

Notice of Annual General Meeting

and

Explanatory Statement

and

Proxy Form

Annual General Meeting of MRG Metals Limited to be held at
RSM Australia, Level 21, 55 Collins Street, Melbourne, Victoria
on 28 November 2019 commencing at 10.30am (AEDST).

This Annual Notice of General Meeting and Explanatory Statement should be read in its entirety.

If Shareholders are in any doubt as how to vote, they should seek advice from their own independent financial, taxation or legal adviser without delay.

General information

This notice of meeting (**Notice**) relates to the annual general meeting (**Meeting**) of the shareholders of the Company (**Shareholders**).

The Meeting will take place at RSM Australia, Level 21, 55 Collins Street, Melbourne, Victoria on 28 November 2019 commencing at 10.30am (AEDST).

The following documents accompany this Notice and are designed to assist Shareholders' understanding of the resolutions under consideration (**Resolutions**):

- **Explanatory Statement:** provides an explanation of the Resolutions and the disclosures required by law and has been prepared with the assistance of the Company's legal adviser, Moray & Agnew; and
- **Proxy form:** to be used by Shareholders to appoint a proxy to vote on their behalf at the Meeting.

Shareholders should read the above documents carefully and if they are in any doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser without delay.

Defined term

Defined terms used in this Notice of Meeting have the same meanings given to them in the Glossary section accompanying this Notice of Meeting.

Key dates for Shareholders

Event	Date*
Dispatch of Notice to Shareholders	28 October 2019
Deadline for lodging proxy form for Meeting	10.30am (AEDST) on 26 November 2019
Record date for eligibility to vote at Meeting	7.00pm (AEDST) on 26 November 2019
Annual General Meeting	28 November 2019

* Shareholders should note the above timetable is indicative only and may be varied in consultation with ASX. Any changes to the above timetable will be released to the ASX.

Annual General Meeting: Agenda

The business to be transacted at the Meeting is set out below:

Ordinary Business

1. Receipt and consideration of accounts and reports

To receive and consider the Financial Report, Director's Report and Auditor's Report on the Company and its controlled entities for the financial year ended 30 June 2019.

To receive Shareholders' questions and comments on the management of the Company.

2. Resolution 1 - Adoption of Remuneration Report

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

"That for the purposes of section 250R(2) of the Corporations Act and for all other purposes, the Remuneration Report set out in the Company's Annual Report for the financial year ended 30 June 2019 be approved by Shareholders."

Shareholders should note that this resolution is advisory only and does not bind the Directors or the Company. Shareholders should refer to the Explanatory Statement accompanying this Notice for more information.

Voting exclusion statement on Resolution 1:

The Company will disregard any vote cast on Resolution 1 by, or on behalf of:

- (a) a member of the key management personnel, details of whose remuneration are included in the remuneration report (**KMP**); or
- (b) a Closely Related Party of such KMP.

However, a person (**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 of the Meeting and the appointment of the chair as proxy:
 - (i) does not specify the way the proxy is to vote on this Resolution; or
 - (ii) expressly authorises the chair to exercise the proxy even if this Resolution is connected directly or indirectly with the remuneration of a member of the KMP for the Company.

3. Resolution 2 - Re-election of Mr Christopher Gregory as a Director of the Company

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

"That Christopher Gregory, who retires by rotation as a Director of the Company at this Annual General Meeting in accordance with clause 15.3 of the Company's Constitution and is eligible for re-election, be re-elected as a Director of the Company."

Special Business

4. Resolution 3: Approval to Grant Performance Rights to a Related Party - Mr Christopher Gregory (or his nominee)

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

“That pursuant to and in accordance with Listing Rule 10.11, section 208 of the Corporations Act and all other purposes, approval be given to grant to Mr Christopher Gregory, a Non-executive Director of the Company (or his nominee):

- (a) 4,000,000 Class C Performance Rights as described in and otherwise on the terms and conditions set out in the Explanatory Statement; and*
- (b) 4,000,000 Class D Performance Rights, as described in and otherwise on the terms and conditions set out in the Explanatory Statement.”*

Voting exclusion statement on Resolution 3:

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

- (a) Mr Christopher Gregory;
- (b) any person who is to receive securities that are subject of the approval under Resolution 3; and
- (c) any Associates of any of the persons referred to in paragraphs (a) and (b) above,

(each a **Resolution 3 Excluded Party**)

However, the Company need not disregard a vote if:

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

Voting Prohibition Statement

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either;
 - (i) a member of the KMP; or
 - (ii) a Closely Related Party of such a member; or
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

Provided the Chair is not a Resolution 3 Excluded Party, the above prohibition does not apply if:

- (i) the proxy is the Chair; and
- (ii) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the KMP.

5. **Resolution 4: Approval to Grant Performance Rights to a Related Party - Mr Andrew Van Der Zwan (or his nominee)**

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

“That pursuant to and in accordance with Listing Rule 10.11, section 208 of the Corporations Act and all other purposes, approval be given to grant to Mr Andrew Van Der Zwan, a Non-executive Director of the Company (or his nominee):

- (a) 4,000,000 Class C Performance Rights as described in and otherwise on the terms and conditions set out in the Explanatory Statement; and*
- (b) 4,000,000 Class D Performance Rights, as described in and otherwise on the terms and conditions set out in the Explanatory Statement.”*

Voting exclusion statement on Resolution 4:

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

- (a) Mr Andrew Van Der Zwan;
- (b) any person who is to receive securities that are subject of the approval under Resolution 4; and
- (c) any Associates of any of the persons referred to in paragraphs (a) and (b) above,

(each a **Resolution 4 Excluded Party**).

However, the Company need not disregard a vote if:

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

Voting Prohibition Statement

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either;
 - (i) a member of the KMP; or
 - (ii) a Closely Related Party of such a member; or
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

Provided the Chair is not a Resolution 4 Excluded Party, the above prohibition does not apply if:

- (i) the proxy is the Chair; and
- (ii) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the KMP.

6. **Resolution 5: Approval to Grant Performance Rights to a Related Party - Mr Shane Turner (or his nominee)**

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

“That pursuant to and in accordance with Listing Rule 10.11, section 208 of the Corporations Act 2001 and all other purposes, approval be given to grant to Mr Shane Turner, a Non-executive Director of the Company (or his nominee):

- (a) 4,000,000 Class C Performance Rights as described in and otherwise on the terms and conditions set out in the Explanatory Statement; and*
- (b) 4,000,000 Class D Performance Rights, as described in and otherwise on the terms and conditions set out in the Explanatory Statement.”*

Voting exclusion statement on Resolution 5:

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

- (a) Mr Shane Turner;
- (b) any person who is to receive securities that are subject of the approval under Resolution 5; and
- (c) any Associates of any of the persons referred to in paragraphs (a) and (b) above,

(each a **Resolution 5 Excluded Party**).

However, the Company need not disregard a vote if:

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

Voting Prohibition Statement

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either;
 - (i) a member of the KMP; or
 - (ii) a Closely Related Party of such a member; or
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

Provided the Chair is not a Resolution 5 Excluded Party, the above prohibition does not apply if:

- (i) the proxy is the Chair; and
- (ii) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the KMP.

7. **Resolution 6: Approval to Grant Performance Rights to Mr Mark Alvin (or his nominee)**

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

"That for the purposes of Listing Rule 7.1 and for all other purposes, approval is to grant to Mr Mark Alvin (or his nominee):

- (a) 4,000,000 Class C Performance Rights as described in and otherwise on the terms and conditions set out in the Explanatory Statement; and*
- (b) 4,000,000 Class D Performance Rights, as described in and otherwise on the terms and conditions set out in the Explanatory Statement."*

Voting exclusion statement on Resolution 6:

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

- (a) Mr Mark Alvin;
- (b) any person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company); and
- (c) any Associates of any of the persons referred to in paragraphs (a) and (b) above.

However, the Company need not disregard a vote if:

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

8. **Resolution 7 - Approval of additional placement capacity**

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

"That for the purpose of ASX Listing Rule 7.1A and for all other purposes, Shareholders approve for the Company to have the additional capacity to issue Equity Securities under ASX Listing Rule 7.1A of up to 10% of the Company's issued share capital at the time of issue, calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 and as further described in the Explanatory Statement accompanying this Notice of Meeting."

Voting exclusion statement on Resolution 7:

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

- (a) any person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue, except a benefit solely in their capacity as a security holder; and
- (b) an Associate of that person (or those persons).

However, the Company need not disregard a vote if:

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

Other Business

To transact any business which may legally be brought forward in accordance with the Constitution.

By order of the board:

A handwritten signature in dark ink, appearing to read 'A.V. Zwan', with a long horizontal stroke extending to the right.

.....
Andrew Van Der Zwan
Chairman
25 October 2019

Notes

Who may vote?	<p>The Directors have determined, in accordance with Regulation 7.11.37 of the <i>Corporations Regulation (Cth) 2001</i>, that all Shares of the Company that are quoted on ASX at 7.00pm AEST on 26 November 2019 will, for the purposes of determining voting entitlements at the Meeting, be taken to be held by the persons registered as holding the Shares at that time.</p> <p>This means that any person registered as the holder of Shares at 7.00pm AEST on 26 November 2019 is entitled to attend and vote at the Meeting in respect of those Shares. If you are not the registered holder of a Share at that time, you will not be entitled to vote at the Meeting in respect of that Share.</p>
How to vote	<p>You may vote in one of two ways:</p> <ul style="list-style-type: none"> • attending the Meeting and voting in person (if a corporate shareholder, by representative- see below on how to vote by representative); or • voting by proxy (see below on how to vote by proxy).
Proxies: appointment	<p>In accordance with section 249L of the Corporations Act, Shareholders are advised that:</p> <ul style="list-style-type: none"> • A Shareholder of the Company who is entitled to attend and vote at the Meeting has a right to appoint a person as their proxy to attend and vote for the Shareholder at the Meeting; • A 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 Shareholder appoints 2 proxies and the appointment does not specify the proportion or number of the Shareholder's vote, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes. <p>Shareholders and their proxies should be aware that:</p> <ul style="list-style-type: none"> • 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 Chairman of the Meeting, who must vote the proxies as directed. <p>Further details on these changes are set out below.</p> <p><i>Proxy vote if appointment specifies way to vote:</i></p> <p>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:</p> <ul style="list-style-type: none"> • 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). <p><i>Transfer of non-chair proxy to chair in certain circumstances</i></p>

	<p>Section 250BC of the Corporations Act provides that, if:</p> <ul style="list-style-type: none"> an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of 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: <ul style="list-style-type: none"> the proxy is not recorded as attending the meeting; or the proxy does not vote on the resolution, <p>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.</p> <p>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 in the Proxy Form.</p>
Proxies: lodgement	<p>To be valid, a Proxy Form must be received by the Company by no later than 10.30am AEST on 26 November 2019 (Proxy Deadline).</p> <p>Proxy Forms may be submitted by:</p> <ul style="list-style-type: none"> (a) hand delivery to: MRG Metals Limited, 12 Anderson Street West, Ballarat VIC; (b) post to: MRG Metals Limited, PO Box 237, Ballarat VIC 3353, Australia; or (c) facsimile: +61 3 5330 5890. <p>The Proxy Form must be signed by the Shareholder or the Shareholder's attorney, or where the Shareholder is a body corporate, by its corporate representative or at least 2 officers of that Shareholder.</p> <p>Where the Proxy Form is signed by the appointor's attorney, a certified copy of the authority, or the authority itself, must be lodged with the Company in one of the above ways by the Proxy Deadline. If facsimile transmission is used, the authority must be certified.</p>
Body corporate representative	<p>A Shareholder of the Company who is a body corporate and who is entitled to attend and vote at the Meeting, or a validly appointed proxy who is a body corporate and who is appointed by a Shareholder of the Company entitled to attend and vote at the Meeting, may appoint a person to act as its representative at the Meeting by providing that person with:</p> <ul style="list-style-type: none"> (a) a letter or certificate, executed in accordance with the body corporate's constitution, authorising the person as the representative; or (b) a copy of the resolution, certified by the secretary or a director of the body corporate, appointing the representative.
Voting procedure	<p>Every question arising at the Meeting will be decided in the first instance by a show of hands. A poll may be demanded in accordance with the Constitution.</p> <p>On a show of hands, every Shareholder entitled to vote who is present in person or by proxy, representative or attorney, will have one vote. Upon a poll, every person entitled to vote who is present in person or by proxy, representative or attorney will have one vote for each voting Share held by that person.</p>
Enquiries	<p>For all enquiries, please contact the Company Secretary, Mr Shane Turner, on +61 (03) 5330 5800 or +61 (0) 404 033 450.</p>

Explanatory Statement

Introduction

The Explanatory Statement has been prepared for the purposes of the Corporations Act and the Listing Rules. The purpose of this Explanatory Statement is to provide Shareholders with all the information known to the Company that is material to Shareholders in deciding whether or not to approve the Resolutions as set out in the Notice.

The Directors recommend that Shareholders read this Explanatory Statement in full and in conjunction with the Notice before making any decisions in relation to the proposed Resolutions.

Items of Ordinary Business

1. Financial Statements and Reports

Shareholders can now elect to receive the Company's Annual Report via a variety of means. Shareholders who opted to access the Annual Report electronically should have received the email link to the electronic document. Shareholders who opted to continue to receive a printed copy of the Annual Report should now have received it. Shareholders who took no action are advised that they can now access the electronic copy of the Annual Report online at the Company's website.

The 2019 Annual Report includes the Directors' Reports, the Auditors' Report and the Financial Report (which includes the financial statements and Directors' declaration).

Copies of the Company's Financial Report, the Directors' Reports and the Auditors' Report for the financial year ended 30 June 2019 will also be tabled at the Meeting.

The purpose of tabling the Financial Report of the Company at the Meeting and the reports of the Directors and the Auditor is to provide Shareholders with a reasonable opportunity to ask questions or discuss matters relevant to the management of the Company. The Auditor has been invited to be present at the Meeting and Shareholders will have a reasonable opportunity to ask the Auditor questions relevant to the conduct of the audit and the preparation and content of the Auditor's Report. Apart from the matters involving remuneration which are required to be voted upon under section 250R of the Corporations Act, it is not the purpose of the Meeting, nor a requirement of the Corporations Act or the Constitution, that the Financial Report be approved or rejected.

Under section 250PA(1) of the Corporations Act, a shareholder must submit the question to the Company no later than the fifth business day before the day on which the AGM is held.

Shareholders are requested to submit any written questions relating to the content of the audit report or the conduct of its audit of the Company's financial report for the year ended 30 June 2019 to the Company by no later than 21 November 2019. A representative of the Auditor will provide answers to the questions at the Meeting.

2. Resolution 1 - Approval of Remuneration Report

As required by the Corporations Act, the Board presents the Remuneration Report to Shareholders for consideration and adoption as a non-binding vote.

Among other things, the Remuneration Report contains:

- » information about the Board's policy for determining the nature and amount of remuneration of the Directors and other key management personnel; and
- » remuneration details for key management personnel.

The Remuneration Report, which is set out in the Directors' Report, can be found on the Company's website or can be obtained by contacting the Company's share registrar, Link Market Services.

The Resolution is an ordinary resolution.

Voting consequences

In accordance with the Corporations Act, the vote on this Resolution is advisory only and does not bind the Company. However, the Board will take the outcome of the vote into consideration when reviewing the remuneration practices and policies of the Company. If 25% or more of the votes that are cast are voted against the adoption of the Remuneration Report at two consecutive AGM's, Shareholders will be required to vote at the second of those AGM's on a resolution (a "spill resolution") that another meeting be held at which all of the Company's Directors other than the Managing Director stand for election. If more than 50% of shareholders vote in favour of the spill resolution the Company must convene an extraordinary general meeting within 90 days of the second AGM.

At the Company's previous AGM, the votes cast against the remuneration report considered at that annual general meeting were less than 25%. Accordingly, the spill resolution is not relevant for this AGM.

Voting exclusion: A voting exclusion applies to this item of business, as set out in the Notice of Meeting.

Recommendation: The Board considers that the remuneration policies set out in the Remuneration Report are appropriate and reasonable. On this basis, the Board recommends that Shareholders eligible to vote do so **in favour** of Resolution 1.

The Chairman will vote all undirected proxies in favour of this Resolution, subject to compliance with the Corporations Act. If you wish to vote "against" or "abstain" you should mark the relevant box in the attached proxy form.

3. Resolution 2 - Re-election of Mr Christopher Gregory as a Director of the Company

Resolution 2 seeks approval for the re-election of Mr Christopher Gregory who is retiring by rotation and is eligible for re-election, to be a director of the Company.

The Constitution of the Company requires that at every annual general meeting, one-third of the previously elected directors must retire and are eligible for re-election.

Mr Gregory has been a director since August 2013. He retires by rotation and, being eligible, offers himself for re-election.

Mr Gregory has extensive global minerals industry experience over 38 years, at both technical and executive levels. Career foundation of 22 years in the Asia-Pacific region with Rio Tinto. Currently Vice President – Operational Geology at Mandalay Resources (TSX: MND) and MD at Sasak Minerals.

Recommendation: The Board (with Mr Gregory abstaining) recommends that Shareholders vote **in favour** of this Resolution.

The Chairman will vote all undirected proxies in favour of this Resolution.

Items of Special Business

4. Resolutions 3, 4 and 5 - Approval of Grant of Performance Rights to Related Parties (or their nominees)

4.1 Background

The Resolutions 3, 4 and 5 are ordinary resolutions which seek the grant of 24,000,000 Performance Rights (comprising 12,000,000 Class C Performance Rights and 12,000,000 Class D Performance Rights) to the Directors of the Company (or their nominees) for nil consideration as follows:

	Class C Performance Rights	Class D Performance Rights
Mr Christopher Gregory (or his nominee)	4,000,000	4,000,000
Mr Andrew Van Der Zwan (or his nominee)	4,000,000	4,000,000
Mr Shane Turner (or his nominee)	4,000,000	4,000,000
Total	12,000,000	12,000,000

Each Performance Right confers its holder a contractual right to receive one Share issued in the capital of the Company if the Relevant Performance Conditions (as detailed in the table below) are satisfied within the applicable Performance Period:

Relevant Performance Conditions		Performance Period
Class C Performance Rights	The Company achieving a share price that is equal to or greater than a 5-day VWAP of \$0.02 per Share at any time during the Performance Period	5 years from the date of the grant of the Performance Rights
Class D Performance Rights	Either: (a) The publication of a JORC 2012-compliant Mineral Resource suitable for a scoping study of greater than 350,000,000 tonnes at a minimum of 5% Total Heavy Mineral (THM) within the Performance Period; or (b) The HMS Projects are sold at a valuation greater than A\$100 million cash or based on consideration that is valued by an independent expert's report during the Performance Period	5 years from the date of the grant of the Performance Right

It is noted that the ASX has no objection to the milestones of the Performance Rights. The full terms and conditions of the Performance Rights are set out in Annexure B (Class C Performance Rights) and Annexure C (Class D Performance Rights).

The Performance Rights that are subject of Resolutions 3, 4 and 5 are intended to align the interests of the Directors to the Company's performance (for Class C Performance Rights) and strategic objectives (for Class D Performance Rights).

The grant of Performance Rights (and the subsequent issue of Shares if certain vesting conditions are met) is a cash retentive form of remuneration when compared to the payment of cash consideration. The Company has a need for highly skilled personnel to deliver on the Company's strategic objectives, but limited cash reserves to attract and reward such personnel. The grant of Performance Rights not only assists preserve cash for the Company's business activities, but also incentivises personnel to achieve the Company's strategic objectives and, ultimately deliver a return on investment to its Shareholders.

Listing Rule 10.11 prohibits the issue of Equity Securities (which includes ordinary shares and performance rights to acquire ordinary shares) to "related parties" without shareholder approval, unless an exception in Listing Rule 10.12 applies.

Under the Listing Rules, "related parties" is defined by reference to section 228 of the Corporations Act. "Related party" is defined to include a director therefore Mr Gregory, Mr Van Der Zwan and Mr Turner are all considered "related parties" for the purposes of the Listing Rules and the Corporations Act.

It is in the view of the Company that the exceptions set out in Listing Rule 10.12 do not apply in the current circumstances. Accordingly, shareholder approval is sought for the grant of the Performance Rights to each of the Directors (or their nominees) in accordance with paragraph 4.1 above.

For the purposes of Listing Rule 10.13, which contains the requirements as to the contents of a notice sent to shareholders for the purposes of Listing Rule 10.11, the following information is provided to Shareholders:

Name of recipient	Mr Christopher Gregory (or his nominee)	Mr Andrew Van Der Zwan (or his nominee)	Mr Shane Turner (or his nominee)
Maximum number of securities to be issued	4,000,000 Class C Performance Rights. 4,000,000 Class D Performance Rights.	4,000,000 Class C Performance Rights. 4,000,000 Class D Performance Rights.	4,000,000 Class C Performance Rights. 4,000,000 Class D Performance Rights.
Date by which entity will issue securities	All Performance Rights will be issued on the same date and within 1 month of the date of the Meeting.	All Performance Rights will be issued on the same date and within 1 month of the date of the Meeting.	All Performance Rights will be issued on the same date and within 1 month of the date of the Meeting.
Status of related party relationship	Director	Director	Director
Issue price and terms	The Performance Rights will be issued for nil consideration. The terms of the Performance Rights are set out	The Performance Rights will be issued for nil consideration. The terms of the Performance	The Performance Rights will be issued for nil consideration. The terms of the Performance

	in Annexure B (for Class C Performance Rights) and Annexure C (for Class D Performance Right). Any Share issued upon vesting of the relevant Performance Rights will rank pari passu with all existing Shares.	Rights are set out Annexure B (for Class C Performance Rights) and Annexure C (for Class D Performance Right). Any Share issued upon vesting of the relevant Performance Rights will rank pari passu with all existing Shares.	Rights are set out Annexure B (for Class C Performance Rights) and Annexure C (for Class D Performance Right). Any Share issued upon vesting of the relevant Performance Rights will rank pari passu with all Shares.
Intended use of funds raised	No funds will be received by the Company from the issue of the Performance Rights (nor any consequential issue of Shares on the vesting of the relevant Performance Rights).	No funds will be received by the Company from the issue of the Performance Rights (nor any consequential issue of Shares on the vesting of the relevant Performance Rights).	No funds will be received by the Company from the issue of the Performance Rights (nor any consequential issue of Shares on the vesting of the relevant Performance Rights).
Voting exclusion statement	A voting exclusion statement is contained in Resolution 3	A voting exclusion statement is contained in Resolution 4	A voting exclusion statement is contained in Resolution 5

4.3 Listing Rule 7.1 and Exception 14 of Listing Rule 7.2

Exception 14 of Listing Rule 7.2 provides that approval under Listing Rule 7.1 will not be required if the issue of securities is made with the approval of Shareholders under Listing Rule 10.11.

4.4 Section 208 of the Corporations Act

Under section 208 in Chapter 2E of the Corporations Act, for a public company to give a financial benefit to a related party, the public company must:

- (a) obtain the approval of the 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 follow 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 proposed issues of Performance Rights constitutes giving a financial benefit and Mr Gregory, Mr Van Der Zwan and Mr Turner qualify as related parties by virtue of being directors of the Company.

It is the view of the Company that the exceptions set out in sections 210 to 216 of the Corporations act do not apply in the current circumstance.

Shareholder approval is therefore sought in relation to the grant of the Performance Rights to the Directors as set out in Resolutions 3, 4 and 5.

To enable Shareholder approval to be effectively obtained under section 208 of the Corporations Act, the following additional disclosures are made for the purposes of Chapter 2E of the Corporations Act and for all other purposes, in addition to the disclosures made in paragraph 4.2:

Recipient of financial benefit	Mr Christopher Gregory (or his nominee)	Mr Andrew Van Der Zwan (or his nominee)	Mr Shane Turner (or his nominee)												
Nature of financial benefit	<p>The grant of 4,000,000 Class C Performance Rights (and the consequent issue of 4,000,000 Shares upon vesting of the Performance Rights if the Relevant Performance Conditions are met) for nil consideration.</p> <p>The grant of 4,000,000 Class D Performance Rights (and the consequent issue of 4,000,000 Shares upon vesting of the Performance Rights if the Relevant Performance Conditions are met) for nil consideration.</p>	<p>The grant of 4,000,000 Class C Performance Rights (and the consequent issue of 4,000,000 Shares upon vesting of the Performance Rights if the Relevant Performance Conditions are met) for nil consideration.</p> <p>The grant of 4,000,000 Class D Performance Rights (and the consequent issue of 4,000,000 Shares upon vesting of the Performance Rights if the Relevant Performance Conditions are met) for nil consideration.</p>	<p>The grant of 4,000,000 Class C Performance Rights (and the consequent issue of 4,000,000 Shares upon vesting of the Performance Rights if the Relevant Performance Conditions are met) for nil consideration.</p> <p>The grant of 4,000,000 Class D Performance Rights (and the consequent issue of 4,000,000 Shares upon vesting of the Performance Rights if the Relevant Performance Conditions are met) for nil consideration.</p>												
Trading history of the Shares on ASX in the 12 months before the date of this Notice	<p>The trading history of the Shares on ASX in the 12 months before 18 October 2019 is set out below:</p> <table><tr><td></td><td>Price</td><td>Date</td></tr><tr><td>Highest</td><td>\$0.010</td><td>18/09/19</td></tr><tr><td>Lowest</td><td>\$0.004</td><td>11/07/19</td></tr><tr><td>Last</td><td>\$0.008</td><td>17/10/19</td></tr></table>				Price	Date	Highest	\$0.010	18/09/19	Lowest	\$0.004	11/07/19	Last	\$0.008	17/10/19
	Price	Date													
Highest	\$0.010	18/09/19													
Lowest	\$0.004	11/07/19													
Last	\$0.008	17/10/19													
Valuation of Performance Right	The value of the Performance Rights and the valuation methodology and assumptions are set out in Schedule 2														
Directors' recommendation	Mr Gregory is not entitled and does not wish to make a recommendation to	Mr Van Der Zwan is not entitled and does not wish to make a	Mr Turner is not entitled and does not wish to make a recommendation to												

	<p>Shareholders about Resolution 3, because he is the proposed recipient of the Performance Rights (and any Shares issued upon vesting of those rights) and has an interest in the outcome of the Resolution.</p> <p>Each of the other Directors do not wish to make a recommendation to Shareholders about Resolutions 3 to 5 (inclusive), on the basis that those Resolutions are indirectly connected with the remuneration of Directors, and the Directors consider it appropriate to abstain from making recommendations about remuneration related resolutions.</p>	<p>recommendation to Shareholders about Resolution 4, because he is the proposed recipient of the Performance Rights (and any Shares issued upon vesting of those rights) and has an interest in the outcome of the Resolution.</p> <p>Each of the other Directors do not wish to make a recommendation to Shareholders about Resolutions 3 to 5 (inclusive), on the basis that those Resolutions are indirectly connected with the remuneration of Directors, and the Directors consider it appropriate to abstain from making recommendations about remuneration related resolutions.</p>	<p>Shareholders about Resolution 5, because he is the proposed recipient of the Performance Rights (and any Shares issued upon vesting of those rights) and has an interest in the outcome of the Resolution.</p> <p>Each of the other Directors do not wish to make a recommendation to Shareholders about Resolutions 3 to 5 (inclusive), on the basis that those Resolutions are indirectly connected with the remuneration of Directors, and the Directors consider it appropriate to abstain from making recommendations about remuneration related resolutions.</p>
Interests of current Directors	<p>Mr Gregory currently has a relevant interest in 50,563,986 Shares, which amounts to approximately 5.67% of the Company's Share capital at the date of this Notice.</p> <p>In addition, Mr Gregory holds the following Options:</p> <ul style="list-style-type: none"> • 8,300,000 MRQOA • 25,664,186 MRQOB 	<p>Mr Van Der Zwan currently has a relevant interest in 22,406,679 Shares, which amounts to approximately 2.51% of the Company's Share capital at the date of this Notice.</p> <p>In addition, Mr Van Der Zwan holds the following Options:</p> <ul style="list-style-type: none"> • 3,590,000 MRQOA • 15,183,179 MRQOB 	<p>Mr Turner currently has a relevant interest in 12,815,842 Shares, which amounts to approximately 1.43% of the Company's Share capital at the date of this Notice.</p> <p>In addition, Mr Turner holds the following Options:</p> <ul style="list-style-type: none"> • 1,520,000 MRQOA • 7,510,042 MRQOB

Effect of the grant of the Performance Rights to Directors	If Resolution 3 is approved and all Performance Rights granted pursuant to Resolution 3 convert into Shares in full on achievement of the Relevant Performance Conditions, Mr Gregory will have a relevant interest in 58,563,986 Shares which will amount to approximately 6.34% of the Company's Share capital. This assumes that all Performance Rights to be issued under Resolutions 3, 4, 5 and 6 are issued to the relevant holders and convert into Shares, but that no further Shares will be issued after the date of this Notice, including by way of exercise or conversion of convertible securities, Options or any other performance rights (including the Class A Performance Rights and Class B Performance Rights)	If Resolution 4 is approved and the Performance Rights granted pursuant to Resolution 4 convert into Shares in full on achievement of the Relevant Performance Conditions, Mr Van Der Zwan will have a relevant interest in 30,406,679 Shares which will amount to approximately 3.29% of the Company's Share capital. This assumes that all Performance Rights to be issued under Resolutions 3, 4, 5 and 6 are issued to the relevant holders and convert into Shares, but that no further Shares will be issued after the date of this Notice, including by way of exercise or conversion of convertible securities, Options or any other performance rights (including the Class A Performance Rights and Class B Performance Rights)	If Resolution 5 is approved and the Performance Rights granted pursuant to Resolution 5 convert into Shares in full on achievement of the Relevant Performance Conditions, Mr Turner will have a relevant interest in approximately 20,815,842 Shares which will amount to approximately 2.25% of the Company's Share capital. This assumes that all Performance Rights to be issued under Resolutions 3, 4, 5 and 6 are issued to the relevant holders and convert into Shares, but that no further Shares will be issued after the date of this Notice, including by way of exercise or conversion of convertible securities, Options or any other performance rights (including the Class A Performance Rights and Class B Performance Rights)
Total remuneration package	The remuneration and emoluments from the Company to the Directors for FY2019 and the proposed remuneration and emoluments for FY2020 are set out below:		
		FY2019	FY2020
	Mr Gregory	\$116,910	\$116,910
	Mr Van Der Zwan	\$116,910	\$116,910
	Mr Turner	\$121,660	\$121,660

The Board notes that advantages may accrue to the Company and Shareholders as result of passing of Resolutions 3, 4 and 5. These advantages include the alignment of

the interests of Mr Gregory, Mr Van Der Zwan and Mr Turner more closely with those of Shareholders, with a strong focus on the delivery of long term return to Shareholders.

The Board also notes that disadvantages may accrue to the Company and the Shareholders as a result of Resolutions 3, 4 and 5. These disadvantages potentially include the dilution of Shareholders' interest in the Company in circumstances where the Performance Rights convert into Shares.

The Board is not aware of any other information that would be reasonably required by Shareholders to enable them to make an informed decision whether it is in the best interests of the Company to pass the Resolutions 3, 4 and 5.

5. Resolution 6- Approval of issue of Performance Rights to Mr Mark Alvin (or his nominee)

Mr Alvin is a consultant to the Company and is General Manager of Mozambique Operations.

Since Mr Alvin is not a related party of the Company, Resolution 6 seeks Shareholder approval pursuant to Listing Rule 7.1 for the issue of up to 8,000,000 Performance Rights (comprising 4,000,000 Class C Performance Rights and 4,000,000 Class D Performance Rights) to Mr Mark Alvin (or his nominee).

The terms and conditions for the grant of the Class C Performance Rights and Class D Performance Rights are set out in Annexure B and Annexure C (as applicable).

Listing Rule 7.1 provides that a company must not, subject to specified exceptions under Listing Rule 7.2, issue or agree to issue securities during any 12 month period in excess of 15% of the number of ordinary shares on issue at the commencement of that 12 month period, without shareholder approval.

In order to preserve the Company's full 15% placing capacity to make future issues of securities, Shareholder approval is sought for Resolution 6. This will preserve the Company's flexibility to raise capital in the future.

For the purposes of Listing Rule 7.3, which contains the requirements as to the contents of a notice sent to shareholders for the purposes of Listing Rule 7.1, the following information is provided to Shareholders:

Maximum number of securities to be issued	4,000,000 Class C Performance Rights. 4,000,000 Class D Performance Rights.
Date securities will be issued	All Performance Rights will be issued on the same date and within 3 months of the date of the Meeting.
Issue price	The Performance Rights will be issued for nil consideration.
Names of recipients	Mr Mark Alvin (or his nominee)
Terms	The terms of the Performance Rights are set out in Annexure B (for Class C Performance Rights) and Annexure C (for Class D Performance Rights). Any Share issued upon vesting of the relevant Performance Rights will rank pari passu with all existing Shares.
Intended use of funds	No funds will be received by the Company from the issue of the Performance Rights or the conversion into Shares on vesting of the

	Performance Rights. The Performance Rights are being issued in order to provide competitive incentives to Mr Alvin in relation to the delivery of his geological services to the Company.
Voting exclusion statement	A voting exclusion statement is contained in Resolution 6 in the Notice of Meeting.

Recommendation: For the reasons set out above, the Directors recommends that Shareholders vote **in favour** of Resolution 6.

6. **Resolution 7 - Approval of additional placement capacity**

Under Listing Rule 7.1A, an “eligible entity” may, subject to shareholder approval by way of special resolution, issue Equity Securities (as defined below) shares comprising up to 10% of its issued share capital over a 12-month period commencing after the annual general meeting. An “eligible entity” for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. The Company confirms that it is an “eligible entity” for the purposes of Listing Rule 7.1A and is seeking shareholder approval to create an ability for the Company to issue up to an additional 10% of the issued share capital of the Company under Listing Rule 7.1A (**10% Placement Capacity**).

Resolution 7 is a special resolution and requires approval of 75% of the votes cast by Shareholders present and eligible to vote. The only securities that the 10% Placement Capacity can cover are ordinary fully paid shares.

The 10% Placement Capacity is in addition to the normal 15% Placement Capacity under Listing Rule 7.1. Therefore, if the 10% Placement Capacity is approved, the Directors will be allowed to issue Equity Securities of up to 25% (Up to 10% pursuant to Listing Rule 7.1A and up to 15% pursuant to Listing Rule 7.1) of the Company’s issued share capital. If the 10% Placement Capacity is not approved, the Directors will still be allowed to issue Equity Securities of up to 15% of the Company’s issued capital pursuant to Listing Rule 7.1.

Any Equity Securities issued under the 10% Placement Capacity must be in the same class as an existing class of quoted Equity Securities.

As at the date of this Notice, the Company currently has three (3) classes of quoted Equity Securities on issue, being the Shares (ASX Code: MRQ) and quoted Options (ASX Code: MRQOA an MRQOB).

If Shareholders approve Resolution 7, the number of Equity Securities the Company may issue under the 10% Placement Capacity will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2.

Formula for calculating 10% Placement Capacity

Listing Rule 7.1A.2 provides that eligible entities which have obtained shareholder approval at an annual general meeting may issue or agree to issue, during the 12 month period after the date of the annual general meeting, a number of Equity Securities calculated in accordance with the following formula:

(A x D) – E

A is the number of ordinary shares on issue 12 months before the date of issue or agreement to issue:

- a) plus the number of fully paid ordinary shares issued in the 12 months under an exception in Listing Rule 7.2;
- b) plus the number of partly paid ordinary shares that became fully paid in the 12 months;
- c) plus the number of fully paid ordinary shares issued in the 12 months with approval of shareholders under Listing Rules 7.1 and 7.4. This does not include an issue of fully paid ordinary shares under the entity's 15% placement capacity without shareholder approval;
- d) less the number of fully paid ordinary shares cancelled in the 12 months.

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

D is 10%; and

E is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue that are not issued with the approval of shareholders under Listing Rule 7.1 or 7.4.

Technical information required by Listing Rule 7.1A

Pursuant to and in accordance with Listing Rule 7.3A, the information below is provided in relation to this Resolution 4:

(a) Minimum issue price

In accordance with Listing Rule 7.1A, Equity Securities issued by the Company under a 10% Placement Capacity can only be issued at a price that is not less than 75% of the VWAP (volume weighted average price) for the Equity Securities calculated over the 15 trading days on which trades in that class of Equity Securities were recorded immediately before:

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

(b) Placement period

Equity Securities may be issued under the 10% Placement Capacity commencing on the date of the Meeting and expiring on the first to occur of the following:

- 12 months after the date of this Meeting; and

- the date of approval by Shareholders of a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or Listing Rule 11.2 (disposal of main undertaking).

The 10% Placement Capacity under Listing Rule 7.1A will not lapse if the Company's market capitalisation subsequently exceeds \$300 million or if it is included in the S&P/ASX 300 Index at some time during that period provided that the Company meets those criteria on the date of the Meeting.

(c) Dilution to existing shareholdings

If Resolution 7 is approved by Shareholders and the Company issues shares under the 10% Placement, there is a risk of economic and voting dilution to existing shareholders as a result, including the risk that:

- the market price of the Company's Equity Securities may be significantly lower on the issue date than on the date of the Meeting; and
- the Equity Securities may be issued at a price that is at a discount to the market price on the issue date,

and in either case, there is a further risk that the 10% Placement capacity may raise less funding than it would based on current market prices for the Equity Securities.

As required by Listing Rule 7.3A.2, the table below shows:

- two examples where variable "A" in the formula in Listing Rule 7.1A.2 (representing the Company's share capital) has increased by either 50% or 100%; and
- two examples of whether the share price of ordinary securities has decreased by 50% or increased by 100% from the current share price,

and is prepared on the basis that:

- Variable "A" is based on the number of ordinary securities the Company has on issue as at 14 October 2019. The number of ordinary securities on issue may increase as a result of issues of ordinary securities that do not require Shareholder approval under Listing Rule 7.1 (for example, a pro rata entitlements issue or scrip issued under a takeover offer, issue of Shares on vesting of the Performance Rights) or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders' meeting; and
- The current share price of the Shares is the closing price of the Shares as at 14 October 2019.

Dilution table

Share Capital (Variable 'A' in Listing Rule 7.1A.2)	Dilution table			
	Issue Price	\$0.0035 50% decrease in Issue Price	\$0.007 Issue Price	\$0.014 100% increase in Issue Price
Current 892,406,639 Shares	Number of Shares issued (10% voting dilution)	89,240,664	89,240,664	89,240,664
	Funds raised	\$312,342	\$624,685	\$1,249,369
50% increase in Variable A 1,338,609,959 Shares	Number of Shares issued (10% voting dilution)	133,860,996	133,860,996	133,860,996
	Funds raised	\$468,513	\$937,027	\$1,874,054
100% increase in Variable A 1,784,813,278 Shares	Number of Shares issued (10% voting dilution)	178,481,328	178,481,328	178,481,328
	Funds raised	\$624,685	\$1,249,369	\$2,498,739

The dilution table has been prepared on the following hypothetical assumptions. The Company does not represent that they will necessarily occur:

- There are currently 892,406,639 Shares on issue;
- The issue price set out above is the closing price of the Shares on the ASX on 14 October 2019;
- the Company issues the maximum number of shares available under the 10% Placement Capacity
- any increase in Variable A (being the issued share capital at the time of issue) is due to an issue of Shares which is an exception in Listing Rule 7.2, for example a pro-rata rights issue. However, a 15% Placement Capacity under Listing Rule 7.1 does not increase variable "A" for the purposes of calculating the 10% Placement Capacity under Listing Rule 7.1A;
- The Company has not issued any Equity Securities in the 12 months prior to the Meeting that were not issued under an exception in Listing Rule 7.2 or with approval under Listing Rule 7.1;
- The issue of Equity Securities under the 10% Placement Capacity consists only of Shares. It is assumed that no Options are exercised before the date of issue of the Equity Securities;
- The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%;
- the table shows only the effect of issues of shares under Listing Rule 7.1A, not under the 15% Placement Capacity under Listing Rule 7.1; and

- the table does not show the dilution that may be caused to any particular Shareholder by reason of placements under Listing Rule 7.1A, based on that Shareholder's holding at the date of the Meeting. For instance, Shareholders will have different outcomes depending on whether or not they participate in a pro-rata issue which has the effect of increasing variable "A".

(d) Purpose of the 10% Placement Capacity

The Company may seek to issue Equity Securities under the 10% Placement Capacity for either:

- a cash issue price. In this case, the Company may use the funds raised for a new asset or investment acquisition and/or for general working capital purposes; or
- non-cash consideration, such as for the acquisition of new assets or investments or in consideration for services rendered to the Company, subject to any applicable Listing Rules and ASX requirements. Where Equity Securities are issued under the 10% Placement for non-cash consideration, the Company will provide for release to market a valuation of the non-cash consideration that demonstrates that the issue price of the securities complies with Listing Rule 7.1A.3.

In either case, the cash issue price or the value of the non-cash consideration must comply with the minimum issue price noted above.

(e) Allocation policy

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

- the methods of raising funds that are available to the Company, including a rights issue or other issue in which existing shareholders can participate;
- the effect of the issue of the shares on the control of the Company;
- the financial situation and solvency of the Company; and
- advice from corporate, financial and broking advisors (if applicable).

The allottees under the 10% Placement Capacity have not been determined as at the date of this Notice and may include existing substantial shareholders and/or new shareholders, but the allottees cannot include any directors, Related Parties or Associates of a Related Party of the Company without a further specific shareholder approval.

Further, if the Company is successful in acquiring new resources, assets or investments, it is likely that the recipients under the 10% Placement will be vendors of the new resources, assets or investments.

(f) Compliance with Listing Rules 7.1A.4 and 3.10.5A

When the Company issues Equity Securities pursuant to the 10% Placement Capacity, it must give to ASX:

- a list of the recipients of the Equity Securities and the number of Equity Securities issued to each (not for release to the market), in accordance with Listing Rule 7.1A.4; and
- the information required by Listing Rule 3.10.5A for release to the market.

(g) Voting exclusion

A voting inclusion statement is included in this Notice. In accordance with Listing Rule 14.11.1 and the relevant Note under that rule concerning Listing Rule 7.1A,

As at the date of this Notice of Annual General Meeting, the Company has not approached or invited any particular existing Shareholder or an identifiable class of existing Shareholders to participate in the issue of Equity Securities under the 10% Placement Capacity. No existing shareholder's vote will therefore be excluded from voting on Resolution 7 at the Meeting.

(h) Previous approval

The Company has previously obtained shareholder approval under Listing Rule 7.1A at the AGM held on 21 November 2018 (**Previous 10% Placement Approval**).

During the 12 month period preceding the date of the Meeting, being on and from **21 November 2018**, the Company otherwise issued:

- (a) a total of 225,237,000 Shares which represents **approximately 34%** of the total diluted number of Shares on issue in the Company on 28 November 2018, which was 667,169,639;
- (b) a total of 229,237,000 MRQOB Options which represents **approximately 71%** of the total diluted number of MRQOB Options on issue in the Company on 28 November 2018, which was 321,389,880;
- (c) a total of 160,000,000 Class A Performance Rights. No Class A Performance Rights were issued at the AGM on 21 November 2018; and
- (d) a total of 320,000,000 Class B Performance Rights. No Class B Performance Rights were issued at the AGM on 21 November 2018.

Further details of the issues of Equity Securities by the Company during the 12 month period preceding the date of the Meeting are set out in Schedule 1.

Recommendation

The Directors believe that Resolution 7 will provide the Company with flexibility to raise capital quickly if advantageous terms are available and is in the best interests of the Company. The Directors recommend that shareholders vote in favour of this resolution.

Other information

The Board is not aware of any other information which is relevant to the consideration by Shareholders of the proposed Resolutions which are detailed in the Notice. Prior to making any decision, Shareholders may wish to seek advice from their own independent accountant, solicitor or other financial adviser as to the effect of the proposed Resolution

Directors' approvals and recommendations

To the extent permitted by law, it is the intention of the Chairman of the Meeting to vote all undirected proxies granted to him in favour of the Resolutions.

Glossary

Capitalised terms used in this Notice and the Explanatory statement have the following meanings:

\$ means Australian Dollars;

AEDST means Australian Eastern Daylight Savings Time;

Annual Report means the Directors' Report, the Financial Report and Auditor's Report, in respect of the financial year ended 30 June 2019;

ASIC means the Australian Securities and Investments Commission;

Associate has the meaning given to that term in sections 12 and 16 of the Corporations Act;

ASX means the Australian Securities Exchange or ASX Limited as the context requires;

Auditor means the auditor of the Company, Tim Jackman of Grant Thornton Audit Pty Ltd;

Auditor's Report means the auditor's report on the Company's Financial Report;

Board means the board of Directors;

Class C Performance Rights means the 16,000,000 Class C performance rights to be granted to the Grantees (or their nominees) as described in and otherwise on the terms and conditions set out in the Explanatory Statement and Annexure B.

Class D Performance Right means the 16,000,000 Class D performance rights to be granted to the Grantees (or their nominees) as described in and otherwise on the terms and conditions set out in the Explanatory Statement and Annexure C.

Closely Related Party (of a member of KMP of an entity) has the definition given to it by section 9 of the Corporations Act, and means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependant of the member or of 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 dealings with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the regulations for the purposes of this definition (nothing at this stage);

Company means MRG Metals Limited ACN 148 938 532;

Constitution means the constitution of the Company;

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

Director(s) means the directors of the Company from time to time;

Directors' Report means the directors' report prepared in accordance with Chapter 2M of the Corporations Act for the Company;

Equity Security has the meaning given to it in the Listing Rules;

Explanatory Statement means the explanatory statement that accompanies this Notice;

Financial Report means the annual financial report of the Company prepared in accordance with Chapter 2M of the Corporations Act;

FY2019 means the 12 month period ending on 30 June 2019.

FY2020 means the 12 month period ending on 30 June 2020.

Grantees means Mr Mark Alvin and the current directors of the Company, namely Mr Christopher Gregory, Mr Andrew Van Der Zwan and Mr Shane Turner and a **Grantee** means any one of them;

Key Management Personnel or **KMP** means those persons having authority and responsibility for planning, directing and controlling the activities of an entity, directly or indirectly, including any director (whether executive or otherwise) of that entity;

Listing Rules means the Listing Rules of the ASX;

Meeting means the meeting of the Company to be held at RSM, Level 21, 55 Collins Street, Melbourne, Victoria on 28 November 2019 at 10.30pm AEDST;

MRQOA Option means an Option issued by the Company on the terms set out in Annexure A and quoted on ASX under code 'MRQOA';

MRQOB Option means an Option issued by the Company on the terms set out in Annexure A and quoted on ASX under code 'MRQOB';

Notice means the notice convening the Meeting;

Performance Rights means the Class C Performance Rights and the Class D Performance rights;

Proxy Form means the proxy form accompanying this Notice;

Related Party has the meaning given to it in the Corporations Act;

Remuneration Report means the remuneration report which forms part of the Directors' Report of the Company for the financial year ended 30 June 2019 and which is set out in the 2019 Annual Report;

Resolution means a resolution to be voted on at the Meeting, the details of which are set out in the Notice;

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

Shareholder means a holder of a Share;

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

VWAP means volume weighted average market price as defined in Chapter 19 of the Listing Rules.

Schedule 1

Additional Disclosure under Listing rule 7.3A

See below details of issues of equity securities made in the previous 12 months:

Date of issue	Quantity and Class of Equity Securities	Recipients	Issue price and discount to market price (if applicable)	Form of consideration
22 January 2019	90,000,000 Shares, 90,000,000 Quoted Options ¹ , 160,000,000 Class A Performance Rights ² and Class B Performance Rights ²	Issued to Shareholders of Sofala Resources Pty Ltd and Trophosys Pty Ltd in connection with the acquisition of Mozambique Heavy Mineral Sands Projects after approval by Shareholders at General Meeting on 8 January 2019.	These were issued for nil cash consideration, as they are being issued as part consideration for the acquisition of a relevant interest in all the issued share capital in Trophosys Pty Ltd and Sofala Resources Pty Ltd under the Sale Agreement ³ .	a relevant interest in all the issued share capital in Trophosys Pty Ltd and Sofala Resources Pty Ltd under the Sale Agreement. Acquisition value of the issued shares in Sofala Resources Pty Ltd: \$439,024 Acquisition value of the issued shares in Trophosys Pty Ltd: \$240,000
14 August 2019	94,500,000 Shares and 94,500,000 Quoted Options ¹	Issued to professional and sophisticated investors of Pinnacle pursuant to the placement announced on 7 August 2019.	\$0.007 Per Share representing a discount of 12% to the closing market price on the date of issue	Amount raised and used = \$661,500 Use of funds: all funds raised from the placement are to fund the Heavy Mineral Sands drilling program and general working capital purposes.
8 October 2019	6,237,000 Shares and 16,237,000 Quoted Options ¹	Pinnacle Equities Pty Ltd	No issue price Non-cash consideration	Shares and Options issued as consideration for provision of capital raising services.

				Current value: \$43,659 ⁵
8 October 2019	6,000,000 Shares	Mark Alvin	No issue price Non-cash consideration	Shares issued as part consideration for provision of consultancy services. Current value: \$48,000 ⁴
8 October 2019	28,500,000 Shares and 28,500,000 Quoted Options ¹	Issued to Directors of the Company after approval by Shareholders at General Meeting on 2 October 2019	\$0.007 Per Share representing a discount of 12%	Amount raised and used = \$199,500 Use of funds: all funds raised from the placement are to fund the Heavy Mineral Sands drilling program and general working capital purposes.

Note:

1. Quoted Options, exercisable at \$0.01 each, on or before 20 December 2020, ASX code: MRQOB – see full terms of these options in Annexure A.
2. The terms and conditions for the issue of the Class A Performance Rights and the Class B Performance Rights are set out in the Notice of General Meeting, lodged with ASX on 7 December 2018
3. Sale Agreement means collectively:
 - (a) a binding sale agreement entered into between the Company, the shareholders of Trophosys Pty Ltd and a majority of the shareholders of Sofala Resources Pty Ltd in or around November 2018; and
 - (b) the offer letters made by the Company to, and accepted by, the remaining shareholders of Sofala Resources Pty Ltd in or around November 2018,

pursuant to which the Company purchased 100% of the issued share capital in each of Trophosys Pty Ltd and Sofala Resources Pty Ltd. The acquisition was approved by the Shareholders at the General Meeting held on 8 January 2019.
4. The current value is based on the trading price of the Shares on the date when the shareholders approval was sought on or around 2 October 2019 for their issuance.
5. The current value indicated above is based on the invoiced amount of the services provided for which 6,237,000 Shares and 16,237,000 Quoted Options were issued in part consideration.

Schedule 2 – Valuation of Performance Rights

The Performance Rights to be granted to the Related Parties pursuant to Resolutions 3, 4 and 5 have been valued by RSM Australia Pty Ltd.

Using the Hull-White ESO5 valuation model and based on the assumptions set out below, the Performance Rights were ascribed the following value:

Assumptions			
Assumptions	Market price of shares based on 17 October closing price	Market price of shares based on highest price in the previous 12 months period from the Valuation Date	Market price of shares based on lowest price in the previous 12 months period from the Valuation Date
Valuation Date	18 October 2019	18 October 2019	18 October 2019
Market price of Shares	\$0.008	\$0.010	\$0.004
Expiry Date (length of time from issue)	5 years	5 years	5 years
Risk free interest rate	0.78%	0.78%	0.78%
Volatility (discount)	100%	100%	100%
Indicative value for the Performance Rights to be issued to the Related Parties (per right)			
Class C Performance Rights (per right)	\$0.0074	\$0.0095	\$0.0040
Class D Performance Rights (per right)	\$0.0080	\$0.0100	\$0.0033

Indicative total value for the Performance Rights to be issued to each of the Related Parties (namely, Mr Christopher Gregory, Mr Andrew Van Der Zwan and Mr Shane Turner)			
4,000,000 Class C Performance Shares	\$29,600	\$38,000	\$16,000
4,000,000 Class D performance Shares	\$32,000	\$40,000	\$13,200
Indicative total value for the Performance Rights issued to each Related Party	\$61,600	\$78,000	\$29,200

Note 1: the valuation noted above is not necessarily the market price that the relevant Performance Rights could be traded at and is not automatically the market price for taxation purposes.

Note 2: in accordance with AASB2, the valuation noted above does not factor in non-market or performance vesting conditions.

Note 3: the conversion price noted above is not necessarily the market price of the Shares at the time of conversion of the Performance Rights.

ANNEXURE A: TERMS OF MRQOB OPTIONS

The MRQOB Options are issued on the terms below.

1. Each option entitles the optionholder to subscribe for 1 fully paid ordinary share (**Share**) in the capital of MRG Metals Limited (ACN 148 938 532) (the **Company**) at \$0.01 ("exercise price").
2. All Shares issued upon exercise of the options will rank equally in all respects with the then issued Shares.
3. Except as permitted by clause 9(c), there are no participating rights or entitlements conferred on the options and the optionholder will not be entitled to participate with respect to the options in new issues offered to shareholders during the term of the options without exercising the options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the relevant record date will be at least 10 Business Days (being a day that is not a Saturday, Sunday or public holiday in Melbourne, Victoria) after the optionholder is notified of the relevant issue. This will give the holder the opportunity to exercise the options prior to the date for determining entitlements and to participate in any such issue as a shareholder.
4. In the event of any reorganisation of capital of the Company, prior to the expiry date for exercise of the options, the number of options to which the optionholder is entitled or the exercise price of the options or both shall be changed to comply with the Listing Rules of the Australian Securities Exchange (**ASX**) applying to a reorganisation of capital at the time of reorganisation.
5. The number of options held will appear on an option holder statement which will be accompanied by a Notice of Exercise of Options that is to be completed when exercising options as follows:

Notice of Exercise of Options

To the Directors of MRG Metals Ltd ACN 148 938 532 (the "Company"),
I,
of
being the registered holder of options in the capital of the Company hereby exercise
..... such options to subscribe for fully paid ordinary shares in the
Company ("Shares") and enclose application monies payable of one (1) cent per
option exercised.

I authorise you to register me as the holder of the Shares to be issued to me and agree to accept such Shares subject to the constitution of the Company.

Dated the day of 20__
Signed by)
the holder of the options)

6. The options can be exercised at any time prior to their expiry date by completing the Notice of Exercise of Options form (similar to the one in paragraph 5) and delivering it to the Company with the exercise monies payable to the Company.
7. The Company shall, within 10 Business Days after the receipt of a valid Notice of Exercise of Options, issue Shares in respect of the options exercised and arrange for a holding statement for the Shares to be despatched to the optionholder. The Company will, within 10 Business Days after the date of allotment of those Shares,

apply for official quotation by the ASX of all Shares issued upon the exercise of the options. Any option that has not been exercised prior to the relevant expiry date automatically lapses on the expiry date.

8. The Company will advise optionholders at least 20 Business Days before the impending expiry of their options and will advise such other details as the ASX Listing Rules then prescribe, so as to enable optionholders to determine whether or not to exercise their options.
9. If, prior to the expiry date, the Company makes a bonus issue of shares to shareholders of the Company, then, upon the exercise of the options, the options holders would be entitled to have issued to them, in addition to the shares which would otherwise be issued to them upon exercise of their options, the shares which would have been issued under that bonus issue (**Bonus Shares**). If, on the record date applicable to the Bonus Shares, they had been registered as the holder of the shares to be issued to them upon exercise of the options, such Bonus Shares will be paid by the Company out of profits or reserves in the same manner as was applied in relation to the bonus issue and upon issue will rank equally in all respects with the Bonus Shares.
10. The optionholder may exercise any number of the options without prejudice to the optionholder's ability to subsequently exercise any remaining options.
11. Subject to any escrow conditions, the options are freely transferable.
12. The Company will apply for official quotation by the ASX of the options in accordance with ASX Listing Rules.
13. Each option will expire on 20 December 2020 ("expiry date").
14. There is no right to vary the expiry date, the exercise price or the underlying securities over which the options can be exercised.
15. The parties agree that, in so far as the ASX Listing Rules are applicable to the options, the parties shall do all acts, matters and things necessary to comply with the ASX Listing Rules in respect of the treatment of the options and the rights of the optionholder.

ANNEXURE B – TERMS OF ISSUE OF CLASS C PERFORMANCE RIGHTS

The terms of the Class C Performance Rights are set out as follows:

1. **(Conversion)** Subject to paragraph 3 below, each Performance Right will automatically convert into one fully paid ordinary share in the Company (**Share**) upon satisfaction of the following Performance Condition:

item	Performance Condition	Performance Period
1	The Company achieving a share price that is equal to or greater than a 5-day VWAP of \$0.02 per Share at any time during the Performance Period	5 years from the date of the grant of the Performance Right

2. **(Consideration)** no consideration will be payable upon the conversion of the Performance Rights into Shares.
3. **(Expiry Date)** The Performance Rights will automatically expire and lapse on the Expiry Date if the Performance Conditions are not satisfied before that date. Upon lapsing, the Performance Rights will not be convertible into Shares.
4. **(Share Ranking)** All Shares issued upon the vesting of the Performance Rights will upon issue rank pari passu in all respects with other Shares.
5. **(Listing of shares on ASX)** the Company will not apply for quotation of the Performance Rights on ASX. However, the Company will apply for quotation of all Shares issued pursuant to the vesting of the Performance Rights on ASX within the period required by ASX.
6. **(Timing of issue of Shares on Conversion)** upon conversion of the Performance Rights in accordance with clause 1, the Company will:
 - (a) Issue the number of Shares required under these terms and conditions in respect of the number of Performance Rights converted:
 - (i) either in one lump sum or in tranches, on such date or dates as may be mutually agreed between the Company and the Holder; or
 - (ii) failing agreement under clause 6(a)(i) within 30 days after the date of conversion of the Performance Rights, in one lump sum within 14 Business Days after the expiration of that 30 day period;
 - (b) If required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASX a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to

ensure that an offer for sale of the Shares does not require disclosure to investors;
and

- (c) If admitted to the Official List at the time, apply for official quotation on ASX of Shares issued pursuant to the conversion of the Performance Rights within 5 Business Days after each issuance of Shares under clause 6(a).

If a notice delivered under paragraph 6(b) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

- 7. **(Transfer of Performance Rights)** A Performance Right is not transferrable.
- 8. **(Participant in new issues)** There are no participating rights or entitlements inherent in the Performance Rights and the Holders will not be entitled to participate in new issues of capital offered to shareholders of the Company (such as bonus issues and entitlement issues) during the currency of the Performance Rights.
- 9. **(Adjustment for Reorganisation)** if, at any time, the issued capital of the company is reorganised (including subdivision, reduction or return), all rights of a Holder are to be changed in a manner consistent with the Corporations Act and the Listing Rules at the time of the reorganisation.
- 10. **(No Dividend and Voting Rights):** A Performance Right does not confer on the Holder an entitlement:
 - (a) to notice of, or to vote or attend at, a meeting of shareholders of the Company; or
 - (b) to receive dividends declared by the Company.
- 11. **(No Right on Winding Up)** A Performance Right does not entitle a Holder to participate in the surplus profits or assets of the Company upon winding up of the Company.
- 12. **(No other rights)** A Performance Right does not give a holder any other rights other than those expressly provided by these terms and those provided at law where such rights at law cannot be excluded by these terms.
- 13. In this Annexure:
 - (a) **ASX** means ASX Limited ACN 008 624 691 or the Australian Securities Exchange (as the context requires).
 - (b) **Bad Leaver** is a person who ceases to be an employee or consultant of the Company on termination by the Company as a result of:

- (i) any dishonesty or fraud;
 - (ii) having found to have been involved in any unlawful harassment, discrimination or act which in the reasonable opinion of the Board, has or is likely to bring the Company into disrepute; or
 - (iii) any other circumstance which provides the Company with the right to summarily terminate the employment of the person under the person's terms of employment, other than solely due to the occurrence of a Special Circumstance.
- (c) **Board** means board of directors of the Company.
- (d) **Business Day** means a day on which banks are open for business in Melbourne, Victoria or such other place where the notice or other communication is received or where an act is to be done, excluding a Saturday, Sunday or a public holiday.
- (e) **Company** means MRG Metals Ltd ACN 148 938 532.
- (f) **Corporations Act** means *Corporations Act* 2001 (Cth).
- (g) **Expiry Date** means the earliest of:
 - (i) the day immediately after the last day of the Performance Period for the Performance Condition in item 2 of the table in paragraph 1 of this Annexure; or
 - (ii) the date when the Holder or any of his, her or its Associates is or becomes a Bad Leaver after the second anniversary of the date of the grant of the Performance Right; or
 - (iii) the date when the Holder or any of his, her or its Associates (**person**) ceases to be an employee or consultant of the Company for any reason (other than due to retirement as a director of the Company by rotation at the annual general meeting of the Company, if that person is re-elected at that meeting), within 2 years from the date of the grant of the Performance right.
- (h) **Holder** means any holder of a Performance Right.
- (i) **Listing Rules** means the official listing rules of the ASX, as amended, added to or replaced from time to time.
- (j) **Official List** means the official list of the ASX.
- (k) **Performance Condition** means either of the Performance Conditions set out in the table in paragraph 1 of this Annexure.

- (l) **Performance Period** means, in respect of a Performance Condition, the period specified in the table in paragraph 1 of this Annexure opposite that Performance Condition.
- (m) **Performance Right** means a Class C Performance Right.
- (n) **Share** means a fully paid ordinary share issued in the capital of the Company.
- (o) **Special Circumstances** means, in relation to a person:
 - (i) death or TPD of that person; and/or
 - (ii) any other circumstances determined by the Board at any time and notified to the person.
- (a) **TPD** means, in relation to a person, that the person has, in the opinion of the Board, after considering such medical and other evidence as it sees fit, become incapacitated to such an extent as to render the person unlikely ever to engage in any occupation with the Company for which she is reasonably qualified by education, training or experience.

ANNEXURE C – TERMS OF ISSUE OF CLASS D PERFORMANCE RIGHTS

The terms of the Class D Performance Rights (each a **Performance Right**) are set out as follows:

1. **(Conversion)** Subject to paragraph 3 below, each Performance Right will automatically convert into one Share in the Company upon satisfaction of either of the following Performance Conditions:

item	Performance Conditions	Performance Period
1	The publication of a JORC 2012-compliant Mineral Resource suitable for a scoping study of greater than 350,000,000 tonnes at a minimum of 5% Total Heavy Mineral (THM) within the Performance Period	5 years from the date of the grant of the Performance Right
2	The HMS Projects are sold at a valuation greater than A\$100 million cash or based on consideration that is valued by an Independent Expert's Report during the Performance Period	5 years from the date of the grant of the Performance Right

2. **(Consideration)** no consideration will be payable upon the conversion of the Performance Rights into Shares.
3. **(Expiry Date)** The Performance Rights will automatically expire and lapse on the Expiry Date if the Performance Conditions are not satisfied before that date. Upon lapsing, the Performance Rights will not be convertible into Shares.
4. **(Share Ranking)** All Shares issued upon the vesting of the Performance Rights will upon issue rank pari passu in all respects with other Shares.
5. **(Listing of shares on ASX)** the Company will not apply for quotation of the Performance Rights on ASX. However, the Company will apply for quotation of all Shares issued pursuant to the vesting of the Performance Rights on ASX within the period required by ASX.
6. **(Timing of issue of Shares on Conversion)** upon conversion of the Performance Rights in accordance with clause 1, the Company will:
 - (a) issue the number of Shares required under these terms and conditions in respect of the number of Performance Rights converted:
 - (i) either in one lump sum or in tranches, on such date or dates as may be mutually agreed between the Company and the Holder; or

- (ii) failing agreement under clause 6(a)(i) within 30 days after the date of conversion of the Performance Rights, in one lump sum within 14 Business Days after the expiration of that 30 day period;
- (b) If required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASX a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- (c) If admitted to the Official List at the time, apply for official quotation on ASX of Shares issued pursuant to the conversion of the Performance Rights within 5 Business Days after each issuance of Shares under clause 6(a).

If a notice delivered under clause 6(b)(i)(A)6 for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

7. **(Transfer of Performance Rights)** A Performance Right is not transferrable.
8. **(Participant in new issues)** There are no participating rights or entitlements inherent in the Performance Rights and the Holders will not be entitled to participate in new issues of capital offered to shareholders of the Company (such a bonus issues and entitlement issues) during the currency of the Performance Rights.
9. **(Adjustment for Reorganisation)** if, at any time, the issued capital of the company is reorganised (including subdivision, reduction or return), all rights of a Holder are to be changed in a manner consistent with the Corporations Act and the Listing Rules at the time of the reorganisation.
10. **(No Dividend and Voting Rights):** A Performance Right does not confer on the Holder an entitlement:
 - (a) to notice of, or to vote or attend at, a meeting of shareholders of the Company; or
 - (b) to receive dividends declared by the Company.
11. **(No Right on Winding Up)** A Performance Right does not entitle a Holder to participate in the surplus profits or assets of the Company upon winding up of the Company.
12. **(No other rights)** A Performance Right does not give a holder any other rights other than those expressly provided by these terms and those provided at law where such rights at law cannot be excluded by these terms.

13. In this Annexure:

- (a) **ASX** means ASX Limited ACN 008 624 691 or the Australian Securities Exchange (as the context requires).
- (b) **Bad Leaver** is a person who ceases to be an employee or consultant of the Company on termination by the Company as a result of:
 - (i) any dishonesty or fraud;
 - (ii) having found to have been involved in any unlawful harassment, discrimination or act which in the reasonable opinion of the Board, has or is likely to bring the Company into disrepute; or
 - (iii) any other circumstance which provides the Company with the right to summarily terminate the employment of the person under the person's terms of employment, other than solely due to the occurrence of a Special Circumstance.
- (c) **Board** means board of directors of the Company.
- (d) **Business Day** means a day on which banks are open for business in Melbourne, Victoria or such other place where the notice or other communication is received or where an act is to be done, excluding a Saturday, Sunday or a public holiday.
- (e) **Company** means MRG Metals Ltd ACN 148 938 532.
- (f) **Corporations Act** means *Corporations Act* 2001 (Cth).
- (g) **Expiry Date** means the earliest of:
 - (i) the day immediately after the last day of the Performance Period for the Performance Condition in item 2 of the table in paragraph 1 of this Annexure;
 - (ii) the date when the Holder or any of his, her or its Associates is a Bad Leaver after the second anniversary of the date of the grant of the Performance Right; or
 - (iii) the date when the Holder or any of his, her or its Associates (**person**) ceases to be an employee or consultant of the Company for any reason (other than due to retirement as a director of the Company by rotation at the annual general meeting of the Company, if that person is re-elected at that meeting), within 2 years from the date of the grant of the Performance right.
- (h) **Holder** means any holder of a Performance Right.

- (i) **Listing Rules** means the official listing rules of the ASX, as amended, added to or replaced from time to time.
- (j) **Official List** means the official list of the ASX.
- (k) **Performance Condition** means either of the Performance Conditions set out in the table in paragraph 1 of this Annexure.
- (l) **Performance Period** means, in respect of a Performance Condition, the period specified in the table in paragraph 1 of this Annexure opposite that Performance Condition.
- (m) **Performance Right** means a Class D Performance Right.
- (n) **Share** means a fully paid ordinary share issued in the capital of the Company.
- (o) **Special Circumstances** means, in relation to a person:
 - (iii) death or TPD of that person; and/or
 - (i) any other circumstances determined by the Board at any time and notified to the person.
- (b) **TPD** means, in relation to a person, that the person has, in the opinion of the Board, after considering such medical and other evidence as it sees fit, become incapacitated to such an extent as to render the person unlikely ever to engage in any occupation with the Company for which she is reasonably qualified by education, training or experience.



MRG Metals Limited
ACN 148 938 532

LODGE YOUR VOTE

ONLINE
www.linkmarketservices.com.au

BY MAIL
MRG Metals Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia

BY FAX
+61 2 9287 0309

BY HAND
Link Market Services Limited
1A Homebush Bay Drive, Rhodes NSW 2138

ALL ENQUIRIES TO
Telephone: +61 1300 554 474



X99999999999

PROXY FORM

I/We being a member(s) of MRG Metals Limited and entitled to attend and vote hereby appoint:

APPOINT A PROXY

☐ **the Chairman of the Meeting (mark box)**

OR if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate you are appointing as your proxy

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the Annual General Meeting of the Company to be held at **10:30am (AEDST) on Thursday, 28 November 2019 at RSM Australia, Level 21, 55 Collins Street, Melbourne, Victoria (the Meeting)** and at any postponement or adjournment of the Meeting.

Important for Resolution 1: If the Chairman of the Meeting is your proxy, either by appointment or by default, and you have not indicated your voting intention below, you expressly authorise the Chairman of the Meeting to exercise the proxy in respect of Resolution 1, even though the Resolution is connected directly or indirectly with the remuneration of a member of the Company's Key Management Personnel (**KMP**).

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.

VOTING DIRECTIONS

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting. Please read the voting instructions overleaf before marking any boxes with an ☒.

Resolutions

	For	Against	Abstain*		For	Against	Abstain*
1 Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	5 Approval to Grant Performance Rights to a Related Party - Mr Shane Turner (or his nominee)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Re-election of Christopher Gregory as a Director of the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	6 Approval to Grant Performance Rights to Mr Mark Alvin (or his nominee)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Approval to Grant Performance Rights to a Related Party - Mr Christopher Gregory (or his nominee)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	7 Approval of additional placement capacity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Approval to Grant Performance Rights to a Related Party - Mr Andrew Van Der Zwan (or his nominee)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				

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

SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Joint Shareholder 2 (Individual)

Joint Shareholder 3 (Individual)

Sole Director and Sole Company Secretary

Director/Company Secretary (Delete one)

Director

This form should be signed by the shareholder. If a joint holding, either shareholder may sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).

MRQ PRX1902C

HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

YOUR NAME AND ADDRESS

This is your name and address as it appears on the Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

APPOINTMENT OF PROXY

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name of that individual or body corporate in Step 1. A proxy need not be a shareholder of the Company.

DEFAULT TO CHAIRMAN OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting, who is required to vote those proxies as directed. Any undirected proxies that default to the Chairman of the Meeting will be voted according to the instructions set out in this Proxy Form, including where the Resolution is connected directly or indirectly with the remuneration of KMP.

VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

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

APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company's share registry or you may copy this form and return them both together.

To appoint a second proxy you must:

- (a) on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- (b) return both forms together.

SIGNING INSTRUCTIONS

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

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, either shareholder may sign.

Power of Attorney: to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, 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 indicate the office held by signing in the appropriate place.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate "Certificate of Appointment of Corporate Representative" must be produced prior to admission in accordance with the Notice of Meeting. A form of the certificate may be obtained from the Company's share registry or online at www.linkmarketservices.com.au.

LODGEMENT OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **10:30am (AEDST) on Tuesday, 26 November 2019**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Proxy Forms may be lodged using the reply paid envelope or:



ONLINE

www.linkmarketservices.com.au

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" - Securityholder Reference Number (SRN) or Holder Identification Number (HIN).



BY MOBILE DEVICE

Our voting website is designed specifically for voting online. You can now lodge your proxy by scanning the QR code adjacent or enter the voting link www.linkmarketservices.com.au into your mobile device. Log in using the Holder Identifier and postcode for your shareholding.

QR Code



To scan the code you will need a QR code reader application which can be downloaded for free on your mobile device.



BY MAIL

MRG Metals Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235
Australia



BY FAX

+61 2 9287 0309



BY HAND

delivering it to Link Market Services Limited*
1A Homebush Bay Drive
Rhodes NSW 2138

* During business hours (Monday to Friday, 9:00am–5:00pm)



COMMUNICATIONS PREFERENCE

We encourage you to receive all your shareholder communication via email. This communication method allows us to keep you informed without delay, is environmentally friendly and reduces print and mail costs.



ONLINE

www.linkmarketservices.com.au

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Communications' and click the first button to receive all communications electronically and enter your email address. To use the online facility, securityholders will need their "Holder Identifier" (Securityholder Reference Number (SRN) or Holder Identification Number (HIN) as shown on the front of the Proxy Form).

**IF YOU WOULD LIKE TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING, PLEASE BRING THIS FORM WITH YOU.
THIS WILL ASSIST IN REGISTERING YOUR ATTENDANCE.**