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## **CLASSIC MINERALS LIMITED**

**ABN 77 119 484 016**

### **NOTICE OF ANNUAL GENERAL MEETING AND EXPLANATORY STATEMENT**

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**TIME:** 2:30pm WST

|               |  |
|---------------|--|
| <b>DATE:</b>  | Monday 30 <sup>th</sup> November 2015                                      |
| <b>PLACE:</b> | Hyatt Regency Perth,<br>Lower Level, 99 Adelaide Terrace,<br>PERTH WA 6000 |

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

*Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on (08) 08 6305 0221.*

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## TIME AND PLACE OF MEETING AND HOW TO VOTE

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### VENUE

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The Annual General Meeting of the Shareholders of Classic Minerals Limited which this Notice of Meeting relates to will be held at 2:30pm WST on Monday 30 November 2015 at:

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| <p><b>Hyatt Regency.<br/>Lower Level, 99 Adelaide Terrace<br/>PERTH WA 6000</b></p> |
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### YOUR VOTE IS IMPORTANT

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

### VOTING IN PERSON

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

### VOTING BY PROXY

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

- (a) send the proxy form by post to Classic Minerals Limited, PO Box 487, Osborne Park WA 6917; or
- (b) send the proxy form by facsimile to the Company on facsimile number (08) 9242 8295.

so that it is received not later than 2.30pm WST on Saturday, 28 November 2015.

### **Proxy forms received later than this time will be invalid.**

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

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

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## NOTICE OF ANNUAL GENERAL MEETING

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New sections 250BB and 250BC of the Corporations Act came into effect on 1 August 2011 and apply to voting by proxy on or after that date. Shareholders and their proxies should be aware of these changes to the Corporations Act, as they will apply to this Meeting. Broadly, the changes mean that:

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

Further details on these changes are set out below.

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

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

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

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

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

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

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

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## NOTICE OF ANNUAL GENERAL MEETING

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Notice is given that the Annual General Meeting of Shareholders of Classic Minerals Limited will be held at Hyatt Regency Perth, Lower Level, 99 Adelaide Terrace at 2.30pm WST on Monday, 30 November 2015.

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

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Annual General Meeting are those who are registered Shareholders at the close of business on Friday 27 November 2015.

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

### AGENDA

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#### Reports and Accounts

To receive the financial report of the Company for the year ended 30 June 2015, together with the Directors' report, the Remuneration Report and the auditor's report.

#### Ordinary Resolution 1 – Adoption of Remuneration Report (Non-binding)

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

*"That, for the purposes of Section 250R(2) of the Corporations Act and for all other purposes, the Company adopts the Remuneration Report as contained in the Company's annual financial report for the financial year ended 30 June 2015."*

**Short Explanation:** The Corporations Act provides that a resolution that the remuneration report be adopted must be put to vote at a listed company's annual general meeting. The vote on Resolution 1 is advisory only and does not bind the Directors or the Company.

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

#### Voting Prohibition Statement:

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

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

However, a person described above may vote on this Resolution if:

- (a) the person does so as a proxy appointed by writing that specifies how the proxy is to vote on the Resolution; and
- (b) the vote is not cast on behalf of a person described in sub-paragraphs (a) or (b) above.

#### Ordinary Resolution 2 – Re-election of Mr Stan Procak

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 14.4, section 11.3 of the Constitution and for all other purposes, Stan Procak, being a director, retires by rotation and being eligible, is hereby re-elected as a director."*

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## NOTICE OF ANNUAL GENERAL MEETING

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### Ordinary Resolution 3 – Ratification of Prior Issue of Shares

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

*"That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, the shareholders ratify the issue of 1,000,000 Shares on the terms and conditions set out in the Explanatory Statement."*

Voting Exclusion: The Company will disregard any votes cast on Resolution 3 by any person who participated in the issue and any person who might gain a benefit, other than a benefit solely in the capacity of an ordinary security holder, from the passing of Resolution 3 and any associates of those persons.

However the Company need not disregard a vote if:

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

### Ordinary Resolution 4 – Ratification of Prior Issue of Shares

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

*"That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, the shareholders ratify the issue of 12,933,333 Shares on the terms and conditions set out in the Explanatory Statement."*

Voting Exclusion: The Company will disregard any votes cast on Resolution 4 by any person who participated in the issue and any person who might gain a benefit, other than a benefit solely in the capacity of an ordinary security holder, from the passing of Resolution 4 and any associates of those persons.

However the Company need not disregard a vote if:

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

### Ordinary Resolution 5 – Ratification of Prior Issue of Shares

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

*"That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, the shareholders ratify the issue of 3,192,308 Shares on the terms and conditions set out in the Explanatory Statement."*

Voting Exclusion: The Company will disregard any votes cast on Resolution 5 by any person who participated in the issue and any person who might gain a benefit, other than a benefit solely in the capacity of an ordinary security holder, from the passing of Resolution 5 and any associates of those persons.

However the Company need not disregard a vote if:

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

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## NOTICE OF ANNUAL GENERAL MEETING

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### Ordinary Resolution 6 – Ratification of Prior Issue of Shares

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

*“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, the shareholders ratify the issue of 1,579,500 Shares on the terms and conditions set out in the Explanatory Statement.”*

Voting Exclusion: The Company will disregard any votes cast on Resolution 6 by any person who participated in the issue and any person who might gain a benefit, other than a benefit solely in the capacity of an ordinary security holder, from the passing of Resolution 6 and any associates of those persons.

However the Company need not disregard a vote if:

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

### Ordinary Resolution 7 – Ratification of Prior Issue of Shares

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

*“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, the shareholders ratify the issue of 8,000,000 Shares on the terms and conditions set out in the Explanatory Statement.”*

Voting Exclusion: The Company will disregard any votes cast on Resolution 7 by any person who participated in the issue and any person who might gain a benefit, other than a benefit solely in the capacity of an ordinary security holder, from the passing of Resolution 7 and any associates of those persons.

However the Company need not disregard a vote if:

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

### Ordinary Resolution 8 – Ratification of Prior Issue of Shares

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

*“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, the shareholders ratify the issue of 2,500,000 Shares on the terms and conditions set out in the Explanatory Statement.”*

Voting Exclusion: The Company will disregard any votes cast on Resolution 8 by any person who participated in the issue and any person who might gain a benefit, other than a benefit solely in the capacity of an ordinary security holder, from the passing of Resolution 8 and any associates of those persons.

However the Company need not disregard a vote if:

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

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## NOTICE OF ANNUAL GENERAL MEETING

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### Ordinary Resolution 9 – Ratification of Prior Issue of Shares

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

*“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, the shareholders ratify the issue of 3,571,429 Shares on the terms and conditions set out in the Explanatory Statement.”*

Voting Exclusion: The Company will disregard any votes cast on Resolution 9 by any person who participated in the issue and any person who might gain a benefit, other than a benefit solely in the capacity of an ordinary security holder, from the passing of Resolution 9 and any associates of those persons.

However the Company need not disregard a vote if:

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

### Ordinary Resolution 10 – Ratification of Prior Issue of Shares

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

*“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, the shareholders ratify the issue of 1,562,500 Shares on the terms and conditions set out in the Explanatory Statement.”*

Voting Exclusion: The Company will disregard any votes cast on Resolution 10 by any person who participated in the issue and any person who might gain a benefit, other than a benefit solely in the capacity of an ordinary security holder, from the passing of Resolution 10 and any associates of those persons.

However the Company need not disregard a vote if:

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

### Ordinary Resolution 11 – Ratification of Prior Issue of Shares

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

*“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, the shareholders ratify the issue of 1,000,000 Shares on the terms and conditions set out in the Explanatory Statement.”*

Voting Exclusion: The Company will disregard any votes cast on Resolution 11 by any person who participated in the issue and any person who might gain a benefit, other than a benefit solely in the capacity of an ordinary security holder, from the passing of Resolution 11 and any associates of those persons.

However the Company need not disregard a vote if:

- (c) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (d) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

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## NOTICE OF ANNUAL GENERAL MEETING

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### **Ordinary Resolution 12 – Ratification of Prior Issue of Shares**

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

*“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, the shareholders ratify the issue of 5,000,000 Shares on the terms and conditions set out in the Explanatory Statement.”*

Voting Exclusion: The Company will disregard any votes cast on Resolution 12 by any person who participated in the issue and any person who might gain a benefit, other than a benefit solely in the capacity of an ordinary security holder, from the passing of Resolution 12 and any associates of those persons.

However the Company need not disregard a vote if:

- (e) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (f) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

### **Ordinary Resolution 13 – Ratification and Approval of issue of Convertible Note to Mdvst Pty Ltd**

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

*“That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, shareholders ratify the issue of the Convertible Note with a face value of \$1,000,000 to Mdvst Pty Ltd on the terms and conditions set out in the Explanatory Statement”.*

Voting Exclusion: The Company will disregard any votes cast on Resolution 13 by any person who may participate in the proposed issue and any person who might gain a benefit, other than a benefit solely in the capacity of an ordinary security holder, from the passing of Resolution 13 and any associates of those persons.

However the Company need not disregard a vote if:

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



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### **Resolution 14 - Approval for the Future Placement of up to 40,000,000 Shares**

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

"That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval and authorisation is given to the Directors to issue up to 40,000,000 Shares at an issue price that is at least 80% of the average market price of the Shares calculated over the last 5 days on which sales in the Shares were recorded before the date on which the issue is made, and otherwise on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast on Resolution 14 by any person who may participate in the proposed issue and any person who might obtain a benefit, except a benefit solely in the capacity of a security holder, if Resolution 14 is passed and any associate of those persons.

However the Company need not disregard a vote if:

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

**DATED: 29 OCTOBER 2015**

**BY ORDER OF THE BOARD**

**JUSTIN DOUTCH  
MANAGING DIRECTOR  
CLASSIC MINERALS LIMITED**

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## EXPLANATORY STATEMENT

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This Explanatory Statement has been prepared for the information of the Shareholders in connection with the business to be conducted at the Annual General Meeting of Classic Minerals Limited to be held at the , Hyatt Regency Perth, Lower Level, 99 Adelaide Terrace at 2.30pm WST on Monday, 30 November 2015.

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

### FINANCIAL STATEMENTS

In accordance with the Constitution, the business of the Annual General Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 30 June 2015 together with the declaration of the directors, the directors' report, the remuneration report and the auditor's report.

#### 1. Ordinary Resolution 1 – Adoption of Remuneration Report (non-binding resolution)

In accordance with Section 250R(2) of the Corporations Act, the Company must put a resolution to Shareholders that the remuneration report be adopted at the Annual General Meeting. The vote on Resolution 1 is advisory only and does not bind the Directors or the Company.

Under changes to the Corporations Act which came into effect on 1 July 2011, if at least 25% of the votes cast on Resolution 1 are voted against the adoption of the Remuneration Report at the Annual General Meeting, the Company will be required to put to Shareholders a resolution proposing the calling of an extraordinary general meeting to consider the appointment of directors of the Company (**Spill Resolution**).

If more than 50% of Shareholders vote in favour of the Spill Resolution, the Company must convene the extraordinary general meeting (**Spill Meeting**) within 90 days of the Company's 2015 Annual General Meeting. All of the Directors who were in office when the Company's 2015 Directors' report was approved, other than the managing director of the Company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting. Following the Spill Meeting those persons whose election or re-election as Directors is approved will be the Directors of the Company.

The remuneration report sets out the Company's remuneration arrangements for the Directors and senior management of the Company. The remuneration report is part of the Directors' report contained in the annual financial report of the Company for the financial year ending 30 June 2015.

A reasonable opportunity will be provided for discussion of the Remuneration Report at the Annual General Meeting.

#### 2. Ordinary Resolution 2 – Re- election of Mr Stan Procak

Mr Stan Procak retires by rotation at this meeting and, being eligible, offers himself for re-election and seeks re-election in accordance with ASX Listing Rule 14.4. Details regarding Stan Procak are set out in the Company's 2015 Annual Report. The Directors, other than Stan Procak, recommend that shareholder vote in favour of resolution 2.

### 3. Ordinary Resolutions 3 through 12 - Ratification of PRIOR Issues of Shares

#### 3.1 Background

On 15 December 2014, the Company issued 1,000,000 Shares without prior Shareholder Approval out of its 15% annual placement capacity to Greywood Holdings Pty Ltd at an issue price of \$0.018 per Share.

On 16 and 17 February 2015, the Company issued 12,933,333 Shares without prior Shareholder Approval out of its 15% annual placement capacity to various trade creditors at an issue price of either \$0.015 per Share or \$0.012 per Share.

On 14 March 2015, the Company issued 3,192,308 Shares without prior Shareholder Approval out of its 15% annual placement capacity to various trade creditors at an issue price of either \$0.013 per Share or \$0.014 per Share.

On 30 March 2015, the Company issued 1,579,500 Shares without prior Shareholder Approval out of its 15% annual placement capacity to various trade creditors at an issue price of \$0.01 per Share.

On 15 April 2015, the Company issued 8,000,000 Shares without prior Shareholder Approval out of its 15% annual placement capacity to various trade creditors at an issue price of \$0.011 and \$0.010 per Share.

On 1 May 2015, the Company issued 2,500,000 Shares without prior Shareholder Approval out of its 15% annual placement capacity to Steven Ogg and Peter Godfree at an issue price of \$0.010 per Share.

On 11 May 2015, the Company issued 3,571,429 Shares without prior Shareholder Approval out of its 15% annual placement capacity to Namija Pty Ltd at an issue price of \$0.007 per Share.

On 21 May 2015, the Company issued 1,562,500 Shares without prior Shareholder Approval out of its 15% annual placement capacity to Namija Pty Ltd at an issue price of \$0.0064 per Share.

On 18 June 2015, the Company issued 1,000,000 shares without shareholder approval out of its annual placement capacity to Samantha Douth at the issue price of \$0.006 per share.

On 3 September 2015, the Company issued 5,000,000 shares without shareholder approval out of its annual placement capacity to Lynne Ogg and Lisa Burgess at the issue price of \$0.004 per share.

#### 3.2 Corporations Act

Mrs Samantha Douth is the spouse of Mr Justin Douth, Managing Director of Classic minerals Limited. Mrs Douth was issued 800,000 Shares on 16/02/2015 at an issue price of \$0.015 (total value \$12,000) and 1,000,000 Shares on 18 June 2015 at an issue price of \$0.006 (total value \$6,000), both issues being in lieu of creditor payments.

The Board resolved that both of these transactions were on commercial terms and would be deemed reasonable in the circumstances that the Company and Mrs Douth were dealing at arm's length. The Board therefore resolved that Shareholder Approval was not required for the purpose of Chapter 2E of the Corporations Act at the time of issue of the Shares (exception pursuant to Section 210 of the Corporations Act). Mr Justin Douth abstained from the resolution relating to these matters.

**Apart from Mrs Samantha Douth, none of the allottees the subject of Resolutions 3 through 12 are related parties to the Company.**

### 3.2 Corporations Act (Continued)

None of the allottees the subject of Resolutions 3 through 12, in conjunction with any of their associates, hold, either before, during, or after any of the issues the subject of Resolutions 3 through 12, more than 19.9% of the issued capital of the Company.

### 3.3 Listing Rule 7.4

Resolutions 3 through 12 seek Shareholder ratification of these issues of Shares pursuant to ASX Listing Rule 7.4 and for all other purposes.

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue during any 12 month period any equity securities or other securities with rights to conversion to equity (such as an option), if the number of those securities exceeds 15% of the number of securities in the same class on issue at the commencement of that 12 month period.

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

By ratifying the issue of the Shares the subject of Resolutions 3 through 12, the Company will retain the flexibility to issue equity securities in the future of up to the 15% annual placement capacity set out in ASX Listing Rule 7.1.

Unless otherwise stated, none of the Directors have a material personal interest in the subject matter of Resolutions 3 through 12. The Board believes that the ratification of the issues of the Shares is beneficial for the Company. The Board recommends Shareholders vote in favour of Resolutions 3 through 12 as it provides the Company with the flexibility to issue, subject to the limits under the ASX Listing Rules, further securities during the next 12 months without Shareholder approval.

## EXPLANATORY STATEMENT

### 3.4 Technical information required by Listing Rule 7.4 for the Share Issues Ratifications

Pursuant to and in accordance with ASX Listing rule 7.5, the following information is provided in relation to the Share Issues Ratifications 3 through 12:

| Resolution | Number of Shares Issued  | Issue Price and date issued | Alloftee                            | Funds raised / issue in lieu of creditor payment | Purpose of the Issue                |
|------------|--------------------------|-----------------------------|-------------------------------------|--|-------------------------------------|
| <b>3</b>   | <b><u>1,000,000</u></b>  | \$0.018<br>15/12/14         | Greywood Holdings Pty Ltd           | <b><u>\$18,000</u></b>                           | Issued in lieu of creditor payments |
| <b>4</b>   | <b><u>12,933,333</u></b> |                             |                                     | <b><u>\$169,000</u></b>                          | Issued in lieu of creditor payments |
|            | 800,000                  | \$0.015<br>16/2/2015        | Aneles consulting Services Pty Ltd; | \$12,000   |                                     |
|            | 1,000,000                | \$0.015<br>16/2/2015        | CTRC Pty Ltd;                       | \$15,000   |                                     |
|            | 2,000,000                | \$0.015<br>16/2/2015        | Foskin Pty Ltd;                     | \$30,000   |                                     |
|            | 800,000                  | \$0.015<br>16/2/2015        | Samantha Douth                      | \$12,000   |                                     |
|            | 8,333,333                | \$0.012<br>17/2/2015        | Namija Pty Ltd                      | \$100,000  |                                     |
| <b>5</b>   | <b><u>3,192,308</u></b>  |                             |                                     | <b><u>\$44,500</u></b>                           | Issued in lieu of creditor payments |
|            | 3,000,000                | \$0.013<br>14/3/2015        | CTRC Pty Ltd;                       | \$42,000   |                                     |
|            | 192,308                  | \$0.014<br>14/03/2015       | Jie Yang Consulting                 | \$2,500  |                                     |
| <b>6</b>   | <b><u>1,579,500</u></b>  |                             |                                     | <b><u>\$15,795</u></b>                           | Issue in lieu of creditor payments  |
|            | 640,000                  | \$0.010<br>30/3/2015        | Malcolm Douth;                      | \$6,400  |                                     |
|            | 360,100                  | \$0.010<br>30/3/2015        | Gary Douth;                         | \$3,601  |                                     |
|            | 193,100                  | \$0.010<br>30/3/2015        | Ozkan Pasli;                        | \$1,931  |                                     |
|            | 386,300                  | \$0.010<br>30/3/2015        | Martin Purnell                      | \$3,863  |                                     |

## EXPLANATORY STATEMENT

### 3.4 Technical information required by Listing Rule 7.4 for the Share Issues Ratifications (Continued)

|    |                         |                        |                            |                        |   |
|----|-------------------------|------------------------|----------------------------|------------------------|---|
| 7  | <b><u>8,000,000</u></b> |                        |                            | <b><u>\$86,000</u></b> | Issued in lieu of creditor payments                       |
|    | 3,000,000               | \$0.011<br>15/4/2015   | Foskin Pty Ltd;            | \$33,000               |   |
|    | 3,000,000               | \$0.011<br>15/4/2015   | Greywood Holdings Pty Ltd; | \$33,000               |   |
|    | 2,000,000               | \$0.010<br>15/4/2015   | Jacob Douch                | \$20,000               |   |
| 8  | <b><u>2,500,000</u></b> |                        |                            | <b><u>\$25,000</u></b> | To advance further exploration activities at Fraser Range |
|    | 1,250,000               | \$0.010<br>1/05/2015   | Steven Ogg                 | \$12,500               |   |
|    | 1,250,000               | \$0.010<br>1/05/2015   | Peter Godfree              | \$12,500               |   |
| 9  | <b><u>3,571,429</u></b> | \$0.007<br>11/05/2015  | Namija Pty Ltd             | <b><u>\$25,000</u></b> | To advance further exploration activities at Fraser Range |
| 10 | <b><u>1,562,500</u></b> | \$0.0064<br>21/05/2015 | Namija Pty Ltd             | <b><u>\$10,000</u></b> | To advance further exploration activities at Fraser Range |
| 11 | <b><u>1,000,000</u></b> | \$0.006<br>18/06/2015  | Samantha Douch             | <b><u>\$6,000</u></b>  | Issued in lieu of creditor payment                        |
| 12 | <b><u>5,000,000</u></b> |                        |                            | <b><u>\$20,000</u></b> | To advance further exploration activities at Fraser Range |
|    | 2,500,000               | \$0.004<br>3/09/2015   | Lynne Francis Ogg          | \$10,000               |   |
|    | 2,500,000               | \$0.004<br>3/09/2015   | Lisa Karen Burgess         | \$10,000               |   |

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.

#### Voting Exclusion Statement

A voting exclusion statement is included in the Notice in respect of each Resolution 3 through 12.

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## EXPLANATORY STATEMENT

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### **4. RESOLUTION 13 – RATIFICATION AND APPROVAL TO ISSUE CONVERTIBLE NOTE TO MDVEST PTY LTD**

#### **4.1 Background**

Resolution 13 seeks Shareholder approval for a Convertible Note issued to Mdivest Pty Ltd pursuant to Chapter 6D of the Corporations Act. Mdivest Pty Ltd is a company related to Marlene Douth (mother of Justin Douth). The Board resolved that this transaction is on commercial terms and would be deemed reasonable, or less favourable to Ms Douth, than in the circumstances that the Company and Ms Douth were dealing at arm's length. The Board therefore resolved that Shareholder Approval was not required for the purpose of Chapter 2E of the Corporations Act at the time of issue of the Note (exception pursuant to Section 210 of the Corporations Act). Mr Justin Douth abstained from the resolution relating to this matter. Approval is now sought for Convertible Note to ensure the New Shares may be issued under Listing Rule 7.1 as an exception to the Company's annual 15% capacity.

The Convertible Note has been issued for a face value of \$1,000,000. In the event that the Noteholder decides to exercise the right to convert the Note into Shares, the Shares will be issued at \$0.03 per Share. The maximum number of Shares to be issue is therefore 33,333,333.

As at the date of this Notice the Company has 307,270,465 Shares on issue.

Funds raised by this Convertible Note will be used for the continued exploration of the Company's portfolio of exploration assets, specifically the Fraser Range Mammoth Nickel Discovery. Any surplus funds will be used for general working capital purposes, review and analysis of new projects.

#### **4.2 Specific information required**

For the purposes of Shareholder approval for the authority to issue Shares and the requirements of Listing Rule 7.3, the information is provided as follows:

- (a) The maximum number of New Shares to be issued is 33,333,333.
- (b) The Shares will be allotted to Mdivest Pty Ltd. Mdivest Pty Ltd will not hold more than 19.9% of the issued capital of the Company either before or after the issue of the New Shares.
- (c) The shares will be issued at \$0.03 per New Share.
- (d) The Shares will be issued upon receipt of a conversion notice from the Noteholder. The Note can be converted into Shares anytime before 26 August 2016.
- (e) Interest accrues on the Convertible Note at 17.5%per annum.
- (f) Funds raised by this Convertible Note will be used for the continued exploration of the Company's portfolio of exploration assets, specifically the Fraser Range Mammoth Nickel Discovery. Any surplus funds will be used for general working capital purposes, review and analysis of new projects.

#### **4.3 Voting Exclusion Statement**

A voting exclusion statement is included in the Notice.

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## EXPLANATORY STATEMENT

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### 5. RESOLUTION 14 – APPROVAL FOR THE FUTURE PLACEMENT OF UP TO 40,000,000 SHARES

#### 5.1 Background

The Company is proposing to undertake a placement, through the issue of up to 40,000,000 Shares (Placement). The placement will be made to professional and sophisticated investors or to other persons to whom disclosure is not required under Chapter 6D of the Corporations Act.

The Shares the subject of the proposed Placement represent approximately 13.0% of the Company's current issued share capital of 307,270,465 Shares (assuming that no other Shares are issued and none of the existing Options have been converted into Shares prior to the Meeting).

#### 5.2 ASX Listing Rule 7.1

A summary of ASX Listing Rule 7.1 is set out in section 3.3 above.

#### 5.3 Technical information required by ASX Listing Rule 7.3

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

- (a) the maximum number of securities to be issued pursuant to this Resolution 14 is 40,000,000 Shares;
- (b) the Shares the subject of Resolution 14 will be issued no later than three (3) months after the date of this Meeting;
- (c) the Shares will be issued at a price that is at least 80% of the average market price of Shares calculated over the last 5 days on which sales in the Shares were recorded before the date on which any issue is made;
- (d) the Shares will be issued to professional and sophisticated investors or to other persons to whom disclosure is not required under Chapter 6D of the Corporations Act. The Directors will determine to whom the Shares will be issued but these persons will not be related parties of the Company;
- (e) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (f) the Shares will be issued progressively as subscribers are identified, however no Shares will be issued after the date which is three (3) months after the date of the Meeting; and
- (g) the Company intends to use the funds raised by Placement for the continued exploration of its portfolio of exploration assets, specifically the Fraser Range Project including the Mammoth Nickel Discovery. Any surplus funds will be used for general working capital purposes, review and analysis of new projects.



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## EXPLANATORY STATEMENT

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### **5.4 Directors' recommendation**

None of the Directors have a material personal interest in the subject matter of Resolution 14. The Board recommends Shareholders vote in favour of Resolution 14 as it will provide additional working capital to the Company and means that the Shares the subject of this Resolution will not need to be counted as part of the Company's 15% placement capacity, giving the Company the flexibility to issue further securities representing up to 15% of the Company's share capital without Shareholder approval.

### **5.5 Voting Exclusion Statement**

A voting exclusion statement is included in the Notice.

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## GLOSSARY

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**2015 Annual Report** means the Company's annual report including the reports of the Directors and auditor and the financial statements of the Company for the year ended 30 June 2015, which can be downloaded from the Company's website at [www.classicminerals.com.au](http://www.classicminerals.com.au)

**ASX** means ASX Limited (ACN 008 724 791).

**Annual General Meeting** means the Annual General Meeting of the Company to be held on Monday 30 November 2015.

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

**Board** means the Board of Directors.

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

**Company** or **Classic Minerals** means Classic Minerals Limited (ABN 77 119 484 016).

**Constitution** means the constitution of the Company.

**Convertible Note** means the convertible note dated 26 August 2015 and issued to Mdivest Pty Ltd for a face value of \$1,000,000 and convertible into New Shares at \$0.03 per Share.

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

**Director** means a director of the Company.

**Explanatory Statement** means the explanatory statement accompanying this Notice of Meeting.

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

**New Share** means new Shares to be issued upon conversion of the Convertible Notes.

**Noteholder** means Mdivest Pty Ltd.

**Notice** means the Notice of the Annual General Meeting attached to this Explanatory Statement.

**Proxy Form** means the proxy form attached to the Notice.

**Remuneration Report** means that section of the Directors' Report under the heading "Remuneration Report" set out in the 2015 Annual Report.

**Resolution** means a resolution contained in the Notice.

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

**Shareholder** means a shareholder of the Company.

**Spill Resolution** has the meaning given in Section 1.

**WST** means Western Standard Time

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