



**ARK MINES LTD**  
**ACN 123 668 717**

**NOTICE OF ANNUAL GENERAL  
MEETING**

**25 November 2014**

**AND**

**EXPLANATORY MEMORANDUM**

**A PROXY FORM IS ENCLOSED**

**THIS DOCUMENT IS IMPORTANT**

If you do not understand this document or are in any doubt as to how to deal with this document, you should consult your sharebroker, solicitor, accountant or other professional advisor immediately.

If you are unable to attend the meeting please complete and return the enclosed proxy form in accordance with the specified instructions.

## **Notice of Annual General Meeting – Ark Mines Limited – 25 November 2014**

Notice is given that the 2014 Annual General Meeting of Ark Mines Ltd ("**Ark**" or "**Company**") will be held at BDO, Level 11, 1 Margaret Street, Sydney, on Tuesday 25 November 2014 at 11:00 am AEDT.

### **Ordinary Business:**

#### **Financial Statements**

To consider and receive the Financial Report, the Directors' Report and the Auditor's Report of the Company for the year ended 30 June 2014.

#### **Resolution 1**

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

"To adopt the Remuneration Report of the Company for the year ended 30 June 2014."

#### **Resolution 2**

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

"That Mr Tony Corel, who retires by rotation is re-elected as a director of the Company"

#### **Resolution 3 – Authority to issue and allot shares pursuant to Listing Rule 7.1A**

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

"That pursuant to ASX Listing Rules 7.1A and 7.3A the Directors be authorised to issue and allot additional ordinary fully paid shares up to 10% of the Company's issued ordinary fully paid capital by placement(s) within twelve months from the date hereof at an issue price not less than 75% of the volume weighted average price for the Company's existing shares over the fifteen trading days prior to the date of issue thereof".

(See explanatory memorandum for further information on the terms of issue and allotment of such shares)

### **By Order of the Board**

Dated: 24 October 2014

Ian Mitchell  
Director/Company Secretary

## Notes

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

## Entitlement to vote

In accordance with regulation 7.11.37 of the Corporations Regulations 2001 (Cth), for the purposes of determining voting entitlements at the Annual General Meeting, shares will be taken to be held by the persons who are the registered holders at 7:00 pm AEDT on 23 November 2014. Accordingly, share transfers registered after that time will be disregarded in determining entitlements to attend and vote at the Annual General Meeting.

## Proxies

1. A member entitled to attend and vote at the Annual General Meeting convened by this Notice of Meeting has a right to appoint a proxy to attend and vote instead of the member. The appointment of a proxy may specify the proportion of the number of votes that the proxy may exercise. Fractions of votes will be disregarded.
2. A proxy need not be a member and can be either an individual or a body corporate. If a member appoints a body corporate as a proxy, that body corporate will need to ensure that it:
  - appoints an individual as its corporate representative to exercise its powers at the meeting, in accordance with section 250D of the Corporations Act 2001 (Cth); and
  - provides satisfactory evidence of the appointment of its corporate representative prior to commencement of the meeting.

If such evidence is not received before the meeting, then the body corporate (through its representative) will not be permitted to act as a proxy.

3. A member that is entitled to cast two (2) or more votes may appoint up to two (2) proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If no proportion or number is specified, each proxy may exercise half of the shareholder's votes. Fractions of votes will be disregarded.
4. Appointment of a proxy by a member being a natural person must be under the hand of the member or of an attorney appointed in writing by the member.
5. Appointment of a proxy by a member being a body corporate must be under the common seal of the body corporate or under the hand of an attorney appointed in writing by the body corporate.
6. If signing under a power of attorney, the power of attorney must be deposited at the Company's registered office for inspection and return, when the proxy is lodged.
7. To vote by proxy, please complete and sign the proxy form enclosed and return it to the Company's registered office:

Ark Mines Ltd.  
Level 11, 37 Bligh Street,  
Sydney NSW 2000

OR

by facsimile: 02 9233 3828 International: +61 2 9233 3828

**by no later than 11:00am AEDT on 23 November 2014.**

## PROXY FORM

I/We.....  
of.....  
being a member/members of Ark Mines Limited HEREBY APPOINT

or failing him, the Chairman of the Meeting, as my/our Proxy to vote for me/us and on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, as the proxy sees fit) at the Annual General Meeting of Members of the Company to be held at 11:00am on 25 November 2014 and at any adjournment thereof.

The Proxy is directed by me/us to vote as indicated by the marks in the appropriate voting boxes below:

Resolution	For	Against	Abstain
1 To adopt the Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 To re-elect Mr Tony Corel as Director of the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Authority to Issue and Allot Shares Pursuant to Listing Rule 7.1A	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

### Important information if the Chairman of the Meeting is your proxy or is appointed as your proxy by default.

By marking this box, you are directing the Chairman of the Meeting to vote in accordance with the Chairman's voting intentions as set out below. If you do not mark this box, and you have not directed your proxy how to vote, the Chairman of the Meeting will not cast your votes on the resolutions and your votes will not be counted in computing the required majority if a poll is called on this resolution. If you appoint the Chairman of the Meeting as your proxy you can direct the Chairman how to vote by either marking the voting box above (for example if you wish to vote for, against or abstain from voting) or by marking the box below (in which case the Chairman of the Meeting will vote in favour of each resolution on your behalf)

The Chairman of the Meeting intends to vote all available proxies in favour of each resolution.

☐ I/We direct the Chairman of the Meeting to vote in accordance with the Chairman's voting intentions (except where I/we have indicated a different voting intention).

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### Signature of Security holder(s) *This section must be completed.*

Dated this . . . . . day of . . . . . 2014

Signatures of Securityholder(s).

Individual Securityholder(s)

Sole Director & Company  
Secretary

Director/Company  
Secretary

## Proxy Form

**For your vote to be effective it must be received by 11:00am AEDT on 23 November 2014. How to Vote on Items of Business**

All your securities will be voted in accordance with your directions. **Appointment of Proxy**

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

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

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

**A proxy need not be a security holder of the Company.**

### Signing Instructions

**Individual:** Where the holding is in one name, the security holder must sign.

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

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

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

### Attending the Meeting

Bring this form to assist registration. If a representative of a corporate security holder or proxy is to attend the meeting you will need to provide the appropriate Certificate of Appointment of Corporate Representative" prior to admission.

### Lodgement of Proxy Appointment Form

Proxy Appointment Forms and proxy appointment authorities, for example, the original or a certified copy of the power of attorney (if the Proxy Appointment Form is signed by an attorney) must be received:

- at Level 11, 37 Bligh Street, Sydney: or
- by fax, on fax number +61 2 9233 3828.

**not later than 48 hours before the time appointed for holding the Annual General Meeting.**

Documents received after that time will not be valid for the scheduled meeting.

# **Ark Mines Ltd**

**ACN 123 668 717**

## **Explanatory Memorandum**

This Explanatory Memorandum has been prepared to assist members to understand the business to be put to members at the Annual General Meeting to be held at the Offices of BDO, Level 11, 1 Margaret Street, Sydney, on Tuesday 25 November 2014 at 11:00 am AEDT.

### **Financial Report**

The Financial Report, Directors' Report and Auditor's Report for the Company for the year ended 30 June 2014 will be tabled before the meeting and is enclosed with this Notice of Meeting. There is no requirement for shareholders to approve these reports, however, the Chair of the meeting will allow a reasonable opportunity for shareholders to ask questions about the conduct of the audit and the content of the Auditor's Report.

#### **1. Adoption of Remuneration Report**

The remuneration report of the Company for the financial year ended 30 June 2014 ("Remuneration Report") is set out on pages 12 to 14 of the Company's 2014 Annual Report. The Remuneration Report sets out the Company's remuneration arrangements for Directors, including the Managing Director and staff. The Chair of the meeting will allow a reasonable opportunity for shareholders to ask questions about or make comments on the Remuneration Report at the meeting.

In addition, shareholders will be asked to vote on the Remuneration Report. The vote on this resolution is advisory only and does not bind the Directors or the Company. However, if at least 25% of the votes cast are against the adoption of the Remuneration Report, the Company's next Remuneration Report must explain the Board's proposed action in response or explain why no action has been taken.

In the following year, if at least 25% of the votes cast on the resolution that the Remuneration Report be adopted are against adoption, shareholders will then vote to determine whether the Directors, excluding the Managing Director, will need to stand for re-election. If more than 50% of the votes cast on the resolution are in favour, a separate re-election meeting must be held within 90 days.

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

- (a) A member of the key management personnel details of whose remuneration are included in the remuneration report;
- (b) A closely related party of such a member.

However such a person may cast a vote on the resolution if:

- (a) The person does so as a proxy appointed by writing that specifies how the proxy is to vote on the proposed resolution; and
- (b) The vote is not cast on behalf of such a person.



## **2. Re-election of Tony Corel as a Director**

Pursuant to Listing Rule 14.4, a Director must not hold office without re-election past the third Annual General Meeting following the Director's appointment or three years, whichever is longer. A Director who retires in accordance with these requirements is eligible for re-election.

Pursuant to article 39.1 of the Company's Constitution and the Corporations Act, Tony Corel retires by rotation and, being eligible, offers himself for re-election.

## **3. Authority to issue and allot shares pursuant to Listing Rule 7.1A**

### **3.1 General**

Listing Rule 7.1A enables entities to issue Equity Securities up to 10% of their issued share capital through placements over a 12 month period after the Annual General Meeting (10% Placement Facility). The 10% Placement Facility is in addition to the Company's 15% placement capacity under Listing Rule 7.1.

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 is an eligible entity.

The Company is now seeking shareholder approval by way of a special resolution to have the ability to issue Equity Securities under the 10% Placement Facility.

The exact number of Equity Securities to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to Section 4.2(c) below).

The Company may use the 10% Placement Facility to acquire new business assets or investments, as part of the consideration for the acquisition of further business assets and/or for the working capital needs of the Company.

### **3.2 Description of Listing Rule 7.1A**

#### **(a) Shareholder approval**

The ability to issue Equity Securities under the 10% Placement Facility is subject to shareholder approval by way of special resolution at an Annual General Meeting.

#### **(b) Equity Securities**

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

The Company, as at the date of the Notice, has on issue one class of Equity Securities, namely fully paid ordinary shares.

#### **(c) Formula for calculating 10% Placement Facility**

Listing Rule 7.1A.2 provides that eligible entities which have obtained shareholder approval at an Annual General Meeting, a number of Equity Securities calculated in accordance with the following formula:

**(AxD)-E**

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

- (A) Plus the number of fully paid shares issued in the 12 months under an exception in Listing Rule 7.2;
- (B) Plus the number of partly paid shares that became fully paid in the 12 months;
- (C) Plus the number of fully paid shares issued in the 12 months with approval of holders of shares under Listing Rule 7.1 and 7.4. This does not include an issue of fully paid shares under the entity's 15% placement capacity without shareholder approval;
- (D) Less the number of fully paid 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%.

**E** is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1.A.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.

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

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

At the date of this Notice, the Company has on issue 37,881,488 shares and has a capacity to issue:

- (i) 1,939,648 Equity Securities under Listing Rule 7.1; and
- (ii) Nil Equity Securities under Listing Rule 7.1A

The actual number of Equity Securities that the Company will have capacity to issue under Listing Rule 7.1A will be calculated at the date of issue of the Equity Securities in accordance with the formula prescribed in Listing Rule 7.1.A.2 (refer to Section 3.2(c) above).

**(e) Minimum Issue Price**

The issue price of Equity Securities issued under Listing Rule 7.1A must be not less than 75% of the VWAP of Equity Securities in the same class calculated over the 15 Trading Days immediately before:

- (i) The date on which the price at which the Equity Securities are to be issued is agreed; or
- (ii) If the Equity Securities are not issued within 5 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.

**(f) 10% Placement Period**

Shareholder approval of the 10% Placement Facility under Listing Rule 7.1A is valid from the date of the annual general meeting at which the approval is obtained and expires on the earlier to occur of:

- (i) The date that is 12 months after the date of the Annual General Meeting at which the approved is obtained; or
- (ii) The date of the approval by shareholders of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking),

### **3.3 Listing Rule 7.1A**

The effect of Resolution 3 will be to allow the Directors to issue Equity Securities under Listing Rule 7.1A during the 10% Placement Period without using the Company's 15% placement capacity under Listing Rule 7.1.

Resolution 3 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

### **3.4 Specific Information required by Listing Rule 7.3A**

Pursuant to and in accordance with Listing Rule 7.3A, information is provided in relation to the approval of the 10% Placement Facility as follows:

- (a) The Equity Securities will be issued at an issue price of not less than 75% of the VWAP for the Company's Equity Securities over the 15 Trading Days immediately before:
  - (i) The date on which the price at which the Equity Securities are to be issued is agreed; or
  - (ii) If the Equity Securities are not issued within 5 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.
- (b) If Resolution 3 is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Facility, the existing Shareholders' voting power in the Company will be diluted as shown in the table below. There is a risk that:
  - (i) The market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date of the Meeting; and
  - (ii) The Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date or the Equity Securities are issued as part of consideration for the acquisition of a new asset,

which may have an effect on the amount of funds raised by the issue of the Equity Securities.

The table below shows the dilution of existing Shareholders on the basis of the current market price of Shares and the number of ordinary securities for variable

‘A’ calculated in accordance with the formula in Listing Rule 7.1A(2) and assuming that the shares proposed to be issued and allotted pursuant to Resolution 3 are so issued and allotted .

The table also shows:

- (i) Two examples where variable ‘A’ has increased, by 50% and 100%. Variable ‘A’ is based on the number of ordinary securities the Company will have on issue after the issue of shares contemplated by Resolution 3. The number of ordinary securities on issue may increase as a result of issues of ordinary securities that do not require Shareholder approval (for example, a pro rata entitlements issue or scrip issued under a takeover offer) or specific placements under Listing Rule 7.1 that are approved at a future Shareholders’ meeting; and
- (ii) Two examples of where the issue price of ordinary securities has decreased by 50% and increased by 50% as against the current market price.

Variable ‘A’ in Listing Rule 7.1A2		Dilution		
		\$0.044	\$0.088	\$0.176
		50% decrease in Issue Price	Issue Price	100% increase in issue price
Current Variable A <b>34,620,988</b> shares	10% Voting Dilution	3,462,098	3,462,098	3,462,098
	Funds raised	\$152,332	\$304,664	\$609,329
50% Increase in current Variable A <b>51,931,482</b> shares	10% Voting Dilution	5,193,148	5,193,148	5,193,148
	Funds raised	\$228,498	\$456,997	\$913,994
100% increase in current Variable A <b>69,241,976</b> Shares	10% Voting Dilution	6,924,197	6,924,197	6,924,197
	Funds raised	\$304,664	\$609,329	\$1,218,658

The table has been prepared on the following assumptions

- (i) The Company issues the maximum number of Equity Securities available under the 10% Placement Facility.
- (ii) 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 is 10%.

- (iii) The table does not show an example of dilution that may be caused to a particular shareholder by reason of placements under the 10% Placement Facility, based on that Shareholder's holding at the date of the Meeting.
  - (iv) The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A and not under the 15% placement capacity under Listing Rule 7.1.
  - (v) The issue price is \$0.088 being the closing price of the Shares on ASX on 19 September 2014.
  - (vi) Including that the shares proposed to be issued pursuant to Resolution 3 have been issued.
- (c) The Company will only issue and allot the Equity Securities during the 10% Placement Period. The approval under Resolution 3 for the issue of the Equity Securities will cease to be valid in the event that Shareholders approve 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)).
- (d) The Company may seek to issue the Equity Securities for the following purposes:
- (i) Non-cash consideration for the acquisition and development of new mining exploration tenements and exploration and development of its existing mining tenements. In such circumstances the Company will provide a valuation of the non-cash consideration as required by Listing Rule 7.1A.3; or
  - (ii) Cash consideration. In such circumstances, the Company intends to use the funds raised towards the acquisition of new mining exploration tenements and exploration and development of its existing tenements (including expenses associated with such acquisition) and working capital.

The Company will comply with the disclosure obligations under Listing Rules 7.1A(4) and 3.10.5A upon issue of any Equity Securities.

The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility. The identity of the allottees of Equity Securities will be determined on a case-by-case basis having regard to the factors including but not limited to the following:

- (i) The methods of raising funds that are available to the Company, including but not limited to, rights issues or other issues in which existing securities holders can participate;
- (ii) The effect of the issue of the Equity Securities on the control of the Company;
- (iii) The financial situation and solvency of the Company; and
- (iv) Advice from corporate, financial and broking advisers (if applicable).

The allottees under the 10% Placement Facility have not been determined as at the date of this Notice but may include existing substantial Shareholders and/or new Shareholders who are not related parties or associates of a related party of the Company.

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

- (e) The Company previously obtained Shareholder approval under Listing Rule 7.1A at the Annual General Meeting on 28 November 2012. No shares were issued or allotted pursuant to such approval.
- (f) During the preceding twelve months Ark has issued a total of 3,861,711 ordinary fully paid shares. That represents 11.35% of the equity securities of Ark on issue at the commencement of that period.
- (g) The issues referred to in sub-paragraph (f) are made up as follows:

Date	Type of Issue	No of Shares	Price Per Share	Purpose
21 July 2014	Placement	3,000,000	0.095	To fund exploration and development
24 July 2014	Placement	253,500	0.10	Provision of services
8 August 2014	Conversion of Options	608,211	0.10	Rights issue conversion.

- (h) The placements for cash were issued to Cobungra Holdings Pty Ltd (2,900,000) and Terese Totten (100,000) and the rights issue conversion shares (608,211) were issued to those persons who took up their options under a rights issue announced on 12 August 2013. All shares were issued at or above market price on date of issue.
- (i) The Company raised \$345,821 from the Placement on 21 July 2014 and the Conversion of Options on 8 August 2014. All of the cash referred to in (h) has been or will be spent on the exploration and development of Ark's Northern Territory gold tenements and for listing and audit fees.

To date \$78,000 has been spent on exploration and development of those tenements and it is intended to expend the balance of the cash on further exploration and development costs, regulatory costs (ASIC and ASX fees) and audit expenses, the precise amounts of which are not yet known.

- (j) The non cash consideration was utilised for payment of accounting services (253,500) having a value of \$25,350.
- (k) Voting exclusion statement is set out hereunder. At the date of the Notice, the Company has not approached any particular existing Shareholder or security holder or an identifiable class of existing security holder to participate in the issue of the Equity Securities. No existing Shareholder's votes will therefore be excluded under the voting exclusion in the Notice.

### 3.5 Voting Exclusion Statement

The Company will disregard any votes cast on Resolution 3 by:

- A person who may participate in any issue of the shares and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of the shares, if the resolution is passed; and
- An associate of that person.

However, the Company need not disregard a vote if:

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

Dated: 24 October 2014

**Ian B. Mitchell**  
**Director/Secretary**