

Form 603

Corporations Act 2001
Section 671B

Notice of initial substantial holder

To Company Name/Scheme General Mining Corporation Limited

ACN/ARSN 125 721 075

1. Details of substantial holder (1)

Name Galaxy Resources Limited (GXY)

ACN/ARSN (if applicable) ACN 071 976 442

The holder became a substantial holder on 29 / 05 / 2016.

2. Details of voting power

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in on the date the substantial holder became a substantial holder are as follows:

Class of securities (4)	Number of securities	Persons' votes (5)	Voting power (6)
Ordinary shares	21,398,217	21,398,217	6.86%

3. Details of relevant interests

The nature of the relevant interest the substantial holder or an associate had in the following voting securities on the date the substantial holder became a substantial holder are as follows:

Holder of relevant interest	Nature of relevant interest (7)	Class and number of securities
Galaxy Resources Limited	Relevant interest under section 608(1)(c) and/or section 608(8) of the Corporations Act, being a relevant interest arising under pre bid acceptance deeds entered into with Wyllie Group Pty Ltd, PPB Capital Pty Ltd, Botsis Super Pty Ltd as trustee for the Phil and Pamela Botsis Superannuation Fund and Botsis Holdings Pty Ltd, as attached to this Notice as Annexure B.	15,398,217 fully paid ordinary shares
Galaxy Resources Limited	Relevant interest under section 608(1)(a) of the Corporations Act, as the holder of the securities	6,000,000 fully paid ordinary shares

4. Details of present registered holders

The persons registered as holders of the securities referred to in paragraph 3 above are as follows:

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (8)	Class and number of securities
Galaxy Resources Limited	Wyllie Group Pty Ltd, PPB Capital Pty Ltd, Botsis Super Pty Ltd as trustee for the Phil and Pamela Botsis Superannuation Fund and Botsis Holdings Pty Ltd	Wyllie Group Pty Ltd, PPB Capital Pty Ltd, Botsis Super Pty Ltd as trustee for the Phil and Pamela Botsis Superannuation Fund and Botsis Holdings Pty Ltd	15,398,217 fully paid ordinary shares
Galaxy Resources Limited	Galaxy Resources Limited	Galaxy Resources Limited	6,000,000 fully paid ordinary shares

5. Consideration

The consideration paid for each relevant interest referred to in paragraph 3 above, and acquired in the four months prior to the day that the substantial holder became a substantial holder is as follows:

Holder of relevant interest	Date of acquisition	Consideration (9)		Class and number of securities
		Cash	Non-cash	
Galaxy Resources Limited	29/05/2016	Nil – relevant interest acquired through entry into pre bid	Nil – relevant interest acquired through entry into pre bid acceptance deeds	15,398,217 fully paid ordinary shares

		acceptance deeds		
Galaxy Resources Limited	13/10/15	\$50,000	Not applicable	1,000,000 fully paid ordinary shares
Galaxy Resources Limited	14/12/09	\$100,000	Vendor consideration for Shoemaker Project	5,000,000 fully paid ordinary shares

6. Associates

The reasons the persons named in paragraph 3 above are associates of the substantial holder are as follows:

Name and ACN/ARSN (if applicable)	Nature of association
GXY and each of the entities listed in Annexure A (GXY Group Entity)	<p>Each GXY Group Entity is an associate of GXY pursuant to section 12(2)(a)(ii) of the Corporations Act because each GXY Group Entity is under the control of GXY.</p> <p>The GXY Group entities are associates of each other pursuant to section 12(2)(a)(ii) of the Corporations Act because each GXY Group Entity is under the control of GXY.</p>

7. Addresses

The addresses of persons named in this form are as follows:

Name	Address
Galaxy Resources Limited	Suite 8, 18 Kearns Crescent, Ardross, WA 6153
GXY Group Entities	See Annexure A

Signature

print name Simon Robertson

capacity Company Secretary

sign here



date 29 / 05 / 2016

DIRECTIONS

- (1) If there are a number of substantial holders with similar or related relevant interests (eg. a corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they s be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 7 of the form.
- (2) See the definition of "associate" in section 9 of the Corporations Act 2001.
- (3) See the definition of "relevant interest" in sections 608 and 671B(7) of the Corporations Act 2001.
- (4) The voting shares of a company constitute one class unless divided into separate classes.
- (5) The total number of votes attached to all the voting shares in the company or voting interests in the scheme (if any) that the person or an associate has a relevant interest in.
- (6) The person's votes divided by the total votes in the body corporate or scheme multiplied by 100.
- (7) Include details of:
 - (a) any relevant agreement or other circumstances by which the relevant interest was acquired. If subsection 671B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this contract, scheme or arrangement; and
 - (b) any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of, the voting powers or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).

See the definition of "relevant agreement" in section 9 of the Corporations Act 2001.
- (8) If the substantial holder is unable to determine the identity of the person (eg. If the relevant interest arises because of an option) write "unknown".
- (9) Details of the consideration must include any and all benefits, money and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included of any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.

Annexure "A"

Galaxy Resources Limited ACN 071 976 442

This is Annexure "A" of 1 page referred to in the Form 603 (Notice of Initial Substantial Holding).



Signed by:

Simon Robertson, Company Secretary

Date:

29 May 2016

GXY Group Entities

ENTITY	ACN	ADDRESS
Galaxy Lithium Australia Limited	130 182 099	Suite 8, 18 Kearns Crescent, Ardross, WA 6153
Galaxy Lithium Proprietary Limited	153 254 865	Suite 8, 18 Kearns Crescent, Ardross, WA 6153
Galaxy Resources International Limited	Not applicable	Suite 8, 18 Kearns Crescent, Ardross, WA 6153
Galaxy Lithium (Canada) Inc.	Not applicable	Suite 8, 18 Kearns Crescent, Ardross, WA 6153
Galaxy Lithium Holdings BV	Not applicable	Suite 8, 18 Kearns Crescent, Ardross, WA 6153
Galaxy Lithium (US) Inc.	Not applicable	Suite 8, 18 Kearns Crescent, Ardross, WA 6153
Galaxy Lithium One (Quebec) Inc.	Not applicable	Suite 8, 18 Kearns Crescent, Ardross, WA 6153
Galaxy Lithium One Inc	Not applicable	Suite 8, 18 Kearns Crescent, Ardross, WA 6153
Galaxy Lithium (Ontario) Inc.	Not applicable	Suite 8, 18 Kearns Crescent, Ardross, WA 6153
Galaxy Lithium (BC) Limited	Not applicable	Suite 8, 18 Kearns Crescent, Ardross, WA 6153
Galaxy Lithium Holdings LLC	Not applicable	Suite 8, 18 Kearns Crescent, Ardross, WA 6153
Galaxy Lithium (Colorado) Inc.	Not applicable	Suite 8, 18 Kearns Crescent, Ardross, WA 6153
Galaxy Lithium (Sal de Vida) S.A.	Not applicable	Suite 8, 18 Kearns Crescent, Ardross, WA 6153

Annexure "B"

Galaxy Resources Limited ACN 071 976 442

This is Annexure "B" of 69 pages referred to in the Form 603 (Notice of Initial Substantial Holding).

A handwritten signature in black ink, appearing to read "S. Robertson".

Signed by:

Simon Robertson, Company Secretary

Date:

29 May 2016

**PARTY NAMED IN SCHEDULE 1
(Shareholder)**

and

**GALAXY RESOURCES LIMITED
ACN 071 976 442
(Bidder)**

PRE-BID ACCEPTANCE DEED

THIS DEED is made on the

29th

day of

MAY

2016

BETWEEN

THE PARTY NAMED IN SCHEDULE 1 (the Shareholder):

AND

GALAXY RESOURCES LIMITED (ACN 071 976 442) of Suite 8/18 Kearns Crescent, Ardross, WA 6153 (the **Bidder**).

RECITALS

- A. At the date of this deed, the Shareholder is the legal and beneficial owner of fully paid ordinary shares in the Company.
- B. The Shareholder undertakes to accept the Takeover Offer with respect to the Acceptance Shares on the terms and conditions set out in this deed.

THE PARTIES AGREE AS FOLLOWS:

1. INTERPRETATION

1.1 Definitions

The following definitions apply in this deed.

Acceptance Shares means the number of Shares held by the Shareholder at the date of this deed as set out in Schedule 1.

Acceptance Time means within two (2) Business Days of the period commencing at 5:00 pm (WST) on the date which is ten (10) Business Days after the commencement of the Offer Period.

Agreed Bid Terms means the terms set out in Schedule 3.

Associate includes:

- (a) in respect of the Bidder, any person who is a wholly-owned subsidiary of the Bidder; and
- (b) in any other case, any person who is an "associate" under section 12 of the Corporations Act.

ASX means the Australian Securities Exchange operated by ASX Limited ABN 98 008 624 691.

Business Day means a day on which:

- (a) banks are open for general banking business in Western Australia, excluding Saturdays and Sundays; and
- (b) ASX is open for trading in securities.

Company means General Mining Corporation Limited (ACN 125 721 075).

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

Duty means any transfer, transaction or registration duty or similar charge imposed by any Government Authority and includes any interest, fine, penalty, charge or other amount imposed in respect of any of them.

Encumbrance means:

- (a) a PPS Security Interest;
- (b) any other mortgage, pledge, lien or charge;
- (c) an easement, restrictive covenant, caveat or similar restriction over property; and
- (d) any other interest or arrangement of any kind that in substance secures the payment of money or the performance of an obligation, or that gives a creditor priority over unsecured creditors in relation to any property.

End Date means the date that is two months after the date that the Bidder makes the public announcement referred to in clause 2.1.

Government Authority means a government or government department, a governmental or semi-governmental or judicial person (whether autonomous or not) charged with the administration of any applicable law.

Matching Offer has the meaning given in clause 5(d).

Offer Period means the period of time during which offers under the Takeover Offer remain open for acceptance.

Offer Price means:

- (a) the price per Share offered under the Takeover Offer as determined under clause 6; and
- (b) includes any variation thereof.

PPS Security Interest means a security interest that is subject to the *Personal Property Securities Act 2009* (Cth).

Relevant Interest has the meaning given by section 9 of the Corporations Act.

Rights means all accretions, rights or benefits of whatever kind attaching to or arising from the Shares including, without limitation, all dividends or other distributions and all rights to receive and dividends or other distributions.

Share means a fully paid ordinary share in the Company.

Takeover Offer means an offer by the Bidder or one of its Associates under a takeover bid pursuant to Chapter 6 of the Corporations Act to acquire all the Shares on terms no less favourable to the holders of Shares than the Agreed Bid Terms.

Third Party Offer means an offer or proposal made by a third party to acquire more than 50% of the Shares, by way of a takeover bid, a scheme of arrangement or otherwise where:

- (a) if the Third Party Offer is a takeover offer, the offers are capable of acceptance and are not subject to any condition substantially more onerous than the conditions of the Offer; and
- (b) in any other case, a binding agreement has been entered into between the Company and the third party in respect of the Third Party Offer.

Third Party Offer Price means the highest price or value per Share offered under a Third Party Offer (as determined in accordance with clause 6 where the consideration consists in whole or part of a non-cash component) allowing for the value of Rights that are retained by Company's shareholders under the terms of the Third Party Offer and not passed onto the person making the Third Party Offer, calculated per Share.

1.2 Interpretation

In this Deed unless the context otherwise requires:

- (a) headings are for convenience only and do not affect its interpretation;
- (b) an obligation or liability assumed by, or a right conferred on, 2 or more Parties binds or benefits all of them jointly and each of them severally;
- (c) the expression **person** includes an individual, the estate of an individual, a corporation, an authority, an association or joint venture (whether incorporated or unincorporated), a partnership and a trust;
- (d) a reference to any party includes that party's executors, administrators, successors and permitted assigns, including any person taking by way of novation;
- (e) a reference to any document (including this Deed) is to that document as varied, novated, ratified or replaced from time to time;
- (f) a reference to any statute or to any statutory provision includes any statutory modification or re-enactment of it or any statutory provision substituted for it, and all ordinances, by-laws, regulations, rules and statutory instruments (however described) issued under it;
- (g) words importing the singular include the plural (and vice versa) and words indicating a gender include every other gender;
- (h) reference to parties, clauses, schedules, exhibits or annexures are references to parties, clauses, schedules, exhibits and annexures to or of this Deed and a reference to this Deed includes any schedule, exhibit or annexure to this Deed;
- (i) where a word or phrase is given a defined meaning, any other part of speech or grammatical form of that word or phrase has a corresponding meaning;
- (j) a reference to time is to Western Standard Time as observed in Perth, Western Australia;
- (k) where an action is required to be undertaken on a day that is not a Business Day it shall be undertaken on the next Business Day;

- (l) a reference to a payment is to a payment by bank cheque or such other form of cleared funds the recipient otherwise allows in the relevant lawful currency specified; and
- (m) a reference to \$ or dollar is to the lawful currency of the Commonwealth of Australia.

1.3 Parties not associates

Despite anything in this deed, the parties are not to be regarded as an associate of each other.

2. ACCEPTANCE OF TAKEOVER OFFER

2.1 Obligation to accept

In consideration of the mutual promises set out in this deed and the Bidder paying the Shareholder \$1 (receipt of which is acknowledged by the Shareholder), if the Bidder publicly announces the Takeover Offer prior to 5.00pm WST on the date 5 Business Days after the date of this deed, the Shareholder will:

- (a) irrevocably accept the Takeover Offer in respect of the Acceptance Shares during the Acceptance Time; and
- (b) do everything (including executing any deed and making any election) that the Bidder reasonably requires, to give full effect to the Shareholder's obligations to accept the Takeover Offer in respect of the Acceptance Shares.

2.2 No withdrawal of acceptance

The Shareholder:

- (a) irrevocably waives any rights it may have under section 650E of the Corporations Act, in the event that the Bidder varies the Takeover Offer; and
- (b) covenants not to exercise any rights it may have to withdraw its acceptance of the Takeover Offer in respect of the Acceptance Shares, including under section 650E of the Corporations Act.

2.3 Appointment of attorney

To secure the performance of the Shareholder's obligations under this clause 2, the Shareholder irrevocably appoints any director for the time being of the Bidder to be its attorney in its name and on its behalf to execute any acceptance forms and to do such other acts and things as may be necessary to accept (or procure the acceptance) of a Takeover Offer in respect of the Acceptance Shares in accordance with and as contemplated by the terms of this deed.

2.4 Acknowledgments

For the avoidance of any doubt:

- (a) this deed only applies to the Acceptance Shares and does not apply to any other Shares held or controlled by the Shareholder (for example, the Shareholder is free to deal with any Shares held or controlled by the

Shareholder as it sees fit, other than the Acceptance Shares which must only be dealt with in accordance with this deed);

- (b) nothing in this deed obliges the Bidder to announce or proceed with the Takeover Offer;
- (c) the Bidder is permitted to vary the terms and conditions of the Takeover Offer in accordance with the Corporations Act, provided that the varied terms and conditions are no less favourable to the Shareholder than the Agreed Bid Terms; and
- (d) subject to the Corporations Act and clause 2.4(c), the Bidder has the right to waive or vary any condition in the Takeover Offer, declare the Takeover Offer unconditional or extend it at any time.

3. WARRANTIES

3.1 Warranties by the Shareholder

The Shareholder represents and warrants to the Bidder and its Associates that each of the statements in Part A of Schedule 2 is true and accurate and will be true and accurate at all times up to and including the date of acceptance of the Takeover Offer under clause 2.1.

3.2 Warranties by the Bidder

The Bidder represents and warrants to the Shareholder that each of the statements in Part B of Schedule 2 is true and accurate and will be true and accurate at all times up to and including the date of acceptance of a Takeover Offer under clause 2.1.

4. RESTRICTIONS ON SHAREHOLDER

The Shareholder agrees:

- (a) not to dispose of, transfer, encumber or otherwise deal with any of the Acceptance Shares or any interests in the Acceptance Shares, except to the Bidder (or an Associate of the Bidder) in accordance with this deed;
- (b) to exercise all rights attaching to the Acceptance Shares, including any voting rights, as directed by the Bidder;
- (c) not to directly or indirectly make or cause to be made any offer, invitation or solicitation for, or directly or indirectly purchase or otherwise acquire any Relevant Interest in any Shares, including the Acceptance Shares;
- (d) not to co-operate or assist or enter into any agreement or arrangement with any person relating to or connected with the making of any offer for the purchase or acquisition of any Relevant Interest in any Shares, including the Acceptance Shares (other than pursuant to the conversion or exercise of any Convertible Securities on issue as at the date of this deed); and
- (e) not to procure another person to apply for, acquire or dispose of Shares, including the Acceptance Shares or enter into an agreement to apply for, acquire or dispose of Shares, including the Acceptance Shares.

5. TERMINATION OF OBLIGATIONS IN CLAUSES 2 AND 4

The obligations set out in clause 2 and clause 4 terminate immediately and will cease to be of any effect, without any further action being required of either party, if:

- (a) the Takeover Offer has not been made by the End Date or having been made is withdrawn;
- (b) the Takeover Offer lapses or expires because a defeating condition has not been satisfied or waived at the end of the Offer Period;
- (c) the offers under the Takeover Offer have been declared unconditional (or the Bidder has notified that all of the conditions have been satisfied or waived) and the Shareholder has accepted the Takeover Offer in respect of the Acceptance Shares;
- (d) a Third Party Offer is made at a Third Party Offer Price which exceeds the Offer Price, and the Bidder has not within 5 Business Days of the Third Party Offer having been made, made an offer or announced an intention to make an offer which matches or exceeds that Third Party Offer Price (**Matching Offer**); or
- (e) the Takeovers Panel decides that all or any part of the transactions contemplated by this document constitute unacceptable circumstances.

6. VALUATION OF A SCRIP OFFER

- 6.1 In the event that the Offer Price or the Third Party Offer Price is a consideration which consists wholly or partly of a security which is in a class which is quoted on a public stock exchange (**Listed Security**), the value of the securities shall be calculated using the volume weighted average sale price of that security over the preceding 5 days on which that security was publicly traded.
- 6.2 In the event that the Third Party Offer Price comprises wholly or partly of consideration that is neither cash, Listed Securities or a combination of both (such portion of the Third Party Offer Price being the **Unquoted Security**), the value of the Unquoted Security shall be agreed between the parties, and falling agreement within 3 Business Days, as determined by an independent expert.

7. SUBSTANTIAL HOLDER NOTICE

The Bidder agrees that it will lodge with the ASX Form 603 – Notice of Initial Substantial Holder in relation to the Acceptance Shares, at the time required by the Corporations Act.

8. NOTICES

8.1 Notices in writing

Each notice authorised or required to be given to a Party shall be in legible writing and in English addressed to the Party's address set out in clause 8.2 (or such other address nominated in accordance with clause 8.3).

8.2 Initial address of Parties

The initial address of the Parties shall be as follows:

Party	Address	Attention	E-mail
Shareholder	As set out in Schedule 1		
Bidder	Suite 8/18 Kearns Crescent, Ardross, WA 6153	Nick Rowley	Nick.Rowley@galaxyllithium.com

8.3 Change of Address

Each Party may from time to time change its address by giving notice pursuant to clause 8.1 to the other Parties.

8.4 Receipt of notice

Any notice given under this Deed will be conclusively deemed to have been received:

- (a) in the case of personal delivery, on the actual day of delivery;
- (b) if sent by mail, two (2) Business Days from and including the day of posting; or
- (c) if sent by facsimile, when a facsimile confirmation receipt is received indicating successful delivery; or
- (d) if sent by e-mail, when a delivery confirmation report is received by the sender which records the time that the e-mail was delivered to the addressee's e-mail address (unless the sender receives a delivery failure notification indicating that the e-mail has not been delivered to the addressee),

but if the delivery or receipt is on a day that is not a Business Day or is after 5:00 pm (addressee's time) it is regarded as received at 9:00 am on the following Business Day.

9. COSTS AND DUTY

- (a) Subject to clause 9(b), each party must pay its own expenses incurred in negotiating, preparing, executing, completing and carrying into effect this deed.
- (b) The Bidder must indemnify the Shareholder against, and must pay the Shareholder on demand the amount of, any Duty that is payable on or in relation to this deed and the transactions that it contemplates.

10. GENERAL

10.1 Governing law and jurisdiction

- (a) This deed is governed by the laws of Western Australia.
- (b) Each party submits to the non-exclusive jurisdiction of the courts of that State, and of any court that may hear appeals from any of those courts, for any proceedings in connection with this deed.

10.2 Third party rights

If a provision of this deed (including clause 3.1) is expressed to benefit an Associate of the Bidder (**Beneficiary**), the Shareholder agrees that the Bidder holds that benefit in its own capacity and as trustee for the Beneficiary, and may enforce this deed on their behalf and for their benefit.

10.3 Giving effect to this deed

Each party must do anything (including execute any deed), and must ensure that its employees and agents do anything (including execute any deed), that the other party may reasonably require to give full effect to this deed.

10.4 Operation of this deed

- (a) This deed contains the entire agreement between the parties about its subject matter. Any previous understanding, agreement, representation or warranty relating to that subject matter is replaced by this deed and has no further effect.
- (b) Any provision of this deed which is unenforceable or partly unenforceable is, where possible, to be severed to the extent necessary to make this deed enforceable, unless this would materially change the intended effect of this deed.

10.5 Counterparts

This deed may be executed in any number of counterparts.

10.6 Confidentiality

The parties agree to keep this deed and its contents (including the existence and terms of the Takeover Offer) confidential until the Bidder has given a substantial holding notice to ASX (which attaches a copy of this deed) in respect of the relevant interest that the Bidder acquires as a result of this deed, or until the Bidder has otherwise announced the terms of this deed to ASX as part of its announcement of the Takeover Offer.

SCHEDULE 1 – DETAILS

Shareholder	Wyllie Group Pty Ltd (ACN 008 763 120)
Shareholder Address	19 TH floor, 225 St Georges Terrace Perth WA 6000
Acceptance Shares	4,780,217 Shares

SCHEDULE 2

Part A – Shareholder's Warranties

1. THE SHAREHOLDER

- (a) If the Shareholder is a body corporate:
 - (i) it is duly incorporated and validly exists under the laws of the place of its incorporation; and
 - (ii) it has taken all corporate action that is necessary to authorise its entry into this deed and carry out the transactions that it contemplates.
- (b) The Shareholder has full power and authority to enter into this deed and perform its obligations under this deed.
- (c) This deed constitutes legal, valid and binding obligations of the Shareholder, enforceable against the Shareholder in accordance with its terms (except to the extent limited by equitable principles and laws affecting creditors' rights generally), subject to any necessary registration or payment of Duty.
- (d) Neither execution of this deed by the Shareholder nor the carrying out by it of the transactions that this deed contemplates, does or will:
 - (i) contravene any applicable law, regulation or authorisation;
 - (ii) contravene any contract, undertaking or instrument binding on the Shareholder or any of its property; and
 - (iii) if the Shareholder is a body corporate, contravene the Shareholder's constitution or equivalent constituent deeds.

2. THE ACCEPTANCE SHARES

- (a) Each of the Acceptance Shares is fully paid up.
- (b) The Shareholder is the sole legal and beneficial owner of the **Acceptance** Shares with full power to transfer good title to the Bidder (or its Associate).
- (c) Upon acceptance of a Takeover Offer under clause 2, the Acceptance Shares will be free from Encumbrances.

3. NO TRUST

The Shareholder is either (a) not entering into this deed as trustee of any trust or settlement or (b) entering into this deed as trustee of a trust or settlement (the **Trust**) and each statement in paragraph 4 below is true and accurate.

4. TRUST

- (a) The following definitions apply in this paragraph 4:
 - (i) **Trust Deed** means the trust deed that establishes and governs the Trust.
 - (ii) **Trust Fund** means the assets of the Trust.
- (b) The Trust is duly constituted and has not terminated, nor has the date or any event occurred for the vesting of the Trust Fund.
- (c) The Shareholder is the sole trustee of the Trust. The Shareholder has not given any notice of resignation and no action has been taken to remove it or to appoint an additional trustee of the Trust.
- (d) The Shareholder has full legal capacity and power under the Trust Deed to:
 - (i) own the Trust Fund and carry on the business of the Trust as it is now being conducted; and
 - (ii) enter into this deed and carry out the transactions that this deed contemplates,

as trustee of the Trust.
- (e) All action that is necessary under the Trust Deed or at law to:
 - (i) authorise the Shareholder's entry into this deed and carry out the transactions that this deed contemplates;
 - (ii) ensure that this deed is legal, valid and binding on it as trustee of the Trust and admissible in evidence against it in that capacity; and
 - (iii) enable it to properly carry on the business of the Trust,

has been taken.
- (f) The Shareholder is entering into this deed as part of the proper administration of the Trust, for the commercial benefit of the Trust and for the benefit of the beneficiaries of the Trust.

Part B – Bidder's Warranties

1. THE BIDDER

- (a) The Bidder:
 - (i) is duly incorporated and validly exists under the laws of the place of its incorporation;
 - (ii) has taken all corporate action that is necessary to authorise its entry into this deed and carry out the transactions that it contemplates; and
 - (iii) has full power and authority to enter into this deed and perform its obligations under this deed.

- (b) This deed constitutes legal, valid and binding obligations of the Bidder, enforceable against the Bidder in accordance with its terms (except to the extent limited by equitable principles and laws affecting creditors' rights generally), subject to any necessary registration or payment of Duty.
- (c) Neither execution of this deed by the Bidder nor the carrying out by it of the transactions that this deed contemplates, does or will:
 - (i) contravene any applicable law, regulation or authorisation;
 - (ii) contravene any contract, undertaking or instrument binding on the Bidder or any of its property; or
 - (iii) contravene the Bidder's constitution.

SCHEDULE 3 – AGREED BID TERMS

The consideration offered by Galaxy to every General Mining Shareholder will be 1.65 New Galaxy Shares for every one (1) General Mining Share held as at the Register Date.

The Offer, and any contract resulting from the acceptance of the Offer, are subject to the following conditions:

- (a) **(90% minimum acceptance condition):** at the end of the Offer Period, Galaxy and its Associates have a Relevant Interest in more than 90% (by number) of all of the General Mining Shares both on an undiluted and on a fully diluted basis;
- (b) **(General Mining Options):** all General Mining Options lapse, are exercised or become subject to private agreement with Galaxy and are cancelled or transferred to Galaxy in return for the issue of Galaxy Options on a 1.65 for one basis (**Ratio**) (with the aggregate number, where a fraction, rounded up to the nearest whole number), with an exercise price equal to the exercise price of the relevant General Mining Option divided by the Ratio, on materially the same terms and conditions;
- (c) **(no Regulatory Action):** that between the Announcement Date and the end of the Offer Period:
 - (i) there is not in effect any preliminary or final decision, order or decree issued by a Regulatory Authority; and
 - (ii) no application is made to any Regulatory Authority (other than by any member of the Galaxy Group), or action or investigation is announced, threatened or commenced by a Regulatory Authority,

in consequence of, or in connection with, the Offer (other than a determination by ASIC or the Takeovers Panel in exercise of the powers and discretions conferred by the Corporations Act), which:

- (iii) restrains or prohibits (or if granted could restrain or prohibit), or otherwise materially adversely impacts on, the making of the Offer or the completion of any transaction contemplated by the Offer (whether subject to conditions or not) or the rights of Galaxy in respect of General Mining and the General Mining Shares to be acquired under the Offer; or
 - (iv) requires the divestiture by Galaxy of any General Mining Shares, or the divestiture of any assets of General Mining or its Related Bodies Corporate, Galaxy or its Related Bodies Corporate or otherwise;
- (d) **(no General Mining Material Adverse Changes):** there not occurring a General Mining Material Adverse Change during the Offer Period;
- (e) **(no material acquisitions, disposals or new commitments):** except for any proposed transaction publicly announced by General Mining before the Announcement Date or disclosed in writing to Galaxy or its Representatives prior to the Announcement, none of the following events occurs during the period from the Announcement Date to the end of the Offer Period:
 - (i) General Mining or any Subsidiary of General Mining acquires, offers to acquire or agrees to acquire one or more companies, businesses or assets (or any interest in one or more companies, businesses or assets)

- for an amount in aggregate greater than \$1,000,000 or makes an announcement in relation to such an acquisition, offer or agreement;
- (ii) General Mining or any Subsidiary of General Mining disposes of, offers to dispose of or agrees to dispose of one or more companies, businesses or assets (or any interest in one or more companies, businesses or assets) for an amount, or in respect of which the book value is, in aggregate, greater than \$1,000,000 or makes an announcement in relation to such a disposition, offer or agreement;
 - (iii) General Mining or any Subsidiary of General Mining enters into, or offers to enter into or agrees to enter into, any agreement, joint venture, partnership, farm-in agreement, management agreement or commitment which would require expenditure, or the foregoing of revenue, by General Mining and/or its Subsidiaries of an amount which is, in aggregate, more than \$1,000,000 other than in the ordinary course of business, or makes an announcement in relation to such an entry, offer or agreement;
 - (iv) General Mining or any Subsidiary of General Mining disposes of, offers to dispose of or agrees to enter into any agreement, joint venture, partnership, farm-in agreement, management agreement or commitment involving the disposal of any legal, beneficial or economic interest or right to or in connection with any mining tenements held by General Mining and/or any of its Subsidiaries or applications therefore; and
 - (v) General Mining or any of its subsidiaries materially varies, amends, or modifies any Material Contract;
- (f) **(no material litigation)** there is no litigation, claim, action or proceeding pending or in progress or threatened against or relating to any member of the General Mining Group during the Offer Period that does or is reasonably likely to constitute a General Mining Material Adverse Change;
 - (g) **(no General Mining Prescribed Occurrences)**: there not occurring a General Mining Prescribed Occurrence during the Offer Period;
 - (h) **(no change of control rights)**: after the Announcement Date and before the end of the Offer Period, no person exercises or purports to exercise, or states an intention to exercise, any rights under any provision of any agreement or other instrument to which General Mining or any Subsidiary of General Mining is a party, or by or to which General Mining or any Subsidiary of General Mining or any of its assets may be bound or be subject, which results, or could result, to an extent which is material in the context of General Mining or General Mining and its Subsidiaries taken as a whole, in:
 - (i) any monies borrowed by General Mining or any Subsidiary of General Mining being or becoming repayable or being capable of being declared repayable immediately or earlier than the repayment date stated in such agreement or other instrument;
 - (ii) any such agreement or other instrument being terminated or modified or any action being taken or arising thereunder;
 - (iii) the interest of General Mining or any Subsidiary of General Mining in any firm, joint venture, trust, corporation or other entity (or any arrangements relating to such interest) being terminated or modified; or

- (iv) the business of General Mining or any Subsidiary of General Mining with any other person being adversely affected,

as a result of the acquisition of General Mining Shares by Galaxy except for any rights under any provision of any agreement or other instrument disclosed in writing to Galaxy or its Representatives prior to the Announcement; and

- (i) **(non-existence of certain rights):** that no person has any right (whether subject to conditions or not) as a result of Galaxy acquiring General Mining Shares to:

- (i) acquire, or require General Mining or a Subsidiary of General Mining to dispose of, or offer to dispose of, any material asset of General Mining or a Subsidiary of General Mining; or

- (ii) terminate or vary or exercise any right under any Material Contract with General Mining or a Subsidiary of General Mining,

except for any rights under any provision of any agreement or other instrument disclosed in writing to Galaxy or its Representatives or otherwise publicly announced by General Mining prior to execution of this agreement.

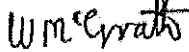
The above conditions are conditions subsequent and do not prevent a contract resulting from acceptance of the Offer from coming into effect but any breach or non-fulfilment of them entitles Galaxy to rescind any contracts resulting from acceptance of the Offer.

EXECUTED as a deed.

EXECUTED AS A DEED by **WYLLIE GROUP PTY LTD**

(ACN 008 763 120)


in accordance with section 127 of the Corporations Act 2001 (Cth):

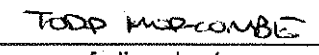


Signature of director

WAYNE McGRATH

Name of director

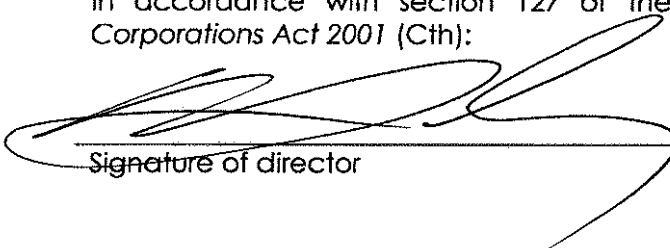

Signature of director/company secretary
(please delete as applicable)


Name of director/company secretary
(please delete as applicable)

EXECUTED AS A DEED by **GALAXY RESOURCES LIMITED**

(ACN 071 976 442)

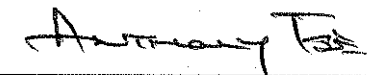
in accordance with section 127 of the Corporations Act 2001 (Cth):


Signature of director

MARTIN RONALD ROWLEY

Name of director


Signature of director/company secretary
(please delete as applicable)


Name of director/company secretary
(please delete as applicable)

**PARTY NAMED IN SCHEDULE 1
(Shareholder)**

and

**GALAXY RESOURCES LIMITED
ACN 071 976 442
(Bidder)**

PRE-BID ACCEPTANCE DEED

THIS DEED is made on the 29th day of MAY 2016

BETWEEN

THE PARTY NAMED IN SCHEDULE 1 (the Shareholder);

AND

GALAXY RESOURCES LIMITED (ACN 071 976 442) of Suite 8/18 Kearns Crescent, Ardross, WA 6153 (the **Bidder**).

RECITALS

- A. At the date of this deed, the Shareholder is the legal and beneficial owner of fully paid ordinary shares in the Company.
- B. The Shareholder undertakes to accept the Takeover Offer with respect to the Acceptance Shares on the terms and conditions set out in this deed.

THE PARTIES AGREE AS FOLLOWS:

1. INTERPRETATION

1.1 Definitions

The following definitions apply in this deed.

Acceptance Shares means the number of Shares held by the Shareholder at the date of this deed as set out in Schedule 1.

Acceptance Time means within two (2) Business Days of the period commencing at 5:00 pm (WST) on the date which is ten (10) Business Days after the commencement of the Offer Period.

Agreed Bid Terms means the terms set out in Schedule 3.

Associate includes:

- (a) in respect of the Bidder, any person who is a wholly-owned subsidiary of the Bidder; and
- (b) in any other case, any person who is an "associate" under section 12 of the Corporations Act.

ASX means the Australian Securities Exchange operated by ASX Limited ABN 98 008 624 691.

Business Day means a day on which:

- (a) banks are open for general banking business in Western Australia, excluding Saturdays and Sundays; and
- (b) ASX is open for trading in securities.

Company means General Mining Corporation Limited (ACN 125 721 075).

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

Duty means any transfer, transaction or registration duty or similar charge imposed by any Government Authority and includes any interest, fine, penalty, charge or other amount imposed in respect of any of them.

Encumbrance means:

- (a) a PPS Security Interest;
- (b) any other mortgage, pledge, lien or charge;
- (c) an easement, restrictive covenant, caveat or similar restriction over property; and
- (d) any other interest or arrangement of any kind that in substance secures the payment of money or the performance of an obligation, or that gives a creditor priority over unsecured creditors in relation to any property.

End Date means the date that is two months after the date that the Bidder makes the public announcement referred to in clause 2.1.

Government Authority means a government or government department, a governmental or semi-governmental or judicial person (whether autonomous or not) charged with the administration of any applicable law.

Matching Offer has the meaning given in clause 5(d).

Offer Period means the period of time during which offers under the Takeover Offer remain open for acceptance.

Offer Price means:

- (a) the price per Share offered under the Takeover Offer as determined under clause 6; and
- (b) includes any variation thereof.

PPS Security Interest means a security interest that is subject to the *Personal Property Securities Act 2009* (Cth).

Relevant Interest has the meaning given by section 9 of the Corporations Act.

Rights means all accretions, rights or benefits of whatever kind attaching to or arising from the Shares including, without limitation, all dividends or other distributions and all rights to receive and dividends or other distributions.

Share means a fully paid ordinary share in the Company.

Takeover Offer means an offer by the Bidder or one of its Associates under a takeover bid pursuant to Chapter 6 of the Corporations Act to acquire all the Shares on terms no less favourable to the holders of Shares than the Agreed Bid Terms.

Third Party Offer means an offer or proposal made by a third party to acquire more than 50% of the Shares, by way of a takeover bid, a scheme of arrangement or otherwise where:

- (a) if the Third Party Offer is a takeover offer, the offers are capable of acceptance and are not subject to any condition substantially more onerous than the conditions of the Offer; and
- (b) in any other case, a binding agreement has been entered into between the Company and the third party in respect of the Third Party Offer.

Third Party Offer Price means the highest price or value per Share offered under a Third Party Offer (as determined in accordance with clause 6 where the consideration consists in whole or part of a non-cash component) allowing for the value of Rights that are retained by Company's shareholders under the terms of the Third Party Offer and not passed onto the person making the Third Party Offer, calculated per Share.

1.2 Interpretation

In this Deed unless the context otherwise requires:

- (a) headings are for convenience only and do not affect its interpretation;
- (b) an obligation or liability assumed by, or a right conferred on, 2 or more Parties binds or benefits all of them jointly and each of them severally;
- (c) the expression **person** includes an individual, the estate of an individual, a corporation, an authority, an association or joint venture (whether incorporated or unincorporated), a partnership and a trust;
- (d) a reference to any party includes that party's executors, administrators, successors and permitted assigns, including any person taking by way of novation;
- (e) a reference to any document (including this Deed) is to that document as varied, novated, ratified or replaced from time to time;
- (f) a reference to any statute or to any statutory provision includes any statutory modification or re-enactment of it or any statutory provision substituted for it, and all ordinances, by-laws, regulations, rules and statutory instruments (however described) issued under it;
- (g) words importing the singular include the plural (and vice versa) and words indicating a gender include every other gender;
- (h) reference to parties, clauses, schedules, exhibits or annexures are references to parties, clauses, schedules, exhibits and annexures to or of this Deed and a reference to this Deed includes any schedule, exhibit or annexure to this Deed;
- (i) where a word or phrase is given a defined meaning, any other part of speech or grammatical form of that word or phrase has a corresponding meaning;
- (j) a reference to time is to Western Standard Time as observed in Perth, Western Australia;
- (k) where an action is required to be undertaken on a day that is not a Business Day it shall be undertaken on the next Business Day;

- (l) a reference to a payment is to a payment by bank cheque or such other form of cleared funds the recipient otherwise allows in the relevant lawful currency specified; and
- (m) a reference to \$ or **dollar** is to the lawful currency of the Commonwealth of Australia.

1.3 Parties not associates

Despite anything in this deed, the parties are not to be regarded as an associate of each other.

2. ACCEPTANCE OF TAKEOVER OFFER

2.1 Obligation to accept

In consideration of the mutual promises set out in this deed and the Bidder paying the Shareholder \$1 (receipt of which is acknowledged by the Shareholder), if the Bidder publicly announces the Takeover Offer prior to 5.00pm WST on the date 5 Business Days after the date of this deed, the Shareholder will:

- (a) irrevocably accept the Takeover Offer in respect of the Acceptance Shares during the Acceptance Time; and
- (b) do everything (including executing any deed and making any election) that the Bidder reasonably requires, to give full effect to the Shareholder's obligations to accept the Takeover Offer in respect of the Acceptance Shares.

2.2 No withdrawal of acceptance

The Shareholder:

- (a) irrevocably waives any rights it may have under section 650E of the Corporations Act, in the event that the Bidder varies the Takeover Offer; and
- (b) covenants not to exercise any rights it may have to withdraw its acceptance of the Takeover Offer in respect of the Acceptance Shares, including under section 650E of the Corporations Act.

2.3 Appointment of attorney

To secure the performance of the Shareholder's obligations under this clause 2, the Shareholder irrevocably appoints any director for the time being of the Bidder to be its attorney in its name and on its behalf to execute any acceptance forms and to do such other acts and things as may be necessary to accept (or procure the acceptance) of a Takeover Offer in respect of the Acceptance Shares in accordance with and as contemplated by the terms of this deed.

2.4 Acknowledgments

For the avoidance of any doubt:

- (a) this deed only applies to the Acceptance Shares and does not apply to any other Shares held or controlled by the Shareholder (for example, the Shareholder is free to deal with any Shares held or controlled by the

Shareholder as it sees fit, other than the Acceptance Shares which must only be dealt with in accordance with this deed);

- (b) nothing in this deed obliges the Bidder to announce or proceed with the Takeover Offer;
- (c) the Bidder is permitted to vary the terms and conditions of the Takeover Offer in accordance with the Corporations Act, provided that the varied terms and conditions are no less favourable to the Shareholder than the Agreed Bid Terms; and
- (d) subject to the Corporations Act and clause 2.4(c), the Bidder has the right to waive or vary any condition in the Takeover Offer, declare the Takeover Offer unconditional or extend it at any time.

3. WARRANTIES

3.1 Warranties by the Shareholder

The Shareholder represents and warrants to the Bidder and its Associates that each of the statements in Part A of Schedule 2 is true and accurate and will be true and accurate at all times up to and including the date of acceptance of the Takeover Offer under clause 2.1.

3.2 Warranties by the Bidder

The Bidder represents and warrants to the Shareholder that each of the statements in Part B of Schedule 2 is true and accurate and will be true and accurate at all times up to and including the date of acceptance of a Takeover Offer under clause 2.1.

4. RESTRICTIONS ON SHAREHOLDER

The Shareholder agrees:

- (a) not to dispose of, transfer, encumber or otherwise deal with any of the Acceptance Shares or any interests in the Acceptance Shares, except to the Bidder (or an Associate of the Bidder) in accordance with this deed;
- (b) to exercise all rights attaching to the Acceptance Shares, including any voting rights, as directed by the Bidder;
- (c) not to directly or indirectly make or cause to be made any offer, invitation or solicitation for, or directly or indirectly purchase or otherwise acquire any Relevant Interest in any Shares, including the Acceptance Shares;
- (d) not to co-operate or assist or enter into any agreement or arrangement with any person relating to or connected with the making of any offer for the purchase or acquisition of any Relevant Interest in any Shares, including the Acceptance Shares (other than pursuant to the conversion or exercise of any Convertible Securities on issue as at the date of this deed); and
- (e) not to procure another person to apply for, acquire or dispose of Shares, including the Acceptance Shares or enter into an agreement to apply for, acquire or dispose of Shares, including the Acceptance Shares.

5. TERMINATION OF OBLIGATIONS IN CLAUSES 2 AND 4

The obligations set out in clause 2 and clause 4 terminate immediately and will cease to be of any effect, without any further action being required of either party, if:

- (a) the Takeover Offer has not been made by the End Date or having been made is withdrawn;
- (b) the Takeover Offer lapses or expires because a defeating condition has not been satisfied or waived at the end of the Offer Period;
- (c) the offers under the Takeover Offer have been declared unconditional (or the Bidder has notified that all of the conditions have been satisfied or waived) and the Shareholder has accepted the Takeover Offer in respect of the Acceptance Shares;
- (d) a Third Party Offer is made at a Third Party Offer Price which exceeds the Offer Price, and the Bidder has not within 5 Business Days of the Third Party Offer having been made, made an offer or announced an intention to make an offer which matches or exceeds that Third Party Offer Price (**Matching Offer**); or
- (e) the Takeovers Panel decides that all or any part of the transactions contemplated by this document constitute unacceptable circumstances.

6. VALUATION OF A SCRIP OFFER

- 6.1 In the event that the Offer Price or the Third Party Offer Price is a consideration which consists wholly or partly of a security which is in a class which is quoted on a public stock exchange (**Listed Security**), the value of the securities shall be calculated using the volume weighted average sale price of that security over the preceding 5 days on which that security was publicly traded.
- 6.2 In the event that the Third Party Offer Price comprises wholly or partly of consideration that is neither cash, Listed Securities or a combination of both (such portion of the Third Party Offer Price being the **Unquoted Security**), the value of the Unquoted Security shall be agreed between the parties, and falling agreement within 3 Business Days, as determined by an independent expert.

7. SUBSTANTIAL HOLDER NOTICE

The Bidder agrees that it will lodge with the ASX Form 603 – Notice of Initial Substantial Holder in relation to the Acceptance Shares, at the time required by the Corporations Act.

8. NOTICES

8.1 Notices in writing

Each notice authorised or required to be given to a Party shall be in legible writing and in English addressed to the Party's address set out in clause 8.2 (or such other address nominated in accordance with clause 8.3).

8.2 Initial address of Parties

The initial address of the Parties shall be as follows:

Party	Address	Attention	E-mail
Shareholder	As set out in Schedule 1		
Bidder	Suite 8/18 Kearns Crescent, Ardross, WA 6153	Nick Rowley	Nick.Rowley@galaxyllithium.com

8.3 Change of Address

Each Party may from time to time change its address by giving notice pursuant to clause 8.1 to the other Parties.

8.4 Receipt of notice

Any notice given under this Deed will be conclusively deemed to have been received:

- (a) in the case of personal delivery, on the actual day of delivery;
- (b) if sent by mail, two (2) Business Days from and including the day of posting; or
- (c) if sent by facsimile, when a facsimile confirmation receipt is received indicating successful delivery; or
- (d) if sent by e-mail, when a delivery confirmation report is received by the sender which records the time that the e-mail was delivered to the addressee's e-mail address (unless the sender receives a delivery failure notification indicating that the e-mail has not been delivered to the addressee),

but if the delivery or receipt is on a day that is not a Business Day or is after 5:00 pm (addressee's time) it is regarded as received at 9:00 am on the following Business Day.

9. COSTS AND DUTY

- (a) Subject to clause 9(b), each party must pay its own expenses incurred in negotiating, preparing, executing, completing and carrying into effect this deed.
- (b) The Bidder must indemnify the Shareholder against, and must pay the Shareholder on demand the amount of, any Duty that is payable on or in relation to this deed and the transactions that it contemplates.

10. GENERAL

10.1 Governing law and jurisdiction

- (a) This deed is governed by the laws of Western Australia.
- (b) Each party submits to the non-exclusive jurisdiction of the courts of that State, and of any court that may hear appeals from any of those courts, for any proceedings in connection with this deed.

10.2 Third party rights

If a provision of this deed (including clause 3.1) is expressed to benefit an Associate of the Bidder (**Beneficiary**), the Shareholder agrees that the Bidder holds that benefit in its own capacity and as trustee for the Beneficiary, and may enforce this deed on their behalf and for their benefit.

10.3 Giving effect to this deed

Each party must do anything (including execute any deed), and must ensure that its employees and agents do anything (including execute any deed), that the other party may reasonably require to give full effect to this deed.

10.4 Operation of this deed

- (a) This deed contains the entire agreement between the parties about its subject matter. Any previous understanding, agreement, representation or warranty relating to that subject matter is replaced by this deed and has no further effect.
- (b) Any provision of this deed which is unenforceable or partly unenforceable is, where possible, to be severed to the extent necessary to make this deed enforceable, unless this would materially change the intended effect of this deed.

10.5 Counterparts

This deed may be executed in any number of counterparts.

10.6 Confidentiality

The parties agree to keep this deed and its contents (including the existence and terms of the Takeover Offer) confidential until the Bidder has given a substantial holding notice to ASX (which attaches a copy of this deed) in respect of the relevant interest that the Bidder acquires as a result of this deed, or until the Bidder has otherwise announced the terms of this deed to ASX as part of its announcement of the Takeover Offer.

SCHEDULE 1 – DETAILS

Shareholder	PPB Capital Pty Ltd (ACN 123 156 212)
Shareholder Address	PO Box 463, Wembley WA 6913 Level 2, 420 Bagot Road, Subiaco WA 6008
Acceptance Shares	768,000 Shares

SCHEDULE 2

Part A – Shareholder's Warranties

1. THE SHAREHOLDER

- (a) If the Shareholder is a body corporate:
 - (i) it is duly incorporated and validly exists under the laws of the place of its incorporation; and
 - (ii) it has taken all corporate action that is necessary to authorise its entry into this deed and carry out the transactions that it contemplates.
- (b) The Shareholder has full power and authority to enter into this deed and perform its obligations under this deed.
- (c) This deed constitutes legal, valid and binding obligations of the Shareholder, enforceable against the Shareholder in accordance with its terms (except to the extent limited by equitable principles and laws affecting creditors' rights generally), subject to any necessary registration or payment of Duty.
- (d) Neither execution of this deed by the Shareholder nor the carrying out by it of the transactions that this deed contemplates, does or will:
 - (i) contravene any applicable law, regulation or authorisation;
 - (ii) contravene any contract, undertaking or instrument binding on the Shareholder or any of its property; and
 - (iii) if the Shareholder is a body corporate, contravene the Shareholder's constitution or equivalent constituent deeds.

2. THE ACCEPTANCE SHARES

- (a) Each of the Acceptance Shares is fully paid up.
- (b) The Shareholder is the sole legal and beneficial owner of the **Acceptance** Shares with full power to transfer good title to the Bidder (or its Associate).
- (c) Upon acceptance of a Takeover Offer under clause 2, the Acceptance Shares will be free from Encumbrances.

3. NO TRUST

The Shareholder is either (a) not entering into this deed as trustee of any trust or settlement or (b) entering into this deed as trustee of a trust or settlement (the **Trust**) and each statement in paragraph 4 below is true and accurate.

4. TRUST

- (a) The following definitions apply in this paragraph 4:
 - (i) **Trust Deed** means the trust deed that establishes and governs the Trust.
 - (ii) **Trust Fund** means the assets of the Trust.
- (b) The Trust is duly constituted and has not terminated, nor has the date or any event occurred for the vesting of the Trust Fund.
- (c) The Shareholder is the sole trustee of the Trust. The Shareholder has not given any notice of resignation and no action has been taken to remove it or to appoint an additional trustee of the Trust.
- (d) The Shareholder has full legal capacity and power under the Trust Deed to:
 - (i) own the Trust Fund and carry on the business of the Trust as it is now being conducted; and
 - (ii) enter into this deed and carry out the transactions that this deed contemplates,

as trustee of the Trust.
- (e) All action that is necessary under the Trust Deed or at law to:
 - (i) authorise the Shareholder's entry into this deed and carry out the transactions that this deed contemplates;
 - (ii) ensure that this deed is legal, valid and binding on it as trustee of the Trust and admissible in evidence against it in that capacity; and
 - (iii) enable it to properly carry on the business of the Trust,

has been taken.
- (f) The Shareholder is entering into this deed as part of the proper administration of the Trust, for the commercial benefit of the Trust and for the benefit of the beneficiaries of the Trust.

Part B – Bidder's Warranties

1. THE BIDDER

- (a) The Bidder:
 - (i) is duly incorporated and validly exists under the laws of the place of its incorporation;
 - (ii) has taken all corporate action that is necessary to authorise its entry into this deed and carry out the transactions that it contemplates; and
 - (iii) has full power and authority to enter into this deed and perform its obligations under this deed.

- (b) This deed constitutes legal, valid and binding obligations of the Bidder, enforceable against the Bidder in accordance with its terms (except to the extent limited by equitable principles and laws affecting creditors' rights generally), subject to any necessary registration or payment of Duty.
- (c) Neither execution of this deed by the Bidder nor the carrying out by it of the transactions that this deed contemplates, does or will:
 - (i) contravene any applicable law, regulation or authorisation;
 - (ii) contravene any contract, undertaking or instrument binding on the Bidder or any of its property; or
 - (iii) contravene the Bidder's constitution.

SCHEDULE 3 – AGREED BID TERMS

The consideration offered by Galaxy to every General Mining Shareholder will be 1.65 New Galaxy Shares for every one (1) General Mining Share held as at the Register Date.

The Offer, and any contract resulting from the acceptance of the Offer, are subject to the following conditions:

- (a) **(90% minimum acceptance condition)**: at the end of the Offer Period, Galaxy and its Associates have a Relevant Interest in more than 90% (by number) of all of the General Mining Shares both on an undiluted and on a fully diluted basis;
- (b) **(General Mining Options)**: all General Mining Options lapse, are exercised or become subject to private agreement with Galaxy and are cancelled or transferred to Galaxy in return for the issue of Galaxy Options on a 1.65 for one basis (**Ratio**) (with the aggregate number, where a fraction, rounded up to the nearest whole number), with an exercise price equal to the exercise price of the relevant General Mining Option divided by the Ratio, on materially the same terms and conditions;
- (c) **(no Regulatory Action)**: that between the Announcement Date and the end of the Offer Period:
 - (i) there is not in effect any preliminary or final decision, order or decree issued by a Regulatory Authority; and
 - (ii) no application is made to any Regulatory Authority (other than by any member of the Galaxy Group), or action or investigation is announced, threatened or commenced by a Regulatory Authority,

in consequence of, or in connection with, the Offer (other than a determination by ASIC or the Takeovers Panel in exercise of the powers and discretions conferred by the Corporations Act), which:

- (iii) restrains or prohibits (or if granted could restrain or prohibit), or otherwise materially adversely impacts on, the making of the Offer or the completion of any transaction contemplated by the Offer (whether subject to conditions or not) or the rights of Galaxy in respect of General Mining and the General Mining Shares to be acquired under the Offer; or
 - (iv) requires the divestiture by Galaxy of any General Mining Shares, or the divestiture of any assets of General Mining or its Related Bodies Corporate, Galaxy or its Related Bodies Corporate or otherwise;
- (d) **(no General Mining Material Adverse Changes)**: there not occurring a General Mining Material Adverse Change during the Offer Period;
- (e) **(no material acquisitions, disposals or new commitments)**: except for any proposed transaction publicly announced by General Mining before the Announcement Date or disclosed in writing to Galaxy or its Representatives prior to the Announcement, none of the following events occurs during the period from the Announcement Date to the end of the Offer Period:
 - (i) General Mining or any Subsidiary of General Mining acquires, offers to acquire or agrees to acquire one or more companies, businesses or assets (or any interest in one or more companies, businesses or assets)

for an amount in aggregate greater than \$1,000,000 or makes an announcement in relation to such an acquisition, offer or agreement;

- (ii) General Mining or any Subsidiary of General Mining disposes of, offers to dispose of or agrees to dispose of one or more companies, businesses or assets (or any interest in one or more companies, businesses or assets) for an amount, or in respect of which the book value is, in aggregate, greater than \$1,000,000 or makes an announcement in relation to such a disposition, offer or agreement;
- (iii) General Mining or any Subsidiary of General Mining enters into, or offers to enter into or agrees to enter into, any agreement, joint venture, partnership, farm-in agreement, management agreement or commitment which would require expenditure, or the foregoing of revenue, by General Mining and/or its Subsidiaries of an amount which is, in aggregate, more than \$1,000,000 other than in the ordinary course of business, or makes an announcement in relation to such an entry, offer or agreement;
- (iv) General Mining or any Subsidiary of General Mining disposes of, offers to dispose of or agrees to enter into any agreement, joint venture, partnership, farm-in agreement, management agreement or commitment involving the disposal of any legal, beneficial or economic interest or right to or in connection with any mining tenements held by General Mining and/or any of its Subsidiaries or applications therefore; and
- (v) General Mining or any of its subsidiaries materially varies, amends, or modifies any Material Contract;
- (f) **(no material litigation)** there is no litigation, claim, action or proceeding pending or in progress or threatened against or relating to any member of the General Mining Group during the Offer Period that does or is reasonably likely to constitute a General Mining Material Adverse Change;
- (g) **(no General Mining Prescribed Occurrences)**: there not occurring a General Mining Prescribed Occurrence during the Offer Period;
- (h) **(no change of control rights)**: after the Announcement Date and before the end of the Offer Period, no person exercises or purports to exercise, or states an intention to exercise, any rights under any provision of any agreement or other instrument to which General Mining or any Subsidiary of General Mining is a party, or by or to which General Mining or any Subsidiary of General Mining or any of its assets may be bound or be subject, which results, or could result, to an extent which is material in the context of General Mining or General Mining and its Subsidiaries taken as a whole, in:
 - (i) any monies borrowed by General Mining or any Subsidiary of General Mining being or becoming repayable or being capable of being declared repayable immediately or earlier than the repayment date stated in such agreement or other instrument;
 - (ii) any such agreement or other instrument being terminated or modified or any action being taken or arising thereunder;
 - (iii) the interest of General Mining or any Subsidiary of General Mining in any firm, joint venture, trust, corporation or other entity (or any arrangements relating to such interest) being terminated or modified; or

- (iv) the business of General Mining or any Subsidiary of General Mining with any other person being adversely affected,

as a result of the acquisition of General Mining Shares by Galaxy except for any rights under any provision of any agreement or other instrument disclosed in writing to Galaxy or its Representatives prior to the Announcement; and

- (i) **(non-existence of certain rights):** that no person has any right (whether subject to conditions or not) as a result of Galaxy acquiring General Mining Shares to:

- (i) acquire, or require General Mining or a Subsidiary of General Mining to dispose of, or offer to dispose of, any material asset of General Mining or a Subsidiary of General Mining; or

- (ii) terminate or vary or exercise any right under any Material Contract with General Mining or a Subsidiary of General Mining,

except for any rights under any provision of any agreement or other instrument disclosed in writing to Galaxy or its Representatives or otherwise publicly announced by General Mining prior to execution of this agreement.

The above conditions are conditions subsequent and do not prevent a contract resulting from acceptance of the Offer from coming into effect but any breach or non-fulfilment of them entitles Galaxy to rescind any contracts resulting from acceptance of the Offer.

EXECUTED as a deed.

EXECUTED AS A DEED by **PPB CAPITAL PTY LTD**)

(ACN 123 156 212))

in accordance with section 127 of the
Corporations Act 2001 (Cth):)

Signature of sole director

Philip Botsu
Name of sole director

EXECUTED AS A DEED by **GALAXY RESOURCES LIMITED**)

(ACN 071 976 442))

in accordance with section 127 of the
Corporations Act 2001 (Cth):)

Signature of director

MARTIN RONALD ROWLEY
Name of director

Signature of director/company
secretary
(please delete as applicable)

Anthony Tse
Name of director/company secretary
(please delete as applicable)

**PARTY NAMED IN SCHEDULE 1
(Shareholder)**

and

**GALAXY RESOURCES LIMITED
ACN 071 976 442
(Bidder)**

PRE-BID ACCEPTANCE DEED

THIS DEED is made on the 29th day of MAY 2016

BETWEEN

THE PARTY NAMED IN SCHEDULE 1 (the Shareholder);

AND

GALAXY RESOURCES LIMITED (ACN 071 976 442) of Suite 8/18 Kearns Crescent, Ardross, WA 6153 (the **Bidder**).

RECITALS

- A. At the date of this deed, the Shareholder is the legal and beneficial owner of fully paid ordinary shares in the Company.
- B. The Shareholder undertakes to accept the Takeover Offer with respect to the Acceptance Shares on the terms and conditions set out in this deed.

THE PARTIES AGREE AS FOLLOWS:

1. INTERPRETATION

1.1 Definitions

The following definitions apply in this deed.

Acceptance Shares means the number of Shares held by the Shareholder at the date of this deed as set out in Schedule 1.

Acceptance Time means within two (2) Business Days of the period commencing at 5:00 pm (WST) on the date which is ten (10) Business Days after the commencement of the Offer Period.

Agreed Bid Terms means the terms set out in Schedule 3.

Associate includes:

- (a) in respect of the Bidder, any person who is a wholly-owned subsidiary of the Bidder; and
- (b) in any other case, any person who is an "associate" under section 12 of the Corporations Act.

ASX means the Australian Securities Exchange operated by ASX Limited ABN 98 008 624 691.

Business Day means a day on which:

- (a) banks are open for general banking business in Western Australia, excluding Saturdays and Sundays; and
- (b) ASX is open for trading in securities.

Company means General Mining Corporation Limited (ACN 125 721 075).

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

Duty means any transfer, transaction or registration duty or similar charge imposed by any Government Authority and includes any interest, fine, penalty, charge or other amount imposed in respect of any of them.

Encumbrance means:

- (a) a PPS Security Interest;
- (b) any other mortgage, pledge, lien or charge;
- (c) an easement, restrictive covenant, caveat or similar restriction over property; and
- (d) any other interest or arrangement of any kind that in substance secures the payment of money or the performance of an obligation, or that gives a creditor priority over unsecured creditors in relation to any property.

End Date means the date that is two months after the date that the Bidder makes the public announcement referred to in clause 2.1.

Government Authority means a government or government department, a governmental or semi-governmental or judicial person (whether autonomous or not) charged with the administration of any applicable law.

Matching Offer has the meaning given in clause 5(d).

Offer Period means the period of time during which offers under the Takeover Offer remain open for acceptance.

Offer Price means:

- (a) the price per Share offered under the Takeover Offer as determined under clause 6; and
- (b) includes any variation thereof.

PPS Security Interest means a security interest that is subject to the *Personal Property Securities Act 2009* (Cth).

Relevant Interest has the meaning given by section 9 of the Corporations Act.

Rights means all accretions, rights or benefits of whatever kind attaching to or arising from the Shares including, without limitation, all dividends or other distributions and all rights to receive and dividends or other distributions.

Share means a fully paid ordinary share in the Company.

Takeover Offer means an offer by the Bidder or one of its Associates under a takeover bid pursuant to Chapter 6 of the Corporations Act to acquire all the Shares on terms no less favourable to the holders of Shares than the Agreed Bid Terms.

Third Party Offer means an offer or proposal made by a third party to acquire more than 50% of the Shares, by way of a takeover bid, a scheme of arrangement or otherwise where:

- (a) if the Third Party Offer is a takeover offer, the offers are capable of acceptance and are not subject to any condition substantially more onerous than the conditions of the Offer; and
- (b) in any other case, a binding agreement has been entered into between the Company and the third party in respect of the Third Party Offer.

Third Party Offer Price means the highest price or value per Share offered under a Third Party Offer (as determined in accordance with clause 6 where the consideration consists in whole or part of a non-cash component) allowing for the value of Rights that are retained by Company's shareholders under the terms of the Third Party Offer and not passed onto the person making the Third Party Offer, calculated per Share.

1.2 Interpretation

In this Deed unless the context otherwise requires:

- (a) headings are for convenience only and do not affect its interpretation;
- (b) an obligation or liability assumed by, or a right conferred on, 2 or more Parties binds or benefits all of them jointly and each of them severally;
- (c) the expression **person** includes an individual, the estate of an individual, a corporation, an authority, an association or joint venture (whether incorporated or unincorporated), a partnership and a trust;
- (d) a reference to any party includes that party's executors, administrators, successors and permitted assigns, including any person taking by way of novation;
- (e) a reference to any document (including this Deed) is to that document as varied, novated, ratified or replaced from time to time;
- (f) a reference to any statute or to any statutory provision includes any statutory modification or re-enactment of it or any statutory provision substituted for it, and all ordinances, by-laws, regulations, rules and statutory instruments (however described) issued under it;
- (g) words importing the singular include the plural (and vice versa) and words indicating a gender include every other gender;
- (h) reference to parties, clauses, schedules, exhibits or annexures are references to parties, clauses, schedules, exhibits and annexures to or of this Deed and a reference to this Deed includes any schedule, exhibit or annexure to this Deed;
- (i) where a word or phrase is given a defined meaning, any other part of speech or grammatical form of that word or phrase has a corresponding meaning;
- (j) a reference to time is to Western Standard Time as observed in Perth, Western Australia;
- (k) where an action is required to be undertaken on a day that is not a Business Day it shall be undertaken on the next Business Day;

- (l) a reference to a payment is to a payment by bank cheque or such other form of cleared funds the recipient otherwise allows in the relevant lawful currency specified; and
- (m) a reference to **\$** or **dollar** is to the lawful currency of the Commonwealth of Australia.

1.3 Parties not associates

Despite anything in this deed, the parties are not to be regarded as an associate of each other.

2. ACCEPTANCE OF TAKEOVER OFFER

2.1 Obligation to accept

In consideration of the mutual promises set out in this deed and the Bidder paying the Shareholder \$1 (receipt of which is acknowledged by the Shareholder), if the Bidder publicly announces the Takeover Offer prior to 5.00pm WST on the date 5 Business Days after the date of this deed, the Shareholder will:

- (a) irrevocably accept the Takeover Offer in respect of the Acceptance Shares during the Acceptance Time; and
- (b) do everything (including executing any deed and making any election) that the Bidder reasonably requires, to give full effect to the Shareholder's obligations to accept the Takeover Offer in respect of the Acceptance Shares.

2.2 No withdrawal of acceptance

The Shareholder:

- (a) irrevocably waives any rights it may have under section 650E of the Corporations Act, in the event that the Bidder varies the Takeover Offer; and
- (b) covenants not to exercise any rights it may have to withdraw its acceptance of the Takeover Offer in respect of the Acceptance Shares, including under section 650E of the Corporations Act.

2.3 Appointment of attorney

To secure the performance of the Shareholder's obligations under this clause 2, the Shareholder irrevocably appoints any director for the time being of the Bidder to be its attorney in its name and on its behalf to execute any acceptance forms and to do such other acts and things as may be necessary to accept (or procure the acceptance) of a Takeover Offer in respect of the Acceptance Shares in accordance with and as contemplated by the terms of this deed.

2.4 Acknowledgments

For the avoidance of any doubt:

- (a) this deed only applies to the Acceptance Shares and does not apply to any other Shares held or controlled by the Shareholder (for example, the Shareholder is free to deal with any Shares held or controlled by the

Shareholder as it sees fit, other than the Acceptance Shares which must only be dealt with in accordance with this deed);

- (b) nothing in this deed obliges the Bidder to announce or proceed with the Takeover Offer;
- (c) the Bidder is permitted to vary the terms and conditions of the Takeover Offer in accordance with the Corporations Act, provided that the varied terms and conditions are no less favourable to the Shareholder than the Agreed Bid Terms; and
- (d) subject to the Corporations Act and clause 2.4(c), the Bidder has the right to waive or vary any condition in the Takeover Offer, declare the Takeover Offer unconditional or extend it at any time.

3. WARRANTIES

3.1 Warranties by the Shareholder

The Shareholder represents and warrants to the Bidder and its Associates that each of the statements in Part A of Schedule 2 is true and accurate and will be true and accurate at all times up to and including the date of acceptance of the Takeover Offer under clause 2.1.

3.2 Warranties by the Bidder

The Bidder represents and warrants to the Shareholder that each of the statements in Part B of Schedule 2 is true and accurate and will be true and accurate at all times up to and including the date of acceptance of a Takeover Offer under clause 2.1.

4. RESTRICTIONS ON SHAREHOLDER

The Shareholder agrees:

- (a) not to dispose of, transfer, encumber or otherwise deal with any of the Acceptance Shares or any interests in the Acceptance Shares, except to the Bidder (or an Associate of the Bidder) in accordance with this deed;
- (b) to exercise all rights attaching to the Acceptance Shares, including any voting rights, as directed by the Bidder;
- (c) not to directly or indirectly make or cause to be made any offer, invitation or solicitation for, or directly or indirectly purchase or otherwise acquire any Relevant Interest in any Shares, including the Acceptance Shares;
- (d) not to co-operate or assist or enter into any agreement or arrangement with any person relating to or connected with the making of any offer for the purchase or acquisition of any Relevant Interest in any Shares, including the Acceptance Shares (other than pursuant to the conversion or exercise of any Convertible Securities on issue as at the date of this deed); and
- (e) not to procure another person to apply for, acquire or dispose of Shares, including the Acceptance Shares or enter into an agreement to apply for, acquire or dispose of Shares, including the Acceptance Shares.

5. TERMINATION OF OBLIGATIONS IN CLAUSES 2 AND 4

The obligations set out in clause 2 and clause 4 terminate immediately and will cease to be of any effect, without any further action being required of either party, if:

- (a) the Takeover Offer has not been made by the End Date or having been made is withdrawn;
- (b) the Takeover Offer lapses or expires because a defeating condition has not been satisfied or waived at the end of the Offer Period;
- (c) the offers under the Takeover Offer have been declared unconditional (or the Bidder has notified that all of the conditions have been satisfied or waived) and the Shareholder has accepted the Takeover Offer in respect of the Acceptance Shares;
- (d) a Third Party Offer is made at a Third Party Offer Price which exceeds the Offer Price, and the Bidder has not within 5 Business Days of the Third Party Offer having been made, made an offer or announced an intention to make an offer which matches or exceeds that Third Party Offer Price (**Matching Offer**); or
- (e) the Takeovers Panel decides that all or any part of the transactions contemplated by this document constitute unacceptable circumstances.

6. VALUATION OF A SCRIP OFFER

- 6.1 In the event that the Offer Price or the Third Party Offer Price is a consideration which consists wholly or partly of a security which is in a class which is quoted on a public stock exchange (**Listed Security**), the value of the securities shall be calculated using the volume weighted average sale price of that security over the preceding 5 days on which that security was publicly traded.
- 6.2 In the event that the Third Party Offer Price comprises wholly or partly of consideration that is neither cash, Listed Securities or a combination of both (such portion of the Third Party Offer Price being the **Unquoted Security**), the value of the Unquoted Security shall be agreed between the parties, and falling agreement within 3 Business Days, as determined by an independent expert.

7. SUBSTANTIAL HOLDER NOTICE

The Bidder agrees that it will lodge with the ASX Form 603 – Notice of Initial Substantial Holder in relation to the Acceptance Shares, at the time required by the Corporations Act.

8. NOTICES

8.1 Notices in writing

Each notice authorised or required to be given to a Party shall be in legible writing and in English addressed to the Party's address set out in clause 8.2 (or such other address nominated in accordance with clause 8.3).

8.2 Initial address of Parties

The initial address of the Parties shall be as follows:

Party	Address	Attention	E-mail
Shareholder	As set out in Schedule 1		
Bidder	Suite 8/18 Kearns Crescent, Ardrross, WA 6153	Nick Rowley	Nick.Rowley@gal axyllithium.com

8.3 Change of Address

Each Party may from time to time change its address by giving notice pursuant to clause 8.1 to the other Parties.

8.4 Receipt of notice

Any notice given under this Deed will be conclusively deemed to have been received:

- (a) in the case of personal delivery, on the actual day of delivery;
- (b) if sent by mail, two (2) Business Days from and including the day of posting; or
- (c) if sent by facsimile, when a facsimile confirmation receipt is received indicating successful delivery; or
- (d) if sent by e-mail, when a delivery confirmation report is received by the sender which records the time that the e-mail was delivered to the addressee's e-mail address (unless the sender receives a delivery failure notification indicating that the e-mail has not been delivered to the addressee),

but if the delivery or receipt is on a day that is not a Business Day or is after 5:00 pm (addressee's time) it is regarded as received at 9:00 am on the following Business Day.

9. COSTS AND DUTY

- (a) Subject to clause 9(b), each party must pay its own expenses incurred in negotiating, preparing, executing, completing and carrying into effect this deed.
- (b) The Bidder must indemnify the Shareholder against, and must pay the Shareholder on demand the amount of, any Duty that is payable on or in relation to this deed and the transactions that it contemplates.

10. GENERAL

10.1 Governing law and jurisdiction

- (a) This deed is governed by the laws of Western Australia.
- (b) Each party submits to the non-exclusive jurisdiction of the courts of that State, and of any court that may hear appeals from any of those courts, for any proceedings in connection with this deed.

10.2 Third party rights

If a provision of this deed (including clause 3.1) is expressed to benefit an Associate of the Bidder (**Beneficiary**), the Shareholder agrees that the Bidder holds that benefit in its own capacity and as trustee for the Beneficiary, and may enforce this deed on their behalf and for their benefit.

10.3 Giving effect to this deed

Each party must do anything (including execute any deed), and must ensure that its employees and agents do anything (including execute any deed), that the other party may reasonably require to give full effect to this deed.

10.4 Operation of this deed

- (a) This deed contains the entire agreement between the parties about its subject matter. Any previous understanding, agreement, representation or warranty relating to that subject matter is replaced by this deed and has no further effect.
- (b) Any provision of this deed which is unenforceable or partly unenforceable is, where possible, to be severed to the extent necessary to make this deed enforceable, unless this would materially change the intended effect of this deed.

10.5 Counterparts

This deed may be executed in any number of counterparts.

10.6 Confidentiality

The parties agree to keep this deed and its contents (including the existence and terms of the Takeover Offer) confidential until the Bidder has given a substantial holding notice to ASX (which attaches a copy of this deed) in respect of the relevant interest that the Bidder acquires as a result of this deed, or until the Bidder has otherwise announced the terms of this deed to ASX as part of its announcement of the Takeover Offer.

SCHEDULE 1 – DETAILS

Shareholder	Botsis Super Pty Ltd ATFT Phil & Pamela Botsis Superannuation Fund (ACN 141 129 857)
Shareholder Address	PO Box 463, Wembley WA 6913 Level 2, 420 Bagot Road, Subiaco WA 6008
Acceptance Shares	2,700,000 Shares

SCHEDULE 2

Part A – Shareholder's Warranties

1. THE SHAREHOLDER

- (a) If the Shareholder is a body corporate:
 - (i) it is duly incorporated and validly exists under the laws of the place of its incorporation; and
 - (ii) it has taken all corporate action that is necessary to authorise its entry into this deed and carry out the transactions that it contemplates.
- (b) The Shareholder has full power and authority to enter into this deed and perform its obligations under this deed.
- (c) This deed constitutes legal, valid and binding obligations of the Shareholder, enforceable against the Shareholder in accordance with its terms (except to the extent limited by equitable principles and laws affecting creditors' rights generally), subject to any necessary registration or payment of Duty.
- (d) Neither execution of this deed by the Shareholder nor the carrying out by it of the transactions that this deed contemplates, does or will:
 - (i) contravene any applicable law, regulation or authorisation;
 - (ii) contravene any contract, undertaking or instrument binding on the Shareholder or any of its property; and
 - (iii) if the Shareholder is a body corporate, contravene the Shareholder's constitution or equivalent constituent deeds.

2. THE ACCEPTANCE SHARES

- (a) Each of the Acceptance Shares is fully paid up.
- (b) The Shareholder is the sole legal and beneficial owner of the **Acceptance** Shares with full power to transfer good title to the Bidder (or its Associate).
- (c) Upon acceptance of a Takeover Offer under clause 2, the Acceptance Shares will be free from Encumbrances.

3. NO TRUST

The Shareholder is either (a) not entering into this deed as trustee of any trust or settlement or (b) entering into this deed as trustee of a trust or settlement (the **Trust**) and each statement in paragraph 4 below is true and accurate.

4. TRUST

- (a) The following definitions apply in this paragraph 4:
 - (i) **Trust Deed** means the trust deed that establishes and governs the Trust.
 - (ii) **Trust Fund** means the assets of the Trust.
- (b) The Trust is duly constituted and has not terminated, nor has the date or any event occurred for the vesting of the Trust Fund.
- (c) The Shareholder is the sole trustee of the Trust. The Shareholder has not given any notice of resignation and no action has been taken to remove it or to appoint an additional trustee of the Trust.
- (d) The Shareholder has full legal capacity and power under the Trust Deed to:
 - (i) own the Trust Fund and carry on the business of the Trust as it is now being conducted; and
 - (ii) enter into this deed and carry out the transactions that this deed contemplates,
as trustee of the Trust.
- (e) All action that is necessary under the Trust Deed or at law to:
 - (i) authorise the Shareholder's entry into this deed and carry out the transactions that this deed contemplates;
 - (ii) ensure that this deed is legal, valid and binding on it as trustee of the Trust and admissible in evidence against it in that capacity; and
 - (iii) enable it to properly carry on the business of the Trust,
has been taken.
- (f) The Shareholder is entering into this deed as part of the proper administration of the Trust, for the commercial benefit of the Trust and for the benefit of the beneficiaries of the Trust.

Part B – Bidder's Warranties

1. THE BIDDER

- (a) The Bidder:
 - (i) is duly incorporated and validly exists under the laws of the place of its incorporation;
 - (ii) has taken all corporate action that is necessary to authorise its entry into this deed and carry out the transactions that it contemplates; and
 - (iii) has full power and authority to enter into this deed and perform its obligations under this deed.

- (b) This deed constitutes legal, valid and binding obligations of the Bidder, enforceable against the Bidder in accordance with its terms (except to the extent limited by equitable principles and laws affecting creditors' rights generally), subject to any necessary registration or payment of Duty.
- (c) Neither execution of this deed by the Bidder nor the carrying out by it of the transactions that this deed contemplates, does or will:
 - (i) contravene any applicable law, regulation or authorisation;
 - (ii) contravene any contract, undertaking or instrument binding on the Bidder or any of its property; or
 - (iii) contravene the Bidder's constitution.

SCHEDULE 3 – AGREED BID TERMS

The consideration offered by Galaxy to every General Mining Shareholder will be 1.65 New Galaxy Shares for every one (1) General Mining Share held as at the Register Date.

The Offer, and any contract resulting from the acceptance of the Offer, are subject to the following conditions:

- (a) **(90% minimum acceptance condition):** at the end of the Offer Period, Galaxy and its Associates have a Relevant Interest in more than 90% (by number) of all of the General Mining Shares both on an undiluted and on a fully diluted basis;
- (b) **(General Mining Options):** all General Mining Options lapse, are exercised or become subject to private agreement with Galaxy and are cancelled or transferred to Galaxy in return for the issue of Galaxy Options on a 1.65 for one basis (**Ratio**) (with the aggregate number, where a fraction, rounded up to the nearest whole number), with an exercise price equal to the exercise price of the relevant General Mining Option divided by the Ratio, on materially the same terms and conditions;
- (c) **(no Regulatory Action):** that between the Announcement Date and the end of the Offer Period:
 - (i) there is not in effect any preliminary or final decision, order or decree issued by a Regulatory Authority; and
 - (ii) no application is made to any Regulatory Authority (other than by any member of the Galaxy Group), or action or investigation is announced, threatened or commenced by a Regulatory Authority,

in consequence of, or in connection with, the Offer (other than a determination by ASIC or the Takeovers Panel in exercise of the powers and discretions conferred by the Corporations Act), which:
 - (iii) restrains or prohibits (or if granted could restrain or prohibit), or otherwise materially adversely impacts on, the making of the Offer or the completion of any transaction contemplated by the Offer (whether subject to conditions or not) or the rights of Galaxy in respect of General Mining and the General Mining Shares to be acquired under the Offer; or
 - (iv) requires the divestiture by Galaxy of any General Mining Shares, or the divestiture of any assets of General Mining or its Related Bodies Corporate, Galaxy or its Related Bodies Corporate or otherwise;
- (d) **(no General Mining Material Adverse Changes):** there not occurring a General Mining Material Adverse Change during the Offer Period;
- (e) **(no material acquisitions, disposals or new commitments):** except for any proposed transaction publicly announced by General Mining before the Announcement Date or disclosed in writing to Galaxy or its Representatives prior to the Announcement, none of the following events occurs during the period from the Announcement Date to the end of the Offer Period:
 - (i) General Mining or any Subsidiary of General Mining acquires, offers to acquire or agrees to acquire one or more companies, businesses or assets (or any interest in one or more companies, businesses or assets)

for an amount in aggregate greater than \$1,000,000 or makes an announcement in relation to such an acquisition, offer or agreement;

- (ii) General Mining or any Subsidiary of General Mining disposes of, offers to dispose of or agrees to dispose of one or more companies, businesses or assets (or any interest in one or more companies, businesses or assets) for an amount, or in respect of which the book value is, in aggregate, greater than \$1,000,000 or makes an announcement in relation to such a disposition, offer or agreement;
 - (iii) General Mining or any Subsidiary of General Mining enters into, or offers to enter into or agrees to enter into, any agreement, joint venture, partnership, farm-in agreement, management agreement or commitment which would require expenditure, or the foregoing of revenue, by General Mining and/or its Subsidiaries of an amount which is, in aggregate, more than \$1,000,000 other than in the ordinary course of business, or makes an announcement in relation to such an entry, offer or agreement;
 - (iv) General Mining or any Subsidiary of General Mining disposes of, offers to dispose of or agrees to enter into any agreement, joint venture, partnership, farm-in agreement, management agreement or commitment involving the disposal of any legal, beneficial or economic interest or right to or in connection with any mining tenements held by General Mining and/or any of its Subsidiaries or applications therefore; and
 - (v) General Mining or any of its subsidiaries materially varies, amends, or modifies any Material Contract;
- (f) **(no material litigation)** there is no litigation, claim, action or proceeding pending or in progress or threatened against or relating to any member of the General Mining Group during the Offer Period that does or is reasonably likely to constitute a General Mining Material Adverse Change;
- (g) **(no General Mining Prescribed Occurrences)**: there not occurring a General Mining Prescribed Occurrence during the Offer Period;
- (h) **(no change of control rights)**: after the Announcement Date and before the end of the Offer Period, no person exercises or purports to exercise, or states an intention to exercise, any rights under any provision of any agreement or other instrument to which General Mining or any Subsidiary of General Mining is a party, or by or to which General Mining or any Subsidiary of General Mining or any of its assets may be bound or be subject, which results, or could result, to an extent which is material in the context of General Mining or General Mining and its Subsidiaries taken as a whole, in:
- (i) any monies borrowed by General Mining or any Subsidiary of General Mining being or becoming repayable or being capable of being declared repayable immediately or earlier than the repayment date stated in such agreement or other instrument;
 - (ii) any such agreement or other instrument being terminated or modified or any action being taken or arising thereunder;
 - (iii) the interest of General Mining or any Subsidiary of General Mining in any firm, joint venture, trust, corporation or other entity (or any arrangements relating to such interest) being terminated or modified; or

- (iv) the business of General Mining or any Subsidiary of General Mining with any other person being adversely affected,

as a result of the acquisition of General Mining Shares by Galaxy except for any rights under any provision of any agreement or other instrument disclosed in writing to Galaxy or its Representatives prior to the Announcement; and

- (i) **(non-existence of certain rights):** that no person has any right (whether subject to conditions or not) as a result of Galaxy acquiring General Mining Shares to:

- (i) acquire, or require General Mining or a Subsidiary of General Mining to dispose of, or offer to dispose of, any material asset of General Mining or a Subsidiary of General Mining; or

- (ii) terminate or vary or exercise any right under any Material Contract with General Mining or a Subsidiary of General Mining,

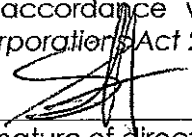
except for any rights under any provision of any agreement or other instrument disclosed in writing to Galaxy or its Representatives or otherwise publicly announced by General Mining prior to execution of this agreement

The above conditions are conditions subsequent and do not prevent a contract resulting from acceptance of the Offer from coming into effect but any breach or non-fulfilment of them entitles Galaxy to rescind any contracts resulting from acceptance of the Offer.

EXECUTED as a deed.

EXECUTED AS A DEED by BOTSIS SUPER PTY
LTD ATFT PHIL & PAMELA BOTSIS
SUPERANNUATION FUND
(ACN 141 129 857)

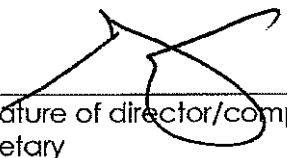
in accordance with section 127 of the
Corporations Act 2001 (Cth):



Signature of director

Simon Botsis

Name of director



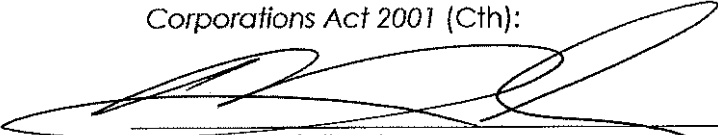
Signature of director/company
secretary
(please delete as applicable)

Philip Botsis

Name of director/company secretary
(please delete as applicable)

EXECUTED AS A DEED by GALAXY
RESOURCES LIMITED
(ACN 071 976 442)


in accordance with section 127 of the
Corporations Act 2001 (Cth):



Signature of director

MARTIN RONALD ROWLEY

Name of director



Signature of director/company
secretary
(please delete as applicable)

Anthony Telford

Name of director/company secretary
(please delete as applicable)

**PARTY NAMED IN SCHEDULE 1
(Shareholder)**

and

**GALAXY RESOURCES LIMITED
ACN 071 976 442
(Bidder)**

PRE-BID ACCEPTANCE DEED

THIS DEED is made on the 24th day of MAY 2016

BETWEEN

THE PARTY NAMED IN SCHEDULE 1 (the Shareholder);

AND

GALAXY RESOURCES LIMITED (ACN 071 976 442) of Suite 8/18 Kearns Crescent, Ardross, WA 6153 (the **Bidder**).

RECITALS

- A. At the date of this deed, the Shareholder is the legal and beneficial owner of fully paid ordinary shares in the Company.
- B. The Shareholder undertakes to accept the Takeover Offer with respect to the Acceptance Shares on the terms and conditions set out in this deed.

THE PARTIES AGREE AS FOLLOWS:

1. INTERPRETATION

1.1 Definitions

The following definitions apply in this deed.

Acceptance Shares means the number of Shares held by the Shareholder at the date of this deed as set out in Schedule 1.

Acceptance Time means within two (2) Business Days of the period commencing at 5:00 pm (WST) on the date which is ten (10) Business Days after the commencement of the Offer Period.

Agreed Bid Terms means the terms set out in Schedule 3.

Associate includes:

- (a) in respect of the Bidder, any person who is a wholly-owned subsidiary of the Bidder; and
- (b) in any other case, any person who is an "associate" under section 12 of the Corporations Act.

ASX means the Australian Securities Exchange operated by ASX Limited ABN 98 008 624 691.

Business Day means a day on which:

- (a) banks are open for general banking business in Western Australia, excluding Saturdays and Sundays; and
- (b) ASX is open for trading in securities.

Company means General Mining Corporation Limited (ACN 125 721 075).

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

Duty means any transfer, transaction or registration duty or similar charge imposed by any Government Authority and includes any interest, fine, penalty, charge or other amount imposed in respect of any of them.

Encumbrance means:

- (a) a PPS Security Interest;
- (b) any other mortgage, pledge, lien or charge;
- (c) an easement, restrictive covenant, caveat or similar restriction over property; and
- (d) any other interest or arrangement of any kind that in substance secures the payment of money or the performance of an obligation, or that gives a creditor priority over unsecured creditors in relation to any property.

End Date means the date that is two months after the date that the Bidder makes the public announcement referred to in clause 2.1.

Government Authority means a government or government department, a governmental or semi-governmental or judicial person (whether autonomous or not) charged with the administration of any applicable law.

Matching Offer has the meaning given in clause 5(d).

Offer Period means the period of time during which offers under the Takeover Offer remain open for acceptance.

Offer Price means:

- (a) the price per Share offered under the Takeover Offer as determined under clause 6; and
- (b) includes any variation thereof.

PPS Security Interest means a security interest that is subject to the *Personal Property Securities Act 2009* (Cth).

Relevant Interest has the meaning given by section 9 of the Corporations Act.

Rights means all accretions, rights or benefits of whatever kind attaching to or arising from the Shares including, without limitation, all dividends or other distributions and all rights to receive and dividends or other distributions.

Share means a fully paid ordinary share in the Company.

Takeover Offer means an offer by the Bidder or one of its Associates under a takeover bid pursuant to Chapter 6 of the Corporations Act to acquire all the Shares on terms no less favourable to the holders of Shares than the Agreed Bid Terms.

Third Party Offer means an offer or proposal made by a third party to acquire more than 50% of the Shares, by way of a takeover bid, a scheme of arrangement or otherwise where:

- (a) if the Third Party Offer is a takeover offer, the offers are capable of acceptance and are not subject to any condition substantially more onerous than the conditions of the Offer; and
- (b) in any other case, a binding agreement has been entered into between the Company and the third party in respect of the Third Party Offer.

Third Party Offer Price means the highest price or value per Share offered under a Third Party Offer (as determined in accordance with clause 6 where the consideration consists in whole or part of a non-cash component) allowing for the value of Rights that are retained by Company's shareholders under the terms of the Third Party Offer and not passed onto the person making the Third Party Offer, calculated per Share.

1.2 Interpretation

In this Deed unless the context otherwise requires:

- (a) headings are for convenience only and do not affect its interpretation;
- (b) an obligation or liability assumed by, or a right conferred on, 2 or more Parties binds or benefits all of them jointly and each of them severally;
- (c) the expression **person** includes an individual, the estate of an individual, a corporation, an authority, an association or joint venture (whether incorporated or unincorporated), a partnership and a trust;
- (d) a reference to any party includes that party's executors, administrators, successors and permitted assigns, including any person taking by way of novation;
- (e) a reference to any document (including this Deed) is to that document as varied, novated, ratified or replaced from time to time;
- (f) a reference to any statute or to any statutory provision includes any statutory modification or re-enactment of it or any statutory provision substituted for it, and all ordinances, by-laws, regulations, rules and statutory instruments (however described) issued under it;
- (g) words importing the singular include the plural (and vice versa) and words indicating a gender include every other gender;
- (h) reference to parties, clauses, schedules, exhibits or annexures are references to parties, clauses, schedules, exhibits and annexures to or of this Deed and a reference to this Deed includes any schedule, exhibit or annexure to this Deed;
- (i) where a word or phrase is given a defined meaning, any other part of speech or grammatical form of that word or phrase has a corresponding meaning;
- (j) a reference to time is to Western Standard Time as observed in Perth, Western Australia;
- (k) where an action is required to be undertaken on a day that is not a Business Day it shall be undertaken on the next Business Day;

- (l) a reference to a payment is to a payment by bank cheque or such other form of cleared funds the recipient otherwise allows in the relevant lawful currency specified; and
- (m) a reference to \$ or dollar is to the lawful currency of the Commonwealth of Australia.

1.3 Parties not associates

Despite anything in this deed, the parties are not to be regarded as an associate of each other.

2. ACCEPTANCE OF TAKEOVER OFFER

2.1 Obligation to accept

In consideration of the mutual promises set out in this deed and the Bidder paying the Shareholder \$1 (receipt of which is acknowledged by the Shareholder), if the Bidder publicly announces the Takeover Offer prior to 5.00pm WST on the date 5 Business Days after the date of this deed, the Shareholder will:

- (a) irrevocably accept the Takeover Offer in respect of the Acceptance Shares during the Acceptance Time; and
- (b) do everything (including executing any deed and making any election) that the Bidder reasonably requires, to give full effect to the Shareholder's obligations to accept the Takeover Offer in respect of the Acceptance Shares.

2.2 No withdrawal of acceptance

The Shareholder:

- (a) irrevocably waives any rights it may have under section 650E of the Corporations Act, in the event that the Bidder varies the Takeover Offer; and
- (b) covenants not to exercise any rights it may have to withdraw its acceptance of the Takeover Offer in respect of the Acceptance Shares, including under section 650E of the Corporations Act.

2.3 Appointment of attorney

To secure the performance of the Shareholder's obligations under this clause 2, the Shareholder irrevocably appoints any director for the time being of the Bidder to be its attorney in its name and on its behalf to execute any acceptance forms and to do such other acts and things as may be necessary to accept (or procure the acceptance) of a Takeover Offer in respect of the Acceptance Shares in accordance with and as contemplated by the terms of this deed.

2.4 Acknowledgments

For the avoidance of any doubt:

- (a) this deed only applies to the Acceptance Shares and does not apply to any other Shares held or controlled by the Shareholder (for example, the Shareholder is free to deal with any Shares held or controlled by the

Shareholder as it sees fit, other than the Acceptance Shares which must only be dealt with in accordance with this deed);

- (b) nothing in this deed obliges the Bidder to announce or proceed with the Takeover Offer;
- (c) the Bidder is permitted to vary the terms and conditions of the Takeover Offer in accordance with the Corporations Act, provided that the varied terms and conditions are no less favourable to the Shareholder than the Agreed Bid Terms; and
- (d) subject to the Corporations Act and clause 2.4(c), the Bidder has the right to waive or vary any condition in the Takeover Offer, declare the Takeover Offer unconditional or extend it at any time.

3. WARRANTIES

3.1 Warranties by the Shareholder

The Shareholder represents and warrants to the Bidder and its Associates that each of the statements in Part A of Schedule 2 is true and accurate and will be true and accurate at all times up to and including the date of acceptance of the Takeover Offer under clause 2.1.

3.2 Warranties by the Bidder

The Bidder represents and warrants to the Shareholder that each of the statements in Part B of Schedule 2 is true and accurate and will be true and accurate at all times up to and including the date of acceptance of a Takeover Offer under clause 2.1.

4. RESTRICTIONS ON SHAREHOLDER

The Shareholder agrees:

- (a) not to dispose of, transfer, encumber or otherwise deal with any of the Acceptance Shares or any interests in the Acceptance Shares, except to the Bidder (or an Associate of the Bidder) in accordance with this deed;
- (b) to exercise all rights attaching to the Acceptance Shares, including any voting rights, as directed by the Bidder;
- (c) not to directly or indirectly make or cause to be made any offer, invitation or solicitation for, or directly or indirectly purchase or otherwise acquire any Relevant Interest in any Shares, including the Acceptance Shares;
- (d) not to co-operate or assist or enter into any agreement or arrangement with any person relating to or connected with the making of any offer for the purchase or acquisition of any Relevant Interest in any Shares, including the Acceptance Shares (other than pursuant to the conversion or exercise of any Convertible Securities on issue as at the date of this deed); and
- (e) not to procure another person to apply for, acquire or dispose of Shares, including the Acceptance Shares or enter into an agreement to apply for, acquire or dispose of Shares, including the Acceptance Shares.

5. TERMINATION OF OBLIGATIONS IN CLAUSES 2 AND 4

The obligations set out in clause 2 and clause 4 terminate immediately and will cease to be of any effect, without any further action being required of either party, if:

- (a) the Takeover Offer has not been made by the End Date or having been made is withdrawn;
- (b) the Takeover Offer lapses or expires because a defeating condition has not been satisfied or waived at the end of the Offer Period;
- (c) the offers under the Takeover Offer have been declared unconditional (or the Bidder has notified that all of the conditions have been satisfied or waived) and the Shareholder has accepted the Takeover Offer in respect of the Acceptance Shares;
- (d) a Third Party Offer is made at a Third Party Offer Price which exceeds the Offer Price, and the Bidder has not within 5 Business Days of the Third Party Offer having been made, made an offer or announced an intention to make an offer which matches or exceeds that Third Party Offer Price (**Matching Offer**); or
- (e) the Takeovers Panel decides that all or any part of the transactions contemplated by this document constitute unacceptable circumstances.

6. VALUATION OF A SCRIP OFFER

- 6.1 In the event that the Offer Price or the Third Party Offer Price is a consideration which consists wholly or partly of a security which is in a class which is quoted on a public stock exchange (**Listed Security**), the value of the securities shall be calculated using the volume weighted average sale price of that security over the preceding 5 days on which that security was publicly traded.
- 6.2 In the event that the Third Party Offer Price comprises wholly or partly of consideration that is neither cash, Listed Securities or a combination of both (such portion of the Third Party Offer Price being the **Unquoted Security**), the value of the Unquoted Security shall be agreed between the parties, and falling agreement within 3 Business Days, as determined by an independent expert.

7. SUBSTANTIAL HOLDER NOTICE

The Bidder agrees that it will lodge with the ASX Form 603 – Notice of Initial Substantial Holder in relation to the Acceptance Shares, at the time required by the Corporations Act.

8. NOTICES

8.1 Notices in writing

Each notice authorised or required to be given to a Party shall be in legible writing and in English addressed to the Party's address set out in clause 8.2 (or such other address nominated in accordance with clause 8.3).

8.2 Initial address of Parties

The initial address of the Parties shall be as follows:

Party	Address	Attention	E-mail
Shareholder	As set out in Schedule 1		
Bidder	Suite 8/18 Kearns Crescent, Ardross, WA 6153	Nick Rowley	Nick.Rowley@gal axylithium.com

8.3 Change of Address

Each Party may from time to time change its address by giving notice pursuant to clause 8.1 to the other Parties.

8.4 Receipt of notice

Any notice given under this Deed will be conclusively deemed to have been received:

- (a) in the case of personal delivery, on the actual day of delivery;
- (b) if sent by mail, two (2) Business Days from and including the day of posting; or
- (c) if sent by facsimile, when a facsimile confirmation receipt is received indicating successful delivery; or
- (d) if sent by e-mail, when a delivery confirmation report is received by the sender which records the time that the e-mail was delivered to the addressee's e-mail address (unless the sender receives a delivery failure notification indicating that the e-mail has not been delivered to the addressee),

but if the delivery or receipt is on a day that is not a Business Day or is after 5:00 pm (addressee's time) it is regarded as received at 9:00 am on the following Business Day.

9. COSTS AND DUTY

- (a) Subject to clause 9(b), each party must pay its own expenses incurred in negotiating, preparing, executing, completing and carrying into effect this deed.
- (b) The Bidder must indemnify the Shareholder against, and must pay the Shareholder on demand the amount of, any Duty that is payable on or in relation to this deed and the transactions that it contemplates.

10. GENERAL

10.1 Governing law and jurisdiction

- (a) This deed is governed by the laws of Western Australia.
- (b) Each party submits to the non-exclusive jurisdiction of the courts of that State, and of any court that may hear appeals from any of those courts, for any proceedings in connection with this deed.

10.2 Third party rights

If a provision of this deed (including clause 3.1) is expressed to benefit an Associate of the Bidder (**Beneficiary**), the Shareholder agrees that the Bidder holds that benefit in its own capacity and as trustee for the Beneficiary, and may enforce this deed on their behalf and for their benefit.

10.3 Giving effect to this deed

Each party must do anything (including execute any deed), and must ensure that its employees and agents do anything (including execute any deed), that the other party may reasonably require to give full effect to this deed.

10.4 Operation of this deed

- (a) This deed contains the entire agreement between the parties about its subject matter. Any previous understanding, agreement, representation or warranty relating to that subject matter is replaced by this deed and has no further effect.
- (b) Any provision of this deed which is unenforceable or partly unenforceable is, where possible, to be severed to the extent necessary to make this deed enforceable, unless this would materially change the intended effect of this deed.

10.5 Counterparts

This deed may be executed in any number of counterparts.

10.6 Confidentiality

The parties agree to keep this deed and its contents (including the existence and terms of the Takeover Offer) confidential until the Bidder has given a substantial holding notice to ASX (which attaches a copy of this deed) in respect of the relevant interest that the Bidder acquires as a result of this deed, or until the Bidder has otherwise announced the terms of this deed to ASX as part of its announcement of the Takeover Offer.

SCHEDULE 1 – DETAILS

Shareholder	Botsis Holdings Pty Ltd (ACN 008 893 641)
Shareholder Address	PO Box 463, Wembley WA 6913 Level 2, 420 Bagot Road, Subiaco WA 6008
Acceptance Shares	7,150,000 Shares

SCHEDULE 2

Part A – Shareholder's Warranties

1. THE SHAREHOLDER

- (a) If the Shareholder is a body corporate:
 - (i) it is duly incorporated and validly exists under the laws of the place of its incorporation; and
 - (ii) it has taken all corporate action that is necessary to authorise its entry into this deed and carry out the transactions that it contemplates.
- (b) The Shareholder has full power and authority to enter into this deed and perform its obligations under this deed.
- (c) This deed constitutes legal, valid and binding obligations of the Shareholder, enforceable against the Shareholder in accordance with its terms (except to the extent limited by equitable principles and laws affecting creditors' rights generally), subject to any necessary registration or payment of Duty.
- (d) Neither execution of this deed by the Shareholder nor the carrying out by it of the transactions that this deed contemplates, does or will:
 - (i) contravene any applicable law, regulation or authorisation;
 - (ii) contravene any contract, undertaking or instrument binding on the Shareholder or any of its property; and
 - (iii) if the Shareholder is a body corporate, contravene the Shareholder's constitution or equivalent constituent deeds.

2. THE ACCEPTANCE SHARES

- (a) Each of the Acceptance Shares is fully paid up.
- (b) The Shareholder is the sole legal and beneficial owner of the **Acceptance** Shares with full power to transfer good title to the Bidder (or its Associate).
- (c) Upon acceptance of a Takeover Offer under clause 2, the Acceptance Shares will be free from Encumbrances.

3. NO TRUST

The Shareholder is either (a) not entering into this deed as trustee of any trust or settlement or (b) entering into this deed as trustee of a trust or settlement (the **Trust**) and each statement in paragraph 4 below is true and accurate.

4. TRUST

- (a) The following definitions apply in this paragraph 4:
 - (i) **Trust Deed** means the trust deed that establishes and governs the Trust.
 - (ii) **Trust Fund** means the assets of the Trust.
- (b) The Trust is duly constituted and has not terminated, nor has the date or any event occurred for the vesting of the Trust Fund.
- (c) The Shareholder is the sole trustee of the Trust. The Shareholder has not given any notice of resignation and no action has been taken to remove it or to appoint an additional trustee of the Trust.
- (d) The Shareholder has full legal capacity and power under the Trust Deed to:
 - (i) own the Trust Fund and carry on the business of the Trust as it is now being conducted; and
 - (ii) enter into this deed and carry out the transactions that this deed contemplates,

as trustee of the Trust.
- (e) All action that is necessary under the Trust Deed or at law to:
 - (i) authorise the Shareholder's entry into this deed and carry out the transactions that this deed contemplates;
 - (ii) ensure that this deed is legal, valid and binding on it as trustee of the Trust and admissible in evidence against it in that capacity; and
 - (iii) enable it to properly carry on the business of the Trust,

has been taken.
- (f) The Shareholder is entering into this deed as part of the proper administration of the Trust, for the commercial benefit of the Trust and for the benefit of the beneficiaries of the Trust.

Part B – Bidder's Warranties

1. THE BIDDER

- (a) The Bidder:
 - (i) is duly incorporated and validly exists under the laws of the place of its incorporation;
 - (ii) has taken all corporate action that is necessary to authorise its entry into this deed and carry out the transactions that it contemplates; and
 - (iii) has full power and authority to enter into this deed and perform its obligations under this deed.

- (b) This deed constitutes legal, valid and binding obligations of the Bidder, enforceable against the Bidder in accordance with its terms (except to the extent limited by equitable principles and laws affecting creditors' rights generally), subject to any necessary registration or payment of Duty.
- (c) Neither execution of this deed by the Bidder nor the carrying out by it of the transactions that this deed contemplates, does or will:
 - (i) contravene any applicable law, regulation or authorisation;
 - (ii) contravene any contract, undertaking or instrument binding on the Bidder or any of its property; or
 - (iii) contravene the Bidder's constitution.

SCHEDULE 3 – AGREED BID TERMS

The consideration offered by Galaxy to every General Mining Shareholder will be 1.65 New Galaxy Shares for every one (1) General Mining Share held as at the Register Date.

The Offer, and any contract resulting from the acceptance of the Offer, are subject to the following conditions:

- (a) **(90% minimum acceptance condition):** at the end of the Offer Period, Galaxy and its Associates have a Relevant Interest in more than 90% (by number) of all of the General Mining Shares both on an undiluted and on a fully diluted basis;
- (b) **(General Mining Options):** all General Mining Options lapse, are exercised or become subject to private agreement with Galaxy and are cancelled or transferred to Galaxy in return for the issue of Galaxy Options on a 1.65 for one basis (**Ratio**) (with the aggregate number, where a fraction, rounded up to the nearest whole number), with an exercise price equal to the exercise price of the relevant General Mining Option divided by the Ratio, on materially the same terms and conditions;
- (c) **(no Regulatory Action):** that between the Announcement Date and the end of the Offer Period:
 - (i) there is not in effect any preliminary or final decision, order or decree issued by a Regulatory Authority; and
 - (ii) no application is made to any Regulatory Authority (other than by any member of the Galaxy Group), or action or investigation is announced, threatened or commenced by a Regulatory Authority,

in consequence of, or in connection with, the Offer (other than a determination by ASIC or the Takeovers Panel in exercise of the powers and discretions conferred by the Corporations Act), which:
 - (iii) restrains or prohibits (or if granted could restrain or prohibit), or otherwise materially adversely impacts on, the making of the Offer or the completion of any transaction contemplated by the Offer (whether subject to conditions or not) or the rights of Galaxy in respect of General Mining and the General Mining Shares to be acquired under the Offer; or
 - (iv) requires the divestiture by Galaxy of any General Mining Shares, or the divestiture of any assets of General Mining or its Related Bodies Corporate, Galaxy or its Related Bodies Corporate or otherwise;
- (d) **(no General Mining Material Adverse Changes):** there not occurring a General Mining Material Adverse Change during the Offer Period;
- (e) **(no material acquisitions, disposals or new commitments):** except for any proposed transaction publicly announced by General Mining before the Announcement Date or disclosed in writing to Galaxy or its Representatives prior to the Announcement, none of the following events occurs during the period from the Announcement Date to the end of the Offer Period:
 - (i) General Mining or any Subsidiary of General Mining acquires, offers to acquire or agrees to acquire one or more companies, businesses or assets (or any interest in one or more companies, businesses or assets)

for an amount in aggregate greater than \$1,000,000 or makes an announcement in relation to such an acquisition, offer or agreement;

- (ii) General Mining or any Subsidiary of General Mining disposes of, offers to dispose of or agrees to dispose of one or more companies, businesses or assets (or any interest in one or more companies, businesses or assets) for an amount, or in respect of which the book value is, in aggregate, greater than \$1,000,000 or makes an announcement in relation to such a disposition, offer or agreement;
 - (iii) General Mining or any Subsidiary of General Mining enters into, or offers to enter into or agrees to enter into, any agreement, joint venture, partnership, farm-in agreement, management agreement or commitment which would require expenditure, or the foregoing of revenue, by General Mining and/or its Subsidiaries of an amount which is, in aggregate, more than \$1,000,000 other than in the ordinary course of business, or makes an announcement in relation to such an entry, offer or agreement;
 - (iv) General Mining or any Subsidiary of General Mining disposes of, offers to dispose of or agrees to enter into any agreement, joint venture, partnership, farm-in agreement, management agreement or commitment involving the disposal of any legal, beneficial or economic interest or right to or in connection with any mining tenements held by General Mining and/or any of its Subsidiaries or applications therefore; and
 - (v) General Mining or any of its subsidiaries materially varies, amends, or modifies any Material Contract;
- (f) **(no material litigation)** there is no litigation, claim, action or proceeding pending or in progress or threatened against or relating to any member of the General Mining Group during the Offer Period that does or is reasonably likely to constitute a General Mining Material Adverse Change;
- (g) **(no General Mining Prescribed Occurrences)**: there not occurring a General Mining Prescribed Occurrence during the Offer Period;
- (h) **(no change of control rights)**: after the Announcement Date and before the end of the Offer Period, no person exercises or purports to exercise, or states an intention to exercise, any rights under any provision of any agreement or other instrument to which General Mining or any Subsidiary of General Mining is a party, or by or to which General Mining or any Subsidiary of General Mining or any of its assets may be bound or be subject, which results, or could result, to an extent which is material in the context of General Mining or General Mining and its Subsidiaries taken as a whole, in:
- (i) any monies borrowed by General Mining or any Subsidiary of General Mining being or becoming repayable or being capable of being declared repayable immediately or earlier than the repayment date stated in such agreement or other instrument;
 - (ii) any such agreement or other instrument being terminated or modified or any action being taken or arising thereunder;
 - (iii) the interest of General Mining or any Subsidiary of General Mining in any firm, joint venture, trust, corporation or other entity (or any arrangements relating to such interest) being terminated or modified; or

- (iv) the business of General Mining or any Subsidiary of General Mining with any other person being adversely affected,

as a result of the acquisition of General Mining Shares by Galaxy except for any rights under any provision of any agreement or other instrument disclosed in writing to Galaxy or its Representatives prior to the Announcement; and

- (i) **(non-existence of certain rights):** that no person has any right (whether subject to conditions or not) as a result of Galaxy acquiring General Mining Shares to:

- (i) acquire, or require General Mining or a Subsidiary of General Mining to dispose of, or offer to dispose of, any material asset of General Mining or a Subsidiary of General Mining; or

- (ii) terminate or vary or exercise any right under any Material Contract with General Mining or a Subsidiary of General Mining,

except for any rights under any provision of any agreement or other instrument disclosed in writing to Galaxy or its Representatives or otherwise publicly announced by General Mining prior to execution of this agreement.

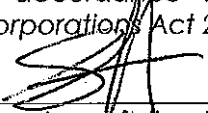
The above conditions are conditions subsequent and do not prevent a contract resulting from acceptance of the Offer from coming into effect but any breach or non-fulfilment of them entitles Galaxy to rescind any contracts resulting from acceptance of the Offer.

EXECUTED as a deed.

EXECUTED AS A DEED by BOTSIS HOLDINGS
PTY LTD

(ACN 008 893 641)

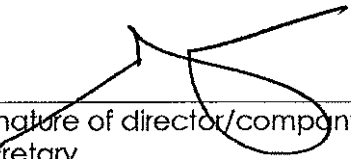
in accordance with section 127 of the
Corporations Act 2001 (Cth):



Signature of director

Simon Botis

Name of director



Signature of director/company
secretary
(please delete as applicable)

Philip Botis

Name of director/company secretary
(please delete as applicable)

EXECUTED AS A DEED by GALAXY
RESOURCES LIMITED

(ACN 071 976 442)


in accordance with section 127 of the
Corporations Act 2001 (Cth):



Signature of director

MARTIN RONALD ROWLEY

Name of director



Signature of director/company
secretary
(please delete as applicable)

Anthony Tse

Name of director/company secretary
(please delete as applicable)