for cause or poor performance on or before the relevant exercise period, the Awards will lapse.

If a Participant ceases to be a director, employee or a contractor of any member of the Company's group, being associated bodies corporate of the Company, due to his or her resignation, redundancy, dismissal for cause or poor performance during the exercise period, the expiry date is adjusted to 60 days (in cases of resignation or redundancy) or 30 days (in cases of dismissal for cause or poor performance) after the termination date (or a later date determined by the Board).

(h) Fraudulent Behaviour

If, in the opinion of the Board, a Participant has acted fraudulently or dishonestly, the Board may determine that any Award granted to that Participant should lapse, and the Award will lapse accordingly.

(i) Reconstruction of Share Capital

If the event of any reconstruction of the share capital of the Company, the number of Awards to which each Participant is entitled and/or the exercise price in the case of Options must be reconstructed in accordance with the ASX Listing Rules. Awards must be reconstructed in a manner which is fair with respect to the Participants and the holders of other securities in the Company, subject to the ASX Listing Rules.

(j) Participation Rights

Holders of Awards issued under the Plan may only participate in new issues of securities by the Company if they have first exercised their Awards within the relevant exercise period and become a shareholder of the Company prior to the relevant record date and are then only entitled to participate in relation to Shares of which they are a registered holder.

(k) Compliance with Laws

Awards may not be granted and/or Shares may not be allotted and issued, acquired, transferred or otherwise dealt with under the Plan if to do so would contravene the Corporations Act or any other applicable laws or regulations.

The Plan Rules contain customary and usual terms having regard to Australian law for dealing with administration, variation and termination of the Plan.

Listing Rule 7.2, Exception 9(b)

Listing Rule 7.1 provides that a company must not, without shareholder approval, subject to certain exceptions, issue during any 12 month period any equity securities or other securities with rights of conversion to equity (such as an option or a performance right), if the number of those securities exceeds 15% of the number of securities in the same class on issue at the commencement of that 12 month period.

Under Exception 9(b) in Listing Rule 7.2, shareholders may approve the issue of equity securities under an employee incentive scheme as an exception to Listing Rule 7.1. If such approval is obtained, Listing Rule 7.1

does not apply to an issue of equity securities in the Company made under an employee incentive plan within three years of the approval.

The grant of any securities to a director of the Company will require specific approval under Listing Rule 10.14.

Directors' recommendation

The Directors unanimously recommend that Shareholders vote in favour of Resolution 3.

RESOLUTION 4 – PROPOSED ISSUE OF OPTIONS TO MR JEFFREY WILLIAMS AND/OR HIS NOMINEE

Resolution 4 seeks the approval of Shareholders to issue a total of 2,500,000 Options to Mr Jeffrey Williams (and/or his nominee). Approval is sought pursuant to section 208 of the Corporations Act and Listing Rule 10.14.

Background

The Options contemplated by Resolution 4 will be issued to Mr Williams to align his long term goals with that of Shareholders and to establish an incentive for him to provide ongoing dedicated services to the Company. The Options are intended to provide remuneration to Mr Williams (and/or his nominee) that is linked to the performance of the Company. The benefit would only be received from the Options upon the Share price exceeding the exercise price of the Options and thereby warranting their exercise.

Under the Company's current circumstances, the Directors consider that the incentive noted above, represented by the issue of Options, is a cost effective and efficient reward and incentive to provide Mr Williams, as opposed to alternative forms of incentive such as the payment of cash compensation only. In addition, the Directors consider it prudent to remunerate Mr Williams by way of Options so as to preserve the cash reserves of the Company.

The Company proposes that the Options will be exercisable at a price of \$0.15 each, a premium of 50% to the share price at the date of this notice. The Options shall be issued, and will vest, upon approval by the Shareholders of Resolution 4, and expire 36 months after issue.

The full terms and conditions of the Options to be granted to Mr Williams (and/or his nominee) are set out in Annexure B.

Section 208 of the Corporations Act

Section 208 of the Corporations Act states that a public company cannot give a "financial benefit" (including an issue of shares and options) to a "related party" of the Company unless one of the exceptions set out in section 210 to 216 of the Corporations Act apply, or the holders of ordinary securities have approved the giving of the financial benefit to the related party in a general meeting.

Mr Williams is a related party of the Company within the meaning specified under section 228 of the Corporations Act. Further, the provision of the Options constitutes a financial benefit within the meaning of section 229 of the Corporations Act. Accordingly, Shareholder approval is sought under section 208 of the Corporations Act to permit the issue of the Options on the terms set out in Resolution 4 to Mr Williams (and/or his nominee) as related parties of the Company.

As required by section 219 of the Corporations Act, the following information is provided in relation to Resolution 4:

(a) Related party to whom the financial benefit is to be given

Mr Jeffrey Williams (and/or his nominee).

(b) Nature of the financial benefit

The number of Options proposed to be issued to Mr Williams (and/or his nominee) is 2,500,000.

(c) **Valuation of the financial benefit**

The Company has prepared a valuation of the Options. The Black-Scholes option pricing model (**B&S Model**) has been applied in providing valuation information in respect to the Options to be granted to Mr Williams. The options value and variables are summarised in the below table.

Item	Value
Underlying share price	\$0.095
Exercise price	\$0.15
Valuation date	6 October 2016
Expiration date	6 October 2019
Life of the Options (years)	3
Volatility	75%
Risk free rate	2.5%
Number of Options	2,500,000
Valuation per Option	\$0.0367
Valuation	\$91,653

Note: Any change in the variables applied in the B&S Model between the date of the valuation and the date that the Options are issued would have an impact on their value.

Assumptions:

- (i) The Options can be exercised at any time during the period after the issue date.
- (ii) There are no transaction costs, options and shares are infinitely divisible, and information is available to all without cost.
- (iii) Short selling is allowed without restriction or penalty.
- (iv) The risk free interest rate is known and constant throughout the duration of the option contract.
- (v) The underlying Shares do not currently pay a dividend.
- (vi) Share prices behave in a manner consistent with a random walk in continuous time.

Based on the B&S Model, the estimated value of the Options proposed to be issued to Mr Williams (and/or his nominee) is \$91,653.

(d) **Current remuneration and Relevant Interests**

Details of Mr Williams' current annualised remuneration, as well as his interests (both direct and interest) in the Company as at the date of the Notice of Meeting are outlined below:

Director	Salary/Fees p.a. (excl. of GST and inclusive of superannuation)
Mr Jeffrey Williams	Annual salary of \$175,000 plus statutory superannuation. Following the Board approving to proceed with development of any of the Company's projects and obtaining financing of the project, Mr Williams' salary will increase to \$250,000 plus statutory superannuation

Mr Williams' interests (both direct and interest) in the Company as at the date of the Notice of Meeting are outlined below:

Director	Shares
	Ordinary Shares
Mr Jeffrey Williams	4,000,000

Notes:

Mr Williams holds the shares through Parkview Super Nominees Pty Ltd <Park View Super Fund A/C> of which he is a beneficiary.

(e) Terms of the Options

Full terms and conditions of the Options are set out in Annexure B.

(f) Dilution

If all of the Options under Resolution 4 were exercised, and no other Shares were issued by the Company, the shareholding of existing Shareholders would, based on the current issued capital of the Company, be diluted by approximately 0.79%.

(g) Opportunity costs to the Company

The Directors do not consider that there are any opportunity costs to the Company or benefits foregone by the Company in granting the Options.

(h) Funds raised

No funds will be raised from the issue of the Options. Funds raised in the event of exercise of the Options will be applied towards working capital requirements or in any other manner that the Board considers appropriate at the relevant time. However, there is no guarantee that any of the Options will be exercised at any future time.

(i) Directors' interests

Mr Jeffrey Williams, as a recipient of the Options, has a material personal interest in the outcome of the Resolution 4.

(j) Directors' recommendation

Refer to section the Directors' recommendation at page 12.

(k) Other information

Other than as set out in this Explanatory Statement, there is no further information which the Shareholders would reasonably require in order to decide whether or not it is in the Company's best interests to pass Resolution 4.

ASX Listing Rule 10.14

ASX Listing Rule 10.14 provides that a company must not issue equity securities to a director or an associate of a director of the company under an employee incentive scheme without the approval of holders of ordinary securities, or to a person whose relationship with the company or a related party of the company is, in ASX's opinion, such that approval should be obtained. Further, ASX Listing Rule 7.2 (Exception 14) states that approval pursuant to ASX Listing Rule 7.1 is not required if shareholder approval is obtained under ASX Listing Rule 10.14.

Mr Williams is a related party of the Company within the definition specified in ASX Listing Rule 19.12. Accordingly, Shareholder approval is sought under ASX Listing Rule 10.14 to permit the issue of 2,500,000 Options to Mr Williams (and/or his nominee) as a related party of the Company on the terms set out in this Explanatory Statement and Annexure B.

The issue of the Options under Resolution 4 will not affect the capacity of the Company to issue securities in the next 12 months under ASX Listing Rule 7.1, as those Options (once issued) will be excluded from the calculations under ASX Listing Rule 7.1.

For the purposes of Listing Rule 10.14, the following information is provided to Shareholders in relation to Resolution 4:

(a) Maximum number of securities to be issued

The maximum number of Options proposed to be issued to Mr Williams (and/or his nominee) is 2,500,000.

(b) Terms for each Option

The Options are issued for no cash consideration. The key terms of the Options to be issued under Resolution 4 are set out in the following table:

Options	
Expiry Date	36 months from the date of issue
Exercise Price	\$0.15
Shares Issued	Fully paid ordinary shares which rank equally with existing Shares on issue
Vesting Criteria	Immediately upon issue

Full terms and conditions of the Options are set out in Annexure B.

(c) Persons referred to in Listing Rule 10.14 who received securities under the Plan since the last approval

No persons referred to in Listing Rule 10.14 have ever received any securities under the Plan.

(d) Persons referred to in Listing Rule 10.14 entitled to participate in the Plan

Mr Jeffrey Williams (and/or his nominee).

(e) Loans in relation to acquisition of Options

There are no loans in relation to the acquisition of Options.

(f) Date by which entity will issue the securities

The Options will be issued as soon as possible after the General Meeting and in any event, no later than 1 month after the General Meeting (or such later date to the extent permitted by any ASX waiver of the ASX Listing Rules).

Directors Recommendations

Mr Jeffrey Williams expresses no opinion and makes no recommendation in respect of the issue of the Options to him (and/or his nominee) as he has a material personal interest in the outcome of Resolution 4.

Each of the other Directors recommend that Shareholders vote in favour of the issue of the Options to Mr Jeffrey Williams (and/or his nominee) for the reasons set out in this Explanatory Statement and on the basis that, in their opinion, the proposed issue of Options:

- (a) provides a long-term incentive to Mr Williams linked to the future success of the Company;
- (b) is a fair and reasonable alternative to additional cash payment of Director's fees;
- (c) recognises the contribution Mr Williams has and will continue to make to the Company; and

- (d) is in line with the remuneration benefits paid to directors of other companies operating in the Company's industry and business environment.

RESOLUTION 5 – APPROVAL OF 10% PLACEMENT FACILITY

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 annual general meeting (**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 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 1(c) below).

The Board believes that Resolution 5 is in the best interests of the Company and unanimously recommend that Shareholders vote in favour of this Resolution.

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 annual general meeting.

(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 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 annual general meeting, 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:

- plus the number of fully paid shares issued in the 12 months under an exception in Listing Rule 7.2;
- plus the number of partly paid shares that became fully paid in the 12 months;
- 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;
- less the number of fully paid shares cancelled in the 12 months.

Note that A has the same meaning as in Listing Rule 7.1 when calculating an entity's 15% placement capacity.

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.

At the date of the Notice, the Company has on issue 317,166,611 Shares and capacity to issue:

- (i) subject to Shareholder approval being obtained under Resolutions 3 to 5, 47,574,991 Equity Securities under Listing Rule 7.1; and
- (ii) subject to Shareholder approval being obtained under Resolutions 3 to 5, 31,716,661 Equity Securities under Listing Rule 7.1A.

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 1(c) above).

(a) Minimum Issue Price

The issue price of Equity Securities issued under Listing Rule 7.1A must be not less than 75% of the 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) 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 Rule 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**).

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 VWAP for the Company's Equity Securities 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 5 is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Facility, the existing Shareholders' voting power in the Company will be diluted as shown in the below table (in the case of Unlisted Options, only if the Unlisted Options are exercised). 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 Annual General 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 below table shows the 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 the Notice.

The table also 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 50% as against the current market price.

Variable A in Listing Rule 7.1A.2		Dilution		
		\$0.0475 50% decrease in Market Price	\$0.095 Current Market Price	\$0.19 100% increase in Market Price
Current Variable A 317,166,611 ⁽¹⁾	10% Voting Dilution	31,716,661 Shares	31,716,661 Shares	31,716,661 Shares
	Funds raised	\$1,506,541	\$3,013,083	\$6,026,166
50% increase in current Variable A 475,749,917	10% Voting Dilution	47,574,991 Shares	47,574,991 Shares	47,574,991 Shares
	Funds raised	\$2,259,812	\$4,519,624	\$9,039,248
100% increase in current Variable A 634,333,222	10% Voting Dilution	63,433,322 Shares	63,433,322 Shares	63,433,322 Shares
	Funds raised	\$3,013,083	\$6,026,166	\$12,052,331

(1) This figure is the total current number of Shares on issue as at the date of the Notice.

The table has been prepared on the following assumptions:

- (i) The Company issues the maximum number of Equity Securities available under the 10% Placement Facility.

- (ii) No Unlisted Options (including any Unlisted Options issued under the 10% Placement Facility) are exercised into Shares before the date of the issue of the Equity Securities;
 - (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 that Shareholder's holding at the date of the Annual General Meeting.
 - (v) The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.
 - (vi) The issue of Equity Securities under the 10% Placement Facility consists only of Shares. If the issue of Equity Securities includes Unlisted Options, it is assumed that those Unlisted Options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.
 - (vii) The issue price is \$0.10, being the closing price of the Shares on ASX on 6 October 2016.
- (c) The Company will only issue the Equity Securities during the 10% Placement Period. The approval under Resolution 5 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 resource assets and 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 the exploration activities at its existing projects and/or for acquisition of new assets or investments (including expenses associated with such acquisition) and 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.

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 persons to whom the Equity Securities will be issued will be determined on a case-by-case basis having regard to the factors including but not limited to the following:

- (i) the purpose of the issue;
- (ii) 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;
- (iii) the effect of the issue of the Equity Securities on the control of the Company;
- (iv) the financial situation and solvency of the Company;
- (v) prevailing market conditions; and
- (vi) advice from corporate, financial and broking advisers (if applicable).

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

If the Company is successful in acquiring new resource assets or investments, it is likely that the persons issued securities under the 10% Placement Facility will be the vendors of the new resources assets or investments.

- (e) The Company has previously obtained Shareholder approval under Listing Rule 7.1A at the Annual General Meeting held on 26 November 2015.
- (f) A voting exclusion statement is included in the Notice. 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.
- (g) Details of securities issued during the 12 months preceding the date of the meeting.

During the 12 months preceding the date of the meeting the Company did not issue any Shares.

GLOSSARY

10% Placement Facility has the meaning given in the section of the Explanatory Statement that relates to Resolution 5.

10% Placement Period has the meaning given in the section of the Explanatory Statement that relates to Resolution 5, section 1(f).

2016 Annual Report means the Company's annual report including the reports of the Directors and auditor and the financial statements of the Company for the year ended 30 June 2016.

Annual General Meeting or **Meeting** means the annual general meeting of the Company to be held at The Kalgoorlie Boulder Chamber of Commerce and Industry Meeting Rooms, 58 Egan Street, Kalgoorlie, Western Australia, on 24 November 2016 commencing at 3.00pm (WST).

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited (ASX 008 624 691).

ASX Listing Rules or **Listing Rules** means the Listing Rules of the ASX and any other rules of the ASX which are applicable while the entity is admitted to the Official List of the ASX, each as amended or replaced from time to time, except to the extent of any express written waiver by the ASX.

Associate has the meaning set out in sections 11 to 17 of the Corporations Act,

Award means:

- (i) an Option; or
- (ii) a Performance Right,

as applicable;

Business Day means a day on which banks in Perth, Western Australia are generally open for business, except a Saturday, Sunday and gazetted public holiday.

Board means the board of Directors.

Chairman or **Chairperson** means Mr Ashok Parekh.

Closely Related Party means a closely related party of a member of Key Management Personnel as defined in Section 9 of the Corporations Act, being:

- (a) a spouse or child of the member;
- (b) a child of that member's spouse;
- (c) a dependant of that member or of that member's spouse;
- (d) anyone else who is one of that member's family and may be expected to influence that member, or be influenced by that member, in that member's dealings with the Company;
- (e) a company that is controlled by that member; or
- (f) any other person prescribed by the regulations.

Company or **MacPhersons** means MacPhersons Resources Ltd (ACN 139 357 967).

Constitution means the constitution of the Company.

Corporations Act means the Corporations Act 2001 (Cth).

Director means a director of the Company.

Employee means a person employed by MacPhersons.

Explanatory Statement means the explanatory statement accompanying the Notice.

Equity Securities has the meaning given in the Listing Rules.

Key Management Personnel means the key management personnel of the Company as defined in Section 9 of the Corporations Act and Australian Accounting Standards Board accounting standard 124, being those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise).

Listing Rules means the listing rules of ASX.

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

Option means an option issued for nil or nominal monetary consideration to subscribe for a Share issued in accordance with the Plan;

Performance Right means a conditional right issued to an employee or prospective employee of the Company (and/or their nominee) under the Plan to receive a Share;

Plan means the employee incentive plan of the Company as included in Annexure A.

Proxy Form means the proxy form accompanying the Notice.

Related Party means a party so defined by section 228 of the Corporations Act.

Remuneration Report means that section of the Directors' report under the heading "Remuneration Report" set out in the 2016 Annual Report.

Securities means Shares or other Equity Securities

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

Shareholder means a shareholder of the Company.

Sophisticated or **Professional Investor** has the meanings given in Sections 708(8) to 708(11) of the Corporations Act.

Trading Days has the meaning given in the Listing Rules.

VWAP means volume weighted average price.

WST means Western Standard Time.

End.

Annexure A

Employee Incentive Plan

EMPLOYEE INCENTIVE PLAN

MacPhersons Resources Limited (ACN
139 357 967)

(Company)

PHONE (61-8) 6211 5000 | FAX (61-8) 6211 5055 | ABN 83 662 050 668
POSTAL ADDRESS PO Box Z5433, St Georges Tce Perth WA 6831
ADDRESS Level 24 St Martins Tower 44 St Georges Tce
Perth WA 6000



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This Employee Incentive Plan is dated

2016.

Background

A. This document sets out the Rules of the Company's Employee Incentive Plan.

1 Objectives

The objectives of the Plan are to:

- (a) establish a method by which Eligible Participants can participate in the future growth and profitability of the Company;
- (b) provide an incentive and reward for Eligible Participants for their contribution to the Company; and
- (c) attract and retain a high standard of managerial and technical personnel for the benefit of the Company.

2 Interpretation

2.1 Definitions

In this Plan:

- (a) **5% Limit** has the meaning set out in Rule 3.1(a);
- (b) **Applicable Law** means any one or more or all, as the context requires:
 - (i) the Corporations Act;
 - (ii) the Listing Rules;
 - (iii) the Constitution;
 - (iv) the Income Tax Assessment Act 1936 (Cth) and the Income Tax Assessment Act 1997 (Cth);
 - (v) any practice note, policy statement, regulatory guide, class order, declaration, guidelines, policy, procedure, ruling, judicial interpretation or other guidance note made to clarify, expand or amend (a), (b) and (d) above; and
 - (vi) any other legal requirement that applies to the Plan;
- (c) **Application** means an application in the form as the Directors may from time to time prescribe, accepting an offer from the Board to apply for Awards;
- (d) **Application Date** means the date on which an Application is lodged with the Company by an Eligible Participant (or its nominee) in accordance with the requirements of this Plan;
- (e) **ASIC** means the Australian Securities and Investments Commission;
- (f) **Associated Body Corporate** means a Body Corporate:
 - (i) that is a Related Body Corporate of the Company;
 - (ii) that has Voting Power in the Company of not less than 20%; and
 - (iii) in which the Company power has Voting Power of not less than 20%.

- (g) **ASX** means ASX Limited ACN 008 624 691 operating as the Australian Securities Exchange;
- (h) **Award** means:
 - (i) an Option; or
 - (ii) a Performance Right,
 as applicable;
- (i) **Bad Leaver** means a Participant whose employment or engagement with any Group Company ceases in any of the following circumstances:
 - (i) the Participant's employment or engagement is terminated, or the Participant is dismissed from office, due to:
 - (A) serious and wilful misconduct;
 - (B) material breach of the terms of any contract of employment, engagement or office entered into by any Group Company and the Participant;
 - (C) gross negligence; or
 - (D) other conduct justifying termination of employment, engagement or office without notice either under the Participant's contract of employment or engagement or office, or at common law;
 - (ii) the Participant ceases his or her employment or engagement or office for any reason and commences employment, engagement or office, or otherwise acts, in breach of any post-termination restrictions contained in his or her contract of employment, engagement or office entered into by the relevant Group Company and the Participant; or
 - (iii) the Participant is ineligible to hold his or her office for the purposes of Part 2D.6 of the Corporations Act.
- (j) **Blackout Period** means a period when the Participant is prohibited from trading in the Company's securities under the Company's Securities Trading Policy;
- (k) **Board** means the Directors, from time to time, acting as a board or as a committee of the Board which is responsible for administering this Plan;
- (l) **Body Corporate** has the meaning given the Corporations Act;
- (m) **Business Day** means a day on which banks are open for general banking business in Western Australia, excluding Saturdays, Sundays and public holidays in Western Australia;
- (n) **Buy-Back** means the purchase by the Company of Awards prior to their exercise pursuant to Rule 20;
- (o) **Cashless Exercise Facility** has the meaning given in Rule 7.6(a);
- (p) **Casual Employee** in relation to a body, means an individual who 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 the body;
- (q) **Certificate** means the certificate or holding statement issued by the Company to a Participant in respect of an Award;

- (r) **Change of Control Event** occurs where:
- (i) an offer is made for Shares pursuant to a takeover bid under Chapter 6 of the Corporations Act and is, or is declared, unconditional;
 - (ii) the Court sanctions 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;
 - (iii) 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% or less of the voting shares in the body corporate resulting from the merger, consolidation or amalgamation;
 - (iv) any Group Company or Group Companies enter 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;
 - (v) 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;
- (s) **Company** means MacPhersons Resources Limited (ACN 139 357 967);
- (t) **Contractor** means, in relation to a body:
- (i) an individual with whom the body has entered into a contract for the provision of services under which the individual performs work for the body; or
 - (ii) a company with whom the body 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 the body,
- where the individual who performs the work under or in relation to the contract must, or 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 the body.
- (u) **Control** has the meaning given to the term in section 50AA of the Corporations Act;
- (v) **Corporations Act** means the *Corporations Act 2001* (Cth);
- (w) **Director** means a director of the Company from time to time;
- (x) **Eligible Participant** means any person who is designated by the Board to be an Eligible Participant under this Plan who satisfies the requirements of ASIC Class Order [CO 14/1000], or any amendment or replacement thereof, including a:
- (i) full-time or part-time employee (including an executive Director);
 - (ii) non-executive Director;
 - (iii) Contractor;
 - (iv) Casual Employee; or
 - (v) Prospective Participant.

- (y) **Exercise Notice** means a notice for the exercise of Awards in accordance with the Rules in the form attached to the Offer Document or in such other form as the Board may from time to time prescribe;
- (z) **Exercise Period** means the period during which a vested Award may be exercised as set out in Rule 71;
- (aa) **Exercise Price** means the price per Plan Share payable in cash upon exercise of an Option, as specified by the Board in an Offer, and determined by the Board in its sole and absolute discretion;
- (bb) **Expiry Date** means 5.00pm Western Standard Time in Australia on the day which is 5 years after the date of issue of an Award or any other date determined by the Board and as specified in the Offer, after which the Award lapses and may no longer be exercised or converted;
- (cc) **Final Acceptance Date** means the final date that an Eligible Participant may accept an Offer;
- (dd) **Good Leaver** means a Participant who ceases employment or engagement with any Group Company ceases and who is not a Bad Leaver, and includes where a Participant's employment or engagement ceases due to death, permanent incapacity, redundancy, resignation, retirement or any other reason the Board determines in its sole and absolute discretion;
- (ee) **Grant Date** means the date on which Awards are granted to a Participant and specified in the Offer;
- (ff) **Group** means the Company and its Associated Bodies Corporate and **Group Company** means any one of them;
- (gg) **Listing Rules** means the Listing Rules of the ASX as amended from time to time;
- (hh) **Offer** means an offer of Awards made in accordance with Rule 4;
- (ii) **Offer Document** means an offer document that complies with Rule 4.3 and is otherwise in the form approved by the Board from time to time;
- (jj) **Official List** means the official list of the ASX;
- (kk) **Option** means an option issued for nil or nominal monetary consideration to subscribe for a Share issued in accordance with this Plan and subject to the satisfaction of any Vesting Conditions and payment of the relevant Exercise Price;
- (ll) **Participant** is an Eligible Participant or Permitted Nominee to whom an Award has been granted;
- (mm) **Performance Right** means a conditional right issued to a Participant under the Plan to receive a Share, subject to the terms of the Offer and these Rules;
- (nn) **Permitted Nominee** means in respect of an Eligible Participant:
 - (i) an immediate family member of the Eligible Participant who is at least 18 years of age;
 - (ii) a company whose members comprise no persons other than the Eligible Participant or immediate family members of the Eligible Participant; or
 - (iii) a corporate trustee of a self-managed superannuation fund (within the meaning of the *Superannuation Industry (Supervision) Act 1993* (Cth)), where the Eligible Participant is a director of the trustee.
- (oo) **Plan** means this Employee Incentive Plan established and operated in accordance with these Rules, as amended from time to time;

- (pp) **Plan Shares** means any Shares issued pursuant to this Plan on exercise of an Award;
- (qq) **Prospective Participant** means a person to whom an offer of an Award is made, but who can only accept the offer if an arrangement is entered into that will result in the person becoming an Eligible Participant of a kind other than a Prospective Participant;
- (rr) **Quotation** means the quotation of the Company's Shares on the Official List;
- (ss) **Related Body Corporate** has the same meaning as given to that term in the Corporations Act;
- (tt) **Restricted Award** means an Award or a Plan Share in respect of which a restriction on sale or disposal applies (as specified in the Offer and determined by the Board in its sole and absolute discretion);
- (uu) **Restricted Period** means the period during which Awards or Plan Shares must not be sold or disposed of (as specified in the Offer and determined by the Board in its sole and absolute discretion);
- (vv) **Rules** means these rules in respect of the operation of the Plan;
- (ww) **Securities Trading Policy** means the Company securities trading policy, as amended from time to time;
- (xx) **Security Interest** means a mortgage, charge, pledge lien, encumbrance of other third party interest of any nature;
- (yy) **Share** means a fully paid ordinary share in the Company;
- (zz) **Shareholder** means any holder of one or more Shares;
- (aaa) **Tax** means all forms of taxes (including, without limitation, PAYG withholding, income tax and fringe benefits tax), imposts, charges, withholdings or other governmental impositions collected, imposed, assessed or charged by a taxation authority and any related interest penalties, fines, expenses and other additional statutory charges.
- (bbb) **Term** means the period commencing on the Grant Date and ending on the Expiry Date (inclusive);
- (ccc) **Termination Date** means the date the termination of directorship, employment or consultancy arrangement of an Eligible Participant takes effect, under the Eligible Participant's written employment agreement or consultancy agreement or otherwise.
- (ddd) **Vesting Conditions** means any time based criteria, requirements, conditions or milestones (as specified in the Offer and determined by the Board in its sole and absolute discretion) which must be met prior to Awards vesting in a Participant, which the Board may throughout the course of the period between the grant of an Award and its vesting waive or accelerate as the Board considers reasonably appropriate;
- (eee) **Vesting Date** means the date that the Company issues a Vesting Notification to a Participant;
- (fff) **Vesting Notification** means a notice to a Participant informing the Participant that his or her Awards have vested and are exercisable;
- (ggg) **Voting Power** has the meaning given in the Corporations Act; and
- (hhh) **Withholding Tax Amount** has the meaning set out in Rule 17.2.

2.2 Interpretation

In the interpretation of this Plan, headings are for convenience only and, unless the context otherwise requires:

- (a) any word or phrase used in this Plan which is not defined but which is defined in the Listing Rules has the same effect as that contained in the Listing Rules;
- (b) words importing any gender include all genders;
- (c) the singular includes the plural and vice versa;
- (d) references to Rules and annexures are references to Rules and annexures of and to this Plan;
- (e) the word “includes” in any form is not a form of limitation;
- (f) a person includes a natural person, partnership, joint venture, government agency, association, corporation or other body corporate;
- (g) a document includes all amendments or supplements to that document;
- (h) a monetary amount is in Australian dollars;
- (i) when the day on which something must be done is not a Business Day, that thing must be done on the following Business Day; and
- (j) in determining the time of day, where relevant to these Rules, the relevant time of day is:
 - (i) for the purposes of giving or receiving notices, the time of day where a party receiving a notice is located; or
 - (ii) for any other purpose under these Rules, the time of day in the place where the party required to perform an obligation is located.

3 The Plan

3.1 Plan limit

- (a) The Directors will not make an Offer or issue Awards in accordance with the Plan if the total number of Plan Shares which are the subject of the Awards, 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) an employee incentive scheme of the Company or an Associated Body Corporate, where offers were covered by ASIC Class Order [CO 14/1000] or an individual instrument made by ASIC in terms similar to ASIC Class Order [CO 14/1000]; or
 - (ii) an employee incentive scheme or employee share scheme of the Company or an Associated Body Corporate, where the offers were covered by ASIC Class Order [CO 03/184] or an individual instrument made by ASIC in terms similar to that class order,would exceed 5 per cent of the total number of issued Shares in the Company as at the time of the Offer or issue (**5% Limit**).
- (b) The 5% Limit shall be subject to adjustment or increase pursuant to the provisions of Rule 14.1 or as may otherwise be permitted by Applicable Law.

- (c) Where an Award lapses without being exercised, the Shares which would have otherwise been received on the exercise of the Award are ignored when calculating the 5% Limit.

3.2 Administration of the Plan

Subject to the requirements of the Listing Rules and the Corporations Act, the Board will administer the Plan and determine:

- (a) the persons to whom the Awards will be offered under the Plan;
- (b) the number of Awards which may be offered to those persons;
- (c) any approvals required under the Listing Rules or otherwise; and
- (d) any performance associated criteria that must be satisfied by a Participant.

Every exercise of a discretion by the Board and any decision by the Board regarding the interpretation, effect or application of these Rules will be final, conclusive and binding.

3.3 Directors

Where required in accordance with the requirements of the Listing Rules and/or the Corporations Act, Awards may not be offered to a Director or his or her associates except where approval is given by the Shareholders of the Company in a general meeting.

4 Offers

4.1 Eligibility

The Board may from time to time in its sole and absolute discretion determine that an Eligible Participant may participate in the Plan.

4.2 Offer to Eligible Participants

Following determination that an Eligible Participant may participate in the Plan, the Board may from time to time make an Offer in writing to an Eligible Participant in the form of the Offer Document or in a form approved by the Board from time to time. Subject to Rule 4.3, the manner form, content, timing and frequency of an Offer will be as determined by the Board in its sole and absolute discretion.

4.3 Form of Offer Document

Each Offer Document (which need not be the same for each Eligible Participant) must specify:

- (a) the date of the Offer, and the Final Acceptance Date;
- (b) the name and address of the Eligible Participant to whom the Offer is made;
- (c) the type of Award being offered;
- (d) the maximum number of Awards being offered;
- (e) if the Awards are Restricted Awards and, if so, the Restriction Period;
- (f) the Exercise Period and in the case of an Option, the Exercise Price;
- (g) the Vesting Conditions (if any) relating to the Awards being offered;
- (h) the Term and Expiry Date;
- (i) the rights and liabilities attaching to the Plan Shares;
- (j) agreement with the Eligible Participant for the Company to supply details to third parties where required by law;

- (k) any other matters required to be specified in the Offer by either the Corporations Act, the Listing Rules or an applicable ASIC Class Order or instrument of relief; and
 - (l) any other terms and conditions attaching to the Awards,
- and attach an Application and a copy of this Plan.

4.4 Deferred Taxation

Subdivision 83A-C of the *Income Tax Assessment Act 1997* applies to the Plan except to the extent an Offer provides otherwise.

5 Application for Awards

5.1 Acceptance

- (a) An Eligible Participant who wishes to accept an Award must confirm in writing its acceptance of the conditions of the grant or issue of Awards (as applicable) and the Rules governing such Awards as a condition of its participation by giving to the Company a duly completed Application by the Final Acceptance Date.
- (b) For the avoidance of doubt, the Board in its sole and absolute discretion can refuse to allow an Eligible Participant to participate in the Plan even though an Application is received from the Eligible Participant in accordance with Rule 5.1(a).
- (c) An Eligible Participant may in his or her discretion accept the Offer in whole or in part, in such multiple as the Board may allow in its sole and absolute discretion. An Eligible Participant cannot accept less than the number of Awards that would constitute the minimum parcel determined by the Board.

5.2 Permitted Nominee

- (a) The Board may, in its sole and absolute discretion, determine that an Eligible Participant to whom an Offer is made may give notice that they would prefer such Offer be made to a Permitted Nominee.
- (b) The Board may in its sole and absolute discretion determine whether it will make the Offer to the Permitted Nominee and on what conditions it will agree to do so.
- (c) An Eligible Participant must immediately notify the Company in writing as soon as it becomes aware, in the case of a Permitted Nominee which is a company or trust:
 - (i) that it ceases to Control its Permitted Nominee;
 - (ii) of any transaction which may result in it ceasing to Control its Permitted Nominee; or
 - (iii) that it ceases to have an entitlement (whether or not that entitlement requires an exercise of discretion) to a majority of the distributions of its Permitted Nominee.
- (d) If an Eligible Participant ceases to Control its Permitted Nominee at any time (in the case of a Permitted Nominee which is a company or trust), the Board may determine that any Awards granted to the Permitted Nominee be transferred to the Eligible Participant or to another Permitted Nominee which is acceptable to the Board.

5.3 Participation

Following receipt of an Application by the Final Acceptance Date and subject to Rule 5.1(b), and provided that the Eligible Participant is then still an Eligible Participant of a

Group Company, the Eligible Participant will be entitled to participate in the Plan according to its terms.

5.4 Grant

On the Grant Date, the Company will grant or issue to the relevant Eligible Participant the number of Awards as set out in the Offer and issue the Participant a notice confirming the grant or issue of the Awards together with a Certificate.

5.5 Lapse of Offer

An Offer not accepted in accordance with Rule 5.1 will lapse at 5.00pm Perth time on the Final Acceptance Date.

5.6 Withdrawal of Offer prior to acceptance

The Board reserves the right (subject to any Applicable Law) to withdraw an Offer made to an Eligible Employee, provided that the Offer has not yet been accepted in accordance with Rule 6.1.

6 Terms of Awards

6.1 Plan Shares

Any Plan Share issued pursuant to this Plan pursuant to an exercise or conversion of an Award will rank equally with all existing Shares from the date of issue.

6.2 Participant rights

A Participant who holds Awards is not entitled to:

- (a) notice of, or to vote or attend at, a meeting of the Shareholders of the Company; or
- (b) receive any dividends declared by the Company,

unless and until the Award is exercised or converted and the Participant holds Plan Shares as a result of the exercise or conversion.

6.3 No adjustment to Awards to reflect payment of dividends and distributions

No adjustment will be made to the number of Awards granted to a Participant under the Plan if dividends or other distributions are paid on Shares before Awards are exercised.

6.4 Conditions for vesting

- (a) The Board will determine prior to an Offer being made, and specify in the Offer, any Vesting Conditions attaching to the Awards. The Board may apply different Vesting Conditions to one or more portions of any Awards.
- (b) Awards will only vest if any applicable Vesting Conditions have been satisfied, waived by the Board, or are deemed to have been satisfied under these Rules.

6.5 No transfer of Awards

- (a) Awards granted under this Plan may not be assigned, transferred, novated, encumbered with a Security Interest in or over them, or otherwise disposed of by a Participant, unless:
 - (i) the prior consent of the Board is obtained, which consent may impose such terms and conditions on such assignment, transfer, novation, encumbrance or disposal as the Board sees fit in its sole and absolute discretion; or

- (ii) such assignment or transfer occurs by force of law upon the death of a Participant to the Participant's legal personal representative.
- (b) Unless otherwise decided by the Board, where a Participant purports to transfer an Award other than in accordance with Rule 6.5(a), the Award (as the case may be) immediately lapses.

6.6 New issues

An Award does not confer on a Participant the right to participate in new issues of Shares by the Company, including by way of bonus issue, rights issue or otherwise.

6.7 Awards to be registered

Awards will be registered in the appropriate register of the Company to facilitate the efficient management and administration of the Plan and to comply with regulatory reporting requirements.

6.8 Quotation

The Company will not seek Quotation of any Awards, but will seek Quotation for Plan Shares issued on the exercise or conversion of Awards, provided the Company is listed on the ASX at the time.

6.9 Other terms and conditions

Awards will otherwise be issued on the terms and conditions set out in or included with the Offer, which will be determined by the Board in its sole and absolute discretion.

7 Awards

7.1 Exercise Period

The Exercise Period for Awards will commence when any Vesting Conditions have been satisfied, waived by the Board, or are deemed to have been satisfied under these Rules, and will end on the Expiry Date, subject to these Rules and the terms of the Securities Trading Policy.

7.2 Vesting Notification

Awards are deemed to have vested if and when any Vesting Conditions applicable to a Participant's Awards have been satisfied, waived by the Board, or are deemed to have been satisfied under these Rules, and where the Company has issued a Vesting Notification to the Participant informing it that some or all its Awards have vested and are exercisable.

7.3 Method of exercise of Awards

At the sole and absolute discretion of the Board, following the issuing of a Vesting Notification to a Participant, a vested Award may be exercised by the Participant within the Exercise Period, and by delivery to the registered office of the Company or such other address as determined by the Board of:

- (a) a signed Exercise Notice;
- (b) in the case of Options, a cheque or cash or such other form of payment determined by the Board in its sole and absolute discretion as satisfactory for the amount of the Exercise Price;
- (c) the Certificate, or documentary evidence satisfactory to the Board that the Certificate was lost or destroyed; and

- (d) where required by the Company in accordance with Rule 17.2, payment in full of the amount of the Withholding Tax Amount that the Company is required to remit as a result of the exercise of the Award, where the payment received by the Company shall be held on behalf of the Participant, and remitted to the appropriate taxing authority by the Company on behalf of the Participant.

7.4 Minimum exercise of Options

Options must be exercised in multiples of 500 unless fewer than 500 Options are held by a Participant or the Board otherwise agrees.

7.5 No issue unless cleared funds

Where a cheque is presented as payment of the Exercise Price on the exercise of Options, the Company will not, unless determined otherwise by the Board, issue Plan Shares until after any cheque delivered in payment of the Exercise Price has been cleared by the banking system.

7.6 Cashless Exercise Facility

- (a) A Participant may, subject to paragraph (c) below, request to pay the Exercise Price for an Option by setting off the exercise price against the number of Shares which they are entitled to receive upon exercise (**Cashless Exercise Facility**). By using the Cashless Exercise Facility, the holder will receive Shares to the value of the surplus after the Exercise Price has been set off. Any such request must be expressly made by the Participant in the Exercise Notice. The Board may approve or refuse the request in its sole and absolute discretion.
- (b) If a Participant elects to use the Cashless Exercise Facility, the holder will only be issued that number of Plan Shares (rounded down to the nearest whole number) as are equal in value to the difference between the total Exercise Price otherwise payable for the Options on the Option being exercised and the then market value of Shares at the time of exercise (determined as the volume weighted average of the prices at which Shares were traded on the ASX during the 5 trading-day period immediately preceding the exercise date) calculated in accordance with the following formula:

$$S = O \times \frac{MSP - EP}{MSP}$$

Where:

S = Number of Plan Shares to be issued on exercise of the Options

O = Number of Options

MSP = Market value of Plan Shares (calculated using the volume weighted average of the prices at which Shares were traded on the ASX during the 5 trading day-period immediately preceding the exercise date)

EP = Option Exercise Price

- (c) If the difference between the total Exercise Price otherwise payable for the Options on the Options being exercised and the then market value of Shares at the time of exercise (calculated in accordance with paragraph (b)) is zero or negative, then a holder will not be entitled to use the Cashless Exercise Facility.

7.7 Actions on exercise of Options

On completion of the exercise of Options:

- (a) the Options will automatically lapse;

- (b) the Company will, within 10 Business Days, issue the number of Plan Shares for which the Participant is entitled to subscribe for or acquire through the exercise of the Options;
- (c) deliver to the Participant a holding statement for the Plan Shares; and
- (d) the Company will issue a substitute Certificate for any remaining Options.

7.8 Actions on exercise of Performance Rights

On conversion of Performance Rights:

- (a) the Performance Rights will automatically lapse;
- (b) the Company will, within 10 Business Days of receipt of the Exercise Notice, issue the number of Plan Shares for which the Participant is entitled to subscribe for or acquire through the conversion of the Performance Rights;
- (c) deliver to the Participant a holding statement for the Plan Shares; and
- (d) the Company will issue a substitute Certificate for any remaining Performance Rights.

8 Breach, fraud or dishonesty

Where, in the opinion of the Board, a Participant:

- (a) acts fraudulently or dishonestly; or
- (b) is in material breach of his or her duties or obligations to any Group Company,

then the Board may in its sole and absolute discretion determine that:

- (c) all vested or unvested Awards will lapse; and/or
- (d) where any Plan Shares have been sold by the Participant, require the Participant to pay all or part of the net proceeds of that sale to the Company.

9 Cancellation of Awards with consent

Notwithstanding any other provisions of these Rules, and subject to the Listing Rules, if a Participant and the Board agree in writing that some or all of the unvested Awards and/or vested Awards granted to that Participant may be cancelled on a specified date or on the occurrence of a particular event, then the Board may cancel those Awards on the relevant date or on the occurrence of the particular event (as the case may be) for no consideration.

10 Lapse of Awards

10.1 Lapsing

Subject to the other Rules of this Plan including Rules 6 and 10, the terms and conditions in the Offer (including the specific terms and conditions of the Award), and unless the Board decides otherwise, if an event in the table below occurs in respect of an Eligible Participant, the Eligible Participant's Awards are treated in accordance with the following table:

Event	On or before Vesting Date	During the Exercise Period
Eligible Participant employment or consultancy	Awards lapse	The Expiry Date is adjusted to 60 days after the Termination

arrangement (as applicable) is lawfully terminated and the Eligible Participant is a Good Leaver		Date or a later date decided by the Board
Eligible Participant employment or consultancy arrangement (as applicable) is lawfully terminated and the Eligible Participant is a Bad Leaver	Awards lapse	Awards Lapse
Eligible Participant's resignation or vacation from the Board, employment or consultancy with the Group	Awards lapse	The Expiry Date is adjusted to 30 days after the date of the resignation or a later date decided by the Board
Eligible Participant being made redundant	Awards lapse	The Expiry Date is adjusted to 60 days after the date of the redundancy or later date is decided by the Board
Death or disability of the Eligible Participant (so that they are unable to perform normal duties in the opinion of a medical practitioner nominated by the board)	Awards lapse 90 days after the date of death or disability	There is no adjustment and the representative of the Eligible Participant or its estate, as applicable, may exercise the Awards before the Expiry Date
Eligible Participant loses Control of its Permitted Nominee and the Awards are not transferred to the Eligible Participant under Rule 5.2(d)	Awards lapse	Awards lapse

Notwithstanding the foregoing, if the Term of an Award held by any Participant would otherwise expire during, or within 10 Business Days of the expiration of a Blackout Period applicable to such Participant, then the term of such Award shall be extended to the close of business on the 10th Business Day following the expiration of the Blackout Period.

10.2 What happens on lapsing

Where a Participant's Awards have lapsed under Rule 10.1, the Company will:

- (a) notify the Participant that the Awards held by it have lapsed;

- (b) arrange for the Participant or the Participant's agent or attorney to sign any transfer documents required to transfer or otherwise deal with the Awards; and
- (c) not be liable for any damages or other amounts to the Participant in respect of the Awards.

11 Rights attaching to Plan Shares

11.1 Shares to rank equally

Any Plan Shares issued by the Company to a Participant will rank equally with all existing Shares on and from the date of issue.

11.2 Dividends

A Participant will have a vested and indefeasible entitlement to any dividends declared and distributed by the Company on the Plan Shares which, at the books closing date for determining entitlement to those dividends, are standing to the account of the Participant.

11.3 Dividend reinvestment

The Participant may participate in any dividend reinvestment plan operated by the Company in respect of Plan Shares held by the Participant and such participation must be in respect of all such Plan Shares. Shares issued under any dividend reinvestment plan operated by the Company will be subject to the same terms and conditions as the Plan Shares held by the Participant.

11.4 Voting rights

A Participant may exercise any voting rights attaching to Plan Shares registered in the Participant's name.

12 Restricted Awards

12.1 No transfer during Restricted Period

A Participant must not sell, transfer, mortgage, pledge, charge, grant security over or otherwise dispose of any Restricted Awards, or agree to do any of those things, during the Restricted Period.

12.2 Holding Lock

The Company may implement any procedures it considers appropriate to ensure that Restricted Awards are not disposed of during the Restricted Period, including applying a holding lock in respect of Plan Shares.

12.3 Board Discretion

Without limiting its discretions under these Rules, the Board may at any time in its discretion waive or shorten the Restriction Period applicable to an Award.

13 Change of Control Event

13.1 Change of Control Event

If a Change of Control Event occurs, the Board may in its sole and absolute discretion, and subject to the Listing Rules determine how unvested Options or unvested Performance Rights held by a Participant will be treated, including but not limited to:

- (a) determining that unvested Options or unvested Performance Rights (or a portion of unvested Options or unvested Performance Rights) will vest and become immediately exercisable or convertible with such vesting deemed to have taken place immediately prior to the effective date of the Change of Control Event, regardless of whether or not the employment, engagement or office of the Participant is terminated or ceases in connection with the Change of Control Event; and/or
- (b) reducing or waiving any of the Vesting Conditions attaching to those unvested Options or unvested Performance Rights in accordance with Rule 7.1 or Rule 8.1.

13.2 Notice to Participants

Whether or not the Board determines to accelerate the vesting of any Options or Performance Rights, the Company shall give written notice of any proposed Change of Control Event to each Participant.

14 Capital events

14.1 Variation of capital

If there are variations to the share capital of the Company, the Board may adjust Awards as follows:

- (a) in the case of Performance Rights:
 - (i) if Shares are issued pro rata to the Shareholders generally by way of bonus issue (other than an issue in lieu of dividends or by way of dividend reinvestment) involving capitalisation or reserves or distributable profits, the number of Performance Rights to which each Participant is entitled, will be adjusted in the manner determined by the Board to ensure that no advantage accrues to the Participant as a result of the bonus issue.
 - (ii) in the event of any reorganisation (including consolidation, subdivision, reduction or return) of the issued capital of the Company, the number of Performance Rights to which each Participant is entitled, or any amount payable on vesting of the Performance Rights, or both as appropriate, will be adjusted in the manner determined by the Board to ensure that no advantage or disadvantage accrues to the Participant as a result of such corporate actions.
- (b) in the case of Options:
 - (i) if the Company makes a bonus share issue, a rights issue or any other similar issue of rights or entitlements, there will be no adjustment to the exercise price, the number of Shares per Option or any other terms of those Options.
 - (ii) in the event of any reorganisation (including consolidation, subdivision, reduction or return) of the issued capital of the Company prior to the Option expiry, the rights of the Participants, including the number of Options or the Exercise Price or both will be changed to the extent necessary to comply with the ASX Listing Rules applying to a reorganisation of capital at the time of the reorganisation.

14.2 Fairness in application

In the application of this Rule 14, the Board may (as far as possible) make whatever adjustments it deems necessary or desirable to ensure that the consequences of that

application are fair as between the Participants and the holders of other securities in the Company, subject to the Listing Rules.

14.3 Notice of variation

As soon as reasonably practicable after making any adjustment under Rule 14.1, the Board will give notice in writing of the adjustment to any Participant affected by it.

15 Power of Attorney

In consideration of the issue of any Award, each Participant irrevocably appoints each director and the secretary for the time being of the Company severally as his or her attorney, to do all acts and things and to complete and execute any documents, including share transfers, in his or her name and on his or her behalf that may be convenient or necessary for the purpose of giving effect to the provisions of these Rules or the terms of the Awards, including for the purposes of giving effect to the buy-back or sale of forfeited Plan Shares, and the application of the proceeds of the sale of forfeited Plan Shares. The Participant (or after his or her death, his or her legal representative) will be deemed to ratify and confirm any act or thing done under this power and to indemnify and keep indemnified the attorney in respect of doing so.

16 Powers of the Board

This Plan will be administered by the Board which will have an absolute discretion to:

- (a) determine appropriate procedures for administration of the Plan consistent with this Plan;
- (b) resolve conclusively all questions of fact or interpretation arising in connection with this Plan;
- (c) delegate to any one or more persons, for such period and on such conditions as they may determine, the exercise of any of their powers or discretions under this Plan; and
- (d) formulate special terms and conditions (subject to the Listing Rules), in addition to those set out in this Plan to apply to Participants employed and/or resident in and/or who are citizens of countries other than Australia. Each of these special terms and conditions will be restricted in their application to those Participants employed and/or resident in and/or who are citizens of other jurisdictions.

17 Taxation

17.1 No liability

Neither the Company nor its directors, officers, employees, representatives, advisers or agents:

- (a) take any responsibility or assume any liability for the Tax liabilities of Eligible Participants or Participants as a consequence of their participation in the Plan; or
- (b) represent or warrant that the Plan will have any particular Tax or financial consequences or that the Eligible Participant or Participant will gain any Tax or financial advantage by participating in the Plan.

17.2 Taxes

Upon the issue or exercise of an Award, the Participant shall make arrangements satisfactory to the Company regarding payment of any federal, state, provincial, local or other taxes of any kind required by law to be paid in connection with the issue or exercise of an Award. In order to satisfy the Company's obligation, if any, to remit an amount to a taxation authority on account of such taxes in respect of the exercise, transfer or other disposition of an Award (**Withholding Tax Amount**), the Company shall have the right, at its discretion, to:

- (a) retain and withhold amounts from any amount or amounts owing to the Participant, whether under this Plan or otherwise;
- (b) require the Participant to pay to the Company the Withholding Tax Amount as a condition of exercise or issue of an Award by a Participant, where the payment received by the Company shall be held on behalf of the Participant, and remitted to the appropriate taxing authority by the Company on behalf of the Participant; and/or
- (c) withhold from the Plan Shares otherwise deliverable to the Participant on exercise of Awards such number of Shares as have a market value not less than the Withholding Tax Amount and cause such withheld Shares to be sold on the Participant's behalf to fund the Withholding Tax Amount, where:
 - (i) the Company will not be responsible for obtaining any particular price for the Shares;
 - (ii) the proceeds of any Shares sold shall be held by the Company on behalf of the Participant, and remitted to the appropriate taxing authority by the Company on behalf of the Participant; and
 - (iii) any proceeds from such sale in excess of the Withholding Tax Amount shall be promptly paid over to the Participant.

Notwithstanding the foregoing, nothing shall preclude the Company and the Participant from agreeing to use a combination of the methods described in this Rule 17.2 or some other method to fund the Withholding Tax Amount.

18 Commencement, suspension, termination and amendment of the Plan

18.1 Commencement

Subject to the passing of any necessary resolution approving the establishment of the Plan and the issue of the Awards, the Plan will take effect when the Board decides.

18.2 Suspension or termination

- (a) Subject to Rule 18.2(b), the Board may at any time terminate the Plan or suspend the operation of the Plan for such period or periods as it thinks fit.
- (b) In passing a resolution to terminate or suspend the operation of the Plan, the Board must consider and endeavour to ensure that there is fair and equitable treatment of all Participants.

18.3 Awards Issued Before Termination

Participants who hold an Award issued pursuant to the Plan, before termination of the Plan under Rule 18.2, will continue to be entitled to exercise such Award in accordance with the Plan and the Company will be bound to comply with the Plan in respect of such Awards.

18.4 Amendment of Plan

- (a) Subject to Rules 18.4(b) and 18.4(c), the Listing Rules and the Constitution, the Board may at any time amend these Rules or the terms upon which any Awards have been granted under the Plan. Without limiting the scope of the foregoing, the Board may make the following amendments to the Plan without shareholder approval:
 - (i) amendments of the type described in Rule 18.4(b)(i);
 - (ii) amendments of a "housekeeping" nature, which include amendments relating to the administration of the Plan or to eliminate any ambiguity or correct or supplement any provision herein which may be incorrect or incompatible with any other provision hereof;
 - (iii) changing the vesting and exercise provisions of the Plan or any Awards in a manner which does not entail an extension beyond the originally scheduled Expiry Date for any applicable Award, including to provide for accelerated vesting and early exercise of any Awards deemed necessary or advisable in the Board's discretion;
 - (iv) changing the termination provisions of the Plan or any Awards which, in the case of an Option, does not entail an extension beyond an Option's originally scheduled Expiry Date or end date for that Option;
 - (v) adding or changing a cashless exercise feature, payable in cash or securities, which provides for a full deduction of the number of underlying Shares from the Plan reserve;
 - (vi) changing the provisions on transferability of Awards for normal estate settlement purposes;
 - (vii) changing the process by which a Participant who wishes to exercise his or her Award can do so, including the required form of payment for the Shares being purchased, the form of exercise notice and the place where such payments and notices must be delivered; and
 - (viii) adding a conditional exercise feature which would give Participants the ability to conditionally exercise in certain circumstances determined by the Board in its discretion, at any time up to a date determined by the Board in its discretion, all or a portion of those Awards granted to such Participants which are then vested and exercisable or convertible in accordance with their terms, as well as any unvested Awards which the Board has determined shall be immediately vested and exercisable or convertible in such circumstances.
- (b) No amendment to these Rules or to the terms of any Awards granted under the Plan may be made if the amendment materially reduces the rights of any Participant in respect of Awards granted to it prior to the date of the amendment, other than:
 - (i) an amendment introduced primarily:
 - (A) for the purposes of complying with or conforming to present or future legislation governing or regulating the Plan or like plans;
 - (B) to correct any manifest error or mistake;
 - (C) to allow the implementation of a trust arrangement in relation to the holding of Plan Shares granted under the Plan;
 - (D) for the purpose of complying with Applicable Laws; and/or

- (E) to take into consideration possible adverse taxation implications (including, without limitation, on account of fringe benefits tax) for the Company in respect of the Plan or the Awards granted, including as a result of changes to applicable taxation legislation or the interpretation of that legislation by any taxation authority or a court of competent jurisdiction or any rulings from taxation authorities administering such legislation; or
 - (ii) an amendment agreed to in writing by the Participant(s).
- (c) Notwithstanding anything contained herein to the contrary, no amendment to the Plan requiring the approval of the shareholders of the Company under any applicable securities laws or requirements shall become effective until such approval is obtained. Without limitation of the foregoing, the approval of a majority of the shareholders of the Company present in person or by proxy and entitled to vote at a meeting of shareholders shall be required for the following matters, to the extent required by applicable securities laws and regulatory requirements:
 - (i) any amendment to the provisions of this Rule 18.4;
 - (ii) any amendment to increase the Plan Limit (other than pursuant to Rule 14.1);
 - (iii) any reduction in the Exercise Price of an outstanding Option (including a cancellation and re-grant of an Option, constituting a reduction of the Exercise Price of an Option) or extension of the period during which an Option may be exercised,

in each case, unless the change results from the application of Rule 14.
- (d) Subject to the Listing Rules and, if applicable, any shareholder approval, the Board may determine that any amendment to these Rules or the terms of Awards granted under the Plan be given retrospective effect.
- (e) Amendment of these Rules or the terms upon which Awards are granted under the Plan by the Board will be of immediate effect unless otherwise determined by the Board.
- (f) As soon as reasonably practicable after making any amendment to these Rules or the terms of Awards granted under the Plan, the Board will give notice of the amendment to any Participant affected by the amendment. Failure by the Board to notify a Participant of any amendment will not invalidate the amendment as it applies to that Participant.

18.5 Amendment by addendum

Subject to any other provision of these Rules, the Board may from time to time amend the terms of this Plan as they will apply in particular jurisdictions or circumstances by means of an addendum to these Rules.

19 Listing Rules

While the Company remains admitted to the ASX, the terms and conditions of the Plan must at all times comply with the Listing Rules. If there is any inconsistency between the terms and conditions of the Plan and the Listing Rules then the Listing Rules will prevail.

20 Buy-Back

Subject to compliance with Applicable Laws, the Company may Buy-Back Awards for an amount agreed with the Participant at any time. Each Participant will do all acts, matters and things which are necessary or desirable to give effect to any Buy-Back of his or her Awards.

21 No Hedging

If restricted by Applicable Law, a Participant may not enter into any arrangement for the purpose of hedging, or otherwise affecting its economic exposure to any Awards.

22 Clawback

If the Board becomes aware of a material misstatement in the Company's financial statements or some other event has occurred which, as a result, means that the Vesting Conditions, in respect of certain vested Awards, were not, or should not have been determined to have been, satisfied, then the Participant will cease to be entitled to those vested Awards and the Board may:

- (a) by written notice to the Participant cancel the relevant vested Awards for no consideration;
- (b) by written notice to the Participant require that the Participant pay to the Company the after tax value of the vested Awards (and which have been converted into Plan Shares), with such payment to be made within 30 Business Days of receipt of such notice; or
- (c) adjust fixed remuneration, incentives or participation in this Plan of a relevant Participant in the current year or any future year to take account of the after tax value of the vested Awards (and which have been converted into Plan Shares).

23 Contravention of Applicable Laws

- (a) No act will be done or determination made in accordance with these Rules where to do so would be a breach of any Applicable Laws, and where any such act is done or determination made it will be considered void and to the extent possible be unwound and of no effect in respect of unexercised Awards or Plan Shares.
- (b) Without limiting Rule 21(a) above, no person may, whether directly or indirectly, provide financial assistance which is prohibited by the Corporations Act to an Eligible Participant for the purposes of, or in connection with, the acquisition of Awards under the Plan.
- (c) Notwithstanding any of the provisions contained in this Plan or in any Offer, the Company's obligation to issue Plan Shares shall be subject to the following:
 - (i) completion of such registration or other qualification of such Shares and the receipt of any approvals of governmental authority or stock exchange as the Company shall determine to be necessary or advisable in connection with the authorisation, issuance or sale thereof;
 - (ii) the admission of such Shares to listing on any stock exchange(s) or over-the-counter market on which the Shares may then be listed or quoted; and
 - (iii) the receipt from the Participant of such representations, agreements and undertakings, including as to future dealings in such Shares, as the

Company or its counsel determines to be necessary or advisable in order to safeguard against the violation of the securities laws of any applicable jurisdiction.

- (d) In connection with Rule 23(c), the Company shall, to the extent necessary, take all steps determined by the Board, in its discretion, to be reasonable to obtain such approvals, registrations and qualifications as may be necessary for the issuance or procurement of such Shares in compliance with applicable securities laws and for the listing or quotation of such Shares on any stock exchange(s) on which the Shares are then listed or quoted.

24 Rights of Participants

Nothing in these Rules, participation in the Plan or the terms of any Award:

- (a) confers upon an Eligible Participant a right to a grant or offer of a grant of Awards;
- (b) confers on an Eligible Participant or a Participant the right to continue as an employee, Contractor or officer of any Group Company (as the case may be) or participate in the Plan;
- (c) affects the rights of any Group Company to terminate the employment, engagement or office of an Eligible Participant or a Participant (as the case may be);
- (d) affects the rights and obligations of any Eligible Participant or Participant under the terms of its employment, engagement or office with any Group Company;
- (e) confers any legal or equitable right on an Eligible Participant or a Participant whatsoever to take action against any Group Company in respect of its employment, engagement or office;
- (f) confers on an Eligible Participant or a Participant any rights to compensation or damages in consequence of the termination of its employment, engagement or office by any Group Company for any reason whatsoever including ceasing to have rights under the Plan as a result of such termination; or
- (g) confers any responsibility or liability on any Group Company or its directors, officers, employees, representatives, advisers or agents in respect of any taxation liabilities of the Eligible Participant or Participant.

25 ASIC relief

Notwithstanding any other provisions of the Plan, every covenant or other provisions set out in an exemption or modification granted from time to time by ASIC in respect of the Plan or which applies to the Plan pursuant to its power to exempt and modify the Corporations Act and required to be included in the Plan in order for that exemption or modification to have full effect, is deemed to be contained in the Plan. To the extent that any covenant or other provision deemed by this Rule 25 to be contained in the Plan is inconsistent with any other provision in the Plan, the deemed covenant or other provision will prevail.

26 Non-exclusivity

26.1 Non-exclusivity

This Plan will not be deemed to be the exclusive method of providing incentive compensation to Eligible Participant, nor will it preclude any Group Company from

authorising or approving other forms of incentive compensation for employees or Contractors of any Group Company.

26.2 Relationship to other equity plans

Participation in this Plan will not affect or be affected by any participation in any other employee equity plan operated by any Group Company, except as specifically provided in the terms of that other plan.

27 General

27.1 Costs and Expenses

The Company will pay all expenses, costs and charges in relation to the establishment, implementation and administration of the Plan, including all costs incurred in or associated with the issue or purchase of Shares (except for taxes, which are payable by Participants, and the Exercise Price for Awards) for the purposes of the Plan. Each Group Company will, if required by the Board, reimburse the Company for any such costs and charges to the extent that they relate to its employees or officers, or former employees or officers.

27.2 Data protection

By submitting an Application, each Participant consents to the holding and processing of personal data provided by the Participant to any Group Company for all purposes relating to the operation of the Plan. These include, but are not limited to:

- (a) administering and maintaining Participants' records;
- (b) providing information to trustees of any employee benefit trust, registrars, brokers or third party administrators of the Plan;
- (c) providing information to future purchasers of the Company or the business in which the Participant works; and
- (d) transferring information about the Participant to a country or territory outside Australia.

27.3 Error in Allocation

If any Award is provided under this Plan in error or by mistake to a person (**Mistaken Recipient**) who is not the intended recipient, the Mistaken Recipient shall have no right or interest, and shall be taken never to have had any right or interest, in that Award and any such Awards will immediately lapse or be forfeited.

27.4 Dispute

Any disputes or differences of any nature arising under the Plan will be referred to the Board for determination.

27.5 No fiduciary capacity

The Board may exercise any power or discretion conferred on it by these Rules in the interest or for the benefit of the Company, and in so doing the Board is not required to act in the interests of another person or as requested by another person and will not be under any fiduciary obligation to another person.

27.6 Non-residents of Australia

- (a) The Board may adopt additional Rules applicable to any jurisdiction outside Australia under which Awards offered under the Plan may be subject to additional or modified terms, having regard to any securities exchange control or taxation laws or regulations or similar factors which may apply to the Participant or any Group

Company in relation to those Awards. Any additional Rule must conform to the basic principles of the Plan.

- (b) When an Award is granted under the Plan to a Participant who is not a resident of Australia, the Rules apply subject to such alterations or additional terms as the Board determines having regard to any securities exchange control or taxation laws or regulations or similar factors which may apply to the Participant or to any Group Company in relation to the Award.

27.7 Enforcement

These Rules, any determination of the Board made pursuant to the Rules, and the terms of any Awards granted under the Plan, will be deemed to form a contract between the Company and the Participant.

27.8 Participants Bound

Participants issued Awards under this Plan are bound by this Plan and by the Constitution of the Company.

27.9 Notices

- (a) Address for service
 - (i) Any notice required to be given to the Participants under the Plan or the terms of the Awards granted will be sent to the address of the Participant as entered in the register unless delivered in person.
 - (ii) Any notice required to be given to the Company under the Plan or the terms of the Awards granted will be sent to the registered office of the Company or such other address as is notified to Participants from time to time.
- (b) Delivery of notices
 - (i) Any notice to be given to Participants may be delivered by hand to the Participant or by any other means specified in the Constitution for delivery of notices to members.
 - (ii) Any notice to be given to the Company may be delivered by hand or by prepaid post. Notices may also be given to the Company by means of facsimile, e-mail or other mode of electronic delivery to such address as is notified by the Company to the Participant.
 - (iii) Notices delivered to Participants in accordance with the Constitution will be taken to be delivered in accordance with the Constitution. Notices delivered to the Company by pre-paid post will be taken to be delivered if properly addressed and stamped, 48 hours after mailing in Australia and 7 days after mailing outside Australia. Notices delivered by facsimile, e-mail or other mode of electronic delivery will be taken to be delivered on receipt of a successful transmission notice, return receipt or such other confirmation by which the sender can reasonably verify delivery.

27.10 Governing Law

This Plan and any Awards granted under it shall be governed by and is to be construed in accordance with the laws of the State of Western Australia and the Commonwealth of Australia.

Annexure B

MacPhersons Resources Limited (“Company”) - Option Terms

- (a) Each Option shall entitle the holder the right to subscribe for one (1) fully paid ordinary share in the capital of the Company.
- (b) The exercise price of each Option is 15.0 cents (\$0.15) per share subscribed for on exercise of each Option.
- (c) Each Option will expire 36 months from the date of issue (“Option Expiry Date”). Each Option may be exercised at any time prior to 5.00pm WST on the Option Expiry Date and any Option not so exercised shall automatically expire on the Option Expiry Date.
- (d) Each ordinary share allotted as a result of the exercise of an Option will, subject to the Constitution of the Company, rank in all aspects *pari passu* with the existing ordinary fully paid shares in the capital of the Company on issue at the date of allotment.
- (e) A registered owner of an Option (“Option Holder”) will be entitled to receive and will be sent all reports, accounts and notices required to be given to members of the Company but will not be entitled to attend or vote at any meetings of the members of the Company unless they are members of the Company.
- (f) A certificate or holding statement will be issued by the Company with respect to Options held by an Option Holder. Attached to these terms and attached or endorsed on the reversed side of each certificate or holding statement will be a notice that is to be completed when exercising the Options the subject of the certificate or holding statement (“Notice of Exercise of Options”). Options may be exercised by the Option Holder completing the Notice of Exercise of Options and forwarding the same to the Secretary of the Company. The Notice of Exercise of Options must state the number of Options exercised and the consequent number of ordinary shares in the capital of the Company to be allotted.

The Notice of Exercise of Options by an Option Holder must be accompanied by payment in full of the relevant number of shares being subscribed, being an amount of \$0.15 per share.

On exercise of Options, the Option Holder must surrender to the Company the Option Holder's option certificate or holding statement with respect to those Options being exercised.

Within 14 days from the date the Option Holder properly exercised Options held by the Option Holder, the Company shall issue and allot to the Option Holder that number of fully paid ordinary shares in the capital of the Company so subscribed for by the Option Holder.

- (g) If the Company makes a bonus share issue, a rights issue or any other similar issue of rights or entitlements, there will be no adjustment to the exercise price, the number of Shares per Option or any other terms of those Options.
- (h) In the event of any reorganisation (including consolidation, subdivision, reduction or return) of the issued capital of the Company prior to the Option expiry, the rights of Option holders, including the number of Options or the exercise price of the Options or both will be changed to the extent necessary to comply with the ASX Listing Rules applying to a reorganisation of capital at the time of the reorganisation.
- (i) There are no participating rights or entitlements inherent in the Options to participate in any new issues of capital which may be made or offered by the Company to its shareholders from time to time prior to the Option Expiry Date unless and until Options are exercised. The Company will ensure that during the exercise period of the Options, the record date for the purposes of determining entitlement to any new such issue, will be at least 9 Business Days after such new issues are announced in order to afford the Option Holder an opportunity to exercise the Options held by the Option Holder.
- (j) Subject to the Corporations Law, the Listing Rules and the Constitution of the Company, the Options are freely transferable and will only be quoted on ASX if a sufficient spread of option holders exists in compliance with the ASX Listing Rules.

- (k) If the Company is listed on ASX and makes a pro rata issue (except a bonus issue) to the holders of ordinary shares, the exercise price of each Option shall be amended in accordance with the following formula:

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

Where:

O' = the new exercise price of the Option.

O = the old exercise price of the Option.

E = the number of underlying shares into which one Option is exercisable.

P = the average market price per share (weighed by reference to volume) of the underlying shares to which the Option Holder is entitled.

S = the subscription price for a share under the pro rata issue.

D = any dividend due but not yet paid on the existing underlying share (except those to be issued under the pro rata issue).

N = the number of shares with rights or entitlements that must be held to receive a right to one new share.

No change will be made pursuant to the application of the above formula to the number of shares to which the Option Holder is entitled.

If the Company is listed upon ASX, the reduction of the exercise price of each Option in accordance with the above formula shall be subject to the provision of the Listing Rules of ASX.

If the Company makes a bonus issue or other securities convertible into ordinary shares pro rata to holders of ordinary shares the number of shares issued on exercise of each Option will include the number of bonus shares that would have been issued if the Option had been exercised by the Option Holder prior to the books closing date for bonus shares. No change will be made in such circumstances to the exercise price of each Option.

MacPhersons Resources Limited
ACN 139 357 967
Proxy Form

I/We

Of

being a member of MacPhersons Resources Limited ACN 139 357 967 entitled to attend and vote at the Annual General Meeting, hereby appoint

the Chairman of the Annual General Meeting OR

or failing the person so named or, if no person is named, the Chairman of the Annual General Meeting, or the Chairman's nominee, to vote in accordance with the following directions, or, if no directions have been given, and subject to the relevant laws as the proxy sees fit, at the Annual General Meeting to be held at The Kalgoorlie Boulder Chamber of Commerce and Industry Meeting Rooms, 58 Egan Street, Kalgoorlie, Western Australia on 24 November 2016 commencing at 3:00pm (WST) and at any adjournment thereof.

Important for Resolution 1 if the Chairman is your proxy or is appointed as your proxy by default

If I/we have appointed the Chairman of the meeting as my/our proxy (or the Chairman of the meeting becomes my/our proxy by default) I/we expressly authorise the Chairman of the meeting (to extent permitted by law) to exercise my/our proxy in respect of Resolution 1 even though the Resolution is connected directly or indirectly with the remuneration of a member of key management personnel of MacPhersons Resources Limited, which includes the Chairman of the Meeting. If you appoint the Chairman as your proxy you can direct the Chairman how to vote by either marking the boxes in the section.

The Chairman intends to vote all available proxies in favour of Resolutions 2 and 5.

I/We acknowledge that the Chairman intends to vote undirected proxies in favour of each Resolution, to the extent permitted by law.

OR

Voting on Business of the Annual General Meeting

- Resolution 1. Approval of Remuneration Report: 2015/2016
- Resolution 2. Re-election of Ashok Parekh
- Resolution 3. Approval of 10% Placement Facility
- Resolution 4. Approval of Employee Incentive Plan
- Resolution 5. Approval of Issue of Options to Jeff Williams

For

Against

Abstain

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Note: If you mark the abstain box for a particular Resolution, you are directing your proxy not to vote on that Resolution on a show of hands or on a poll and your votes will not be counted in computing the required majority.

If two proxies are being appointed, the proportion of voting rights this proxy represents is _____ %

Signature of Member(s):

Date: _____

Individual or Member 1

Member 2

Member 3

Sole Director/Company Secretary

Director

Director/Company Secretary

Contact Name: _____ **Contact Ph (daytime):** _____

Email Address: _____ **Consent for contact by email:** YES ☐ NO ☐

Instructions for Proxy Form

1 Your name and address

Please print your name and address as it appears on your holding statement and the Company's share register. If Shares are jointly held, please ensure the name and address of each joint shareholder is indicated. Shareholders should advise the Company of any changes. Shareholders sponsored by a broker should advise their broker of any changes. Please note you cannot change ownership of your securities using this form.

2 Appointment of a proxy

You are entitled to appoint no more than two proxies to attend and vote on a poll on your behalf. The appointment of a second proxy must be done on a separate copy of the Proxy Form. Where more than one proxy is appointed, such proxy must be allocated a proportion of your voting rights. If you appoint two proxies and the appointment does not specify this proportion, each proxy may exercise half of your votes.

If you wish to appoint the Chairman of the Annual General Meeting as your proxy, please mark the box. If you leave this section blank or your named proxy does not attend the Annual General Meeting, the Chairman will be your proxy. A proxy need not be a Shareholder.

3 Voting on Resolutions

You may direct a proxy how to vote by marking one of the boxes opposite each item of business. Where a box is not marked the proxy may vote as they choose. Where more than one box is marked on an item your vote will be invalid on that item.

4 Signing instructions

You must sign this form as follows in the spaces provided:

- (a) **(Individual)** Where the holding is in one name, the holder must sign.
- (b) **(Joint holding)** Where the holding is in more than one name, all of the shareholders should sign.
- (c) **(Power of Attorney)** If you have not already lodged the Power of Attorney with the Company's share registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.
- (d) **(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) does not have a company secretary, as sole director can also sign alone. Otherwise this form must be signed by a director jointly with either another director or a company secretary. Please indicate the office held by signing in the appropriate place.

If a representative of the corporation is to attend the meeting a "Certificate of Appointment of Corporate Representative" should be produced prior to admission.

5 Return of a Proxy Form

This Proxy Form (and any Power of Attorney under which it is signed) must be received by the Company by post at MacPhersons Resources Limited, PO Box Z5183, Perth WA 6831 or facsimile at (+61 8) 9218 8875 not later 48 hours before the commencement of the Meeting (i.e. no later than 3.00pm (WST) on 22 November 2016). Any Proxy Form received after that time will not be valid for the Meeting.