



Winmar Resources Limited
ACN 085 905 997

NOTICE OF 2016 ANNUAL GENERAL MEETING

– and –

EXPLANATORY NOTES

– and –

PROXY FORM

TIME

10.00 am AEDT

DATE

Tuesday, 15 November 2016

PLACE

Suite 1, Level 39
Australia Square Tower
264 – 278 George Street
SYDNEY NSW 2000

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

NOTICE OF 2016 ANNUAL GENERAL MEETING

Notice is hereby given that the 2016 Annual General Meeting of Winmar Resources Limited (**the Company**) will be held at Suite 1, Level 39, Australia Square Tower, 264 – 278 George Street, Sydney NSW 2000 at 10.00 am AEDT on Tuesday, 15 November 2016.

The Explanatory Notes and Proxy Form accompanying this Notice are intended to be read in conjunction with and form part of this Notice.

Terms and abbreviations used in this Notice are defined in the Glossary attached as Annexure B to the Explanatory Notes.

BUSINESS

2016 Annual Financial Report

To receive and consider the Annual Financial Report of the Company for the year ended 30 June 2016, comprising the Financial Report, the Directors' Report, and the Audit Report.

NON-BINDING RESOLUTION

To consider and, if thought fit, to pass, with or without amendment, the following **non-binding resolution**:

Resolution 1 Non-binding resolution to adopt Remuneration Report

*That, for the purposes of section 250R(2) of the Corporations Act 2001 (Cth) (**Corporations Act**) and for all other purposes, the 2016 Remuneration Report as published in the Directors' Report of the Annual Financial Report of the Company for the year ended 30 June 2016 be adopted.*

Further Information

Further details in respect of Resolution 1 are set out in the Explanatory Notes accompanying this Notice.

Voting exclusion statement: As required by the Corporations Act, the Company will disregard any votes cast on Resolution 1 by or on behalf of:

- (a) a member of the key management personnel named in the Remuneration Report (KMP); or,
- (b) a closely related party of a member of any KMP,

unless the vote is cast as proxy for a person entitled to vote in accordance with a direction on the Proxy Form or by the Chairman pursuant to an express authorisation to exercise the proxy

ORDINARY RESOLUTIONS

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

Resolution 2 Election of Director – Rod Sainty

That Rod Sainty, being a director appointed during the year to fill a casual vacancy on the Board, be elected as a director of the Company.

Further Information

Further details in respect of Resolution 2 are set out in the Explanatory Notes accompanying this Notice.

Resolution 3 Re-election of Director – Noel Halgreen

That Noel Halgreen, a director of the Company, who retires in accordance with the Company's constitution and, being eligible, offers himself for re-election, be re-elected as a director of the Company.

Further Information

Further details in respect of Resolution 3 are set out in the Explanatory Notes accompanying this Notice.

Resolution 4 Issue of Options to Noel Halgreen

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

That, for the purposes of Chapter 2E of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue and allot up to 40,000,000 Options to Noel Halgreen and/or his nominee(s), on the terms and conditions set out in the Explanatory Memorandum.

Further Information

Further details in respect of Resolution 4 are set out in the Explanatory Memorandum accompanying this Notice.

Voting exclusion statement: The Company will disregard any votes cast on Resolution 4 by Noel Halgreen or, if applicable, any nominee(s) nominated by Noel Halgreen to acquire any such Options and the Associates of such persons (as applicable). However, the Company need not disregard a vote on Resolution 4 if it is cast by:

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

Resolution 5 Issue of Options to Alexandre Alexander

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

That, for the purposes of Chapter 2E of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue and allot up to 40,000,000 Options to Alexandre Alexander and/or his nominee(s), on the terms and conditions set out in the Explanatory Memorandum.

Further Information

Further details in respect of Resolution 5 are set out in the Explanatory Memorandum accompanying this Notice.

Voting exclusion statement: The Company will disregard any votes cast on Resolution 5 by Alexandre Alexander or, if applicable, any nominee(s) nominated by Alexandre Alexander to acquire any such Options and the Associates of such persons (as applicable). However, the Company need not disregard a vote on Resolution 5 if it is cast by:

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

Resolution 6 Issue of Options to Luke Humphreys

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

That, for the purposes of Chapter 2E of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue and allot up to 40,000,000 Options to Luke Humphreys and/or his nominee(s), on the terms and conditions set out in the Explanatory Memorandum.

Further Information

Further details in respect of Resolution 6 are set out in the Explanatory Memorandum accompanying this Notice.

Voting exclusion statement: The Company will disregard any votes cast on Resolution 6 by Luke Humphreys or, if applicable, any nominee(s) nominated by Luke Humphreys to acquire any such Options and the Associates of such persons (as applicable). However, the Company need not disregard a vote on Resolution 6 if it is cast by:

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

Resolution 7 Issue of Options to Rod Sainty

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

That, for the purposes of Chapter 2E of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue and allot up to 55,000,000 Options to Rod Sainty and/or his nominee(s), on the terms and conditions set out in the Explanatory Memorandum.

Further Information

Further details in respect of Resolution 7 are set out in the Explanatory Memorandum accompanying this Notice.

Voting exclusion statement: The Company will disregard any votes cast on Resolution 7 by Rod Sainty or, if applicable, any nominee(s) nominated by Rod Sainty to acquire any such Options and the Associates of such persons (as applicable). However, the Company need not disregard a vote on Resolution 7 if it is cast by:

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

Resolution 8 Issue of Options to DJ Carmichael

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

That, for the purposes of ASX Listing Rule 7.1, approval is given for the Company to issue and allot up to 20,000,000 Options to DJ Carmichael Pty Ltd and/or its nominee(s), on the terms and conditions set out in the Explanatory Memorandum.

Further Information

Further details in respect of Resolution 8 are set out in the Explanatory Memorandum accompanying this Notice.

Voting exclusion statement: The Company will disregard any votes cast on Resolution 8 by DJ Carmichael and any of its Associates; and, if applicable, any nominee(s) nominated by DJ Carmichael to acquire any such Options and the Associates of such persons (as applicable); and, any person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if this resolution is passed and any Associates of such persons. However, the Company need not disregard a vote on Resolution 8 if it is cast by:

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

Resolution 9 Ratification of Issue of Options

That, for the purposes of ASX Listing Rule 7.4 shareholders ratify the allotment and issue of a total of 20,000,000 options over ordinary fully paid shares on 27 June 2016 to the persons or entities and on the terms conditions set out in the Explanatory Notes accompanying this Notice.

Further Information

Further details in respect of Resolution 9 are set out in the Explanatory Notes accompanying this Notice.

Voting exclusion statement: The Company will disregard any votes cast on Resolution 9 by any person who participated in the issue of Options as outlined in the Explanatory Notes, and any associate of such a person. However, the Company need not disregard a vote cast on Resolution 9 if it is cast by:

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

Resolution 10 Ratification of Private Placement of Shares

That, for the purposes of ASX Listing Rule 7.4 shareholders ratify the allotment and issue of a total of 103,572,795 ordinary fully paid shares on 7 September 2016 to the persons or entities and on the terms conditions set out in the Explanatory Notes accompanying this Notice.

Further Information

Further details in respect of Resolution 10 are set out in the Explanatory Notes accompanying this Notice.

Voting exclusion statement: The Company will disregard any votes cast on Resolution 10 by any person who participated in the issue of Shares as outlined in the Explanatory Notes, and any associate of such a person. However, the Company need not disregard a vote cast on Resolution 10 if it is cast by:

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

Resolution 11 Approval of Private Placement of Shares under ASX Listing Rule 7.1

That shareholders, for the purposes of ASX Listing Rule 7.1, approve the allotment and issue of a total of 166,666,667 ordinary fully paid shares within one month of the resolution being passed to the persons or entities and on the terms conditions set out in the Explanatory Notes accompanying this Notice.

Further Information

Further details in respect of Resolution 11 are set out in the Explanatory Notes accompanying this Notice.

Voting exclusion statement: The Company will disregard any votes cast on Resolution 11 by any person who may participate in the issue of Shares as outlined in the Explanatory Notes and any person who might obtain a benefit, except a benefit solely in the capacity of a holder of Shares if this resolution is passed, and any associates of such persons. However, the Company need not disregard a vote cast on Resolution 11 if it is cast by:

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

SPECIAL RESOLUTION

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

Resolution 12 Approval of additional capacity to issue Equity Securities under ASX Listing Rule 7.1A

That, for the purposes of ASX Listing Rule 7.1A and for all other purposes, approval be given for the Company to issue additional Equity Securities totaling up to 10% of the issued capital of the Company (at the time of the issue) calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 and on the terms and conditions set out in the Explanatory Notes accompanying this Notice.

Further Information

Further details in respect of Resolution 12 are set out in the Explanatory Notes accompanying this Notice.

Voting exclusion statement: The Company will disregard any votes cast on Resolution 12 by any person who may participate in the proposed issue of Equity Securities and any person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities if this resolution is passed, and any associates of such persons. However, the Company need not disregard a vote cast on Resolution 12 if it is cast by:

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

PROXIES

Appointing a proxy

Members are entitled to appoint up to two proxies to act generally at the 2016 Annual General Meeting on their behalf, and to vote in accordance with their directions on the Proxy Form. A proxy need not be a Member. A personalised Proxy Form is attached to this Notice.

Where two proxies are appointed, each proxy can be appointed to represent a specified proportion or number of the votes of the Member. If no number or proportion of votes is specified, each proxy may exercise half of the Member's votes. Neither proxy is entitled to vote on a show of hands if more than one proxy attends the Meeting.

If you appoint a proxy, the Company encourages you to direct your proxy how to vote on each Resolution by marking the appropriate boxes on the Proxy Form.

Completed Proxy Forms (together with any authority under which the Proxy Form was signed, or a certified copy of the authority) must be returned by 10.00 am on Sunday, 13 November 2016:

- by post to Advanced Share Registry Services, PO Box 1156, Nedlands WA 6909; or
- or personally to Advanced Share Registry Services, 110 Stirling Highway, Nedlands WA 6009; or
- by facsimile to +61 8 9262 3723.

Further instructions are on the reverse of the Proxy Form.

Undirected proxies

Where permitted, the Chairman of the Meeting will vote undirected proxies in favour of all Resolutions. This includes Resolution 1, even though Resolution 1 is connected with the remuneration of the KMP. **Accordingly, if you want to vote against or abstain from voting on any of the Resolutions, you should direct your proxy how to vote in respect of that Resolution by completing the vote directions in Step 2 of the of the Proxy Form.**

Corporate representatives

A corporation which is a Member, or which has been appointed a proxy, may appoint an individual to act as a representative to vote at the 2016 Annual General Meeting. The appointment must comply with section 250D of the Corporations Act. The representative should bring to the 2016 Annual General Meeting evidence of his or her appointment unless it has previously been provided to the Share Registry.

VOTING EXCLUSION

Where a voting exclusion applies, 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 Chairman of the Meeting as proxy for a person who is entitled to vote in accordance with a direction on the Proxy Form to vote as the proxy decides.

ENTITLEMENT TO ATTEND AND VOTE AT THE 2016 ANNUAL GENERAL MEETING

All Members may attend the 2016 Annual General Meeting. The Directors have determined that for the purposes of voting at the Meeting, Shares will be taken to be held by the persons who are registered as the holders of those Shares as at 7pm (AEDT) on 13 November 2016.



BY ORDER OF THE BOARD

Company Secretary
Winmar Resources Limited
Dated: 7 October 2016

The accompanying Explanatory Notes and Proxy Form (including Voting instructions) form part of this Notice of 2016 Annual General Meeting.

ENQUIRIES

All enquiries in relation to the contents of this Notice or Explanatory Notes should be directed to the Company Secretary (telephone +61 412 686 556).

EXPLANATORY NOTES TO NOTICE OF 2016 ANNUAL GENERAL MEETING

These Explanatory Notes accompany and form part of the Winmar Resources Limited Notice of 2016 Annual General Meeting to be held at 10.00 am AEDT on Tuesday, 15 November 2016 at Suite 1, Level 39, Australia Square Tower, 264 – 278 George Street, Sydney NSW 2000. The Notice of 2016 Annual General Meeting should be read together with these Explanatory Notes.

BUSINESS

2016 Annual Financial Report

To receive and consider the Annual Financial Report of the Company for the year ended 30 June 2016, comprising the Financial Report, the Directors' Report, and the Audit Report. At the Meeting, a representative of the Company's auditors, KPMG, will be available to answer any questions of the Members.

NON-BINDING RESOLUTION

Resolution 1 - Non-binding resolution to adopt Remuneration Report

General

Pursuant to section 250R(2) of the Corporations Act, at the Meeting, the Company must propose a resolution that the Remuneration Report be adopted. The vote on this Resolution is advisory only and does not bind either the Directors or the Company.

The purpose of Resolution 1 is to lay before the Members the Company's Remuneration Report so that Members may ask questions about or make comments on the management of the Company in accordance with the requirements of the Corporations Act, and vote on a non-binding resolution to adopt the Remuneration Report for the year ended 30 June 2016.

The Remuneration Report is contained within the 2016 Annual Report. You may access the Annual Report by visiting the Company's website www.winmarresources.com.au or you may order a hard copy of the Annual Report by phoning +61 2 8243 7517.

Voting Exclusion Statement

A voting exclusion statement is included in the Notice accompanying this Explanatory Note.

Directors' Recommendation

The Board recommends that Members vote in favour of Resolution 1.

ORDINARY RESOLUTIONS

Resolution 2 – Election of Director – Rod Sainty

General

In accordance with clause 24.4 of the Company's Constitution, the Board may appoint a person to be a Director, either to fill a casual vacancy or as an additional Director (provided that the total number of Directors does not exceed the maximum allowed by law), and any Director so appointed may hold office only until the next Annual General Meeting of the Company when he or she will be eligible for re-election.

Rod brings 30 years of mine district mineral exploration and mine geology experience for gold and base metals (copper, lead and zinc) gained within several of Australia's most productive mineral provinces. For much of his career Rod has been based at operating mines in the Northern Territory, Tasmania, Queensland and Western Australia, owned by mid-tier miners Electrolytic Zinc, Pancontinental Mining and Plutonic Resources and the junior miners Australian Development and Jabiru Metals.

A major focus of his experience has been drilling peripheral to ore deposits, particularly high-grade volcanogenic massive sulphide (VMS) ore deposits, and using the insights gained from careful examination of the drill core to identify orebody extensions and satellite deposits.

Rod has played key roles in the discovery of three ore deposits: the Baseline Archean gold deposit near Kalgoorlie, the West 45 copper-zinc VMS deposit near Charters Towers in north Queensland and the Bentley copper-zinc VMS deposit at Teutonic Bore, WA. All three discoveries were subsequently developed into mining operations. Baseline contained bonanza grades. Bentley is still being mined and enlarged further by IGO, while West 45 is scheduled to be soon redeveloped by RVR.

Directors Recommendation

The Board recommends that Members vote in favour of Resolution 2.

Resolution 3 – Re-election of Director – Noel Halgreen

General

At each Annual General Meeting of the Company, an election of directors, other than the Managing Director, must be held, in accordance with the Company's Constitution. No Director (except a Managing Director) may retain office for a period in excess of three years without submitting himself or herself for re-election, and in the event that no Director has held office for three years, the longest serving Director must submit himself or herself for re-election. A Director who retires from office by rotation and is eligible for re-election may offer himself or herself for re-election.

Mr Halgreen retires by rotation and offers himself for re-election as a Director.

Mr Halgreen is an executive with over 30 years of diverse industry experience and the ability to quickly analyse complex environments, break structures down into essential components, and collaboratively map out a strategy to effect positive change. He has extensive experience in leadership, commercial and technical environment; start-up venture, business/operational turnarounds, joint venture management, commercial negotiations, marketing, managing an acquisition/merger/divestiture process, feasibility studies, due diligence/project management, EIA's, coal and metaliferous mining (underground and open cut).

Noel is currently the Managing Director of Kimberley Diamonds Ltd, and formerly the Non-executive Chairman of Bligh Resources and Non-executive Director of International Coal Ltd. He also worked for BHP Billiton and their associated companies for many years. Some of his former appointments include:

- Vice President Business Development – BHP Billiton Coal (2001-2005)
- Executive Director Business Development – Billiton Coal (1995-2001)
- Executive Director – Trans Natal Coal Corporation (1991-1995)
- Chief Operating Officer – Sasol Coal (1986-1991)

Directors Recommendation

The Board recommends that Members vote in favour of Resolution 3.

Resolutions 4 to 7 Approve the Issue of a total of 175,000,000 Options to Directors

Resolutions 4 to 7 seek the approval of Shareholders for the issue of 175,000,000 Options to Directors, or their nominee(s) (Director Options) as follows:

Resolution	Director	Number of Options
Resolution 4	Noel Halgreen	40,000,000
Resolution 5	Alex Alexander	40,000,000
Resolution 6	Luke Humphreys	40,000,000
Resolution 7	Rod Sainty	55,000,000

Background

Shareholder approval for the grant of the Director Options the subject of Resolutions 4 to 7 is sought for the purposes of:

- (a) Chapter 2E of the Corporations Act, which governs the giving of financial benefits to directors and other Related Parties of a company; and
- (b) ASX Listing Rule 10.11, which provides that, subject to certain exceptions (none of which are relevant here), a company must not issue or agree to issue securities to a director without shareholder approval.

The object of the issue of Director Options pursuant to Resolutions 4 to 7 is to reward the Directors for their efforts in progressing the exploration of the Lomero Project in Andalucia, Spain. The Director Options are also intended to provide Directors with a long term incentive which allows them to participate in the future development of the Company and as an incentive for their future involvement with, and commitment to, the Company's operations.

The Directors believe the success of the Company will depend in large part upon the skills of the people engaged to manage the Company's operations. Accordingly, it is important that the Company is able to attract and retain people of the highest calibre. The Directors consider that the most appropriate means of achieving this is to provide Directors with an opportunity to participate in the Company's future growth and an incentive to contribute to that growth.

Terms of Director Options

Subject to Shareholder approval, the Director Options will be granted on the terms and conditions set out in Annexure B to this Explanatory Memorandum.

Chapter 2E of the Corporations Act

As described above, Chapter 2E of the Corporations Act prohibits the Company from giving a financial benefit to a Related Party of the Company (such as a Director) unless either:

- (a) the giving of the financial benefit falls within one of the nominated exceptions to the relevant provisions of the Corporations Act; or
- (b) shareholder approval is obtained prior to the giving of the benefit.

For the purposes of Chapter 2E, Mr Halgreen, Mr Alexander, Mr Humphreys and Mr Sainty (or their nominee(s)) will be considered to be a Related Party of the Company and, therefore, the proposed grant of the Options to them (or their nominee(s)) requires prior Shareholder approval.

ASX Listing Rule 10.11

ASX Listing Rule 10.11 provides that, subject to certain exceptions (none of which are relevant here), a company must not issue equity securities to a Related Party without shareholder approval. Resolutions 4 to 7 seek this approval under ASX Listing Rule 10.11.

Further information for Shareholders on Resolutions 4 to 7

The aggregate amount of remuneration currently received by each of the Directors, excluding superannuation, is set out in Table 2 below:

Table 2 Remuneration received by the Directors

Director	Position	Remuneration (p.a)
Noel Halgreen	Non-executive Director	\$50,000
Alexandre Alexander	Non-executive Chairman	\$100,000
Luke Humphreys	Executive Director	\$140,000
Rodney Sainty	Managing Director	\$220,000

The following table, Table 3, sets out the beneficial interests of the Directors in the Shares and Options of the Company. WFE currently has 20,000,000 Options issued.

Table 3 Beneficial interests of the Directors

Director	Shares (direct & indirect holdings)	Existing Options	Current Potential Shares	Proposed Director Options	Proposed Potential Shares {5}
Noel Halgreen	2,044,820	-	2,044,820	40,000,000 {1}	42,044,820
Alexandre Alexander	6,699,224	-	6,699,224	40,000,000 {2}	46,699,224
Luke Humphreys	2,100,000	-	2,100,000	40,000,000 {3}	42,100,000
Rodney Sainty	1,500,000	-	1,500,000	55,000,000 {4}	56,500,000
Total	12,344,044	-	12,344,044	175,000,000	187,344,044

{1} refer to Resolution 4 for the approval of the issue of the Halgreen Director Options to Noel Halgreen or his nominee(s).

{2} refer to Resolution 5 for the approval of the issue of the Alexander Director Options to Alexandre Alexander or his nominee(s).

{3} refer to Resolution 6 for the approval of the issue of the Humphreys Director Options to Luke Humphreys or his nominee(s).

{4} refer to Resolution 7 for the approval of the issue of the Sainty Director Options to Rodney Sainty or his nominee(s).

{5} assuming Shareholders approve the issue of the Director Options and all of the Director Options are exercised.

The following table, Table 4, sets out the current Relevant Interest of each Director in WFE and the Relevant Interest of each Director in WFE if he were to exercise all of their Director Options.

Table 4 Potential movements in the Relevant Interest of each Director

	Current interest	Current holding (%)	Proposed Potential Shares {1}	Proposed Potential holding (%)
Noel Halgreen	2,044,820	0.22%	42,044,820	3.81%
Alex Alexander	6,699,224	0.72%	46,699,224	4.24%
Luke Humphreys	2,100,000	0.23%	42,100,000	3.82%
Rod Sainty	1,500,000	0.16%	56,500,000	5.12%
Total issued Shares	927,391,430		1,102,391,430	

{1} assuming Shareholders approve the issue of all of the Director Options and all of the Director Options are both issued and exercised (and assuming all other things remain equal).

The following table, Table 5, sets out the potential dilution of Shareholders if (assuming all other things remain equal) all of the Director Options are exercised under two different scenarios; the first based on the existing Share capital of the Company and the second where the Share capital of the Company includes the issue of Shares upon exercise of all the Director Options (assuming that Shareholders approve all Director Options and they are all issued and subsequently exercised).

Table 5 Potential dilution of Shareholders

	Existing Share Capital	Proposed Director Options	Potential Share Capital	Total Potential Dilution
Current Shares on issue	927,391,430 {A}			
Existing Options	20,000,000			
	947,391,430 {B}	175,000,000	1,122,391,430 {D}	23.24%
Placement Shares	166,666,667			
DJ Carmichael Options	20,000,000			
	1,114,058,097 {C}	175,000,000	1,309,058,097 {E}	41.15%

Legend for Table 5

A – total Share capital of the Company as at the date of this Notice.

B – total Share capital of the Company assuming that only existing Options on issue are exercised.

C - total Share capital of the Company assuming that all existing Options are exercised; and, all Placement Shares (as per Resolution 11) and DJ Carmichael Options (as per Resolution 8) are approved by Shareholders, issued and exercised.

D – B plus the additional Shares if all the Director Options are approved by Shareholders, issued and exercised.

E – C plus the additional Shares if all the Director Options are approved by Shareholders, issued and exercised.

Further information required for Shareholders

In accordance with the requirements of Chapter 2E and, in particular, sections 219 and 221 of the Corporations Act and ASX Listing Rule 10.13, the following information is provided to Shareholders to allow them to assess the proposed grant of the Directors Options pursuant to Resolutions 4 to 7:

- (a) being Directors, Mr Halgreen, Mr Alexander, Mr Humphreys and Mr Sainty are Related Parties of the Company to whom the financial benefit would be given by virtue of section 228(2)(a) of the Corporations Act (or in the case of his nominee(s), section 228(4) of the Corporations Act);
- (b) the nature of the financial benefit to be given is the grant of 175,000,000 Options on the terms set out in Annexure B to this Explanatory Memorandum;
- (c) the Director Options will be issued within one month of the date of this Meeting;
- (d) Mr Halgreen is not entitled and does not wish to make a recommendation to Shareholders regarding Resolution 4 on the basis that he has an interest in the outcome of the Resolution; Mr Alexander is not entitled and does not wish to make a recommendation to Shareholders regarding Resolution 5 on the basis that he has an interest in the outcome of the Resolution; Mr Humphreys is not entitled and does not wish to make a recommendation to Shareholders regarding Resolution 6 on the basis that he has an interest in the outcome of the Resolution; Mr Sainty is not entitled and does not wish to make a recommendation to Shareholders regarding Resolution 7 on the basis that he has an interest in the outcome of the Resolution;
- (e) the Director Options are to be issued for no cash consideration;
- (f) an estimate of the value of the Director Options is set out below as follows:

Table 6 Estimate of Value of Director Options

	Director	Number of Director Options	Estimated value using Black-Scholes Model
Resolution 4	Noel Halgreen	40,000,000	\$2,185
Resolution 5	Alex Alexander	40,000,000	\$2,185
Resolution 6	Luke Humphreys	40,000,000	\$2,185
Resolution 7	Rod Sainty	55,000,000	\$3,004

The estimated value of the Director Options of \$9,559 was calculated using the Black-Scholes model using the following assumptions:

- (i) the valuation date is 25 September 2016;
 - (ii) risk free rate of 1.65%;
 - (iii) share price of \$0.004 (1 month volume weighted average price as at 25 September 2016);
 - (iv) dividend yield of 0%;
 - (v) the Director Options will expire on 25 September 2018; and
 - (vi) the exercise price for the purpose of this valuation is \$0.007;
- (g) neither the Directors nor the Company are aware of any other information that would be reasonably required by Shareholders to make a decision as to whether it is in the best interests of the Company to pass Resolutions 4 to 7 other than as follows:
- (i) if all of the Director Options the subject of Resolutions 4 to 7 are granted and exercised, the Company's fully paid Share capital (based on the existing number of Shares and assuming all other things remain equal) will be diluted by 18.87%;
 - (ii) if all of the Director Options the subject of Resolutions 4 to 7 are granted and exercised, the Company's fully paid Share capital (based on the existing number of Shares, assuming the Placement Shares are also approved by Shareholders, issued and exercised and assuming all other things remain equal) will be diluted by 16.00%;
 - (iii) the Directors consider that the incentive represented by the grant of Director Options is a cost effective and efficient incentive when compared to other forms of incentive such as cash, bonuses or increased remuneration;
 - (iv) the primary purpose of the grant of the Director Options is to provide an incentive to Mr Halgreen, Mr Alexander, Mr Humphreys and Mr Sainty. Given this purpose, the Directors do not consider that there is any opportunity cost, adverse taxation implications or benefit foregone to the Company in granting the Director Options the subject of Resolutions 4 to 7 (other than as set out below);
 - (v) the Board has examined carefully the individual remuneration packages of each Director. As part of the examination, the Board has reviewed the remuneration packages of industry non-executive directors and managing/executive directors in similar roles.

Based on this examination, the Board has concluded that the total remuneration packages of Mr Halgreen, Mr Alexander, Mr Humphreys, and Mr Sainty, including the equity component of 175,000,000 Director Options now considered for approval by Shareholders, is fair and reasonable in the circumstances of the Company, in light of their management experience and knowledge of the minerals exploration industry.

The Directors do not consider that there are any opportunity costs to the Company or benefits foregone by the Company in respect of the proposed issue of the Director Options pursuant to Resolutions 4 to 7, other than, if the Director Options are exercised when the market price of the Shares is greater than the exercise price of the Director Options, there will be a detriment insofar as the Company will be required to issue Shares at a lower price than it might otherwise have been able to, with the result that less funds will be raised. Any funds raised from the exercise of the Director Options will supplement the Company's working capital requirements. The Directors do not consider that there are any adverse taxation implications to the Company in granting the Director Options.

The latest available price of the Shares quoted on the ASX prior to the date of this Notice on 06 October 2016 was \$0.005.

ASX Listing Rule 7.1

ASX Listing Rule 7.1 provides that prior approval of Shareholders is required for an issue of Equity Securities if the Equity Securities will, when aggregated with the Equity Securities issued by a company during the previous 12 months, exceed 15% of the number of ordinary securities on issue at the commencement of that 12-month period.

Approval pursuant to ASX Listing Rule 7.1 is not required (under Exception 14 to ASX Listing Rule 7.1) in order to issue the Directors Options to Mr Halgreen, Mr Alexander, Mr Humphreys, Mr Sainty or their respective nominee(s), as approval is being obtained under ASX Listing Rule 10.11.

Shareholders should note that the issue of Director Options to the Directors or their nominee(s) will not therefore be included in the 15% calculation for the purpose of ASX Listing Rule 7.1.

Directors' Recommendation

Mr Alexander, Mr Humphreys and Mr Sainty recommend that Shareholders vote in favour of Resolution 4. Mr Halgreen, Mr Humphreys and Mr Sainty recommend that Shareholders vote in favour of Resolution 5. Mr Halgreen, Mr Alexander, and Mr Sainty recommend that Shareholder vote in favour of Resolution 6. Mr Halgreen, Mr Alexander, and Mr Humphreys recommend that Shareholders vote in favour of Resolution 7.

Resolution 8 Issue of Options to DJ Carmichael

Resolution 8 seeks the approval of Shareholders for the issue of 20,000,000 Options to DJ Carmichael Pty Ltd (DJ Carmichael) or its nominee(s) (DJ Carmichael Options).

Background

The object of the issue of the DJ Carmichael Options pursuant to Resolution 8 is to reward DJ Carmichael Pty Ltd (DJ Carmichael) for its role as Corporate Advisor to the Company and sourcing capital for the exploration of the Lomero Project in Andalucia, Spain. The DJ Carmichael Options are also intended to provide DJ Carmichael with a long term incentive which allows the corporate advisor to participate in the future development of the Company and as an incentive for their future involvement with, and commitment to, the Company's operations.

The Directors believe the success of the Company will depend in large part upon DJ Carmichael's ability to raise funding for the Lomero Project. Accordingly, it is important that the Company is able to attract and retain corporate advisors of the highest calibre. The Directors consider that the most appropriate means of achieving this is to provide DJ Carmichael with an opportunity to participate in the Company's future growth and an incentive to contribute to that growth.

ASX Listing Rule 7.1 provides that prior approval of Shareholders is required for an issue of Equity Securities if the Equity Securities will, when aggregated with the Equity Securities issued by a company during the previous 12 months, exceed 15% of the number of ordinary securities on issue at the commencement of that 12-month period.

The purpose of Resolution 8 is to approve the issue of Options, so that for the purpose of ASX Listing Rule 7.1, the issued Options are not taken into the calculation of the 15% threshold.

Technical information required by ASX Listing Rule 7.3

- (i) The number of Options to be issued is 20,000,000
- (ii) The Options have an exercise price of \$0.007 per ordinary share and an expiry date of 25 September 2018
- (iii) The Options are to be issued for no cash consideration
- (iv) The Options will be issued to DJ Carmichael
- (v) The funds raised from the conversion of any or all of these Options are intended to be used for near-term drilling activities at the Lomero gold-silver-copper-zinc project located in southern Spain, and general working capital requirements.
- (vi) The Options will be issued as soon as practicable after the completion of this meeting, but in any event within one month of the date of this meeting.

Terms of Options

Subject to Shareholder approval, the DJ Carmichael Options will be granted to DJ Carmichael or its nominee(s) on the terms and conditions set out in Annexure C to this Explanatory Memorandum.

Voting Exclusion Statement

A voting exclusion statement is included in the Notice accompanying this Explanatory Note.

Directors' Recommendation

The Board recommends that Shareholders vote in favour of Resolution 8.

Resolution 9 – Ratification of Issue of Options

General

On 27 June 2016, under the terms of the executed Corporate Advisory Mandate announced on 22 June 2016, the Company issued Options over 20,000,000 Shares to DJ Carmichael Pty Ltd upon the successful placement of the remaining shortfall shares under the rights issue announced on 15 February 2016.

ASX Listing Rule 7.1 provides that a listed company may not in any 12-month period issue more than 15% of the total number of issued ordinary securities unless the shareholders otherwise approve the issue, or the issue falls within an exception to ASX Listing Rule 7.1 set out in ASX Listing Rule 7.2.

ASX Listing Rule 7.4 provides that an issue of securities will be treated as having been made with approval for the purposes of ASX Listing Rule 7.1 if the issue did not breach ASX Listing Rule 7.1 at the time and that holders of ordinary securities subsequently approve it. The Option issue was undertaken within the Company's capacity under ASX Listing Rule 7.1.

The purpose of Resolution 9 is to approve the Option issue in accordance with ASX Listing Rules 7.4, so that for the purpose of ASX Listing Rule 7.1, the Company will be able to issue additional equity securities without the Options the subject of Resolution 9 counting towards the 15% threshold.

Technical information required by ASX Listing Rule 7.5

- (i) The number of Options issued was 20,000,000
- (ii) The Options were issued for nil consideration
- (iii) The Options have an exercise price of \$0.003 per ordinary share and an expiry date of 27 December 2017
- (iv) The Options were issued to DJ Carmichael Pty Ltd
- (v) The funds raised from the conversion of any or all of these Options are intended to be used for near-term drilling activities at the Lomero gold-silver-copper-zinc project located in southern Spain, and general working capital requirements.

Terms of Options

The terms and conditions of the Options issued to DJ Carmichael on 27 June 2016 are set out in Annexure D to this Explanatory Memorandum.

Voting Exclusion Statement

A voting exclusion statement is included in the Notice accompanying this Explanatory Note.

Directors Recommendation

The Board recommends that Members vote in favour of Resolution 9.

Resolution 10 – Ratification of Private Placement of Shares

General

On 7 September 2016, the Company raised \$310,718 by way of placement of a total of 103,572,795 Shares at an issue price of \$0.003 to professional, sophisticated and other investors exempt from the disclosure requirements of Chapter 6D of the Corporations Act, none of whom were related parties of the Company.

ASX Listing Rule 7.1 provides that a listed company may not in any 12-month period issue more than 15% of the total number of issued ordinary securities unless the shareholders otherwise approve the issue, or the issue falls within an exception to ASX Listing Rule 7.1 set out in ASX Listing Rule 7.2.

ASX Listing Rule 7.4 provides that an issue of securities will be treated as having been made with approval for the purposes of ASX Listing Rule 7.1 if the issue did not breach ASX Listing Rule 7.1 at the time and that holders of ordinary securities subsequently approve it. The Share issue was undertaken within the Company's capacity under ASX Listing Rule 7.1.

The purpose of Resolution 10 is to approve the Share issue in accordance with ASX Listing Rule 7.4, so that for the purpose of ASX Listing Rule 7.1, the Company will be able to issue additional equity securities without the Options the subject of Resolution 9 counting towards the 15% threshold.

Technical information required by ASX Listing Rule 7.5

- (i) The number of shares issued was 103,572,795
- (ii) The issue price was \$0.003 per share
- (iii) The Shares rank equally in all respects with existing ordinary shares on issue
- (iv) The Shares were issued to professional, sophisticated and other investors exempt from the disclosure requirements of Chapter 6D of the Corporations Act, none of whom were related parties of the Company
- (v) The funds raised from the issue are intended to be used for near-term drilling activities at the Lomero gold-silver-copper-zinc project located in southern Spain, and general working capital requirements

Voting Exclusion Statement

A voting exclusion statement is included in the Notice accompanying this Explanatory Note.

Directors Recommendation

The Board recommends that Members vote in favour of Resolution 10.

Resolution 11 – Approval for Private Placement of Shares under ASX Listing Rule 7.1

General

On 1 September 2016, The Company announced its intention to raise \$500,000 by way of placement of a total of 166,666,667 Shares at an issue price of \$0.003 per share to professional, sophisticated and other investors exempt from the disclosure requirements of Chapter 6D of the Corporations Act, none of whom will be related parties of the Company. The announcement also stated that this placement would be subject to shareholder approval at the Annual General Meeting.

ASX Listing Rule 7.1 provides that a listed company may not in any 12-month period issue more than 15% of the total number of issued ordinary securities unless the shareholders otherwise approve.

The purpose of Resolution 11 is to approve the Share placement so that for the purposes of ASX Listing Rule 7.1, the Company will be able to issue additional equity securities without the Shares the subject of Resolution 11 counting towards the 15% threshold.

Technical information required by ASX Listing Rule 7.3

- (i) The number of Shares to be issued is 166,666,667
- (ii) The issue price will be \$0.003 per share

- (iii) The Shares will be issued to professional, sophisticated and other investors exempt from the disclosure requirements of Chapter 6D of the Corporations Act, none of whom will be related parties of the Company
- (iv) The Shares to be issued will rank equally in all respects from the date of the allotment with existing ordinary shares on issue
- (v) The funds raised from the issue are intended to be used for near-term drilling activities at the Lomero gold-silver-copper-zinc project located in southern Spain, and general working capital requirements
- (vi) The Shares will be issued as soon as practicable after the completion of this meeting, but in any event within one month of the date of the meeting.

Voting Exclusion Statement

A voting exclusion statement is included in the Notice accompanying this Explanatory Note.

Directors Recommendation

The Board recommends that Members vote in favour of Resolution 11.

Resolution 12 – Approval of additional capacity to issue Equity Securities under ASX Listing Rule 7.1A

General

Under ASX Listing Rule 7.1A, an eligible listed entity may obtain member approval by way of special resolution at its annual general meeting to issue an additional 10% of its issued capital by way of placements over a 12-month period after the date of the annual general meeting (**10% Placement Facility**). This is in addition to the normal 15% that may be issued without member approval under ASX Listing Rule 7.1.

An eligible entity for the purposes of ASX 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. As at the date of this Notice, the Company is an eligible entity. The Equity Securities that the 10% Placement Facility can cover are existing quoted securities.

If Members approve Resolution 12, the exact number of Equity Securities that the Company will have capacity to issue under ASX Listing Rule 7.1A will be calculated as at the date of issue of the Equity Securities in accordance with the formula contained in ASX Listing Rule 7.1A.2.

Resolution 12 is a special resolution and accordingly requires approval of 75% of the votes cast by Members present and eligible to vote.

Description of Listing Rule 7.1A

(a) Member approval

The ability to issue Equity Securities under the 10% Placement Facility is subject to member 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 this Notice, has on issue one quoted class of Equity Securities, namely the Shares.

(c) Formula for calculating 10% Placement Facility

ASX Listing Rule 7.1A.2 provides that eligible entities which have obtained member 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 fully paid ordinary securities on issue 12 months before the date of issue or agreement to issue:

- (A) plus the number of fully paid Ordinary Securities issued in the 12 months under an exception in ASX Listing Rule 7.2;
- (B) plus the number of partly paid Ordinary Securities that became fully paid in the 12 months;

(C) plus the number of fully paid Ordinary Securities issued in the 12 months with approval of holders of Ordinary Securities under ASX Listing Rules 7.1 and 7.4.;

(D) less the number of fully paid Ordinary Securities cancelled in the 12 months.

D is 10%

E is the number of Equity Securities issued or agreed to be issued under ASX 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 members under ASX Listing Rules 7.1 or 7.4.

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

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

At the date of this Notice, the Company has on issue 927,391,430 Shares and, if Resolutions 9 and 10 and 12 are approved, the Company will have the capacity to issue:

(i) 139,108,714 Equity Securities under ASX Listing Rule 7.1; and

(ii) 92,739,143 Equity Securities under ASX Listing Rule 7.1A.

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

(e) Minimum Issue Price

The issue price of Equity Securities issued under ASX 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 five trading days of the date in paragraph (i) above, the date on which the Equity Securities are issued.

(f) 10% Placement Period

Member approval of the 10% Placement Facility under ASX 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 members of a transaction under ASX Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking),

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

Technical information required by ASX Listing Rule 7.3A

The following information is provided in compliance with ASX Listing Rule 7.3A:

(a) ASX Listing Rule 7.3A.1: Minimum Price

In accordance with ASX Listing Rule 7.1A, the Company may only issue Equity Securities under the 10% Placement Facility at a price that is not less than 75% of the VWAP for securities in that class calculated over the 15 trading days on which trades in that class were recorded immediately before:

(i) the date on which the issue price of the Equity Securities is agreed; or

(ii) the issue date (if the Equity Securities are not issued within five trading days of the date on which the issue price is agreed).

(b) ASX Listing Rule 7.3A.2: Risk of economic and voting dilution

If Resolution 12 is approved by the Members and the Company issues Equity Securities under the 10% Placement Facility, there is a risk of economic and voting dilution to existing Members. Further, as the market price of the Equity Securities may be significantly lower on the issue date than the date of the Meeting, and because the Equity Securities may be issued at a price that is at a discount to the market price on the issue date, there is a risk that the 10% Placement Facility may raise less funding than it would based on the current market prices.

The table below shows the dilution of existing Members on the basis of:

- (i) the market price of Shares and the number of Shares on issue as at the date of this Notice;
- (ii) two examples where the number of Shares on issue has increased by 50% and 100% respectively; and
- (iii) two examples where the market price of Shares has decreased by 50% or increased by 100%.

Share Capital (Variable "A" in ASX Listing Rule 7.1A.2)		Dilution		
		\$0.002 50% decrease in Issue Price	\$0.004 Issue Price	\$0.008 100% increase in Issue Price
927,391,430 Shares (Current)	Number of Shares issued	92,739,143 Shares	92,739,143 Shares	92,739,143 Shares
	Funds raised	\$185,478	\$370,957	\$741,913
1,391,087,145 Shares (50% increase)	Number of Shares issued	139,108,714 Shares	139,108,714 Shares	139,108,714 Shares
	Funds raised	\$278,217	\$556,435	\$1,112,870
1,854,782,860 Shares (100% increase)	Number of Shares issued	185,478,286 Shares	185,478,286 Shares	185,478,286 Shares
	Funds raised	\$370,957	\$741,913	\$1,483,826

The table has been prepared on the following assumptions, and the Company does not represent that they will necessarily occur:

- (i) the issue of Equity Securities consists only of Shares;
- (ii) current Variable A is calculated as at 26 September 2016;
- (iii) current Variable A assumes Resolution 10 is approved;
- (iv) the Company issues the maximum number of Equity Securities available under the 10% Placement Facility;
- (v) no options are exercised into Shares or Equity Securities otherwise issued under an exception in ASX Listing Rule 7.2 or with the approval of members under ASX Listing Rules 7.1 and 7.4 before the date of the issue of the Equity Securities;
- (vi) the table only demonstrates the effect of the issues of Equity Securities under ASX Listing Rule 7.1A, not under the 15% placement capacity under ASX Listing Rule 7.1;
- (vii) the table does not show the dilution that any one particular Member will be subject to and that all Members should consider the dilution caused to their own shareholding depending on their specific circumstances; and
- (viii) the current market price of Shares is \$0.004, being the closing Share price on ASX on 26 September 2016 prior to the date of this Notice.

(c) ASX Listing Rule 7.3A.3: Date of issue

Member approval of the 10% Placement Facility under ASX Listing Rule 7.1A is valid from the date of the Meeting until the earlier to occur of:

- (i) the date that is 12 months after the date of the Meeting; and
- (ii) the date of the approval by Members of a transaction under ASX Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking).

(d) ASX Listing Rule 7.3A.4: Purpose of issue

As at the date of this Notice, the Company has not formed an intention to issue any Equity Securities under ASX Listing Rules 7.1A to any particular person or at any particular time.

Some of the purposes for which the Company may issue Equity Securities under the 10% Placement Facility include (but are not limited to):

- (iv) furthering exploration activities at the Lomero gold-silver-copper-zinc project under Farm-in and Joint Venture agreement with Kimberley Diamonds Ltd;
- (v) furthering exploration programs in respect of at the Hamersley Iron Project;
- (vi) acquiring assets, licensing or collaboration agreements which may involve the Company issuing the Equity Securities for non-cash consideration. In such circumstances, the Company will provide a valuation of the non-cash consideration as required by ASX Listing Rule 7.1A.3;
- (vii) paying suppliers or consultants of the Company. In such circumstances, the Company will provide a valuation of the non-cash consideration as required by ASX Listing Rule 7.1A.3; and
- (v) supplementation of the Company's working capital requirements.

Details regarding the purposes for which any particular issue under the 10% Placement Facility is made will be more fully detailed in an announcement to the ASX made pursuant to ASX Listing Rules 7.1A.4 and 3.10.5A at the time the issue is made.

(e) ASX Listing Rule 7.3A.5: Allocation policy for issue

The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility. The identity of the allottees under the 10% Placement Facility will be determined on a case-by-case basis having regards to the factors including the following:

- (i) the capital raising and acquisition opportunities available to the Company and any alternative methods for raising funds or acquiring assets that are available to the Company;
- (ii) the effect of the issue of the Equity Securities on the control of the Company;
- (iii) the financial situation and likely future capital requirements of the Company; and
- (iv) advice from corporate, financial and broking advisors (if applicable).

The allottees under the 10% Placement Facility have not been determined as at the date of this Notice and may include existing substantial Members and/or new Members (such as professional and sophisticated investors), but the allottees must not include any Directors, Related Parties or associates of a Related Party of the Company.

The Company will comply with the disclosure obligations under ASX Listing Rules 7.1A.4 and 3.10.5A upon issue of any Equity Securities under the 10% Placement Facility.

(f) ASX Listing Rule 7.3A.6: Previous approval under ASX Listing Rule 7.1A

The Company previously obtained approval under ASX Listing Rule 7.1A on 24 November 2015.

The total number of equity securities issued in the twelve months preceding the date of this meeting is 521,480,320, which represented 122.44% of the total number of equity securities on issue at the commencement of that twelve-month period.

The following issues of equity securities were made in the twelve months preceding the date of this meeting:

Date of issue	No. equity securities issued	Issued to	Issue price	Discount to market price	Total consideration	Amount spent Approx.
1 April 2016	113,711,520 Ordinary shares	Eligible applicants under a 1:1 non-renounceable rights issue with a closing date of 24 March 2016	\$0.002	Nil	\$227,423	\$227,423
18 May 2016	45,790,000 Ordinary shares	Eligible applicants under a 1:1 non-renounceable rights issue shortfall	\$0.002	Nil	\$91,580	\$91,580
30 May 2016	14,200,000 Ordinary shares	Eligible applicants under a 1:1 non-renounceable rights issue shortfall	\$0.002	Nil	\$28,400	\$28,400
1 June 2016	1,250,000 Ordinary shares	Eligible applicants under a 1:1 non-renounceable rights issue shortfall	\$0.002	Nil	\$2,500	\$2,500
21 June 2016	222,956,005 Ordinary shares	Eligible applicants under a 1:1 non-renounceable rights issue shortfall	\$0.002	Nil	\$445,912	\$300,000
27 June 2016	20,000,000 Options Exercise price \$0.003 Expiry date 27 December 2017	DJ Carmichael Pty Ltd (refer Resolution 9)	Nil	Nil	Nil	Nil
1 September 2016	103,572,795 Ordinary shares	Placement under Listing Rule 7.1 to professional, sophisticated and other investors exempt from the disclosure requirements of Chapter 6D of the Corporations Act, none of whom will be related parties of the Company (refer Resolution 10)	\$0.003	Nil	\$310,718	Nil

The cash raised by the above issues was used and is intended to be used for identification and acquisition of new investment assets, funding exploration programs with respect to the Lomero project and Hamersley Iron Project and general working capital.

(g) ASX Listing Rule 7.3A.7: Voting exclusion statement

A voting exclusion statement is included in the Notice accompanying this Explanatory Note. As at the date of this Notice, the Company has not approached any particular existing Member or an identifiable class of existing Members to participate in the issue of Equity Securities. On that basis, no existing Member's vote will be excluded under the voting exclusion in the Notice.

Directors' Recommendation

The Board recommends that Members vote in favour of Resolution 12.

ANNEXURE A

Glossary of Terms

In this Explanatory Note, the following terms have the following meaning:

AEDT	Australian Eastern Daylight Time
Associate	has the meaning set out in the listing rules of ASX
ASX	ASX Limited ACN 008 624 691.
ASX Listing Rule	the listing rules of ASX.
Board	the board of Directors of the Company from time to time, as the context requires.
Company	Winmar Resources Limited ACN 085 905 997.
Corporations Act	<i>Corporations Act 2001</i> (Cth).
Director	a director of the Company.
Equity Securities	has the meaning set out in the ASX Listing Rules.
KMP	a member of the key management personnel named in the Remuneration Report.
Meeting	this Annual General Meeting.
Member	the registered holder of a Share.
Ordinary Securities	has the meaning set out in the ASX Listing Rules.
Proxy Form	the proxy form which accompanies this Notice.
Related Party	has the meaning set out in the ASX Listing Rules.
Remuneration Report	the remuneration report as published in the Directors' Report of the Annual Financial Report of the Company for the year ended 30 June 2016.
Resolution	a resolution in this Notice.
Share	a fully paid ordinary share in the capital of the Company.
VWAP	volume weighted average market price.

ANNEXURE B TERMS OF DIRECTOR OPTIONS

1. Each option gives the holder a right to subscribe (in cash) for one fully paid ordinary share in the capital of the Company at an exercise price of \$0.007 per option (**Exercise Price**).
2. Ordinary shares issued as the result of the exercise of an option will rank equally in all respects with previously issued ordinary shares in the capital of the Company.
3. All registered option-holders will be entitled to receive and will be sent all reports and accounts required to be presented to members in general meeting and all notices of general meeting of members, but will not be entitled to attend or vote at such meeting unless they are, in addition to being option-holders, members.
4. Each option is exercisable during the Exercise Period.
5. The Exercise Period commences on the date of issue of the options (**Issue Date**) and expires at 5:00pm Sydney time on the day that is two years subsequent to the Issue Date.
6. When the options are exercised, an option-holder holding 2,000 or fewer options must exercise all of the options. An option-holder holding more than 2,000 options may exercise those options only in multiples of 2,000 except in a case where the number held is not a multiple of 2,000. In that case the holder may exercise a number of options which is 2,000 or a multiple of 2,000, plus a number less than the next multiple of 2,000 so that, after the exercise, the number of options then held by that holder is either 2,000 or a multiple of 2,000.
7. Where the options are certificated, they are exercisable by completing the notice of exercise which appears on the back of each option certificate (or a notice in that form) and delivering the notice with payment of the Exercise Price for the number of options being exercised to the registered office of the Company, during the Exercise Period.
8. Where the options are certificated CHESS eligible securities, they are exercisable by completing a notice of exercise in the form of the notice attached to the option holding statements and delivering it with payment of the Exercise Price for the number of options being exercised to the registered office of the Company during the Exercise Period.
9. A notice of exercise is only effective when the Company has received the full amount of the relevant Exercise Price in cleared funds.
10. Within 10 Business Days of receipt of an effective valid notice of exercise, the Company will allot and issue the number of fully paid ordinary shares in the capital of the Company required under these terms and conditions in respect of the number of options specified in the notice of exercise.
11. The options are not transferable.
12. At the time of exercise of an option, the Company will apply to ASX for official quotation of the shares issued upon exercise of the options within the time period required by the Listing Rules.
13. If at any time the issued capital of the Company is reorganised or reconstructed, the rights of all registered option-holders will be changed to the extent necessary (including as to the Exercise Price) to comply with the Listing Rules applying to the reorganisation or reconstruction of capital at the time of the reorganisation or reconstruction and in all other respects the terms of the options will remain unchanged.
14. If at any time during the currency of the options, any bonus shares in the capital of the Company are issued credited as fully paid by way of capitalisation of reserves or of undistributed profits, the number of ordinary shares underlying the options then held by each option-holder will be increased by a number equal to the number of such bonus shares which would have been issued to that option-holder if the options then held (including options exercised but in response to which exercise shares had not yet been allotted or if allotted, not yet registered) were shares.
15. The options do not permit an option-holder to participate in a new issue of securities by the Company to existing shareholders unless and until the option-holder exercises the options and assumes the rights of a shareholder.
16. Except as specifically provided in these terms, an option does not confer the right on the option-holder to a change in exercise price or a change in the number of underlying securities over which the option can be exercised.

ANNEXURE C TERMS OF DJ CARMICHAEL OPTIONS

1. Each option gives the holder a right to subscribe (in cash) for one fully paid ordinary share in the capital of the Company at an exercise price of \$0.007 per option (**Exercise Price**).
2. Ordinary shares issued as the result of the exercise of an option will rank equally in all respects with previously issued ordinary shares in the capital of the Company.
3. All registered option-holders will be entitled to receive and will be sent all reports and accounts required to be presented to members in general meeting and all notices of general meeting of members, but will not be entitled to attend or vote at such meeting unless they are, in addition to being option-holders, members.
4. Each option is exercisable during the Exercise Period.
5. The Exercise Period commences on the date of issue of the options (**Issue Date**) and expires at 5:00pm Sydney time on the day that is two years subsequent to the Issue Date.
6. When the options are exercised, an option-holder holding 2,000 or fewer options must exercise all of the options. An option-holder holding more than 2,000 options may exercise those options only in multiples of 2,000 except in a case where the number held is not a multiple of 2,000. In that case the holder may exercise a number of options which is 2,000 or a multiple of 2,000, plus a number less than the next multiple of 2,000 so that, after the exercise, the number of options then held by that holder is either 2,000 or a multiple of 2,000.
7. Where the options are certificated, they are exercisable by completing the notice of exercise which appears on the back of each option certificate (or a notice in that form) and delivering the notice with payment of the Exercise Price for the number of options being exercised to the registered office of the Company, during the Exercise Period.
8. Where the options are certificated CHESS eligible securities, they are exercisable by completing a notice of exercise in the form of the notice attached to the option holding statements and delivering it with payment of the Exercise Price for the number of options being exercised to the registered office of the Company during the Exercise Period.
9. A notice of exercise is only effective when the Company has received the full amount of the relevant Exercise Price in cleared funds.
10. Within 10 Business Days of receipt of an effective valid notice of exercise, the Company will allot and issue the number of fully paid ordinary shares in the capital of the Company required under these terms and conditions in respect of the number of options specified in the notice of exercise.
11. The options are not transferable.
12. At the time of exercise of an option, the Company will apply to ASX for official quotation of the shares issued upon exercise of the options within the time period required by the Listing Rules.
13. If at any time the issued capital of the Company is reorganised or reconstructed, the rights of all registered option-holders will be changed to the extent necessary (including as to the Exercise Price) to comply with the Listing Rules applying to the reorganisation or reconstruction of capital at the time of the reorganisation or reconstruction and in all other respects the terms of the options will remain unchanged.
14. If at any time during the currency of the options, any bonus shares in the capital of the Company are issued credited as fully paid by way of capitalisation of reserves or of undistributed profits, the number of ordinary shares underlying the options then held by each option-holder will be increased by a number equal to the number of such bonus shares which would have been issued to that option-holder if the options then held (including options exercised but in response to which exercise shares had not yet been allotted or if allotted, not yet registered) were shares.
15. The options do not permit an option-holder to participate in a new issue of securities by the Company to existing shareholders unless and until the option-holder exercises the options and assumes the rights of a shareholder.
16. Except as specifically provided in these terms, an option does not confer the right on an option-holder to a change in exercise price or a change in the number of underlying securities over which the option can be exercised.

APPENDIX D TERMS OF DJ CARMICHAEL OPTIONS – JUNE 2016

1. Each Option gives the Option-holder the right to subscribe for one Share. To obtain the right given by each Option, the Option-holder must exercise the Options in accordance with the terms and conditions of the Options.
2. Each Option is exercisable on or before 5.00pm EDST on 27 December 2017 (Expiry Date).
3. Each Option is exercisable at \$0.003 (Exercise Price).
4. Any Option not exercised before the relevant Expiry Date will automatically lapse on that Expiry Date.
5. An Option-holder may exercise their Options by lodging with the Company, before the relevant Expiry Date:
 - a. a written notice of exercise of Options specifying the number of Options being exercised; and
 - b. a cheque or electronic funds transfer for the relevant Exercise Price for the number of Options being exercised (Exercise Notice).
6. An Exercise Notice is only effective when the Company has received the full amount of the relevant Exercise Price in cleared funds.
7. Within 10 Business Days of receipt of the Exercise Notice accompanied by the relevant Exercise Price for the number of Options being exercised, the Company will allot the number of Shares required under these terms and conditions in respect of the number of Options specified in the Exercise Notice.
8. The Options are non-transferable.
9. All Shares allotted upon the exercise of Options will upon allotment rank pari passu in all respects with other Shares.
10. The Company will apply for quotation on the ASX of all Shares allotted pursuant to the exercise of Options within 10 Business Days after the date of allotment of those Shares.
11. If at any time the issued capital of the Company is reconstructed, all rights of an Option-holder are to be changed in a manner consistent with the Corporations Act and the Listing Rules (if applicable) at the time of the reconstruction.
12. There are no participating rights or entitlements inherent in the Options and Option-holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least 7 Business Days after the issue is announced. This will give Optionholders the opportunity to exercise their Options prior to the date for determining entitlements to participate in any such issue.
13. In the event the Company proceeds with a pro rata issue (except a bonus issue) of securities to Shareholders after the date of issue of the Options, the exercise price of the Options will be treated in accordance with the Listing Rules (if applicable).
14. In the event the Company proceeds with a bonus issue of securities to Shareholders after the date of issue of the Options, the number of securities over which an Option is exercisable may be increased by the number of securities which the Option-holder would have received if the Option had been exercised before the record date for the bonus issue.

Your Address

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

STEP 1 - Appointment of Proxy

I/We being a member/s of **Winmar Resources Limited** and entitled to attend and vote hereby appoint

the Chairman of the Meeting
(mark with an 'X')

OR

If you are not appointing the Chairman of the Meeting as your proxy please write here the full name of the individual or body corporate (excluding the registered Securityholder) you are appointing as your proxy.

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy at the **Annual General Meeting of Winmar Resources Limited to be held at Level 39, Australia Square Tower, 264 – 278 George Street, Sydney NSW 2000 at 10.00 am AEDT on 15 November 2016** and at any adjournment of that Meeting, to act on my/our behalf and to vote in accordance with the following directions or if no directions have been given, as the proxy sees fit.

If the Chairman of the Meeting is appointed as your proxy, or may be appointed by default, by signing and returning this form, you expressly authorise the Chairman of the Meeting to exercise your proxy in relation to Resolution 1, even though Resolution 1 is connected with the remuneration of the Company's key management personnel.

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

STEP 2 - Voting directions to your Proxy – please mark to indicate your directions

Ordinary Business		For	Against	Abstain*
Resolution 1	Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Election of Director – Rod Sainty	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Re-election of Director – Noel Halgreen	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Issue of Options to Noel Halgreen	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Issue of Options to Alex Alexander	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Issue of Options to Luke Humphreys	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7	Issue of Options to Rodney Sainty	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 8	Issue of Options to DJ Carmichael Pty Ltd	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 9	Ratification of Issue of Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 10	Ratification of Private Placement of Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 11	Approval for Private Placement of Shares under ASX Listing Rule 7.1	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Special Resolution		For	Against	Abstain*
Resolution 12	Approval of additional capacity to issue Equity Securities under ASX Listing Rule 7.1A	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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

STEP 3 - PLEASE SIGN HERE

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

Individual or Securityholder 1

Securityholder 2

Securityholder 3

Sole Director and Sole Company Secretary

Director

Director/Company Secretary

/ / 2016

Contact Name

Contact Daytime Telephone

Date

YOUR VOTE IS IMPORTANT

FOR YOUR VOTE TO BE EFFECTIVE IT MUST BE RECORDED BEFORE 10.00 am AEDT SUNDAY, 13 November 2016

TO VOTE BY COMPLETING THE PROXY FORM

STEP 1 Appointment of Proxy

Indicate here who you want to appoint as your Proxy

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box. If you wish to appoint someone other than the Chairman of the Meeting as your proxy please write the full name of that individual or body corporate. If you leave this section blank, or your named proxy does not attend the Meeting, the Chairman of the Meeting will be your proxy. A proxy need not be a Member of the Company. Do not write the name of the issuer company or the registered member in the space.

Proxy which is a Body Corporate

Where a body corporate is appointed as your proxy, the representative of that body corporate attending the Meeting must provide evidence of his or her appointment by providing an "Appointment of Corporate Representative" form prior to admission. An Appointment of Corporate Representative form can be obtained from the Company's Share Registry.

Appointment of a Second Proxy

You are entitled to appoint up to two proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the company's Share Registry or you may copy this form.

To appoint a second proxy you must:

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

STEP 2 Voting Directions to your Proxy

You can tell your Proxy how to vote

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

STEP 3 Sign the Form

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

Individual: this form is to be signed by the securityholder.

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

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

Companies: this form must be signed by a director jointly with either another director or a company secretary. Where the company has a sole director who is also the sole company secretary, this form must be signed by that person.

Please indicate the office held by signing in the appropriate place.

STEP 4 Lodgement of a Proxy

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below not later than 48 hours before the commencement of the Meeting at 10.00 am on Tuesday, 15 November 2016. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Proxies may be lodged using the reply paid envelope or:

BY MAIL - Share Registry – Advanced Share Registry Services Limited
PO Box 1156
Nedlands WA 6909 Australia

BY FAX - + 61 8 9262 3723

IN PERSON - Share Registry – Advanced Share Registry Services Limited
110 Stirling Highway
Nedlands WA 6009 Australia

Attending the Meeting

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