



WEST AFRICAN RESOURCES LIMITED
ABN 70 121 539 375

**NOTICE OF ANNUAL GENERAL MEETING
OF SHAREHOLDERS**

AND

PROXY FORM

29 MAY 2020

**11.00 AM
(WST)**

AT

LEVEL 1, 1 ALVAN STREET, SUBIACO 6008 WESTERN AUSTRALIA
(by audio weblink available on <https://services.choruscall.com.au/webcast/war-200529.html>)

IMPACTS OF COVID-19 ON THE MEETING

At the date of this Notice, due to restrictions applicable in Western Australia as a result of COVID-19, it is not possible to convene the Annual General Meeting physically and the Annual General Meeting will be held via an audio weblink facility. Further information on how to access and use the audio weblink facility is set out in the proceeding section of this Notice.

While the COVID-19 situation remains uncertain, based on the best information available to the Board at the time of this Notice, the Company intends to decide the outcome of voting on the resolutions in the Notice by proxy voting, submitted ahead of the Meeting, only. Accordingly, the Company strongly encourages all shareholders to lodge a directed proxy vote prior to cut off date for proxy voting as set out in the Notice. To lodge your proxy, please follow the directions on your personalised proxy form which will be enclosed with the copy of the Notice, delivered to you by email or post (depending on your communication preferences).

The Company is happy to accept and answer questions prior to the close of proxy voting via email. Such questions should be forwarded to the following email address AGM@westafricanresources.com

If the situation in relation to COVID-19 changes in a way that materially affects the position above, the Company will provide a further update ahead of the Meeting via the ASX market announcements platform and on the Company's website at www.westafricanresources.com

TIME AND PLACE OF MEETING AND HOW TO VOTE

VENUE

The Annual General Meeting of the Shareholders to which this Notice of Meeting relates will be held at Level 1, 1 Alvan Street, Subiaco, 6008, Western Australia on 29 May 2020 at 11.00 am (WST). However, Shareholders will not be able to attend the Annual General Meeting in person but can attend via an audio weblink facility as detailed below.

YOUR VOTE IS IMPORTANT

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

VOTING IN PERSON

Due to the evolving COVID-19 situation and government restrictions on public gatherings at the date of this Notice of Meeting, Shareholders will not be able to attend the Annual General Meeting in person.

VOTING ELIGIBILITY

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 7.00 pm (WST) on 27 May 2020.

ATTENDANCE BY TELECONFERENCE

In order to participate in the Annual General Meeting, please utilise the audio weblink facility whereby shareholders can click on the following link and complete a basic registration form, before listening to an online audio of the meetings proceedings:
<https://services.choruscall.com.au/webcast/war-200529.html>

VOTING BY PROXY

To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form. As Shareholders will not be able to attend the Meeting in person, voting by proxy is strongly encouraged.

Proxy Forms for the meeting must be returned by 11:00am (WST) Wednesday, 27 May 2020.

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

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

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

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

Further details on these changes are set out below.

Proxy vote if appointment specifies way to vote

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

- the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (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; or
 - the proxy does not vote on the resolution,

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

If you need any further information about this form or the processes regarding Shareholder participation at the Annual General Meeting, please contact the Company Secretary on (08) 9481 7344.

NOTICE OF ANNUAL GENERAL MEETING

The attached "Explanatory Memorandum" should be read in conjunction with this Notice of Meeting.

NOTICE IS HEREBY GIVEN that the Annual General Meeting of shareholders of West African Resources Limited ABN 70 121 539 375 ("**the Company**") will be held at Level 1, 1 Alvan Street, Subiaco, 6008, Western Australia on 29 May 2020 at 11.00 am (WST), however, due to government restrictions regarding the COVID-19 situation Shareholders will not be able to attend the Annual General Meeting in person. The Annual General Meeting will be held via an audio weblink facility, to conduct the following business:

BUSINESS OF THE MEETING

ANNUAL REPORT 2019

To receive and consider the financial report together with the Directors' Report (including the remuneration report) and auditor's report for the financial period ended 31 December 2019.

ORDINARY BUSINESS – RESOLUTIONS

RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT (NON-BINDING RESOLUTION)

To consider and, if thought fit to pass, with or without amendment, the following resolution as a non-binding 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 set out in the Directors' Report in the Annual Report for the year ended 31 December 2019".

Voting Prohibition Statement:

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

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

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

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

RESOLUTION 2 – ELECTION OF MR ROD LEONARD AS A DIRECTOR

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

"That, for the purpose of clause 12.17 of the Company's Constitution, ASX Listing Rule 14.4 and for all other purposes, Mr Rod Leonard, a Director who was appointed as an additional Director on 6 September 2019, retires, and being eligible, is elected as a Director."

RESOLUTION 3 – ELECTION OF MR NIGEL SPICER AS A DIRECTOR

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

"That, for the purpose of clause 12.17 of the Company's Constitution, ASX Listing Rule 14.4 and for all other purposes, Mr Nigel Spicer, a Director who was appointed as an additional Director on 6 September 2019, retires, and being eligible, is elected as a Director."

RESOLUTION 4 – ELECTION OF MR LYNDON HOPKINS AS A DIRECTOR

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

"That, for the purpose of clause 12.17 of the Company's Constitution, ASX Listing Rule 14.4 and for all other purposes, Mr Lyndon Hopkins, a Director who was appointed as an additional Director on 6 September 2019, retires, and being eligible, is elected as a Director."

RESOLUTION 5 – ISSUE OF OPTIONS IN LIEU OF DIRECTOR FEES – MR ROD LEONARD

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

"That, for the purposes of Listing Rule 10.14 and for all other purposes, approval is given for the Company to issue Options to Director Rod Leonard (or his Nominee) under the Company's Incentive Option & Performance Rights Plan in lieu of Director fees to 31 December 2022 as detailed in the Explanatory Memorandum"

ASX Voting Exclusion:

The Company will disregard any votes cast in favour of this Resolution by or on behalf of:

- any Director eligible to participate in the Company's Incentive Option and Performance Rights Plan; or
- any Associate of that person.

However, the Company need not disregard a vote if it is cast in favour of the resolution by:

- a person as a proxy or attorney for a person who is entitled to vote on the resolution, in accordance with the directions given to the proxy or attorney to vote on the resolution in that way;
- the person chairing 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 as the chair decides;
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - 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
 - the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Voting prohibition

In accordance with the Corporations Act, a person appointed as proxy must not vote, on the basis of that appointment, on Resolution 5, if that person is a member of the KMP or a Closely Related Party of a KMP, and the appointment does not specify the way the proxy is to vote on Resolution 5. However, the Company will not disregard any votes cast on Resolution 5 by such person if the person is:

- acting as proxy and the Proxy Form specifies how the proxy is to vote on Resolution 5, and the vote is not cast on behalf of a person who is otherwise excluded from voting on Resolution 5 as described above; or
- the Chairman of the meeting voting an undirected proxy and their appointment expressly authorises the Chairman to exercise the proxy even though Resolution 5 is connected with the remuneration of the KMP of the Company.

If you are a KMP or a Closely Related Party of a KMP (or are acting on behalf of any such person) and purport to cast a vote that will be disregarded by the Company (as indicated above), you may be liable for an offence for breach of voting restrictions that apply to you under the Corporations Act.

RESOLUTION 6 – ISSUE OF OPTIONS IN LIEU OF DIRECTOR FEES – MR NIGEL SPICER

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

“That, for the purposes of Listing Rule 10.14 and for all other purposes, approval is given for the Company to issue Options to Director Nigel Spicer (or his Nominee) under the Company’s Incentive Option & Performance Rights Plan in lieu of Director fees to 31 December 2022 as detailed in the Explanatory Memorandum.”

ASX Voting Exclusion:

The Company will disregard any votes cast in favour of this Resolution by or on behalf of:

- any Director eligible to participate in the Company’s Incentive Option and Performance Rights Plan; or
- any Associate of that person.

However, the Company need not disregard a vote if it is cast in favour of the resolution by:

- a person as a proxy or attorney for a person who is entitled to vote on the resolution, in accordance with the directions given to the proxy or attorney to vote on the resolution in that way;
- the person chairing 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 as the chair decides;
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - 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
 - the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Voting prohibition

In accordance with the Corporations Act, a person appointed as proxy must not vote, on the basis of that appointment, on Resolution 6, if that person is a member of the KMP or a Closely Related Party of a KMP, and the appointment does not specify the way the proxy is to vote on Resolution 6. However, the Company will not disregard any votes cast on Resolution 6 by such person if the person is:

- acting as proxy and the Proxy Form specifies how the proxy is to vote on Resolution 6, and the vote is not cast on behalf of a person who is otherwise excluded from voting on Resolution 6 as described above; or
- the Chairman of the meeting voting an undirected proxy and their appointment expressly authorises the Chairman to exercise the proxy even though Resolution 6 is connected with the remuneration of the KMP of the Company.

If you are a KMP or a Closely Related Party of a KMP (or are acting on behalf of any such person) and purport to cast a vote that will be disregarded by the Company (as indicated above), you may be liable for an offence for breach of voting restrictions that apply to you under the Corporations Act.

RESOLUTION 7 – ISSUE OF OPTIONS IN LIEU OF DIRECTOR FEES – MR SIMON STORM

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

“That, for the purposes of Listing Rule 10.14 and for all other purposes, approval is given for the Company to issue Options to Director Simon Storm (or his Nominee) under the Company’s Incentive Option & Performance Rights Plan in lieu of Director fees to 31 December 2022 as detailed in the Explanatory Memorandum.”

ASX Voting Exclusion:

The Company will disregard any votes cast in favour of this Resolution by or on behalf of:

- any Director eligible to participate in the Company’s Incentive Option and Performance Rights Plan; or
- any Associate of that person.

However, the Company need not disregard a vote if it is cast in favour of the resolution by:

- a person as a proxy or attorney for a person who is entitled to vote on the resolution, in accordance with the directions given to the proxy or attorney to vote on the resolution in that way;

- the person chairing 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 as the chair decides;
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - 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
 - the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Voting prohibition

In accordance with the Corporations Act, a person appointed as proxy must not vote, on the basis of that appointment, on Resolution 7, if that person is a member of the KMP or a Closely Related Party of a KMP, and the appointment does not specify the way the proxy is to vote on Resolution 7. However, the Company will not disregard any votes cast on Resolution 7 by such person if the person is:

- acting as proxy and the Proxy Form specifies how the proxy is to vote on Resolution 7, and the vote is not cast on behalf of a person who is otherwise excluded from voting on Resolution 7 as described above; or
- the Chairman of the meeting voting an undirected proxy and their appointment expressly authorises the Chairman to exercise the proxy even though Resolution 7 is connected with the remuneration of the KMP of the Company.

If you are a KMP or a Closely Related Party of a KMP (or are acting on behalf of any such person) and purport to cast a vote that will be disregarded by the Company (as indicated above), you may be liable for an offence for breach of voting restrictions that apply to you under the Corporations Act.

RESOLUTION 8 – ISSUE OF OPTIONS IN LIEU OF DIRECTOR FEES – MR MARK CONNELLY

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

“That, for the purposes of Listing Rule 10.14 and for all other purposes, approval is given for the Company to issue Options to Director Mark Connelly (or his Nominee) under the Company’s Incentive Option & Performance Rights Plan in lieu of Director fees to 31 December 2022 as detailed in the Explanatory Memorandum.”

ASX Voting Exclusion:

The Company will disregard any votes cast in favour of this Resolution by or on behalf of:

- any Director eligible to participate in the Company’s Incentive Option and Performance Rights Plan; or
- any Associate of that person.

However, the Company need not disregard a vote if it is cast in favour of the resolution by:

- a person as a proxy or attorney for a person who is entitled to vote on the resolution, in accordance with the directions given to the proxy or attorney to vote on the resolution in that way;
- the person chairing 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 as the chair decides;
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - 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
 - the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Voting prohibition

In accordance with the Corporations Act, a person appointed as proxy must not vote, on the basis of that appointment, on Resolution 8, if that person is a member of the KMP or a Closely Related Party of a KMP, and the appointment does not specify the way the proxy is to vote on Resolution 8. However, the Company will not disregard any votes cast on Resolution 8 by such person if the person is:

- acting as proxy and the Proxy Form specifies how the proxy is to vote on Resolution 8, and the vote is not cast on behalf of a person who is otherwise excluded from voting on Resolution 8 as described above; or
- the Chairman of the meeting voting an undirected proxy and their appointment expressly authorises the Chairman to exercise the proxy even though Resolution 8 is connected with the remuneration of the KMP of the Company.

If you are a KMP or a Closely Related Party of a KMP (or are acting on behalf of any such person) and purport to cast a vote that will be disregarded by the Company (as indicated above), you may be liable for an offence for breach of voting restrictions that apply to you under the Corporations Act.

RESOLUTION 9 – ISSUE OF OPTIONS TO DIRECTOR – MR RICHARD HYDE

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 Rules 10.14 and for all other purposes, approval is given for the Company to issue 1,339,711 Options to Mr Richard Hyde, a director of the Company, (or his Nominee) under the Company’s Incentive Option & Performance Rights Plan as detailed in the Explanatory Memorandum.”

ASX Voting Exclusion:

The Company will disregard any votes cast in favour of this Resolution by or on behalf of:

- any Director eligible to participate in the Company’s Incentive Option and Performance Rights Plan; or
- any Associate of that person.

However, the Company need not disregard a vote if it is cast in favour of the resolution by:

- a person as a proxy or attorney for a person who is entitled to vote on the resolution, in accordance with the directions given to the proxy or attorney to vote on the resolution in that way;
- the person chairing 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 as the chair decides;
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - 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
 - the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Voting prohibition

In accordance with the Corporations Act, a person appointed as proxy must not vote, on the basis of that appointment, on Resolution 9, if that person is a member of the KMP or a Closely Related Party of a KMP, and the appointment does not specify the way the proxy is to vote on Resolution 9. However, the Company will not disregard any votes cast on Resolution 9 by such person if the person is:

- acting as proxy and the Proxy Form specifies how the proxy is to vote on Resolution 9, and the vote is not cast on behalf of a person who is otherwise excluded from voting on Resolution 9 as described above; or
- the Chairman of the meeting voting an undirected proxy and their appointment expressly authorises the Chairman to exercise the proxy even though Resolution 9 is connected with the remuneration of the KMP of the Company.

If you are a KMP or a Closely Related Party of a KMP (or are acting on behalf of any such person) and purport to cast a vote that will be disregarded by the Company (as indicated above), you may be liable for an offence for breach of voting restrictions that apply to you under the Corporations Act.

RESOLUTION 10 – ISSUE OF OPTIONS TO DIRECTOR – MR LYNDON HOPKINS

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 Rules 10.14 and for all other purposes, approval is given for the Company to issue 861,243 Options to Mr Lyndon Hopkins, a director of the Company, (or his Nominee) under the Company’s Incentive Option & Performance Rights Plan as detailed in the Explanatory Memorandum.”

ASX Voting Exclusion:

The Company will disregard any votes cast in favour of this Resolution by or on behalf of:

- any Director eligible to participate in the Company’s Incentive Option and Performance Rights Plan; or
- any Associate of that person.

However, the Company need not disregard a vote if it is cast in favour of the resolution by:

- a person as a proxy or attorney for a person who is entitled to vote on the resolution, in accordance with the directions given to the proxy or attorney to vote on the resolution in that way;
- the person chairing 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 as the chair decides;
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - 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
 - the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Voting prohibition

In accordance with the Corporations Act, a person appointed as proxy must not vote, on the basis of that appointment, on Resolution 10, if that person is a member of the KMP or a Closely Related Party of a KMP, and the appointment does not specify the way the proxy is to vote on Resolution 10. However, the Company will not disregard any votes cast on Resolution 10 by such person if the person is:

- acting as proxy and the Proxy Form specifies how the proxy is to vote on Resolution 10, and the vote is not cast on behalf of a person who is otherwise excluded from voting on Resolution 10 as described above; or
- the Chairman of the meeting voting an undirected proxy and their appointment expressly authorises the Chairman to exercise the proxy even though Resolution 10 is connected with the remuneration of the KMP of the Company.

If you are a KMP or a Closely Related Party of a KMP (or are acting on behalf of any such person) and purport to cast a vote that will be disregarded by the Company (as indicated above), you may be liable for an offence for breach of voting restrictions that apply to you under the Corporations Act.

RESOLUTION 11 – INCREASE IN NON-EXECUTIVE DIRECTOR REMUNERATION

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

“That in accordance with ASX Listing Rule 10.17 and Clause 14 of the Company's Constitution, the total aggregate annual remuneration payable to non-executive Directors of the Company be increased by \$400,000 per annum, from \$500,000 per annum to a maximum of \$900,000 per annum.”

ASX Voting Exclusion:

The Company will disregard any votes cast in favour of this Resolution by or on behalf of:

- any Director; or
- any Associate of that person.

However, the Company need not disregard a vote if it is cast in favour of the resolution by:

- a person as a proxy or attorney for a person who is entitled to vote on the resolution, in accordance with the directions given to the proxy or attorney to vote on the resolution in that way;
- the person chairing 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 as the chair decides;
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - 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
 - the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Voting prohibition

No vote must be cast (in any capacity) by or on behalf of a Director and any associate of a Director on Resolution 11 unless:

- it is cast by a person as a proxy appointed by writing that specifies how the proxy is to vote on Resolution 11; and
- it is not cast on behalf of a Director and any associate of a Director.

In accordance with the Corporations Act, a person appointed as proxy must not vote, on the basis of that appointment, on Resolution 11, if that person is a member of the KMP or a Closely Related Party of a KMP, and the appointment does not specify the way the proxy is to vote on Resolution 11. However, the Company will not disregard any votes cast on Resolution 11 by such person if the person is:

- acting as proxy and the Proxy Form specifies how the proxy is to vote on Resolution 11, and the vote is not cast on behalf of a person who is otherwise excluded from voting on Resolution 11 as described above; or
- the Chairman of the meeting voting an undirected proxy and their appointment expressly authorises the Chairman to exercise the proxy even though Resolution 11 is connected with the remuneration of the KMP of the Company.

If you are a KMP or a Closely Related Party of a KMP (or are acting on behalf of any such person) and purport to cast a vote that will be disregarded by the Company (as indicated above), you may be liable for an offence for breach of voting restrictions that apply to you under the Corporations Act.

RESOLUTION 12 – APPROVAL OF POTENTIAL ENTITLEMENTS TO MR RICHARD HYDE, CHIEF EXECUTIVE OFFICER AND EXECUTIVE CHAIRMAN

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

“That for the purposes of sections 200B and 200E of the Corporations Act, Listing Rule 10.19 and for all other purposes, Shareholders approve the entitlements described in the Explanatory Memorandum accompanying this Notice which may become payable to the Company’s Chief Executive Officer and Executive Chairman, Mr Richard Hyde, under the terms of his Executive Service Agreement with the Company.”

Voting exclusion statement

The Company will disregard any votes cast in favour of Resolution 12 by Mr Richard Hyde and any Associate of Mr Richard Hyde.

However, the Company need not disregard a vote if it is cast in favour of the resolution by:

- a person as a proxy or attorney for a person who is entitled to vote on the resolution, in accordance with the directions given to the proxy or attorney to vote on the resolution in that way;
- the person chairing 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 as the chair decides;
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - 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
 - the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Voting prohibition

No vote must be cast (in any capacity) by or on behalf of Mr Richard Hyde and any associate of Mr Richard Hyde on Resolution 12 unless:

- it is cast by a person as a proxy appointed by writing that specifies how the proxy is to vote on Resolution 12; and
- it is not cast on behalf of Mr Richard Hyde and any associate of Mr Richard Hyde.

In accordance with the Corporations Act, a person appointed as proxy must not vote, on the basis of that appointment, on Resolution 12, if that person is a member of the KMP or a Closely Related Party of a KMP, and the appointment does not specify the way the proxy is to vote on Resolution 12. However, the Company will not disregard any votes cast on Resolution 12 by such person if the person is:

- acting as proxy and the Proxy Form specifies how the proxy is to vote on Resolution 12, and the vote is not cast on behalf of a person who is otherwise excluded from voting on Resolution 12 as described above; or
- the Chairman of the meeting voting an undirected proxy and their appointment expressly authorises the Chairman to exercise the proxy even though Resolution 12 is connected with the remuneration of the KMP of the Company.

If you are a KMP or a Closely Related Party of a KMP (or are acting on behalf of any such person) and purport to cast a vote that will be disregarded by the Company (as indicated above), you may be liable for an offence for breach of voting restrictions that apply to you under the Corporations Act.

RESOLUTION 13 – APPROVAL OF POTENTIAL ENTITLEMENTS TO MR LYNDON HOPKINS, CHIEF OPERATING OFFICER

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

“That for the purposes of sections 200B and 200E of the Corporations Act, Listing Rule 10.19 and for all other purposes, Shareholders approve the entitlements described in the Explanatory Memorandum accompanying this Notice which may become payable to the Company’s Chief Operating Officer and Executive Director, Mr Lyndon Hopkins, under the terms of his Executive Service Agreement with the Company.”

Voting exclusion statement

The Company will disregard any votes cast in favour of Resolution 13 by Mr Lyndon Hopkins and any Associate of Mr Lyndon Hopkins.

However, the Company need not disregard a vote if it is cast in favour of the resolution by:

- a person as a proxy or attorney for a person who is entitled to vote on the resolution, in accordance with the directions given to the proxy or attorney to vote on the resolution in that way;
- the person chairing 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 as the chair decides;
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - 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
 - the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Voting prohibition

No vote must be cast (in any capacity) by or on behalf of Mr Lyndon Hopkins and any associate of Mr Lyndon Hopkins on Resolution 13 unless:

- it is cast by a person as a proxy appointed by writing that specifies how the proxy is to vote on Resolution 13; and
- it is not cast on behalf of Mr Lyndon Hopkins and any associate of Mr Lyndon Hopkins.

In accordance with the Corporations Act, a person appointed as proxy must not vote, on the basis of that appointment, on Resolution 13, if that person is a member of the KMP or a Closely Related Party of a KMP, and the appointment does not specify the way the proxy is to vote on Resolution 13. However, the Company will not disregard any votes cast on Resolution 13 by such person if the person is:

- acting as proxy and the Proxy Form specifies how the proxy is to vote on Resolution 13, and the vote is not cast on behalf of a person who is otherwise excluded from voting on Resolution 13 as described above; or
- the Chairman of the meeting voting an undirected proxy and their appointment expressly authorises the Chairman to exercise the proxy even though Resolution 13 is connected with the remuneration of the KMP of the Company.

If you are a KMP or a Closely Related Party of a KMP (or are acting on behalf of any such person) and purport to cast a vote that will be disregarded by the Company (as indicated above), you may be liable for an offence for breach of voting restrictions that apply to you under the Corporations Act.

RESOLUTION 14 – APPROVAL OF POTENTIAL ENTITLEMENTS TO MR PADRAIG O'DONOGHUE, CHIEF FINANCIAL OFFICER

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

“That for the purposes of sections 200B and 200E of the Corporations Act, Listing Rule 10.19 and for all other purposes, Shareholders approve the entitlements described in the Explanatory Memorandum accompanying this Notice which may become payable to the Company’s Chief Financial Officer, Mr Padraig O’Donoghue, under the terms of his Executive Service Agreement with the Company.”

Voting exclusion statement

The Company will disregard any votes cast in favour of Resolution 14 by Mr Padraig O'Donoghue and any Associate (as defined in the Listing Rules) of Mr Padraig O'Donoghue.

However, the Company need not disregard a vote if it is cast in favour of the resolution by:

- a person as a proxy or attorney for a person who is entitled to vote on the resolution, in accordance with the directions given to the proxy or attorney to vote on the resolution in that way;
- the person chairing 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 as the chair decides;
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - 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
 - the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Voting prohibition

No vote must be cast (in any capacity) by or on behalf of Mr Padraig O'Donoghue and any associate of Mr Padraig O'Donoghue on Resolution 14 unless:

- it is cast by a person as a proxy appointed by writing that specifies how the proxy is to vote on Resolution 14; and
- it is not cast on behalf of Mr Padraig O'Donoghue and any associate of Mr Padraig O'Donoghue.

In accordance with the Corporations Act, a person appointed as proxy must not vote, on the basis of that appointment, on Resolution 14, if that person is a member of the KMP or a Closely Related Party of a KMP, and the appointment does not specify the way the proxy is to vote on Resolution 14. However, the Company will not disregard any votes cast on Resolution 14 by such person if the person is:

- acting as proxy and the Proxy Form specifies how the proxy is to vote on Resolution 14, and the vote is not cast on behalf of a person who is otherwise excluded from voting on Resolution 14 as described above; or
- the Chairman of the meeting voting an undirected proxy and their appointment expressly authorises the Chairman to exercise the proxy even though Resolution 14 is connected with the remuneration of the KMP of the Company.

If you are a KMP or a Closely Related Party of a KMP (or are acting on behalf of any such person) and purport to cast a vote that will be disregarded by the Company (as indicated above), you may be liable for an offence for breach of voting restrictions that apply to you under the Corporations Act.

RESOLUTION 15 – APPROVAL OF POTENTIAL ENTITLEMENTS TO MR MATTHEW WILCOX, CHIEF DEVELOPMENT OFFICER

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

“That for the purposes of sections 200B and 200E of the Corporations Act, Listing Rule 10.19 and for all other purposes, Shareholders approve the entitlements described in the Explanatory Memorandum accompanying this Notice which may become payable to the Company’s Chief Development Officer, Mr Matthew Wilcox, under the terms of his Executive Service Agreement with the Company.”

Voting exclusion statement

The Company will disregard any votes cast in favour of Resolution 15 by Mr Matthew Wilcox and any Associate (as defined in the Listing Rules) of Mr Matthew Wilcox.

However, the Company need not disregard a vote if it is cast in favour of the resolution by:

- a person as a proxy or attorney for a person who is entitled to vote on the resolution, in accordance with the directions given to the proxy or attorney to vote on the resolution in that way;
- the person chairing 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 as the chair decides;
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - 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
 - the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Voting prohibition

No vote must be cast (in any capacity) by or on behalf of Mr Matthew Wilcox and any associate of Mr Matthew Wilcox on Resolution 15 unless:

- it is cast by a person as a proxy appointed by writing that specifies how the proxy is to vote on Resolution 15; and
- it is not cast on behalf of Mr Matthew Wilcox and any associate of Mr Matthew Wilcox.

In accordance with the Corporations Act, a person appointed as proxy must not vote, on the basis of that appointment, on Resolution 15, if that person is a member of the KMP or a Closely Related Party of a KMP, and the appointment does not specify the way the proxy is to vote on Resolution 15. However, the Company will not disregard any votes cast on Resolution 15 by such person if the person is:

- acting as proxy and the Proxy Form specifies how the proxy is to vote on Resolution 15, and the vote is not cast on behalf of a person who is otherwise excluded from voting on Resolution 15 as described above; or
- the Chairman of the meeting voting an undirected proxy and their appointment expressly authorises the Chairman to exercise the proxy even though Resolution 15 is connected with the remuneration of the KMP of the Company.

If you are a KMP or a Closely Related Party of a KMP (or are acting on behalf of any such person) and purport to cast a vote that will be disregarded by the Company (as indicated above), you may be liable for an offence for breach of voting restrictions that apply to you under the Corporations Act.

By Order of the Board



Simon Storm
Company Secretary
24 April 2020

If you need any further information about this form or the processes regarding Shareholder participation, please contact the Company Secretary on +61 (08) 9481 7344.

WEST AFRICAN RESOURCES LIMITED

EXPLANATORY MEMORANDUM

This Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be conducted at the annual general meeting of Shareholders to be held on **29 May 2020 (Meeting)**.

This Explanatory Memorandum should be read in conjunction with the accompanying Notice of Meeting.

BUSINESS OF THE MEETING

Annual Report 2019

As announced on 13 November 2018, the Company changed its financial year end from 30 June to 31 December to align the Company's reporting period with its operational subsidiaries in Burkina Faso, which will result in efficiency gains for group reporting. The comparative period in this report is for the previous 6-month financial year ending 31 December 2018.

Section 317 of the Corporations Act requires the Directors to lay before the annual general meeting the financial report, Directors' report (including the remuneration report) and the auditor's report for the last financial year that ended before the annual general meeting.

In accordance with section 250S of the Corporations Act, Shareholders will be provided with a reasonable opportunity to ask questions or make statements in relation to these reports but no formal resolution to adopt the reports will be put to Shareholders at the annual general meeting (save for Resolution 1 for the adoption of the Remuneration Report).

ORDINARY BUSINESS – RESOLUTIONS

RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT (NON-BINDING RESOLUTION)

Pursuant to section 250R(2) of the Corporations Act, the Company is required to put the Remuneration Report to a non-binding vote of Shareholders. The Annual Report contains a Remuneration Report which outlines the remuneration policies for the Company and reports the remuneration arrangements in place for the Managing Director and non-executive Directors. The Annual Report is available on the Company's website at www.westafricanresources.com.

The Corporations Act provides that Resolution 1 need only be an advisory vote of Shareholders and does not bind the directors. However, in addition, the Corporations Act provides that if the Company's Remuneration Report resolution receives a 'no' vote of 25% or more of votes cast at the Meeting, the Company's subsequent remuneration report must explain the Board's proposed action in response or, if the Board does not propose any action, the Board's reasons for not making any changes. The Board will take into account the outcome of the vote when considering the remuneration policy, even if it receives less than a 25% 'no' vote.

In addition, the Corporations Act sets out a 'two strikes' re-election process. Under the 'two strikes' re-election process, if the Company's remuneration report receives a 'no' vote of 25% or more of all votes cast at two consecutive annual general meetings (that is, 'two strikes'), a resolution (the 'spill resolution') must be put to the second annual general meeting, requiring Shareholders to vote on whether the Company must hold another general meeting (known as the 'spill meeting') to consider the appointment of all of the Directors who stand for re-appointment (other than the Managing Director). If the spill resolution is approved by a simple majority of 50% or more of the eligible votes cast, the 'spill meeting' must be held within 90 days of that second annual general meeting (unless none of the Directors, other than the Managing Director, stand for re-appointment). Further information will be provided on the 'spill resolution' and 'spill meeting' for any annual general meeting at which the Company may face a 'second strike'.

The remuneration levels for directors, officer and senior managers are competitively set to attract and retain appropriate directors and Key Management Personnel.

The chairman of the Meeting will allow a reasonable opportunity for Shareholders as a whole to ask about, or make comments on, the Remuneration Report.

RESOLUTION 2 – ELECTION OF MR ROD LEONARD AS A DIRECTOR

Clause 12.17 of the Company's Constitution allows the Directors to appoint at any time a person to be a Director either to fill a casual vacancy or as an addition to the existing Directors, but only where the total number of Directors does not at any time exceed the maximum number specified by the Constitution.

Pursuant to clause 12.17 of the Constitution and ASX Listing Rule 14.4, any Director so appointed holds office only until the next following general meeting and is then eligible for election by Shareholders but shall not be taken into account in determining the Directors who are to retire by rotation (if any) at that meeting.

Mr Leonard, having been appointed on 6 September 2019 will retire in accordance with clause 12.17 of the Constitution and ASX Listing Rule 14.4 and being eligible, seeks election from Shareholders.

Other Information:

Qualifications: BSc and MSc (Metallurgical Engineering), MAusIMM, MSME.

Mr Leonard is one of the founding Directors of Lycopodium (ASX: LYL) and served as an Executive Director of Lycopodium Limited from 2004 to 2019. He has more than 30 years' experience in the operation and project development of major projects in North and South America, Africa, Asia and Australia. He has been involved in many aspects of the mineral processing industry from process development, feasibility studies, and design assignments as well as commissioning of projects.

Mr Leonard has been directly involved with Lycopodium's strong track record in Burkina Faso, recently delivering EPCM projects at the Hounde and Karma gold projects for Endeavour Mining, Natougou gold project for Semafo, Bissa and Bouly gold projects for Nordgold as well as other many other recent projects in West Africa.

Committee memberships: Remuneration, Technical (Chair).

Other ASX listed directorships: Lycopodium Limited.

RESOLUTION 3 – ELECTION OF MR NIGEL SPICER AS A DIRECTOR

Clause 12.17 of the Company's Constitution allows the Directors to appoint at any time a person to be a Director either to fill a casual vacancy or as an addition to the existing Directors, but only where the total number of Directors does not at any time exceed the maximum number specified by the Constitution.

Pursuant to clause 12.17 of the Constitution and ASX Listing Rule 14.4, any Director so appointed holds office only until the next following general meeting and is then eligible for election by Shareholders but shall not be taken into account in determining the Directors who are to retire by rotation (if any) at that meeting.

Mr Spicer, having been appointed on 6 September 2019 will retire in accordance with clause 12.17 of the Constitution and ASX Listing Rule 14.4 and being eligible, seeks election from Shareholders.

Other Information:

Qualifications: BSc (Mining), CEng, MAusIMM.

Mr Spicer is a Mining Engineer with more than 40 years' experience in mining and has held operational and executive management positions with mining companies in Africa, UK, Australia, Indonesia, PNG, Brazil and Philippines. He has extensive open pit and underground (narrow vein and bulk tonnage) mining experience across a range of commodities, including gold and copper. He has significant experience managing both owner and contract mining fleets and has been involved in the successful commissioning of a number of gold mines in Australia and Africa.

Committee memberships: Audit, Technical.

Other ASX listed directorships: Nil.

RESOLUTION 4 – ELECTION OF MR LYNDON HOPKINS AS A DIRECTOR

Clause 12.17 of the Company's Constitution allows the Directors to appoint at any time a person to be a Director either to fill a casual vacancy or as an addition to the existing Directors, but only where the total number of Directors does not at any time exceed the maximum number specified by the Constitution.

Pursuant to clause 12.17 of the Constitution and ASX Listing Rule 14.4, any Director so appointed holds office only until the next following general meeting and is then eligible for election by Shareholders but shall not be taken into account in determining the Directors who are to retire by rotation (if any) at that meeting.

Mr Hopkins, having been appointed on 6 September 2019 will retire in accordance with clause 12.17 of the Constitution and ASX Listing Rule 14.4 and being eligible, seeks election from Shareholders.

Other Information:

Qualifications: BSc (Geology), MAusIMM, MAIG.

Mr Hopkins, who is currently the Chief Operating Officer of the Company, is a geologist with more than 30 years' experience in gold exploration, development and production. Mr Hopkins was Chief Operating Officer of Equigold NL's Ivory Coast operations and managed the in-country aspects of the project development and feasibility study for the Bonikro Gold Mine which commenced production in 2008. More recently, he was Mine Manager for the construction of Regis Resources Ltd's Rosemont Gold Mine. He has been involved with numerous gold operations in Australia and Africa in various roles with Equigold and Regis.

Mr Hopkins has been West African's Resources' Chief Operating Officer since 2015.

Committee memberships: Technical.

RESOLUTIONS 5, 6, 7 & 8 – ISSUE OF OPTIONS TO DIRECTORS IN LIEU OF DIRECTOR FEES

1.1 Overview

The Company is seeking Shareholder approval, under Resolutions 5, 6, 7 & 8 to grant Options under the Company's "Incentive Option & Performance Rights Plan" (**Incentive Plan**) to Non-Executive Directors Rod Leonard, Nigel Spicer, Mark Connelly and Simon Storm or their Nominees (**Related Parties**) in lieu of 30% of their Director fees to 31 December 2022.

The Options are being offered and will be granted under the Incentive Plan. Please refer to Schedule 1 for a summary of the terms and conditions of the Incentive Plan.

1.2 Chapter 2E of the Corporations Act

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

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

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

The grant of Options constitutes giving a financial benefit and the Related Parties are related parties of the Company by virtue of being Directors of the Company.

The Directors (who do not have a material personal interest in Resolutions 5, 6, 7 & 8 (respectively)) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the grant of Options because the Options are considered to fall within the "reasonable remuneration" exception set out in section 211 of the Corporations Act.

1.3 ASX Listing Rule 10.14

Listing Rule 10.14 provides that a listed entity must not permit any of the following persons to acquire equity securities under an employee incentive scheme unless it obtains Shareholder approval:

- a) 10.14.1: a director of the entity;
- b) 10.14.2: an associate of a director of the entity; or
- c) 10.14.3: a person whose relationship with the entity, director or associate of the director is, in ASX's opinion, such that the acquisition should be approved by Shareholders.

The grant of the Options under Resolutions 5, 6, 7 & 8 involves the grant of securities to Directors of the Company or their Nominees (which will be associates of the Directors) and so Shareholder approval is required under Listing Rule 10.14.

If Resolutions 5, 6, 7 & 8 are passed, the Company will be able to proceed with the grant of the Options under those Resolutions.

If a Resolution is not passed, the Company will not be able to grant the Options the subject of the Resolution and will need to consider other ways to remunerate the Related Parties (including by paying their Director fees entirely in cash).

Pursuant to Listing Rule 7.2 exception 14, as Shareholder approval is sought under Listing Rule 10.14, approval under Listing Rule 7.1 is not required.

Pursuant to Listing Rule 10.12 exception 8, as Shareholder approval is sought under Listing Rule 10.14, approval under Listing Rule 10.11 is not required.

1.4 Technical Information required by Listing Rule 10.15

Pursuant to and in accordance with Listing Rule 10.15, the following information is provided in relation to Resolutions 5, 6, 7 & 8:

- a) the Options are to be granted to Non-Executive Directors Rod Leonard, Nigel Spicer, Mark Connelly, and Simon Storm or their Nominees (**Related Parties**). The Non-Executive Directors fall within Listing Rule 10.14.1 by virtue of being Directors (or Listing Rule 10.14.2 if granted to a Nominee by virtue of being an associate of a Director);
- b) Rod Leonard and Nigel Spicer or their Nominees will, subject to Shareholder approval, each be granted 15,083 Options in lieu of 30% of Director fees owed to them for the period 3 September 2019 (when they commenced as Directors) to 31 December 2019. The number of Options was determined by dividing their Director fees for that period, being \$7,151 each, by the 7 day VWAP Share price to 3 September 2019, being \$0.4741;
- c) the number of Options to be granted, subject to Shareholder approval, to the Related Parties or their Nominees in lieu of 30% of their Director fees for each financial year from 1 January 2020 to 31 December 2022 will be determined using the following formula:

$$\text{Number of Options} = \frac{30\% \text{ of relevant Director's annual Director fee}}{\text{Relevant VWAP}}$$

Where Relevant VWAP means the 7 day VWAP Share price up to:

- 31 December 2019 (in the case of Options granted in lieu of Director fees owed during FY20), being \$0.418;
- 31 December 2020 (in the case of Options granted in lieu of Director fees owed during FY21); and
- up to 31 December 2021 (in the case of Options granted in lieu of Director fees owed during FY22).

The number of Options that may be granted to the Related Parties in respect of a financial year will depend on the total Director fees owed in respect of the financial year and the Relevant VWAP.

The table below illustrates this using Director fees currently in place for FY20 and assuming a 50% increase (noting the fees are anticipated to increase during FY20 as a result of the Company commencing commercial gold production, subject to Shareholders approving the increase in the remuneration pool for Non-Executive Directors under Resolution 11).

A range of Relevant VWAPs is also presented based on the Relevant VWAP for FY20, being \$0.418.

30% of total annual Director fees	Relevant VWAP		
	\$0.209 (50% decrease)	\$0.418 (FY20)	\$0.627 (50% increase)
\$22,500 (current FY20) ¹	107,656 Options	53,828 Options	35,885 Options
\$33,750 (50% increase on current FY20) ²	161,483 Options	80,742 Options	53,828 Options

Notes:

1. Rod Leonard, Nigel Spicer, Mark Connelly and Simon Storm's current annual Director fee is \$75,000 each effective 1 January 2020 (30% of this is \$22,500).
2. A 50% increase of Rod Leonard, Nigel Spicer, Mark Connelly and Simon Storm's current annual Director fee would result in them each being entitled to be paid \$112,500 a year (30% of this is \$33,750).

d) the current total directors' fees and equity based remuneration for the Related Parties are as follows:

Related Party	Current Total Directors Fees ⁴	Vested Options – ZEPOS in lieu of FY19 fees	Other vested Options
Rod Leonard	\$75,000	-	-
Nigel Spicer	\$75,000	-	-
Mark Connelly	\$75,000	103,806 ¹	2,000,000 ²
Simon Storm	\$75,000	77,855 ¹	750,000 ³

1. Exercise price Nil. Expiry date – 14 February 2021
2. Exercise price \$0.32. Expiry date – 28 December 2021.
3. Exercise price \$0.24. Expiry date – 9 November 2020.
4. Non-Executive Director fees will be reviewed once commercial production is achieved.

e) the Related Parties have previously been issued the following incentive options under the Incentive Plan, with an average acquisition price noted in footnotes 1 and 2 below:

Related Party	Incentive Options Previously Granted under Incentive Plan
Rod Leonard	-
Nigel Spicer	-
Mark Connelly	2,103,806 ¹
Simon Storm	827,855 ²

1. 103,806 Options acquired in lieu of \$30,000 in Directors fees. 2,000,000 Options acquired for Nil consideration.
2. 77,855 Options acquired in lieu of \$22,500 in Directors fees. 750,000 Options acquired for Nil consideration.

- f) the Options will be subject to the terms and conditions of the Incentive Plan. The key terms of the Options include:
- (i) each Option will expire 2 years from the date of grant;
 - (ii) the amount payable upon exercise of each Option will be nil; and
 - (iii) the Options granted in lieu of Director fees for a financial year are subject to the following vesting condition – the relevant Director holds continuous office as a director of the Company for the relevant financial year. If a Related Party ceases to be a Director during that period, the Company may, in its discretion, waive this vesting condition on a pro rata basis to reflect the proportion of the financial year that the Related Party was a Director;
- g) the type of security is being used is an unlisted zero exercised price option (ZEPO) to acquire a Share in the Company. This type of security is considered best suited to being granted in lieu of Director fees as it does not require the Director to pay to exercise the Option and is more easily cancelled than Shares where a vesting condition is not met;
- h) the total of the fair value of the Options proposed to be granted to each Related Party is \$0.435, as determined using the valuation methodology set out in Schedule 2 (Part (b)), is set out below. The actual value will depend on the number of Options granted, which will depend on the total annual Director fee payable and the Relevant VWAP for a financial year:

Related Party		FY19	FY20	FY21 ¹	FY22 ¹
Mark Connelly	Options	103,806	53,828	80,742	80,742
	Value	See note 2	\$ 23,415	\$ 35,123	\$ 35,123
Rod Leonard	Options	15,083	53,828	80,742	80,742
	Value	\$ 6,561	\$ 23,415	\$ 35,123	\$ 35,123
Nigel Spicer	Options	15,083	53,828	80,742	80,742
	Value	\$ 6,561	\$ 23,415	\$ 35,123	\$ 35,123
Simon Storm	Options	77,855	53,828	80,742	80,742
	Value	See note 2	\$ 23,415	\$ 35,123	\$ 35,123

1. Assumes that Director annual fees increase by 50% from current FY20 and the Relevant VWAP remains at \$0.418.
2. Options issued to Mark Connelly and Simon Storm for FY19 were approved at shareholders meeting on 30 November 2018.

- i) the Options will be granted no later than 31 December 2022 (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that grant of the Options will occur on an annual basis other than where necessary to allow for an increase in Director fees that occurs during a financial year;
- j) the Options will have an issue price of nil;
- k) a summary of the material terms of the Incentive Plan is provided in Schedule 1;
- l) there is no loan being provided to Related Parties in respect of the Options;
- m) details of any securities issued under the Incentive Plan will be published in the Company's annual report relating to the period in which they are granted, along with a statement that approval for the grant was obtained under Listing Rule 10.14;
- n) any additional persons covered by Listing Rule 10.14 who become entitled to participate in an issue of securities under the Incentive Plan after Resolutions 5, 6, 7 & 8 are approved and who were not named in this Notice of Meeting will not participate until approval is obtained under that rule;

- o) the Board acknowledges the issue of Options to the Related Parties, who are non-executive Directors, is contrary to guidance to Recommendation 8.2 of The Corporate Governance Principles and Recommendations (4th Edition) as published by The ASX Corporate Governance Council. However, the Board considers the issue of Options to the Related Parties to be reasonable in the circumstances having regard to the size and level of operations of the Company, its cash reserves and importance to the Company of attracting and retaining non-executive Directors in a manner which does not unduly impact on the Company's cash resources; and
- p) a primary purpose of the issue of the Options to the Related Parties is in lieu of 30% of the Director fees otherwise payable to the Related Parties to 31 December 2022.

RESOLUTION 9 – ISSUE OF OPTIONS TO DIRECTOR – MR RICHARD HYDE

1.1 Overview

The Company is seeking Shareholder approval, under Resolution 9, to grant an aggregate total of 1,339,711 Options under the Company's "Incentive Option & Performance Rights Plan" (**Incentive Plan**) to the Executive Chairman and Chief Executive Officer Mr Richard Hyde or his Nominee (**Related Party**).

The Options are being offered and will be granted under the Incentive Plan. Please refer to Schedule 1 for a summary of the terms and conditions of the Incentive Plan.

1.2 Chapter 2E of the Corporations Act

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

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

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

The grant of Options constitutes giving a financial benefit and the Related Party is a related party of the Company by virtue of being a Director of the Company.

The Directors (who do not have a material personal interest in Resolution 9) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the grant of Options because the Options are considered to fall within the "reasonable remuneration" exception set out in section 211 of the Corporations Act.

1.3 ASX Listing Rule 10.14

Listing Rule 10.14 provides that a listed entity must not permit any of the following persons to acquire equity securities under an employee incentive scheme unless it obtains Shareholder approval:

- a) 10.14.1: a director of the entity;
- b) 10.14.2: an associate of a director of the entity; or
- c) 10.14.3: a person whose relationship with the entity, director or associate of the director is, in ASX's opinion, such that the acquisition should be approved by Shareholders.

The grant of the Options under Resolution 9 involves the grant of securities to a Director of the Company or their Nominee (which will be an associate of the Director) and so Shareholder approval is required under Listing Rule 10.14.

If Resolution 9 is passed, the Company will be able to proceed with the grant of the Options under this Resolution.

If the Resolution is not passed, the Company will not be able to grant the Options the subject of the Resolution and will need to consider other ways to remunerate the Related Party (including by incentivising Mr Hyde entirely in cash).

Pursuant to Listing Rule 7.2 exception 14, as Shareholder approval is sought under Listing Rule 10.14, approval under Listing Rule 7.1 is not required.

Pursuant to Listing Rule 10.12 exception 8, as Shareholder approval is sought under Listing Rule 10.14, approval under Listing Rule 10.11 is not required.

1.4 Technical Information required by Listing Rule 10.15

Pursuant to and in accordance with Listing Rule 10.15, the following information is provided in relation to Resolution 9:

- a) the Options are to be granted to Mr Richard Hyde or his Nominee as follows (Mr Hyde falls within Listing Rule 10.14.1 by virtue of being a Director or Listing Rule 10.14.2 if granted to a Nominee by virtue of being an associate of the Director):
 - (i) 191,387 Options with a nil exercise price and a three (3) year expiry date (STI ZEPOs);
 - (ii) 334,928 Options with a nil exercise price and a three (3) year expiry date (STI ZEPOs);
 - (iii) 406,698 Options with a nil exercise price and a five (5) year expiry date (LTI ZEPOs); and
 - (iv) 406,698 Options with an exercise price equal to 145% of the 5 trading day VWAP of Shares up to and including the date on which the Board resolves to grant the Options, determined to be \$0.6061, and a four (4) year expiry date (LTI PEPOs).
- b) the number of Options have been calculated by dividing Mr Hyde's salary and incentive payments by the 7 day VWAP share price to 31 December 2019, being \$0.4180;
- c) the total remuneration package for Mr Hyde and details of existing incentives is as follows:

Related Party	Total Fixed Remuneration ("TFR")	Vested LTI PEPOS ⁶	Vested PEPOS ⁶	Unvested LTI ZEPOS ⁶	Unvested STI ZEPOS ⁶
Richard Hyde	\$400,000 ¹	588,235 ²	2,000,000 ³	588,235 ⁴	484,429 ⁵

1. Executive Service Agreement provides for a TFR increase from \$400,000 to \$585,000 starting from the date of commercial production of Sanbrado.

2. Exercise price \$0.43. Expiry date – 28 December 2022

3. Exercise price \$0.24. Expiry date – 9 November 2020.

4. Exercise price \$Nil. Expiry date – 28 December 2023

5. Exercise price \$Nil. Expiry date – 28 December 2021

6. Subject to various performance hurdles as set out on page 20 of the 2019 Annual Report

- d) the Related Party has previously been issued the following securities under the Incentive Plan, with an average acquisition price noted in footnote 1

Related Party	Incentives Previously Granted under Incentive Plan
Richard Hyde	3,660,899 ¹

1. Refer subparagraph (c) above for details. Acquired for Nil consideration.

- e) the Options will be subject to the terms and conditions of the Incentive Plan. Refer to Schedule 1 for a summary of the Incentive Plan. The Options are subject to the following expiry date, exercise price and vesting conditions:

- 191,387 Short-Term Incentive (STI) Zero Exercise Price Options (ZEPO's) are being granted instead of his 2019 STI cash incentive award and expire 3 years from the grant date, have a nil exercise price and are subject to a vesting condition that Mr Hyde holds continuous office as an employee of the Company for one (1) year from the date the STI ZEPOs are granted.
- 334,928 STI ZEPOs expire 3 years from the grant date, have a nil exercise price and are subject to the following vesting conditions:
 - Retention hurdle: Mr Hyde holds continuous office as an employee of the Company for two (2) year from the date the STI ZEPOs are granted:
 - Gateway hurdle: Sanbrado reaches commercial production in 2020
 - Weighted hurdles: If the retention and gateway hurdles are achieved, the number of Options that will vest will be determined relative to the maximum considering the extent to which the following weighted hurdles are achieved:
 - 30%: Sanbrado construction completed within board approved budget and schedule
 - 30%: A minimum of 150,000 oz's of gold is poured in 2020 from Sanbrado
 - 20%: There is no default of the Sanbrado project loan facility agreement
 - 10%: There are no significant social or environmental incidents at Sanbrado
 - 10%: The Sanbrado TIFR is less than the industry standard in Western Australia
 - Personal performance hurdles: Mr Hyde will also have personal performance criteria and objectives and the achievement of these hurdles will be considered in the assessment of the number of STI ZEPO's that will vest.
- 406,698 Long-Term Incentive (LTI) Zero Exercise Price Options (ZEPOs) expire 5 years from the grant date, have a nil exercise price and will vest if at least 500,000oz of gold is poured from Sanbrado within three (3) years of the date the LTI ZEPOs are granted; and
- 406,698 LTI Premium Exercise Price Options (PEPOs) expire 4 years from the grant date, have a \$0.6061 exercise price and are subject to a vesting condition that the Related Party is a director of the Company at the time the Market Value of Shares first equals the exercise price of the LTI PEPOs, which has been determined to be \$0.6061.

- f) the type of securities being used are unlisted Zero Exercise Price Options (ZEPOs) and Premium Exercise Price Options (PEPOs), to acquire a Share in the Company. These types of securities are considered well suited for use as STIs and LTIs as they can be more readily cancelled than Shares if a vesting condition is not met;
- g) the total of the fair value of the Options proposed to be granted, as determined on the date of this Notice using the valuation methodology set out in Schedule 2 (Part(a)), is \$467,272, being 933,013 ZEPOs at \$0.435 each and 406,698 PEPOS at \$0.151 each;
- h) the Options will be granted no later than 12 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that issue of the Options will occur on the same date;
- i) the Options will have an issue price of nil;

- j) a summary of the material terms of the Incentive Plan is provided in Schedule 1;
- k) there is no loan being provided to Related Parties in respect of the Options;
- l) details of any securities issued under the Incentive Plan will be published in the Company's annual report relating to the period in which they were issued, along with a statement that approval for the issue was obtained under Listing Rule 10.14;
- m) any additional persons covered by Listing Rule 10.14 who become entitled to participate in an issue of securities under the Incentive Plan after Resolutions 9 is approved and who is not named in this Notice of Meeting will not participate until approval is obtained under that rule;

RESOLUTION 10 – ISSUE OF OPTIONS TO DIRECTOR – MR LYNDON HOPKINS

1.1 Overview

The Company is seeking Shareholder approval, under Resolution 10 to grant an aggregate total of 861,243 Options under the Company's "Incentive Option & Performance Rights Plan" (**Incentive Plan**) to the Executive Director and Chief Operating Officer Mr Lyndon Hopkins or his Nominee (**Related Party**).

The Options are being offered and will be granted under the Incentive Plan. Please refer to Schedule 1 for a summary of the terms and conditions of the Incentive Plan.

1.2 Chapter 2E of the Corporations Act

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

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

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

The grant of Options constitutes giving a financial benefit and the Related Party is a related party of the Company by virtue of being a Director of the Company.

The Directors (who do not have a material personal interest in Resolution 10 consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the grant of Options because the Options are considered to fall within the "reasonable remuneration" exception set out in section 211 of the Corporations Act.

1.3 ASX Listing Rule 10.14

Listing Rule 10.14 provides that a listed entity must not permit any of the following persons to acquire equity securities under an employee incentive scheme unless it obtains Shareholder approval:

- a) 10.14.1: a director of the entity;
- b) 10.14.2: an associate of a director of the entity; or
- c) 10.14.3: a person whose relationship with the entity, director or associate of the director is, in ASX's opinion, such that the acquisition should be approved by Shareholders.

The grant of the Options under Resolution 10 involves the grant of securities to a Director of the Company or their Nominee (which will be an associate of the Director) and so Shareholder approval is required under Listing Rule 10.14.

If Resolution 10 is passed, the Company will be able to proceed with the grant of the Options under this Resolution.

If the Resolution is not passed, the Company will not be able to grant the Options the subject of the Resolution and will need to consider other ways to remunerate the Related Party (including by incentivising Mr Hopkins entirely in cash).

Pursuant to Listing Rule 7.2 exception 14, as Shareholder approval is sought under Listing Rule 10.14, approval under Listing Rule 7.1 is not required.

Pursuant to Listing Rule 10.12 exception 8, as Shareholder approval is sought under Listing Rule 10.14, approval under Listing Rule 10.11 is not required.

1.4 Technical Information required by Listing Rule 10.15

Pursuant to and in accordance with Listing Rule 10.15, the following information is provided in relation to Resolution 10:

- a) the Options are to be granted to Mr Hopkins or his Nominee (Mr Hopkins falls within Listing Rule 10.14.1 by virtue of being a Director or Listing Rule 10.14.2 if granted to a Nominee by virtue of being an associate of the Director):
 - (i) 143,540 Options with a nil exercise price and a three (3) year expiry date (STI ZEPOs);
 - (ii) 215,311 Options with a nil exercise price and a three (3) year expiry date (STI ZEPOs);
 - (iii) 251,196 Options with a nil exercise price and a five (5) year expiry date (LTI ZEPOs); and
 - (iv) 251,196 Options with an exercise price equal to 145% of the 5 trading day VWAP of Shares up to and including the date on which the Board resolves to grant the Options, determined to be \$0.6061, and a four (4) year expiry date (LTI PEPOs).
- b) the number of Options have been calculated by dividing Mr Hopkins' salary and incentive payments by the 7 day VWAP share price to 31 December 2019, being \$0.4180;
- c) the total remuneration package for Mr Hopkins and details of existing incentives is as follows:

Related Party	Current Total Fixed Remuneration ("TFR")	Vested LTI PEPOS ⁶	Vested PEPOS ⁶	Unvested LTI ZEPOS ⁶	Unvested STI ZEPOS ⁶
Lyndon Hopkins	\$300,000 ¹	355,932 ²	500,000 ³	355,932 ⁴	305,085 ⁵

1. Mr Hopkins' Executive Services Agreement provides for a TFR increase from \$300,000 to \$450,000 starting from the date of commercial production of Sanbrado.

2. Exercise price \$0.43. Expiry date – 28 December 2022

3. Exercise price \$0.375. Expiry date – 18 October 2020.

4. Exercise price \$Nil. Expiry date – 28 December 2023

5. Exercise price \$Nil. Expiry date – 28 December 2021

6. Subject to various performance hurdles set out on page 20 of the 2019 Annual Report

- d) the Related Party has previously been issued the following securities under the Incentive Plan, with an average acquisition price noted in footnote 1 below

Related Party	Incentives Previously Granted under Incentive Plan
Lyndon Hopkins	1,516,949 ¹

1. Acquired for Nil consideration.

- e) the Options will be subject to the terms and conditions of the Incentive Plan. Refer to Schedule 1 for a summary of the Incentive Plan. The Options are subject to the following expiry date, exercise price and vesting conditions:

- 143,540 Short-Term Incentive (STI) Zero Exercise Price Options (ZEPO's) are being granted instead of a 2019 STI cash incentive award and expire 3 years from the grant date, have a nil exercise price and are subject to a vesting condition that Mr Hopkins holds

continuous office as an employee of the Company for one (1) year from the date the STI ZEPOs are granted.

- 215,311 STI ZEPOs expire 3 years from the grant date, have a nil exercise price and are subject to the following vesting conditions:
 - Retention hurdle: Mr Hopkins holds continuous office as an employee of the Company for two (2) year from the date the STI ZEPOs are granted:
 - Gateway hurdle: Sanbrado reaches commercial production in 2020
 - Weighted hurdles: If the retention and gateway hurdles are achieved, the number of Options that will vest will be determined relative to the maximum considering the extent to which the following weighted hurdles are achieved:
 - 30%: Sanbrado construction completed within board approved budget and schedule
 - 30%: A minimum of 150,000 oz's of gold is poured in 2020 from Sanbrado
 - 20%: There is no default of the Sanbrado project loan facility agreement
 - 10%: There are no significant social or environmental incidents at Sanbrado
 - 10%: The Sanbrado TIFR is less than the industry standard in Western Australia
 - Personal performance hurdles: Mr Hopkins will also have personal performance criteria and objectives and the achievement of these hurdles will be considered in the assessment of the number of STI ZEPO's that will vest.
 - 251,196 Long-Term Incentive (LTI) Zero Exercise Price Options (ZEPOs) expire 5 years from the grant date, have a nil exercise price and will vest if at least 500,000oz of gold is poured from Sanbrado within three (3) years of the date the LTI ZEPOs are granted; and
 - 251,196 LTI Premium Exercise Price Options (PEPOs) expire 4 years from the grant date, have a \$0.6061 exercise price and are subject to a vesting condition that the Related Party is a director of the Company at the time the Market Value of Shares first equals the exercise price of the LTI PEPOs, which has been determined to be \$0.6061.
- f) the type of securities being used are unlisted Zero Exercise Price Options (ZEPOs) and Premium Exercise Price Options (PEPOs), to acquire a Share in the Company. These types of securities are considered well suited for use as STIs and LTIs as they can be more readily cancelled than Shares if a vesting condition is not met;
- g) the total of the fair value of the Options proposed to be granted, as determined on the date of this Notice using the valuation methodology set out in Schedule 2 (Part (a)) is \$303,301, being 610,047 ZEPOs at \$0.435 each and 251,196 PEPOs at \$0.151 each;
- h) the Options will be granted no later than 12 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that issue of the Options will occur on the same date;
- i) the Options will have an issue price of nil;
- j) a summary of the material terms of the Incentive Plan is provided in Schedule 1;
- k) there is no loan being provided to Related Parties in respect of the Options;
- l) details of any securities issued under the Incentive Plan will be published in the Company's annual report relating to the period in which they were issued, along with a statement that approval for the issue was obtained under Listing Rule 10.14;
- m) any additional persons covered by Listing Rule 10.14 who become entitled to participate in an issue of securities under the Incentive Plan after Resolutions 10 is approved and who is not named in this Notice of Meeting will not participate until approval is obtained under that rule;

RESOLUTION 11 – INCREASE IN NON-EXECUTIVE DIRECTOR REMUNERATION

Under clause 14 of the Company's Constitution and ASX Listing Rule 10.17, the upper limit on aggregate non-executive Directors' remuneration may only be increased with Shareholder approval. The limit was last approved by shareholders in 2007 upon the listing of the Company on the ASX. The proposed increase, subject to Shareholder approval, was referred to in section 3 (A) of the Remuneration Report of the Company's 2019 Annual Report.

Shareholder approval is sought to increase the upper limit on aggregate non-executive Directors' remuneration by \$400,000 from \$500,000 to \$900,000 in any financial year.

The Directors are seeking Shareholder approval to increase the upper limit on aggregate non-executive Directors' remuneration for the following reasons:

- (a) to reflect that the Company has now transitioned from an early explorer to a mine development Company to a producer with a staff complement in excess of 400;
- (b) to ensure the Company maintains the ability to remunerate competitively and attract and retain high calibre non-executive Directors;
- (c) to allow for some growth in non-executive Directors' remuneration in the future to reflect market competitiveness for non-executive Directors with the skills and experience appropriate for the Company's business.; and
- (d) to create some capacity to appoint additional non-executive Directors if necessary as part of the Board's succession planning strategy. As set out in section 3 A of the Remuneration Report of the Company's 2019 Annual Report, Non-Executive Director fees will be reviewed once commercial production is achieved.

The proposed maximum aggregate remuneration has been determined after consideration of the above factors and a review of remuneration paid by similar companies listed on ASX. The Board believes that the proposed increase in aggregate remuneration is appropriate for the Company and is in line with the remuneration paid by similar companies.

The following information is provided for the purposes of Listing Rule 10.17:

- (i) the total maximum amount payable to the non-executive Directors of the Company, if shareholders approve the resolution, will increase from \$500,000 to \$900,000 for any financial year;
- (ii) details of securities issued to the non-executive directors under Listing Rule 10.11 or 10.14 with the approval of holders of the entity's ordinary securities within the preceding 3 years:

Non-Executive Directors	2017	Notes	2018	Notes	2019	Notes
Mark Connelly	-		2,000,000	(i)	103,806	(ii)
Rod Leonard	-		-		-	
Nigel Spicer	-		-		-	
Simon Storm	750,000	(iii)	-		77,855	(iv)

Notes

(i) Unlisted Options. Exercise price \$0.32. Expiry date – 28 December 2021.

(ii) Zero exercise options issued in lieu of Directors fees. Exercise price Nil. Expiry date – 14 February 2021

(iii) Unlisted Options. Exercise price \$0.24. Expiry date – 9 November 2020.

(iv) Zero exercise options issued in lieu of Directors fees. Exercise price Nil. Expiry date – 14 February 2021

(iii) the Board considers that the total maximum amount payable to the non-executive Directors of the Company in remuneration is reasonable and commensurate with the role of a director of a publicly listed company, having regard to the duties and responsibilities of the position.

If you choose to appoint a proxy, you are encouraged to direct your proxy how to vote on Resolution 11 by marking either "For", "Against" or "Abstain" on the Proxy Form. The Chairman of the meeting intends to vote all undirected proxies in favour of Resolution 11.

A voting exclusion statement for Resolution 11 is included in the Notice of Annual General Meeting preceding this Explanatory Memorandum.

RESOLUTION 12 – APPROVAL OF POTENTIAL ENTITLEMENTS TO MR RICHARD HYDE, CHIEF EXECUTIVE OFFICER AND EXECUTIVE CHAIRMAN

1.1 Background

In conjunction with the Company's Incentive Plan offer to Mr Richard Hyde, the Company and Mr Richard Hyde has also entered into an Executive Service Agreement between Mr Richard Hyde and the Company.

The termination entitlements and benefits in the Executive Service Agreement are conditional upon Shareholder approval.

Resolution 12 seeks Shareholder approval for certain termination payments and benefits which Mr Richard Hyde may become entitled to if his employment under the Executive Service Agreement is terminated.

The Corporations Act restricts the benefits which can be given to certain persons (those who hold a managerial or executive office, as defined in the Corporations Act) on leaving their employment. Under section 200B of the Corporations Act, a company may only give a person a benefit in connection with their ceasing to hold a managerial or executive office in the company or its related bodies corporate, if it is approved by shareholders or an exemption applies. One such exemption is where the termination benefit does not exceed the average annual base salary that the person has received from the company and its related bodies corporate during the previous three years. Under the termination benefits laws, the term "benefit" has a wide operation.

Mr Richard Hyde is the Chief Executive Officer and Executive Chairman of the Company. Under Mr Hyde's Executive Services Agreement, there are benefits, payments or awards which the Company may provide to Mr Hyde on termination. Whilst these potential payments are not contemplated as likely to be invoked, they are included in Mr Hyde's Executive Services Agreement to provide flexibility to the Board to respond quickly to unusual circumstances should they emerge or require action. If the Company wishes to provide some of these benefits, payments or awards to Mr Hyde in connection with termination, prior Shareholder approval is required. The Company believes that it is prudent to seek Shareholder approval at this time, to enable the Board to have these contractual options available to it in the future should the prevailing circumstances warrant the giving of a benefit, payment or award.

1.2 What is the Company seeking Shareholder approval for?

The Company is seeking Shareholder approval for the purposes of sections 200B and 200E of the Corporations Act for the following benefits that the Company may provide to Mr Hyde under his employment agreement (which will only come into effect if shareholders approve Resolution 12, in addition to any other termination benefits the Company may provide to Mr Hyde without Shareholder approval under the Corporations Act. The exact amounts that may be payable are generally dependent upon Mr Hyde's annual salary and the Company's remuneration policy (in conjunction with the Company's Incentive Plan, and the Board's discretionary powers), details of which are specified in this Explanatory Memorandum under the explanatory notes for Resolution 9, section 1.4 (c).

(a) Short Term and Long Term Incentives/Performance Rights Plan

Please refer to Schedule 1 for a summary of the terms and conditions of the Incentive Plan

While a grant of performance incentives may be categorised as a benefit for past services and therefore notionally exempt under section 200G of the Corporations Act if total termination benefits exceed 12 months of the estimated annual base salary, Shareholder approval is required. The Company accordingly seeks approval for any performance rights and/or incentives which have been awarded to Mr Hyde to be allowed to vest on a discretionary and pro rata basis in respect of the year in which Mr Hyde's employment may be terminated.

(b) Payment in lieu of notice of termination

The Company may terminate Mr Hyde's employment without cause by giving 6 months' written notice. In the event of a change of control transaction, the Company may terminate Mr Hyde's employment by giving 12 months written notice. The Company may bring forward the termination by making a payment in lieu of the period of notice.

The Company seeks approval for the payment of 6 or 12 months TFR (as the case may be) in lieu of written notice. This amount is payable if the Company terminates Mr Hyde's employment and the Company elects to make payment in lieu of notice.

As noted above, the Company is seeking Shareholder approval for the above matters in order to allow the Company to have maximum flexibility for the future. There may be circumstances in which the Board may need to respond quickly to unusual circumstances, where the Board may deem that it is in the Company's best interests to terminate the Executive Service Agreement immediately by making a payment in lieu of service, and where there are special situations worthy of recognition of past service. Shareholders should be aware that Shareholder approval of Resolution 12 does not mean that the Company will give the maximum benefits provided for, but merely provides the Board with flexibility for the above-mentioned circumstances.

1.3 Board recommendation

The Board, other than Mr Hyde, recommend that shareholders vote in favour of Resolution 12. Mr Hyde makes no recommendation in light of his personal interest in Resolution 12.

A voting exclusion statement for Resolution 12 is included in the Notice of Annual General Meeting preceding this Explanatory Memorandum.

RESOLUTION 13 – APPROVAL OF POTENTIAL ENTITLEMENTS TO MR LYNDON HOPKINS, CHIEF OPERATING OFFICER

1.1 Background

In conjunction with the Company's Incentive Plan offer to Mr Lyndon Hopkins, the Company and Mr Lyndon Hopkins have also agreed to enter into the Executive Service Agreement between Mr Lyndon Hopkins and the Company.

The termination entitlements and benefits in the Executive Service Agreement are conditional upon Shareholder approval.

Resolution 13 seeks Shareholder approval for certain termination payments and benefits which Mr Lyndon Hopkins may become entitled to if his employment under the Executive Service Agreement is terminated.

The Corporations Act restricts the benefits which can be given to certain persons (those who hold a managerial or executive office, as defined in the Corporations Act) on leaving their employment. Under section 200B of the Corporations Act, a company may only give a person a benefit in connection with their ceasing to hold a managerial or executive office in the company or its related bodies corporate, if it is approved by shareholders or an exemption applies. One such exemption is where the termination benefit does not exceed the average annual base salary that the person has received from the company and its related bodies corporate during the previous three years. Under the termination benefits laws, the term "benefit" has a wide operation.

Mr Lyndon Hopkins is the Chief Operating Officer and an Executive Director of the Company. Under Mr Hopkins' Executive Services Agreement, there are benefits, payments or awards which the Company may provide to Mr Hopkins on termination. Whilst these potential payments are not contemplated as likely to be invoked, they are included in Mr Hopkins' Executive Services Agreement to provide flexibility to the Board to respond quickly to unusual circumstances should they emerge or require action. If the Company wishes to provide some of these benefits, payments or awards to Mr Hopkins in connection with termination, prior Shareholder approval is required. The Company believes that it is prudent to seek Shareholder approval at this time, to enable the Board to have these contractual options available to it in the future should the prevailing circumstances warrant the giving of a benefit, payment or award.

1.2 What is the Company seeking Shareholder approval for?

The Company is seeking Shareholder approval for the purposes of sections 200B and 200E of the Corporations Act for the following benefits that the Company may provide to Mr Hopkins under his employment agreement (which will only come into effect if shareholders approve Resolution 13, in addition to any other termination benefits the Company may provide to Mr Hopkins without Shareholder approval under the Corporations Act. The exact amounts that may be payable are generally dependent upon Mr Hopkins' annual salary and the Company's remuneration policy (in conjunction with the Company's Incentive Plan, and the Board's discretionary powers), details of which are specified in this Explanatory Memorandum under the explanatory notes for Resolution 10, section 1.4 (c).

(a) *Short Term and Long Term Incentives/Performance Rights Plan*

Please refer to Schedule 1 for a summary of the terms and conditions of the Incentive Plan.

While a grant of performance incentives may be categorised as a benefit for past services and therefore notionally exempt under section 200G of the Corporations Act if total termination benefits exceed 12 months of the estimated annual base salary, Shareholder approval is required. The Company accordingly seeks approval for any performance rights and/or incentives which have been awarded to Mr Hopkins to be allowed to vest on a discretionary and pro rata basis in respect of the year in which Mr Hopkins' employment may be terminated.

(b) *Payment in lieu of notice of termination*

The Company may terminate Mr Hopkins' employment without cause by giving 6 months' written notice. In the event of a change of control transaction, the Company may terminate Mr Hopkins' employment by giving 12 months written notice. The Company may bring forward the termination by making a payment in lieu of the period of notice.

The Company seeks approval for the payment of 6 or 12 months TFR (as the case may be) in lieu of written notice. This amount is payable if the Company terminates Mr Hopkins' employment and the Company elects to make payment in lieu of notice.

As noted above, the Company is seeking Shareholder approval for the above matters in order to allow the Company to have maximum flexibility for the future. There may be circumstances in which the Board may need to respond quickly to unusual circumstances, where the Board may deem that it is in the Company's best interests to terminate the Executive Service Agreement immediately by making a payment in lieu of service, and where there are special situations worthy of recognition of past service. Shareholders should be aware that Shareholder approval of Resolution 13 does not mean that the Company will give the maximum benefits provided for, but merely provides the Board with flexibility for the above-mentioned circumstances.

1.3 Board recommendation

The Board, other than Mr Hopkins, recommend that shareholders vote in favour of Resolution 13. Mr Hopkins makes no recommendation in light of his personal interest in Resolution 13.

A voting exclusion statement for Resolution 13 is included in the Notice of Annual General Meeting preceding this Explanatory Memorandum.

RESOLUTION 14 – APPROVAL OF POTENTIAL ENTITLEMENTS TO MR PADRAIG O'DONOGHUE, CHIEF FINANCIAL OFFICER

1.1 Background

The Company and Mr Padraig O'Donoghue have agreed to enter into an Executive Service Agreement between Mr Padraig O'Donoghue and the Company.

The termination entitlements and benefits in the Executive Service Agreement are conditional upon Shareholder approval.

Resolution 14 seeks Shareholder approval for certain termination payments and benefits which Mr Padraig O'Donoghue may become entitled to if his employment under the Executive Service Agreement is terminated.

The Corporations Act restricts the benefits which can be given to certain persons (those who hold a managerial or executive office, as defined in the Corporations Act) on leaving their employment. Under section 200B of the Corporations Act, a company may only give a person a benefit in connection with their ceasing to hold a managerial or executive office in the company or its related bodies corporate, if it is approved by shareholders or an exemption applies. One such exemption is where the termination benefit does not exceed the average annual base salary that the person has received from the company and its related bodies corporate during the previous three years. Under the termination benefits laws, the term "benefit" has a wide operation.

Mr Padraig O'Donoghue is the Chief Financial Officer of the Company. Under Mr O'Donoghue's Executive Services Agreement, there are benefits, payments or awards which the Company may provide to Mr

O'Donoghue on termination. Whilst these potential payments are not contemplated as likely to be invoked, they are included in Mr O'Donoghue's Executive Services Agreement to provide flexibility to the Board to respond quickly to unusual circumstances should they emerge or require action. If the Company wishes to provide some of these benefits, payments or awards to Mr O'Donoghue in connection with termination, prior Shareholder approval is required. The Company believes that it is prudent to seek Shareholder approval at this time, to enable the Board to have these contractual options available to it in the future should the prevailing circumstances warrant the giving of a benefit, payment or award.

1.2 What is the Company seeking Shareholder approval for?

The Company is seeking Shareholder approval for the purposes of sections 200B and 200E of the Corporations Act for the following benefits that the Company may provide to Mr O'Donoghue under his employment agreement (which will only come into effect if shareholders approve Resolution 14), in addition to any other termination benefits the Company may provide to Mr O'Donoghue without Shareholder approval under the Corporations Act. The exact amounts that may be payable are generally dependent upon Mr O'Donoghue's annual salary and the Company's remuneration policy (in conjunction with the Company's Incentive Plan, and the Board's discretionary powers), details of which are specified below:

Related Party	Total Fixed Remuneration ("TFR")	Vested LTI PEPOS	Unvested STI ZEPOS ⁸	Unvested STI ZEPOS ⁸	Unvested STI ZEPOS ⁸
Padraig O'Donoghue	\$275,000 ¹	279,661 ²	233,051 ³	65,789 ⁴	263,157 ⁵

Unvested LTI ZEPOS ⁸	Unvested STI PEPOS ⁸
131,578 ⁶	131,578 ⁷

1. Mr O'Donoghue's Executive Service Agreement provides for a TFR increase from \$275,000 to \$350,000 starting from the date of commercial production of Sanbrado.
2. Exercise price \$0.43. Expiry date – 28 December 2022
3. Exercise price \$Nil. Expiry date – 28 December 2021
4. Exercise price \$Nil. Expiry date – 20 January 2023
5. Exercise price \$Nil. Expiry date – 20 January 2023
6. Exercise price \$Nil. Expiry date – 20 January 2025
7. Exercise price \$Nil. Expiry date – 19 January 2024
8. Subject to various performance hurdles set out on page 20 of the 2019 Annual Report

(c) Short Term and Long Term Incentives/Performance Rights Plan

Please refer to Schedule 1 for a summary of the terms and conditions of the Incentive Plan

While a grant of performance incentives may be categorised as a benefit for past services and therefore notionally exempt under section 200G of the Corporations Act if total termination benefits exceed 12 months of the estimated annual base salary, Shareholder approval is required. The Company accordingly seeks approval for any performance rights and/or incentives which have been awarded to Mr O'Donoghue to be allowed to vest on a discretionary and pro rata basis in respect of the year in which Mr O'Donoghue's employment may be terminated.

(d) Payment in lieu of notice of termination

The Company may terminate Mr O'Donoghue's employment without cause by giving 6 months' written notice. In the event of a change of control transaction, the Company may terminate Mr O'Donoghue's employment by giving 12 months written notice. The Company may bring forward the termination by making a payment in lieu of the period of notice.

The Company seeks approval for the payment of 6 or 12 months TFR (as the case may be) in lieu of written notice. This amount is payable if the Company terminates Mr O'Donoghue's employment and the Company elects to make payment in lieu of notice.

As noted above, the Company is seeking Shareholder approval for the above matters in order to allow the Company to have maximum flexibility for the future. There may be circumstances in which the Board may need to respond quickly to unusual circumstances, where the Board may deem that it is in the Company's best interests to terminate the Executive Service Agreement immediately by making a payment in lieu of service, and where there are special situations worthy of recognition of past service. Shareholders should be aware that Shareholder approval of Resolution 14 does not mean that the Company will give the

maximum benefits provided for, but merely provides the Board with flexibility for the above-mentioned circumstances.

1.3 Board recommendation

The Board recommends that shareholders vote in favour of Resolution 14.

A voting exclusion statement for Resolution 14 is included in the Notice of Meeting.

RESOLUTION 15 – APPROVAL OF POTENTIAL ENTITLEMENTS TO MR MATTHEW WILCOX, CHIEF DEVELOPMENT OFFICER

1.1 Background

The Company and Mr Matthew Wilcox have agreed to enter into an Executive Service Agreement between Mr Matthew Wilcox and the Company.

The termination entitlements and benefits in the Executive Service Agreement are conditional upon Shareholder approval.

Resolution 15 seeks Shareholder approval for certain termination payments and benefits which Mr Matthew Wilcox may become entitled to if his employment under the Executive Service Agreement is terminated.

The Corporations Act restricts the benefits which can be given to certain persons (those who hold a managerial or executive office, as defined in the Corporations Act) on leaving their employment. Under section 200B of the Corporations Act, a company may only give a person a benefit in connection with their ceasing to hold a managerial or executive office in the company or its related bodies corporate, if it is approved by shareholders or an exemption applies. One such exemption is where the termination benefit does not exceed the average annual base salary that the person has received from the company and its related bodies corporate during the previous three years. Under the termination benefits laws, the term “benefit” has a wide operation.

Mr Matthew Wilcox is the Chief Development Officer of the Company. Under Mr Wilcox’s Executive Services Agreement, there are benefits, payments or awards which the Company may provide to Mr Wilcox on termination. Whilst these potential payments are not contemplated as likely to be invoked, they are included in Mr Wilcox’s Executive Services Agreement to provide flexibility to the Board to respond quickly to unusual circumstances should they emerge or require action. If the Company wishes to provide some of these benefits, payments or awards to Mr Wilcox in connection with termination, prior Shareholder approval is required. The Company believes that it is prudent to seek Shareholder approval at this time, to enable the Board to have these contractual options available to it in the future should the prevailing circumstances warrant the giving of a benefit, payment or award.

1.2 What is the Company seeking Shareholder approval for?

The Company is seeking Shareholder approval for the purposes of sections 200B and 200E of the Corporations Act for the following benefits that the Company may provide to Mr Wilcox under his employment agreement (which will only come into effect if shareholders approve Resolution 15, in addition to any other termination benefits the Company may provide to Mr Wilcox without Shareholder approval under the Corporations Act. The exact amounts that may be payable are generally dependent upon Mr Wilcox’s annual salary and the Company’s remuneration policy (in conjunction with the Company’s Incentive Plan, and the Board’s discretionary powers), details of which are specified below:

Related Party	Current Total Fixed Remuneration ("TFR")	Vested LTI PEPOS	Unvested STI ZEPOS ⁴
Matthew Wilcox	\$300,000 ¹	1,000,000 ²	478,468 ³

1. Proposed TFR increase from \$300,000 to \$375,000 starting from the date of commercial production of Sanbrado.

2. Exercise price \$0.31. Expiry date – 28 November 2021

3. Exercise price \$Nil. Expiry date – 20 January 2023

4. Subject to various performance hurdles set out on page 20 of the 2019 Annual Report

(e) Short Term and Long Term Incentives/Performance Rights Plan

Please refer to Schedule 1 for a summary of the terms and conditions of the Incentive Plan

While a grant of performance incentives may be categorised as a benefit for past services and therefore notionally exempt under section 200G of the Corporations Act if total termination benefits exceed 12 months of the estimated annual base salary, Shareholder approval is required. The Company accordingly seeks approval for any performance rights and/or incentives which have been awarded to Mr Wilcox to be allowed to vest on a discretionary and pro rata basis in respect of the year in which Mr Wilcox's employment may be terminated.

(f) Payment in lieu of notice of termination

The Company may terminate Mr Wilcox's employment without cause by giving 6 months' written notice. In the event of a change of control transaction, the Company may terminate Mr Wilcox's employment by giving 12 months written notice. The Company may bring forward the termination by making a payment in lieu of the period of notice.

The Company seeks approval for the payment of 6 or 12 months TFR (as the case may be) in lieu of written notice. This amount is payable if the Company terminates Mr Wilcox's employment and the Company elects to make payment in lieu of notice.

As noted above, the Company is seeking Shareholder approval for the above matters in order to allow the Company to have maximum flexibility for the future. There may be circumstances in which the Board may need to respond quickly to unusual circumstances, where the Board may deem that it is in the Company's best interests to terminate the Executive Service Agreement immediately by making a payment in lieu of service, and where there are special situations worthy of recognition of past service. Shareholders should be aware that Shareholder approval of Resolution 15 does not mean that the Company will give the maximum benefits provided for, but merely provides the Board with flexibility for the above-mentioned circumstances.

1.3 Board recommendation

The Board recommends that shareholders vote in favour of Resolution 15.

A voting exclusion statement for Resolution 15 is included in the Notice of Annual General Meeting preceding this Explanatory Memorandum.

GLOSSARY

Words, which are defined in the Explanatory Memorandum, have the same meaning when used in this Notice of Meeting unless the context requires otherwise. For assistance in considering the Notice of Meeting and the Explanatory Memorandum, the following words are defined here:

"Annual Financial Report or Annual Report" means the Company's financial report contained in the Company's annual report for the year ended 31 December 2019.

"ASX" means Australian Securities Exchange Limited (ACN 008 624 691).

"Associate" has the meaning given to that term in the Listing Rules.

"Board" means the board of directors of the Company.

"Class Order" means ASIC Legislative Instrument 14/1000 as amended or replaced from time to time.

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

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent of the member or the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the Corporations Regulations 2001 (Cth) for the purposes of the definition of 'closely related party' in the Corporations Act.

"Company" means West African Resources Limited ABN 70 121 539 375.

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

"Director" means a director of the Company.

"Directors' Report" means Directors' report contained in the Company's Annual Financial Report.

"Dollar" or *"\$"* means Australian Dollars.

"Eligible Participants" means a Director (whether executive or non-executive), a full or part time employee of the Company or any of its subsidiaries (Group Company), a casual employee or contractor of a Group Company (but, if the Class Order is being relied on, only to the extent permitted by the Class Order) and a prospective participant who has entered into an agreement to become an Eligible Participant.

"Equity Security" - as defined in the Listing Rules, being a share, unit, right to a share or unit or option, a convertible security, any security that ASX decides is an equity security but not a security ASX decides to classify as a debt security.

"Explanatory Memorandum" means the explanatory memorandum set out and attached to this Notice of Meeting.

"Incentive Plan" means the Company's Incentive Option & Performance Rights Plan approved by shareholders 30 November 2018.

"Key Management Personnel" or *"KMP"* has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, of the consolidated entity, directly or indirectly, including any director (whether executive or otherwise) of the Company, or if the Company is part of a consolidated entity, of an entity within the consolidated group.

"Listing Rules" means the listing rules of ASX.

"Market Value" in respect of a Share, means the volume weighted average market price (as defined in the ASX Listing Rules) for a Share traded on the ASX during the 7 day period up to and including the day on which the Market Value is to be determined.

"Nominee" means a nominee of an Eligible Participant that is one of the following:

- (a) an immediate family member of the Eligible Participant;
- (b) a company whose members comprise no persons other than the Eligible Participant or immediate family members of the Eligible Participant; or
- (c) subject to Board approval, a trustee of a trust, in respect of which the Eligible Participant, or an immediate family member of the Eligible Participant, is the trustee, or the Eligible Participant, or an immediate family member of the

Eligible Participant, Controls a body corporate which is the trustee, but always excluding a self-managed superannuation fund (within the meaning of the Superannuation Industry (Supervision) Act 1993).

"Notice of Meeting" or *"Notice"* means this notice of annual general meeting.

"Option" - means an unlisted option to acquire a Share.

"Proxy Form" means the proxy form accompanying this Notice of Meeting.

"Remuneration Report" as set out in the Directors' Report in the Annual Report for the year ended 31 December 2019.

"Resolution" means a resolution set out in this Notice of Meeting.

"Shareholder" means a holder of Shares.

"Shares" means fully paid ordinary shares in the capital of the Company.

"VWAP" means volume weighted average market price as defined in the ASX Listing Rules.

"WST" means Western Standard Time as observed in Perth, Western Australia.

SUMMARY OF INCENTIVE PLAN

1. Eligibility

The Board may, from time to time, in its absolute discretion, make a written invitation to any Eligible Participant to apply for Options or Performance Rights (together, **Awards**), upon the terms set out in the Incentive Plan and upon such additional terms and conditions as the Board determines.

2. Offer and Application Form

An invitation to apply for the issue of Awards under the Incentive Plan must be made by way of an offer document (**Offer Document**). At a minimum, the Offer Document must include the following information:

- (a) the maximum number of Awards that the Eligible Participant may apply for, or the formula for determining the number of Awards that may be applied for;
- (b) the maximum number of Shares that the Participant is entitled to be issued on the exercise of each Award or the formula for determining the maximum number of Shares;
- (c) the Option exercise price (**Exercise Price**) of any Options or the formula for determining the Option Exercise Price;
- (d) any applicable vesting conditions as determined by the Board in its discretion;
- (e) any restriction period the Board has resolved to apply to Shares issued on exercise of the Awards;
- (f) when Awards will expire (**Expiry Date**);
- (g) the date by which an Offer Document must be accepted (**Closing Date**);
- (h) any other terms and conditions applicable to the Awards; and
- (i) any other information required by law or the Corporations Act, the Class Order or the ASX Listing Rules or the considered by the Board to be relevant to the Awards or the Shares to be issued on the exercise of the Awards.

An Eligible Participant (or permitted Nominee) may apply for the Incentive Options or Performance Rights in whole or in part, by signing and returning an Application Form to the Company no later than the Closing Date. The Board may accept or reject any Application Form in its absolute discretion.

Where the Company needs to rely on the Class Order in respect of an Offer, the Company must have reasonable grounds to believe, when making an Offer, that the number of Shares to be received on exercise of Awards offered under an Offer, when aggregated with the number of Shares issued or that may be issued as a result of offers made in reliance on the Class Order at any time during the previous 3 year period under an employee incentive scheme covered by the Class Order or under an ASIC exempt arrangement of a similar kind to an employee incentive scheme, will not exceed 5% of the total number of Shares on issue at the date of the Offer.

3. Terms of the Awards

- (a) An Award is non-transferable other than in special circumstances with the consent of the Board (which may be withheld in its discretion).
- (b) Unless quoted on the ASX, each Award will be issued to an Eligible Participant under the Incentive Plan for no more than nominal consideration.

- (c) Each Award will entitle its holder to subscribe for and be issued, one fully paid ordinary share in the capital of the Company (upon vesting and exercise of that Award) unless the Plan or an applicable Offer otherwise provides.
- (d) Awards will not be listed for quotation on the ASX, unless the Offer provides otherwise. The Company will apply for official quotation of the Shares issued upon the exercise of any vested Awards.
- (e) A participant is not entitled to participate in or receive any dividend or other Shareholder benefits until its Awards have vested and been exercised and Shares have been allocated to the participant as a result of the exercise of those Awards.
- (f) There are no participating rights or entitlements inherent in the Awards and participants will not be entitled to participate in new issues of securities offered to Shareholders of the Company during the currency of Awards without exercising the Options or Performance Rights, except to the extent an Offer otherwise provides where permitted by the ASX Listing Rules.
- (g) Subdivision 83A-C of the *Income Tax Assessment Act 1997* applies to the Awards except to the extent an Offer provides otherwise.
- (h) There is no right to a change in the exercise price or in number of underlying Shares over which an Award can be exercised, except to the extent an Offer otherwise provides where permitted by the ASX Listing Rules.
- (i) In the event of a reorganisation of the capital of the Company, the Company may alter the rights of the holder of an Award to the extent necessary to comply with the ASX listing rules applying to reorganisations at the time of the reorganisation.
- (j) Following the issue of Shares following exercise of vested Awards, Participants will be entitled to exercise all rights of a Shareholder attaching to the Shares, subject to any disposal restrictions advised to the Participant.

4. Vesting and Exercise of Awards

- (a) **Vesting Conditions:** Subject to clause 4(b) below, an Award issued under the Plan will not vest and be exercisable unless the vesting conditions (if any) attaching to that Award have been satisfied and the Board has notified the Eligible Participant of that fact within 10 Business Days of becoming aware that any vesting condition has been satisfied.
- (b) **Vesting Condition Waiver:** Notwithstanding clause 4(a) above, the Board may, in its absolute discretion, by written notice to an Eligible Participant, resolve to waive any of the vesting conditions applying to an Award. For clarity, the Board may in its discretion waive or reduce any vesting conditions after the time specified for satisfaction of those vesting conditions has passed.
- (c) **Exercise on Vesting:** A Participant (or their personal legal representative where applicable) may, subject to the terms of any Offer, exercise any vested Award at any time after the Board notifies that the Award Right has vested and before it lapses.
- (d) **Cashless Exercise Facility:**

In respect of Options, the Board may, in its discretion, permit a Participant to exercise some or all of their Options by using the Cashless Exercise Facility. The Cashless Exercise Facility entitles a Participant to set-off the Option Exercise Price against the number of Shares which the Participant is entitled to receive upon exercise of the Participant's Options. By using the Cashless Exercise Facility, the Participant will receive Shares to the value of the surplus after the Option Exercise Price has been set-off.

If a Participant elects to use the Cashless Exercise Facility, and its use is approved by the Board, the Participant will be issued or transferred that number of Shares (rounded up to the nearest whole number) equal to:

- (A) the aggregate total Market Value (as determined on the date the Options the subject of

the Cashless Exercise Facility are exercised) of Shares that would otherwise be issued on exercise of the Options had all such Options been exercised for a cash Option Exercise Price;

(B) less the aggregate total Option Exercise Price otherwise payable in respect of the vested Options exercised; and

(C) divided by the Market Value of a Share as determined on the date the Options the subject of the Cashless Exercise Facility are exercised.

If the Option Exercise Price otherwise payable in respect of the Options being exercised is the same or higher than the Market Value of Shares at the time of exercise, then a Participant will not be entitled to use the Cashless Exercise Facility.

(e) **Cash Payment:** Subject to the Corporations Act, the ASX Listing Rules, the Plan and the terms of any Offer, where an Offer so provides, when all Vesting Conditions in respect of an Award have been satisfied or waived, the Board may, in its discretion, within 10 Business Days of receipt of a valid notice of exercise for vested Award, in lieu of issuing or transferring a Share to the Participant on exercise of the Award, pay the Participant or his or her personal representative (as the case may be) a cash payment for the Award exercised equal to the Market Value of a Share up to and including the date the Award was exercised, less, in respect of an Option, any Option Exercise Price. A vested Award automatically lapses upon payment of a Cash Payment in respect of the vested Award.

5. Lapsing of Awards

An Award will lapse upon the earlier of:

(a) the Board, in its discretion, resolving an Award lapses as a result of an unauthorised disposal of, or hedging of, the Award;

(b) a vesting condition not being satisfied or becoming incapable of satisfaction (and not being waived by the Board in its discretion);

(c) in respect of an unvested Award, the holder ceases to be an Eligible Participant and the Board does not exercise its discretion to vest the Award or allow it to remain unvested;

(d) in respect of a vested Award, a holder ceases to be an Eligible Participant and the Board, in its discretion, resolves that the Award must be exercised within one (1) month (or such later date as the Board determines) of the date the Relevant Person ceases to be an Eligible Participant, and the Award is not exercised within that period and the Board resolves, at its discretion, that the Award lapses as a result;

(e) the Board deems that an Award lapses due to fraud, dishonesty or other improper behaviour of the holder/Eligible Participant under the rules of the Incentive Plan;

(f) in respect of an unvested Award, a winding up resolution or order is made, and the Award does not vest in accordance with rules of the Incentive Plan; and

(g) the Expiry Date of the Award.

6. Restrictions on Shares

(a) The Board may, in its discretion, determine at any time up until exercise of an Award, that a restriction period will apply to some or all of the Shares issued or transferred to a Participant on exercise of the Award (**Restricted Shares**).

(b) The Board may, in its sole discretion, having regard to the circumstances at the time, waive a Restriction Period (other than where imposed by the ASX Listing Rules).

(c) The Company may implement any procedure it considers appropriate to restrict a Participant from dealing with any Shares for as long as those Shares are subject to a Restriction Period.

SCHEDULE 1

- (d) Shares are deemed to be subject to a Restriction Period to the extent necessary to comply with any escrow restrictions imposed by the ASX Listing Rules.
- (e) The Participant agrees to execute a restriction agreement in relation to the Restricted Shares reflecting any Restriction Period applying to the Restricted Shares under the Plan or any escrow imposed by the ASX Listing Rules.
- (f) No issue or allocation of Awards and/or Shares will be made to the extent that it would contravene the Constitution, Listing Rules, the Corporations Act or any other applicable law.

VALUATION OF OPTIONS

The Options to be granted to the Related Parties pursuant to Resolutions have been valued using the Black Scholes option model and based on the assumptions set out below, the Options were ascribed the following value:

(a) Executive Directors (Messrs Hyde and Hopkins) – Resolutions 9 & 10

Assumptions:	ZEPOs	PEPOs	
Valuation date	3 April 2020	3 April 2020	
Market price of Shares	\$0.435	\$0.435	
Exercise price	-	\$0.6061	
Expiry date (length of time from issue)	3-5 years	4 years	
Risk free interest rate	2.75%	2.75%	
Volatility (discount)	54%	54%	
Indicative value per Options	\$0.435	\$0.151	
Total Value of Options			Total
Richard Hyde	\$405,861	\$61,411	\$467,272
Lyndon Hopkins	\$265,370	\$37,931	\$303,301

(b) Non - Executive Directors (Messrs Connelly, Leonard, Spicer and Storm) - Resolutions 5, 6, 7 & 8

Assumptions:	ZEPOs
Valuation date	3 April 2020
Market price of Shares (30 March 2020)	\$0.435
Exercise price	-
Expiry date (length of time from issue)	2 years
Risk free interest rate	2.75%
Volatility (discount)	54%
Indicative value per Option	\$0.435

Note: The valuation noted above is not necessarily the market price that the Options could be traded at and is not automatically the market price for taxation purposes.

West African Resources Limited

ABN 70 121 539 375



WAF

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

Need assistance?



Phone:

1300 850 505 (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 **11:00am (WST)** Wednesday, 27 May 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. 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.

ATTENDING THE MEETING

Due to restrictions applicable in Western Australia as a result of COVID-19, it is not possible to attend the Meeting physically, however an audio weblink facility will be available on <https://services.choruscall.com.au/webcast/war-200529.html> at the time of the meeting.

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 West African Resources 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 Annual General Meeting of West African Resources Limited to be held via an audio weblink facility at Level 1, 1 Alvan Street, Subiaco, Western Australia on Friday, 29 May 2020 at 11:00am (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 Resolutions 1 and 5 - 15 (except where I/we have indicated a different voting intention in step 2) even though Resolutions 1 and 5 - 15 are 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 Resolutions 1 and 5 - 15 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 and your votes will not be counted in computing the required majority.

		For	Against	Abstain			For	Against	Abstain
1	Adoption of Remuneration Report (Non-Binding Resolution)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	9	Issue of Options to Director - Mr Richard Hyde	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2	Election of Mr Rod Leonard as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	10	Issue of Options to Director - Mr Lyndon Hopkins	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3	Election of Mr Nigel Spicer as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	11	Increase in Non-Executive Director Remuneration	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4	Election of Mr Lyndon Hopkins as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	12	Approval of Potential Entitlements to Mr Richard Hyde, Chief Executive Officer and Executive Chairman	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5	Issue of Options in Lieu of Director Fees - Mr Rod Leonard	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	13	Approval of Potential Entitlements to Mr Lyndon Hopkins, Chief Operating Officer	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6	Issue of Options in Lieu of Director Fees - Mr Nigel Spicer	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	14	Approval of Potential Entitlements to Mr Pdraig O'Donoghue, Chief Financial Officer	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7	Issue of Options in Lieu of Director Fees - Mr Simon Storm	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	15	Approval of Potential Entitlements to Mr Matthew Wilcox, Chief Development Officer	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8	Issue of Options in Lieu of Director Fees - Mr Mark Connelly	<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

Securityholder 2

Securityholder 3

Sole Director & Sole Company Secretary

Director

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

W A F

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