



**ASX RELEASE
1 OCTOBER 2020**

Dear Shareholder

PURE MINERALS LIMITED – UPCOMING GENERAL MEETING

Pure Minerals Limited (ASX:PM1) (**Pure Minerals** or the **Company**) will be holding a general meeting at 10.00am (WST) on 2 November 2020 (the **Meeting**).

The Company is closely monitoring the impact of the COVID-19 virus in Western Australia and following guidance from the Federal and State Governments.

In accordance with temporary modifications to the Corporations Act under the Corporations (Coronavirus Economic Response) Determination (No. 1) 2020, the Company is not sending hard copies of the Notice of Meeting to shareholders.

The Notice of Meeting and Explanatory Memorandum can be viewed and downloaded from the following website link: <https://www.pureminerals.com.au/>

Alternatively, a complete copy of the important Meeting documents has been posted on the Company's ASX market announcements page.

If you have nominated an email address and have elected to receive electronic communications from the Company, you will also receive an email to your nominated email address with a link to an electronic copy of the important Meeting documents.

In order to be able to receive communications electronically from the Company in the future, please update your details online at www.investorcentre.com.

Shareholders are encouraged to vote online at www.investorvote.com.au or by lodging the attached proxy form.

If you are unable to access any of the important Meeting documents online please contact the Computershare on 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia)

Authorised for and on behalf of the Board,

**Mauro Piccini,
Company Secretary**



Pure Minerals Limited

Pure Minerals Limited

(ACN 125 368 658)

NOTICE OF GENERAL MEETING AND EXPLANATORY MEMORANDUM

2 November 2020

10:00am WST

**Nova Legal, Level 2, 50 Kings Park Road
WEST PERTH WA 6005**

This Notice of General Meeting and Explanatory Memorandum 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.

Should you wish to discuss any matter in this Notice or Explanatory Memorandum please contact the Company Secretary on +61 8 6559 1792.

NOTICE OF MEETING

Notice is given that the General Meeting of Shareholders of Pure Minerals Limited (ACN 125 368 658) (**Company**) will be held at Nova Legal Level 2, 50 Kings Park Road, West Perth WA 6005 on 2 November 2020 commencing at 10am WST.

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

The Directors have determined pursuant to regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered as Shareholders at 5:00pm WST on 30 October 2020.

Terms and abbreviations used in this Notice and Explanatory Memorandum are defined in Schedule 1.

AGENDA

1. Resolution 1 – Ratification of May Placement Shares

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

*“That, for the purpose of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 32,000,000 Shares under the Company’s Listing Rule 7.1A capacity on the terms and conditions set out in the Explanatory Statement (**May Placement**).”*

Voting Exclusion

The Company will disregard any votes cast in favour of this resolution 1 (**Resolution**) by or on behalf of:

- (a) Mr Kwong Ho Richard Chan who participated in the issue (or is a counterparty to the agreement being approved); or
- (b) any Associate Mr Kwong Ho Richard Chan (or is a counterparty to the agreement being approved).

However, this does not apply to a vote cast in favour of the Resolution by:

- (a) Mr Kwong Ho Richard Chan as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way;
- (b) the Chair of the meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

2. Resolution 2 – Ratification of September Placement Shares – Tranche 1

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

“That, for the purpose of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of:

- (a) 79,464,786 Shares under the Company’s Listing Rule 7.1 capacity; and
- (b) 26,783,846 Shares under the Company’s Listing Rule 7.1A capacity,

on the terms and conditions set out in the Explanatory Statement (**Tranche 1**).”

Voting Exclusion

The Company will disregard any votes cast in favour of this resolution 2(a) or 2(b) (**Resolution**) by or on behalf of:

- (a) any person who participated in the issue (or is a counterparty to the agreement being approved); or
- (b) any Associate any person who participated in the issue (or is a counterparty to the agreement being approved).

However, this does not apply to a vote cast in favour of the Resolution by:

- (a) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way;
- (b) the Chair of the meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

3. Resolution 3 – Approval for September Placement Shares -Tranche 2

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

*“That, for the purpose of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 187,084,702 Shares on the terms and conditions set out in the Explanatory Statement (**Tranche 2**).”*

Voting Exclusion

The Company will disregard any votes cast in favour of this resolution 3 (**Resolution**) by or on behalf of:

- (a) any person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company); or
- (b) any Associate of that person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company).

However, this does not apply to a vote cast in favour of the Resolution by:

- (a) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way;
- (b) the Chair of the meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

4. Resolution 4 – Ratification of Previous Share Issues

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

“That, for the purpose of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the previous issues of Shares undertaken by the Company pursuant to its Listing Rule 7.1 capacity:

- (a) 377,650 Shares to Dr. Stephen Grocott; and
- (b) 8,333,333 Shares to Lycopodium Minerals Pty Ltd,

*on the terms and conditions set out in the Explanatory Statement (**Tranche 1**)."*

Voting Exclusion

The Company will disregard any votes cast in favour of this resolution 4(a) or 4(b) (**Resolution**) by or on behalf of:

- (a) Lycopodium Minerals Ltd (in respect of 4(a)) and Dr Stephen Grocott (in respect of 4(b)) who participated in the issue (or is a counterparty to the agreement being approved); or
- (b) any Associate of Lycopodium Minerals Ltd (in respect of 4(a)) and Dr Stephen Grocott (in respect of 4(b)) (or is a counterparty to the agreement being approved).

However, this does not apply to a vote cast in favour of the Resolution by:

- (c) Lycopodium Minerals Ltd (in respect of 4(a)) and Dr Stephen Grocott (in respect of 4(b)) as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way;
- (d) the Chair of the meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (e) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Dated 1 October 2020

BY ORDER OF THE BOARD



Mauro Piccini

Company Secretary

EXPLANATORY MEMORANDUM

1. Introduction

This Explanatory Memorandum has been prepared for the information of Shareholders of the Company in connection with the business to be conducted at the Meeting to be held at Nova Legal, Level 2, 50 Kings Park Road, West Perth WA 6005 on 2 November 2020 commencing at 10am WST..

This Explanatory Memorandum should be read in conjunction with and forms part of the accompanying Notice. The purpose of this Explanatory Memorandum is to provide information to Shareholders in deciding whether or not to pass the Resolutions in the Notice.

A Proxy Form is located at the end of the Explanatory Memorandum.

2. Action to be taken by Shareholders

Shareholders should read the Notice and this Explanatory Memorandum carefully before deciding how to vote on the Resolutions.

2.1 Proxies

A Proxy Form is attached to the Notice. This is to be used by Shareholders if they wish to appoint a representative (a proxy) to vote in their place. All Shareholders are invited and encouraged to attend the Meeting or, if they are unable to attend in person, sign and return the Proxy Form to the Company in accordance with the instructions thereon. Lodgement of a Proxy Form will not preclude a Shareholder from attending and voting at the Meeting in person.

Please note that:

- (a) a member of the Company entitled to attend and vote at the Meeting is entitled to appoint a proxy;
- (b) a proxy need not be a member of the Company; and
- (c) a member of the Company entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise, but where the proportion or number is not specified, each proxy may exercise half of the votes.

Shareholders and their proxies should be aware that:

- (a) If proxy holders vote, they must cast all directed proxies as they are directed to; and
- (b) Any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

Further details are set out below.

Proxy vote if appointment specifies way to vote

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

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

Transfer of non-chair proxy to Chair in certain circumstances

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

- (a) an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's members; and
- (b) the appointed proxy is not the Chair of the meeting; and
- (c) at the meeting, a poll is duly demanded on the resolution; and
- (d) either of the following applies:
- (e) the proxy is not recorded as attending the meeting;
- (f) the proxy does not vote on the resolution,

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

The enclosed Proxy Form provides further details on appointing proxies and lodging Proxy Forms.

2.2 Corporate Representatives

A corporation may appoint an individual as a representative to exercise its powers as Shareholder or as a Shareholder's proxy. The representative must bring to the Meeting evidence of his or her appointment, including any authority under which it is signed, unless it has been previously given to the Company's share registry.

2.3 Submit your Proxy Vote Online

Vote online at <https://www.investorvote.com.au>, and simply follow the instructions on the enclosed proxy form.

2.4 Voting in Person

To vote in person, Shareholders are able to attend the Meeting at the time, date and place set out above. In light of on the status of the evolving COVID-19 situation and easing of Government restrictions on public gatherings in place at the time of the Notice and the number of Shareholders that normally attend Shareholder meetings for the Company, the Directors have made a decision that Shareholders will be able to physically attend the Meeting in person and accordingly, have arranged an appropriate meeting venue. If the Government restrictions and corresponding decision of the Director's changes prior to the Meeting, the Directors will update Shareholders via the Company's ASX platform.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 8 6559 1792.

3. Background to Capital Raisings

3.1 May Placement

On 1 May 2020, the Company announced a placement of 32 million fully paid ordinary shares at an issue price of \$0.01 per share to raise a total value of \$320,000 (before costs) (**May Placement**). The May Placement was issued under the Company's existing Listing Rule 7.1A placement capacity to a single overseas investor, Mr Kwong Ho Richard Chan (who is not a Related Party of the Company).

The Funds from the May Placement were used to progress pilot plant activities relating to the TECH Project, including ore preparation, engineering and design and laboratory scale test work and working capital.

3.2 September Placement

On 21 September 2020, the Company announced a placement of 293,333,334 fully paid ordinary shares at an issue price of \$0.015 per share to raise a total of \$4.4 million (before costs) to institutional and sophisticated investors (who are not Related Parties of the Company) (**September Placement**). The September Placement is being conducted in two tranches in the amounts as follows:

- (a) 79,464,786 Shares (pursuant to the Company's existing placement capacity under Listing Rule 7.1); and
- (b) 26,783,846 Shares (pursuant to the Company's existing placement capacity under Listing Rule 7.1A),

the subject of Resolution 2 (collectively **Tranche 1**);
- (c) 187,084,702 Shares (to be issued subject to Shareholder approval – being the subject of Resolution 3) (**Tranche 2**), and

The Funds from the September Placement will be used as follows:

- pilot plant activities, including operation, for the TECH Project;
- commencement of Bankable Feasibility Study;
- commencement of project approvals;
- corporate and admin; and
- working capital.

Foster Stockbroking Pty Ltd (**Foster**) was appointed as lead manager to the September Placement. Shares issued under the September Placement were allocated to subscribers at the Company's discretion (in consultation with Foster). For their lead manager services, Foster will receive fees of up to 6% subject to subscriber allocation (which is subject to Company discretion).

4. Resolution 1 – Ratification of May Placement Shares

4.1 General

Please see Section 3.1 above for an overview of the May Placement.

The Company issued the May Placement Shares without prior Shareholder approval, out of its 10% annual placement capacity (32 million under Listing Rule 7.1A).

The May Placement Shares was not placed with any Related Parties of the Company nor any of their associates.

Resolution 1 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the previous issue of those May Placement Shares.

4.1.1 ASX Listing Rules 7.1 and 7.1A

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 at which the Shareholders approve the 10% placement facility. The 10% placement facility is in addition to the Company's 15% placement capacity under Listing Rule 7.1.

Listing Rule 7.4 allows the shareholders of a listed company to approve an issue of equity securities after it has been made or agreed to be made. If they do, the issue is taken to have been approved under Listing Rule 7.1 and so does not reduce the Company's capacity to issue further equity securities without shareholder approval under that rule.

The Company wishes to retain as much flexibility as possible to issue additional equity securities into the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1. To this end, Resolution 1 seeks Shareholder approval to the May Placement under and for the purposes of Listing Rule 7.4.

If Resolution 1 is passed, the May Placement issue will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of equity securities it can issue without Shareholder approval over the 12 month period following the issue date.

If Resolution 1 is not passed, the May Placement issue will be included in calculating the Company's 15% limit in Listing Rule 7.1, effectively decreasing the number of equity securities it can issue without Shareholder approval over the 12 month period following the issue date.

4.1.2 Technical information required by ASX Listing Rule 7.4

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to the ratification of the Shares under this Resolution (in respect of Listing Rule 7.1A):

- (a) the May Placement Shares were issued to Mr Kwong Ho Richard Chan (who is not a Related Party of the Company);
- (b) a total of 32 million Shares were issued under Listing Rule 7.1A. The May Placement Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (c) the May Placement Shares were issued on 15 May 2020;
- (d) the issue price was \$0.01 per Share;

- (e) the purpose of this issue and the intended use of the funds raised is as set out in Section 3.1;
- (f) the issue of the May Placement Shares is not pursuant to an agreement; and
- (g) a voting exclusion statement is set out in the Notice, which precludes any persons who participated in the issue May Placement Shares and their associates from voting on this Listing Rule 7.4 resolution.

The Directors of the Company believe Resolution 1 is in the best interest of the Company and its Shareholders and unanimously recommend that the Shareholders vote in favour of this Resolution.

5. Resolution 2 – Ratification of September Placement Shares – Tranche 1

5.1 General

Please see Section 3.2 for an overview of the September Placement.

The Company issued the September Placement Shares the subject of the Tranche 1 without prior Shareholder approval, out of its 15% annual placement capacity and additional 10% annual placement capacity (79,464,786 Shares under Listing Rule 7.1 and 26,783,846 Shares under Listing Rule 7.1A).

The Tranche 1 September Placement Shares were issued to parties determined by the Company and not placed with any Related Parties of the Company nor any of their associates.

Resolution 2 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the previous issue of those Tranche 1 September Placement Shares.

5.2 ASX Listing Rules 7.1 and 7.1A

Broadly speaking, and subject to a number of exceptions which are contained in Listing Rule 7.2 (which do not apply in the circumstance of this Resolution), Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that period. The Tranche 1 September Placement Shares do not fit within any of the exceptions in Listing Rule 7.2 and, as it has not yet been approved by the Company's Shareholders, it effectively uses up part of the 15% limit in Listing Rule 7.1, reducing the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1 for the 12 month period following the issue date.

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 at which the Shareholders approve the 10% placement facility. The 10% placement facility is in addition to the Company's 15% placement capacity under Listing Rule 7.1.

Listing Rule 7.4 allows the shareholders of a listed company to approve an issue of equity securities after it has been made or agreed to be made. If they do, the issue is taken to have been approved under Listing Rule 7.1 and so does not reduce the company's capacity to issue further equity securities without shareholder approval under that rule.

The Company wishes to retain as much flexibility as possible to issue additional equity securities into the future without having to obtain Shareholder approval for such issues under

Listing Rule 7.1. To this end, Resolution 2 seeks Shareholder approval to the Tranche 1 September Placement under and for the purposes of Listing Rule 7.4.

If Resolution 2 is passed, the Tranche 1 September Placement issue will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of equity securities it can issue without Shareholder approval over the 12 month period following the issue date.

If Resolution 2 is not passed, the Tranche 1 September Placement issue will be included in calculating the Company's 15% limit in Listing Rule 7.1, effectively decreasing the number of equity securities it can issue without Shareholder approval over the 12 month period following the issue date.

5.3 Technical information required by ASX Listing Rule 7.4

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to the ratification of the Shares under this Resolution (in respect of Listing Rules 7.1 and 7.1A):

- (a) the Tranche 1 Placement Shares were issued to institutional and sophisticated investors exempt under section 708 of the Corporations Act determined by the Company in consultation with the Lead Manager. None of these subscribers are Related Parties of the Company. Fosters (and its associates) were allotted 11,618,292 Shares under Tranche 1 of the September Placement;
- (b) a total of 106,248,632 Shares were issued, with 79,464,786 under Listing Rule 7.1 (which are the subject of Resolution 2(a)) and 26,783,846 under Listing Rule 7.1A (which are the subject of Resolution 2(b)). The Tranche 1 September Placement Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (c) the Tranche 1 September Placement Shares were issued on 25 September 2020;
- (d) the issue price was \$0.015 per Share;
- (e) the purpose of this issue and the intended use of the funds raised is as set out in Section 3.2;
- (f) the issue of the Tranche 1 September Placement Shares is not pursuant to an agreement; and
- (g) a voting exclusion statement is set out in the Notice, which precludes any persons who participated in the issue Tranche 1 September Placement Shares and their associates from voting on this Listing Rule 7.4 resolution.

The Directors of the Company believe Resolution 2(a) and 2(b) is in the best interest of the Company and its Shareholders and unanimously recommend that the Shareholders vote in favour of this Resolution.

6. Resolution 3 – Approval for September Placement Shares - Tranche 2

6.1 Background

As set out in Section 3.2, as a part of the September Placement the Company seeks to make a Placement, comprised of separate tranches. This Notice seeks ratification of Tranche 1

under Resolution 2 and seeks separate approval for the Company's issuance of the Tranche 2 Shares, by way of Resolution 3.

6.2 General

Resolution 3 seeks Shareholder approval for the issue of up to 187,084,702 Tranche 2 September Placement Shares at an issue price of \$0.015 per Share, to raise up to \$2,806,270 (before costs), as set out in Section 3.2 above (**Tranche 2**).

The Company seeks to issue the Tranche 2 of the September Placement Shares with prior Shareholder approval, as such an issue would otherwise exceed the Company's Listing Rule 7.1 and 7.1A capacity.

The Tranche 2 September Placement Shares will be issued to parties determined by the Company (in consultation with the Lead Manager) who are not Related Parties of the Company.

Resolution 3 seeks Shareholder approval pursuant to ASX Listing Rule 7.1 for the issue of those Tranche 2 September Placement Shares.

6.3 ASX Listing Rule 7.1

Broadly speaking, and subject to a number of exceptions which are contained in Listing Rule 7.2 (which do not apply in the circumstance of this Resolution), Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that period. The Tranche 2 of the September Placement does not fit within any of the exceptions in Listing Rule 7.2 and, as it has not yet been approved by the Company's Shareholders, it effectively uses up part of the 15% limit in Listing Rule 7.1, reducing the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1 for the 12 month period following the issue date.

The Tranche 2 does not fall within any of these exceptions and exceeds the 15% limit in Listing Rule 7.1. It therefore requires the approval of the Company's Shareholders under Listing Rule 7.1.

If Resolution 3 is passed, the Company will be able to proceed with the issue of Tranche 2 of the September Placement and will issue up to 187,084,702 Tranche 2 Shares and raise the corresponding funds. In addition, the Tranche 2 September Placement will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolution 3 is not passed, the Company will not be able to proceed with Tranche 2 of the September Placement and will not issue the 187,084,702 Tranche 2 Placement Shares and will not raise the corresponding funds.

6.4 Technical information required by ASX Listing Rule 7.1

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to the proposed issue of the Shares:

- (a) the Tranche 2 September Placement Shares will be issued to institutional and sophisticated investors exempt under section 708 of the Corporations Act determined by the Company in consultation with the Lead Manager. None of these subscribers will be Related Parties of the Company. Fosters (and its associates) has subscribed for 17,541,709 Shares under Tranche 2 of the September Placement (this is in addition to the Tranche 1 Shares received under clause 5.3(a));

- (b) 187,084,702 Shares will be issued, the Tranche 2 September Placement Shares will all be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (c) the Tranche 2 Shares will be issued on or about 4 November 2020 and otherwise not later than 3 months after the date of the Meeting;
- (d) the issue price is \$0.015 per Share;
- (e) the purpose of this issue and the intended use of the funds raised is as set out in Section 3.2;
- (f) the Tranche 2 Shares are not being issued under an agreement;
- (g) the Tranche 2 Shares are not being issued under or to fund a reverse takeover; and
- (h) a voting exclusion statement is set out in the Notice.

The Directors of the Company believe Resolution 3 is in the best interest of the Company and its Shareholders and unanimously recommend that the Shareholders vote in favour of this Resolution.

7. Resolution 4 – Ratification of Previous Share Issues

7.1 Issue of Shares to Lycopodium Minerals Ltd

On 13 December 2019 the Company issued 8,333,333 Shares to Lycopodium Minerals Ltd (**Lycopodium**) as part consideration for their services undertaking and completing the pre-feasibility study in respect of the Company's TECH Project (**Lycopodium Shares**) (which was announced on 9 December 2019).

The Company appointed Lycopodium as lead engineer for undertaking the pre-feasibility on 17 May 2019. As announced, the key material obligations of Lycopodium under the contract were:

- (a) Lycopodium was to deliver process services and utilities design and engineering;
- (b) preparation of project capital and operating cost estimates; and
- (c) compilation of the pre-feasibility report, including integration of studies relating to other work packages.

In consideration for the services provided, the Lycopodium agreed to accept approximately 20% of its fees in Shares (being the Lycopodium Shares the subject of Resolution 4(a)).

7.2 Issue of Shares to Dr. Grocott

On 21 July 2020 the Company announced that it had appointed Dr. Stephen Grocott as Chief Executive Officer. Dr. Grocott is an accomplished executive in the mining and mineral processing sector with nearly 40 years of international experience. Most recently, he was the Chief Technical Development Officer at Clean TeQ Holdings Limited where he was accountable for all technical and process development, and supported technical marketing, Due Diligence, and project funding for the A\$2B Sunrise nickel, cobalt and scandium project in New South Wales. Dr Grocott's exposure to EV and battery producers and world-class expertise in process development for minerals processing and battery chemicals will underpin the progress of the Company.

Dr. Grocott has played a key role with the Company and will drive the technical and marketing activities of the Company, including development of relationships with global automotive, battery and cathode companies that are the prospective customers for the battery chemicals and co-products that are proposed to be produced at the Townsville Energy Chemicals Hub.

The complete terms of Dr. Grocott's engagement with the Company are set out in the Company's announcement dated 21 July 2020. As part of the engagement, Dr. Grocott agreed to accept 30% of his first 3 months salary as Shares, which equated to [30% of monthly salary, totalling 377,650 Shares (**CEO Shares**). The CEO Shares were issued by the Company on 8 September 2020.

The Company issued the Lycopodium Shares and the CEO Shares without prior Shareholder approval, out of its 15% placement capacity (under Listing Rule 7.1).

Resolution 4(a) and 4(b) seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the previous issue of those Lycopodium Shares and CEO Shares respectively.

7.3 ASX Listing Rules 7.1

A summary of Listing Rule 7.1 is provided in Section 5.2.

If Resolution 4(a) and (b) are passed, the Lycopodium Shares and the CEO Shares issue will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of equity securities it can issue without Shareholder approval over the 12 month period following the issue date.

If Resolution 4(a) and (b) are not passed, the Lycopodium Shares and the CEO Shares will be included in calculating the Company's 15% limit in Listing Rule 7.1, effectively decreasing the number of equity securities it can issue without Shareholder approval over the 12 month period following the issue date.

7.4 Technical information required by ASX Listing Rule 7.4

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to the ratification of the Shares under this Resolution (in respect of Listing Rule 7.1):

- (a) the Lycopodium Shares were issued to Lycopodium Minerals Ltd and the CEO Shares were issued to Dr. Grocott (both parties are not Related Parties of the Company);
- (b) the total Shares issued which were issued by the Company:
 - (i) 8,333,333 Shares to Lycopodium Minerals Ltd;
 - (ii) 377,650 Shares to Dr. Grocott,under Listing Rule 7.1. The Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (c) the Lycopodium Shares were issued on 13 December 2019;
- (d) the CEO Shares were issued on 8 September 2020;
- (e) as both the Lycopodium Shares and the CEO Shares were issued for services provided to the Company (respectively), the Shares were issued without any issue price;

- (f) the purpose of the issue of the Lycopodium Shares was part consideration for services provided by Lycopodium to the Company in respect of the preparation and finalisation of the pre-feasibility study;
- (g) the purpose of the issue of the CEO Shares was part consideration for services provided by Dr. Grocott in accordance with the terms of his engagement (as announced on 21 July 2020);
- (h) the Lycopodium Shares were issued pursuant to an agreement for services between Lycopodium and the Company, a summary of the key material terms of which are set out in Section 7.1 above;
- (i) the CEO Shares were issued pursuant to an agreement for services between Dr. Grocott and the Company which are set out in Annexure A of this Notice; and
- (j) a voting exclusion statement is set out in the Notice, which precludes any persons who participated in the issue Lycopodium Shares, the CEO Shares and their respective associates from voting on this Listing Rule 7.4 resolution.

The Directors of the Company believe Resolution 4 is in the best interest of the Company and its Shareholders and unanimously recommend that the Shareholders vote in favour of this Resolution.

SCHEDULE 1– Definitions

In this Notice and the Explanatory Memorandum:

\$ means Australian Dollars.

Associate has the meaning given in sections 12 and 16 of the Corporations Act. Section 12 is to be applied as if paragraph 12(1)(a) included a reference to the Listing Rules and on the basis that the Company is the “designated body” for the purposes of that section. A related party of a director or officer of the Company or of a Child Entity of the Company is to be taken to be an associate of the director or officer unless the contrary is established.

ASX means ASX Limited (ACN 008 624 691) and, where the context permits, the Australian Securities Exchange operated by ASX.

Board means the board of Directors.

Business Day means:

- (a) for determining when a notice, consent or other communication is given, a day that is not a Saturday, Sunday or public holiday in the place to which the notice, consent or other communication is sent; and
- (b) for any other purpose, a day (other than a Saturday, Sunday or public holiday) on which banks are open for general banking business in Perth.

Chair means the person appointed to chair the Meeting convened by this Notice.

Closely Related Party means:

- (a) a spouse or child of the member; or
- (b) has the meaning given in section 9 of the Corporations Act.

Company means Pure Minerals Limited (ACN 125 368 658).

Constitution means the constitution of the Company as at the commencement of the Meeting.

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

Director means a director of the Company.

Equity Securities has the same meaning as in the Listing Rules.

Explanatory Memorandum means the explanatory memorandum attached to the Notice.

Key Management Personnel means 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) of the Company.

Listing Rules means the listing rules of ASX.

Meeting has the meaning in the introductory paragraph of the Notice.

Notice means this notice of meeting.

Option means an option which entitles the holder to subscribe for one Share.

Proxy Form means the proxy form attached to the Notice.

Related Party has the meaning set out in the ASX Listing Rule 10.11.

Resolution means resolution contained in the Notice.

Schedule means a schedule to this Notice.

Section means a section contained in this Explanatory Memorandum.

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

Shareholder means a shareholder of the Company.

Trading Day means a day determined by ASX to be a trading day in accordance with the Listing Rules.

VWAP means volume weight average price.

WST means Western Standard Time, being the time in Perth, Western Australia.

In this Notice and the Explanatory Memorandum words importing the singular include the plural and vice versa.

ANNEXURE A – Terms of CEO Appointment Agreement

Commencement Date	21 July 2020
Term	12 months, extension by mutual agreement
Remuneration	\$250,000 + superannuation per annum Dr. Grocott has agreed to accept 30% of his first 3 months' remuneration in shares in PM1.
Termination Provisions	PM1 may terminate the agreement with one month written notice Dr. Grocott may terminate the agreement by providing three months' written notice
Performance Incentives	See table below

Dr. Grocott will be issued the following Performance Rights, subject to the Company obtaining all necessary shareholder and regulatory approvals, including ASX approvals.

Milestone	Completion Date	N.o. Performance Rights
1. The Company enters into a Memorandum of Understanding (whether legally binding or not) with a potential customer regarding nickel sulphate offtake for the TECH Project which is required to be announced by the Company on the ASX	n/a	2,500,000
2. The Company enters into a legally binding offtake agreements for at least 35% of the forecast nickel sulphate production for the first ≥ 5 years of TECH Project	n/a	5,000,000
3. The Company enters into a legally binding offtake agreements for at least 35% of the forecast cobalt sulphate production for the first ≥ 5 years of TECH Project	n/a	1,500,000
4. The Company enters into a legally binding offtake agreements for at least 35% of the forecast combined value of the iron oxide, high purity alumina and magnesia production for the first ≥ 3 years of TECH Project	n/a	2,000,000
5. Completion of a finalised, signed off Bankable or Definitive Feasibility Study for the TECH Project	On or before 15 May 2021	7,500,000
	16 May 2021 to 31 December 2021	5,000,000
	1 January 2022 to 30 June	3,000,000

6. Obtain all regulatory approvals required to build the TECH Project	On or before 15 May 2022	7,500,000
	16 May 2022 to 31 August 2022	5,000,000
	1 September 2022 to 30 November 2022	2,500,000
7. The Board of the Company reaches a Final Investment Decision to proceed with the construction of the TECH Project	On or before 15 November 2022	12,500,000
	16 November 2022 to 31 May 2023	10,000,000
	1 June 2023 to 30 November 2023	5,000,000

Note: Performance milestones 5-7 are not cumulative. The number of Performance Rights granted is dependent on the date of meeting the milestone.



Pure Minerals Limited

ABN 61 125 368 658

PM1

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Need assistance?



Phone:

1300 763 658 (within Australia)
+61 3 9415 4000 (outside Australia)



Online:

www.investorcentre.com/contact



YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **10:00 AM (WST)** on **Saturday, 31 October 2020**.

Proxy Form

How to Vote on Items of Business

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

APPOINTMENT OF PROXY

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

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

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

A proxy need not be a securityholder of the Company.

SIGNING INSTRUCTIONS FOR POSTAL FORMS

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

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

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

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

PARTICIPATING IN THE MEETING

Corporate Representative

If a representative of a corporate securityholder or proxy is to participate in the meeting you will need to provide the appropriate "Appointment of Corporate Representative". A form may be obtained from Computershare or online at www.investorcentre.com under the help tab, "Printable Forms".

Lodge your Proxy Form:

XX

Online:

Lodge your vote online at www.investorvote.com.au using your secure access information or use your mobile device to scan the personalised QR code.

Your secure access information is



Control Number: 999999

SRN/HIN: I9999999999

PIN: 99999

For Intermediary Online subscribers (custodians) go to www.intermediaryonline.com

By Mail:

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

By Fax:

1800 783 447 within Australia or
+61 3 9473 2555 outside Australia



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

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030



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



I 9999999999

I ND

Proxy Form

Please mark ☒ to indicate your directions

Step 1

Appoint a Proxy to Vote on Your Behalf

XX

I/we being a member/s of Pure Minerals Limited hereby appoint



the Chairman
of the Meeting **OR**

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

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the General Meeting of Pure Minerals Limited to be held at Nova Legal, Level 2, 50 Kings Park Road, West Perth Western Australia on Monday, 2 November 2020 at 10:00 AM (WST) and at any adjournment or postponement of that meeting.

Chairman authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Item 4a (except where I/we have indicated a different voting intention in step 2) even though Item 4a is connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

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

Step 2

Items of Business

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

	For	Against	Abstain
1 Ratification of May Placement Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2a Ratification of September Placement Shares – Tranche 1 - Listing Rule 7.1	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2b Ratification of September Placement Shares – Tranche 1 - Listing Rule 7.1A	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Approval for September Placement Shares – Tranche 2	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4a Ratification of Previous Share Issue - 377,650 Shares to Dr. Stephen Grocott	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4b Ratification of Previous Share Issue - 8,333,333 Shares to Lycopodium Minerals Pty Ltd	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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

Step 3

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

Individual or Securityholder 1

Sole Director & Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

/ /

Date

Update your communication details (Optional)

Mobile Number

Email Address

By providing your email address, you consent to receive future Notice of Meeting & Proxy communications electronically

PM 1

2 6 8 8 0 1 A



Computershare

