



Level 6, 44 Waymouth Street
Adelaide, South Australia 5000

T +61 8 8213 3100
F +61 8 8231 4014

WWW.CENTREXMETALS.COM.AU

ASX Announcement

20th October 2017

Notice of Annual General Meeting

AGM to be held 21st November 2017

Centrex Metals Limited ("Centrex") wishes to advise that as per the attached notice of meeting, the Annual General Meeting will be held at the following time and place:

- 3:00pm ACDT, Tuesday 21st November 2017;
- The offices of KPMG, Level 7, 151 Pirie Street, Adelaide, South Australia, 5000.

For further information, please contact:

Gavin Bosch

Chief Financial Officer & Company Secretary
Centrex Metals Limited
Ph (08) 8213 3100

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS GIVEN that the ANNUAL GENERAL MEETING of Centrex Metals Limited ACN 096 298 752 ("the Company") will be held at the offices of KPMG, Level 7, 151 Pirie Street Adelaide, South Australia 5000, on Tuesday, 21st November 2017 at 3:00pm ACDT (Adelaide Time).

The Explanatory Memorandum that accompanies and forms part of this Notice of Annual General Meeting (AGM) describes in more detail the matters to be considered.

AGENDA

ORDINARY BUSINESS:

A. Financial Statements and Reports

To receive and consider the Financial Statements and the Directors' and Auditor's Reports of the Company and of the economic entity for the year ended 30th June 2017.

The Annual Financial Report has not been sent to members unless a member has specifically requested a hard copy in the "Your Annual Report Your Choice" letter sent to members on 6th September 2007. The Annual Financial Report is available on the Company's website at:

<http://www.centrexmetals.com.au/reports-annual/>

B. To consider, and if thought fit, to pass the following ordinary resolutions:

1. Resolution 1: Remuneration Report

"That the Remuneration Report required under section 300A of the Corporations Act 2001, as set out in the Annual Report of the Company and of the economic entity for the year ended 30th June 2017, be adopted."

NOTE: The vote on this resolution is advisory only and does not bind the Directors or the Company

Voting exclusion: A vote on this Resolution must not be cast by or on behalf of either a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report or their closely related parties (which includes their spouse, child, dependent, other family members and any controlled company). Please refer to the Explanatory Memorandum for further details.

2. Resolution 2: Re-election of Mr. G Chrisp as a Director

"That Mr. Graham Chrisp, a director retiring by rotation in accordance with clause 59 of the constitution of the Company, and being eligible, be re-elected as a director of the Company."

A summary of Mr. Chrisp's qualifications and experience is set out in the Explanatory Memorandum accompanying this Notice of Meeting.

3. Resolution 3: Re-election of Mr. J Hazel as a Director

"That Mr. James Hazel, a director retiring by rotation in accordance with clause 59 of the constitution of the Company, and being eligible, be re-elected as a director of the Company."

A summary of Mr. Hazel's qualifications and experience is set out in the Explanatory Memorandum accompanying this Notice of Meeting.

4. Resolution 4: Election of Mr. C Indermaur as a Director

"That Mr. Chris Indermaur, a director retiring by reason of having been appointed to a casual vacancy, in accordance with clause 58 of the constitution of the Company, and being eligible, is elected as a director of the Company."

A summary of Mr. Indermaur's qualifications and experience is set out in the Explanatory Memorandum accompanying this Notice of Meeting.

C. To consider, and if thought fit, to pass the following special resolutions:

5. Resolution 5: Approval of 10% Placement Facility

"That approval is given for the Company to have the additional capacity (i.e., 10% Placement Capacity) to issue Equity Securities under Listing Rule 7.1A, for the period specified in Listing Rule 7.1A.1 and in accordance with the formula prescribed in Listing Rule 7.1A.2."

Voting Exclusion: The Company will disregard any votes cast on Resolution 5 by a person (and any associates of such a person) who may participate in the 10% Placement Facility and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of Shares, if Resolution 5 is passed. However, the Company will not disregard a vote 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 cast by the person chairing the meeting as a proxy for a person who is entitled to vote, in accordance with the directions on the proxy form to vote as the proxy decides.

INFORMATION FOR MEMBERS:

Proxy

1. A member entitled to attend and vote at this general meeting is entitled to appoint not more than two proxies to attend and vote at this general meeting on their behalf.
2. A proxy need not be a member, but should be a natural person over the age of 18 years.
3. If a member appoints two proxies and the appointment does not specify the proportion or number of the Member's votes each proxy may exercise, each proxy may exercise half the votes. However, neither may vote in a show of hands.
4. To be effective, proxy forms (duly completed) must be received by the Company at Boardroom Pty Limited, by mail at GPO Box 3993, Sydney, New South Wales 2001 or in person at Level 12, 225 George Street, Sydney, New South Wales 2000, no later than 48 hours before commencement of the meeting; Sunday 19th November 2017 at 3:00pm ACDT (Adelaide time).
5. Proxy forms (duly completed) may be sent by facsimile to (within Australia) 02 9290 9655 or (outside Australia) +61 2 9290 9655 and must be received no later than 48 hours before commencement of the meeting; Sunday 19th November 2017 at 3:00pm ACDT (Adelaide time).
6. **Note:** Online voting is available at: www.votingonline.com.au/centrexagm2017

Undirected Proxies

7. If a member appoints the Chairman of the meeting as the member's proxy **and does** not specify how the Chairman is to vote on a resolution, except as directed, the Chairman advises that he intends to vote each such proxy, as proxy for that member, in favour of the resolution on a poll. Therefore, the Company recommends that shareholders who submit proxies should consider giving 'how to vote' directions to their proxy holder (including the Chairman) on each resolution. Please read the directions on the proxy form carefully, especially if you intend to appoint the Chairman of the meeting as your proxy. If the Chairman is appointed as a proxy, he is not permitted to vote undirected proxies on various matters, including some remuneration matters and related party matters, unless express authority to do so is given by the appointing shareholder.

Determination of Voting Rights

8. For the purposes of the meeting, shares in the Company will be taken to be held by the persons who are registered holders at 7pm AEDT on Sunday 19 November 2017. Accordingly, transactions registered after that time will be disregarded in determining entitlements to attend and vote at the meeting.

Quorum

9. The Company's constitution provides that three shareholders present in person, by proxy, attorney or representative shall be a quorum of a general meeting of the Company.

Corporate Representative

10. Corporate representatives are requested to bring appropriate evidence of appointment as a representative in accordance with the constitution of the Company. Attorneys are requested to bring a copy of the Power of Attorney pursuant to which they are appointed. Proof of identity may also be required for corporate representatives and attorneys.

Questions from Shareholders

11. At the Meeting the Chairman will allow a reasonable opportunity for shareholders to ask questions or make comments on the management of the Company and the Remuneration Report.
12. Mr. Scott Fleming of KPMG, as the auditor responsible for preparing the auditor's report from the year end 30th June 2017 (or his representative), will attend the Meeting. The Chairman will also allow a reasonable opportunity for Shareholders to ask the auditor questions about:
 - the conduct of the audit;
 - the preparation and content of the auditor's report;
 - the accounting policies adopted by the Company in relation to the preparation of financial statements; and
 - the independence of the auditor in relation to the conduct of the audit.
13. To assist the Board and the auditor of the Company in responding to questions please submit any questions you may have in writing no later than 5.00pm Adelaide time on Friday 10th November 2017 to the Company Secretary, Centrex Metals Limited, Level 6, 44 Waymouth Street, Adelaide SA 5000 or by fax to +61 8 231 4014.
14. As required under section 250PA of the Corporations Act, at the Meeting, the Company will distribute a list setting out the questions directed to the auditor received in writing by Monday 13th November 2017, being questions which the auditor considers relevant to the content of the auditor's report or the conduct of the audit of the financial report for the year ended 30th June 2017. The Chairman will allow reasonable opportunity to respond to the questions set out on this list.

By Order of the Board

Centrex Metals Limited

Mr. Gavin Bosch
Company Secretary,
Date: 20th October 2017

EXPLANATORY MEMORANDUM

AGENDA ITEM A

Annual Financial Report

The Annual Financial Report together with the Directors' Report and the Auditor's Report will be laid before the meeting in accordance with section 317 of the Corporations Act 2001. Shareholders will be given the opportunity to ask questions or make comments about the management of the Company and may also ask questions of the Auditor's representative relevant to the conduct of the audit and the preparation and content of the Auditor's Report.

The Annual Financial Report has **not** been sent to members unless the member has specifically requested a printed copy.

The Annual Financial Report is available on the Company's website at:

<http://www.centrexmetals.com.au/reports-annual/>

AGENDA ITEM B: ORDINARY RESOLUTIONS

1. Resolution 1: Remuneration Report

Consistent with section 250R of the Corporations Act 2001, the Company submits to shareholders for consideration and adoption by the way of a non-binding resolution its Remuneration Report for the year ended 30th June 2017. At the meeting, shareholders will be given a reasonable opportunity to discuss the Remuneration Report.

The remuneration report is included as a distinct section of the Financial Statements which deals with the remuneration of the Company's key management personnel. It is located in the Company's Annual Financial Report at section 5 of the Director's Report.

The Remuneration Report includes:

- An explanation of the Board's policies in relation to the nature and level of remuneration of the non-executive and executive directors; and
- Details of the total remuneration (as well as a categorised breakdown of its components) of each director of the Company.

Although in accordance with section 250R(3) of the Corporations Act the vote on this resolution is advisory only, and does not bind the directors or the Company, the discussion on this resolution and the outcome of the vote will be taken into consideration by the directors when considering the remuneration arrangements of the Company.

In accordance with Division 9 of Part 2G.2 of the Corporations Act, if 25 per cent or more of 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 within 90 days at which all of the Company's Directors (other than the Managing Director) must go up for re-election.

The Company encourages all eligible Shareholders to cast their votes in favour of Resolution 1 (Remuneration Report). A vote on Resolution 1 must not be cast by or on behalf of either a member of the Key Management Personnel (KMP) details of whose remuneration are included in the Remuneration Report or their closely related parties. KMP of the Company are, as adopted from the Australian Accounting Standards Board, those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly and indirectly, including any director (whether executive or otherwise) of the Company.

Recommendation

The Directors recommend that shareholders vote in favour of this resolution. If the Chairman is nominated as proxy by shareholders, or is appointed by default, and those shareholders have not directed their proxy how to vote, then the Chairman intends to vote those undirected proxies **in favour** of this remuneration related resolution.

2. Resolution 2: Re-election of Mr. G Chrisp as a Director

As at the date of the AGM of shareholders, the Board of directors of the Company comprises five directors. Of these directors, two are required to retire at this Meeting by operation of clause 59 of the constitution of the Company.

Mr. Graham Chrisp is to retire, and being eligible, offers himself for re-election by shareholders at the AGM. A brief summary of Mr. Chrisp's experience follows.

Mr Chrisp has a degree in Civil Engineering and has substantial experience in numerous aspects of business operations, including engineering design and construction, mineral exploration, mining and property development. He was a founding director of Centrex Metals Limited (having previously served as its founding Managing Director from 2003 to 2005). After an absence from the Company for a number of years he was appointed as director in January 2010.

Mr Chrisp is also associated with Daiang Pty Ltd, the largest shareholder in the Company.

Recommendation

The Directors (excluding Mr. Chrisp) recommend that shareholders vote in favour of this resolution. If the Chairman is nominated as proxy by shareholders, or is appointed by default, and those shareholders have not directed their proxy how to vote, then the Chairman intends to vote those undirected proxies **in favour** of this remuneration related resolution.

3. Resolution 3: Re-election of Mr. J Hazel as a Director

As at the date of the AGM of shareholders, the Board of directors of the Company comprises five directors. Of these directors, two are required to retire at this Meeting by operation of clause 59 of the constitution of the Company.

Mr. James Hazel is to retire, and being eligible, offers himself for re-election by shareholders at the AGM. A brief summary of Mr. Hazel's experience follows.

Mr Hazel has had an extensive career in banking and investment banking, including as Chief General Manager of Adelaide Bank Ltd and was formerly managing director of an ASX listed retirement village and aged care operation. He is now a professional public company director and is currently a Director of Bendigo and Adelaide Bank Limited (ASX: BEN), Coopers Brewery Limited and Ingenia Communities Group (ASX: INA, Chairman).

Mr. Hazel was appointed as a director in July 2010 and has served the Company as Deputy Chairman of the Company and Chair of the Company's Audit and Risk Management Committee as well as the Remuneration and Nomination Committee.

Recommendation

The Directors (excluding Mr. Hazel) recommend that shareholders vote in favour of this resolution. If the Chairman is nominated as proxy by shareholders, or is appointed by default, and those shareholders have not directed their proxy how to vote, then the Chairman intends to vote those undirected proxies **in favour** of this remuneration related resolution.

4. Resolution 4: Election of Mr. C Indermaur as a Director

Mr. Chris Indermaur is to retire by operation of clause 58 of the constitution of the Company having been appointed to a casual vacancy in July 2017, and being eligible, offers himself for election by shareholders at the AGM. A brief summary of Mr. Indermaur's experience follows.

Mr Indermaur has over 30 years' experience in large Australian companies in engineering and commercial roles. His significant technical and commercial experience extends to downstream mining related industrial facilities including fertiliser plants.

Mr Indermaur is currently the Non-Executive Chairman of Poseidon Nickel Limited (ASX: POS) and Medibio Limited (ASX: MEB) as well as a Director of Austin Engineering Limited (ASX: ANG). Chris was formerly the Engineering and Contracts Manager for the QNI Nickel Refinery at Yabulu, Company Secretary for Queensland Alumina Limited and General Manager for Strategy and Development at Alinta Limited. In his earlier career Chris worked at Wesfarmers chemical and fertiliser subsidiary CSBP for ten years where he held engineering and production roles.

Recommendation

The Directors (excluding Mr. Indermaur) recommend that shareholders vote in favour of this resolution. If the Chairman is nominated as proxy by shareholders, or is appointed by default, and those shareholders have not directed their proxy how to vote, then the Chairman intends to vote those undirected proxies **in favour** of this remuneration related resolution.

AGENDA ITEM C: SPECIAL RESOLUTIONS

5. Resolution 5: Approval of 10% Placement Facility

5.1. General

Under Listing Rule 7.1, subject to certain exceptions, a listed entity must not, without the approval of holders of ordinary securities, issue or agree to issue more Equity Securities than the number calculated according to the formula set out in that rule. The formula generally has the effect that, in addition to the exceptions provided, every listed entity has the ability (**15% Placement Capacity**) over any 12 month period to issue Equity Securities equal to 15% of its issued capital at the commencement of the 12 month period.

Under Listing Rule 7.1A, an "Eligible Entity" may also seek the approval of the holders of its ordinary securities by special resolution passed at an AGM to have the additional capacity (**10% Placement Capacity**) to issue Equity Securities under rule 7.1A. The exact formula for the 10% Placement Capacity is set out in Listing Rule 7.1A.2 and the approval period (**10% Placement Period**) to which it relates (generally 12 months) is set out in Listing Rule 7.1A.1 (refer to sections 5.2 and 5.3 respectively below). The ability to issue securities under Listing Rule 7.1A is in addition and separate to each listed entity's ability to issue securities under Listing Rule 7.1.

An "Eligible Entity" for the purposes of Listing Rule 7.1A is an entity which, as at the date of the relevant special resolution passed for the purposes of rule 7.1A, (excluding restricted securities and securities quoted on a deferred settlement basis) 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 given it had a market capitalisation of approximately \$22 million as at 29th September 2017.

There are a number of other rules and conditions applicable to the approval and issue of equity securities under Listing Rule 7.1A, including:

- a. that 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;
- b. a limitation on the discount to prevailing market price at which they may be issued; and
- c. additional disclosure requirements.

As at the date of the Notice, the Company has issued the following Equity Securities:

Description	Quoted / Unquoted	Number
Ordinary Shares	Quoted	315,505,357
Performance Rights	Unquoted	4,700,336
Retention Rights	Unquoted	357,143

The Company is now seeking Shareholder approval to have the 10% Placement Capacity.

At the date of this Notice, the Company has on issue 315,505,357 fully paid ordinary Shares. Assuming the Company's Shares on issue do not change, the Company will have the capacity over the course of the next 12 months to issue:

- i. 47,325,803 Equity Securities (Ordinary Shares) under its 15% Placement Capacity; and
- ii. 31,550,535 Equity Securities (Ordinary Shares)

under its 10% Placement Capacity, without requiring further shareholder approval.

The Directors of the Company believe that Resolution 5 is in the best interests of the Company and unanimously recommend that Shareholders vote in favour of this Resolution. In particular, the ability of the Company to issue Shares under the 10% Placement Capacity will enable the Company to issue Shares at a discount to the then market price in circumstances where it might otherwise be subjected to the cost, delay and uncertainty of having to go back to Shareholders for approval. The additional flexibility and speed to conduct capital raising will better position the Company to pursue its interests.

5.2. Formula for calculating the 10% Placement Capacity under Listing Rule 7.1A.2

Listing Rule 7.1A.2 provides that eligible entities which have obtained shareholder approval at an AGM may issue or agree to issue, during the 10% Placement Period, a number of Equity Securities calculated in accordance with the following formula:

$$(A \times D) - E$$

where:

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

- i. plus the number of fully paid shares issued in the 12 months under an exception in Listing Rule 7.2;
- ii. plus the number of partly paid shares that became fully paid in the 12 months;
- iii. 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 (which does not include the 10% Placement Capacity);
- iv. less the number of fully paid shares cancelled in the 12 months.

Note that A 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 7.1A.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.

5.3. 10% Placement Period under Listing Rule 7.1A.1

Listing Rule 7.1A.1 provides that an approval under Listing Rule 7.1A must be for a period commencing on the date of the AGM at which the approval is obtained and expiring on the first to occur of the following:

- a. the date that is 12 months after the date of that AGM; or
- b. the date of the approval by holders of the Eligible Entity's ordinary securities of a transaction under rule 11.1.2 (proposed significant change to the nature or scale of its activities where ASX has required the entity to seek such approval) or rule 11.2 (disposal of main undertaking).

5.4. Special Resolution

Resolution 5 will only be effective if it is passed as a special resolution which requires (amongst other matters) that it be passed by least 75% of votes cast by members entitled to vote on the resolution.

5.5. 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 Capacity as follows:

- a. If the 10% Placement Capacity is used, Equity Securities may only be issued in reliance on the 10% Placement Capacity at an issue price of not less than 75% of the volume weighted average price for the Company's Equity Securities over the 15 Trading Days on which trades in that class were recorded 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 5 is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Facility, the existing Shareholders' voting power and economic interests in the Company could potentially be diluted as shown in the below table. 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 may be issued as part of the 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:

- i. the potential dilution of existing Shareholders assuming a share issue at the current market price of Shares and assuming the current number of ordinary securities for variable "A" (as described in section 7.2 and Listing Rule 7.1A.2) (further assumptions are set out in the notes immediately below the table).
- ii. two further examples where variable "A" has increased by 50% and 100%. Variable "A" is based on the number of ordinary securities the Company has on issue. The number of ordinary securities included in variable "A" 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 future specific placements under Listing Rule 7.1 that are approved at a future Shareholders' meeting; and
- iii. 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 7.1A.2		Dilution		
		\$0.035 50% decrease in issue price	\$0.070 Assumed issue price	\$0.105 50% increase in issue price
Current Variable A 315,505,357	10% voting dilution Funds raised	31,550,535 \$1,104,269	31,550,535 \$2,208,537	31,550,535 \$3,312,806
50% increase in Variable A 473,258,036	10% voting dilution Funds raised	47,325,803 \$1,656,403	47,325,803 \$3,312,806	47,325,803 \$4,969,209
100% increase in Variable A 631,010,714	10% voting dilution Funds raised	63,101,071 \$2,208,537	63,101,071 \$4,417,075	63,101,071 \$6,625,612

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. No Options are exercised into Shares before the date of the issue of the Equity Securities.
 - iii. 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%.
 - iv. 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 the Shareholder's holding at the date of the Meeting.
 - v. The table shows only the effect of issue of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.
 - vi. The use of Equity Securities under the 10% Placement Facility consists only of Shares.
 - vii. The assumed issue price is \$0.070, being the closing price of the Shares on ASX on 3rd October 2017.
- c. The Company will only issue the Equity Securities under the 10% Placement Facility approved (if approved) at the 2017 AGM during the 10% Placement Period. The approval under Resolution 5 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 under the 10% Placement Facility for the following purposes:
 - i. cash consideration. In such circumstances, the Company intends to use the funds raised towards advancing the Company's exploration projects, and acquisitions of new assets or investments as well as for general working capital; or
 - ii. non-cash consideration for the acquisition of new resources, assets and investments, in lieu of payment of services, and payment of consulting fees. In such circumstances the Company will provide a valuation of the non-cash consideration as required by Listing Rule 7.1A.3.

The Company will comply with the disclosure obligations under Listing Rules 7.1A(4) and 3.10.5A upon the issue of any Equity Securities under the 10% Placement Facility.

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 issue or other issue in which existing security 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 assets it is likely that the allottees under the 10% Placement Facility will be the vendors of the new assets.

- e. The Company has never previously obtained Shareholder approval under Listing Rule 7.1A, and as such no previous shares have been issued under the 10% Placement Capacity.

Recommendation

The Directors recommend that shareholders vote in favour of this resolution. A voting exclusion statement is included in the Notice. 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 utilising this 10% Placement Facility following the 2017 AGM. No existing Shareholder's votes will therefore be excluded from voting at the Meeting.

If the Chairman is nominated as proxy by shareholders, or is appointed by default, and those shareholders have not directed their proxy how to vote, then the Chairman intends to vote those undirected proxies **in favour** of this remuneration related resolution.