

AUSTRALIAN MINES LIMITED

ABN 68 073 914 191

NOTICE OF ANNUAL GENERAL MEETING

TIME: 12.30 pm Brisbane, QLD time

DATE: 19 November 2019

PLACE: Concorde Room, Sofitel Brisbane Central
249 Turbot St, Brisbane City QLD 4000

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

IMPORTANT INFORMATION

TIME AND PLACE OF MEETING

Notice is given that the meeting of the Shareholders to which this Notice of Meeting relates will be held at 12.30 pm Brisbane QLD Time on 19 November 2019 at:

Concorde Room, Sofitel Brisbane Central
249 Turbot St, Brisbane City QLD 4000

YOUR VOTE IS IMPORTANT

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

VOTING ELIGIBILITY

The Directors have determined pursuant to Regulations 7.11.37 and 7.11.38 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are registered shareholders as at 5.00pm Brisbane QLD time on 17 November 2019.

VOTING IN PERSON

To vote in person, attend the Meeting at the time, date and place set out above.

VOTING BY PROXY

To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

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

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

Proxy vote if appointment specifies way to vote

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

- the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (i.e. as directed); and
- if the proxy has 2 or more appointments that specify different ways to vote on the resolution – the proxy must not vote on a show of hands; and
- if the proxy is the chair of the meeting at which the resolution is voted on – the proxy must vote on a poll, and must vote that way (i.e. as directed); and
- if the proxy is not the chair – the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (i.e. as directed).

Transfer of non-chair proxy to chair in certain circumstances

Section 250BC of the Corporations Act provides that, if:

- an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's members; and
- the appointed proxy is not the chair of the meeting; and
- at the meeting, a poll is duly demanded on the resolution; and
- either of the following applies:
 - the proxy is not recorded as attending the meeting;
 - the proxy does not vote on the resolution,

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

BUSINESS OF THE MEETING

AGENDA

1. FINANCIAL STATEMENTS AND REPORTS – AGENDA ITEM 1

To receive and consider the annual financial report of the Company for the financial year ended 30 June 2019 together with the declaration of the directors, the directors' report, the Remuneration Report and the auditor's report.

2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a **non-binding resolution**:

"That, for the purpose of section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Company's annual financial report for the financial year ended 30 June 2019."

Note: the vote on this Resolution is advisory only and does not bind the Directors or the Company.

Voting Prohibition Statement:

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

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

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

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

3. RESOLUTION 2 – RE-ELECTION OF DIRECTORS

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

"That, for the purpose of clause 7.3 of the Constitution and for all other purposes, Mr Michael Elias, a Director, retires by rotation, and being eligible, is re-elected as a Director."

4. RESOLUTION 3 – APPROVAL OF 10% PLACEMENT CAPACITY

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

“That, for the purpose of Listing Rule 7.1A and for all other purposes, approval is given for the issue of Equity Securities totalling up to 10% of the issued capital on the date of issue, calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of Shares), if the resolution is passed, or any associates of those entities. However, the Company will not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

5. RESOLUTION 4 - RATIFICATION OF ISSUE OF SECURITIES

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

“That for the purposes of ASX Listing Rules 7.4, and for all other purposes, Shareholders ratify the issue and allotment by the Company of the Shares to the recipients set out in Section 5 of the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this resolution by recipients of Shares as defined in the Explanatory Statement or any associates of those entities.

However, the Company need not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or it is cast by the person chairing the meeting as a proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

6. RESOLUTION 5 – APPROVAL TO ISSUE OF MANAGING DIRECTOR OPTIONS TO BENJAMIN BELL UNDER THE ESP

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

“That, for the purposes of ASX Listing Rule 10.14, and for all other purposes, approval be given for the Directors to issue Managing Director Options to Benjamin Bell or his nominee(s) under the Company's ESP, as detailed in the Explanatory Statement.”

Voting exclusion: The Company will disregard any votes cast on Resolutions 5 to 9 by all Directors and persons entitled to participate in the ESP, and any other person who might obtain a benefit, except a benefit solely in the capacity as a holder of ordinary securities, if the Resolution is passed and any of their associates. However, the Company need not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or if it is cast by the person chairing the meeting as a proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

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

- (a) the proxy is either:
 - (i) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or
 - (ii) a Closely Related Party of such a member; and

(b) the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if:

(c) the proxy is the Chair; and

(d) the appointment expressly authorises the Chair to exercise the proxy even if the Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

7. RESOLUTION 6 – APPROVAL TO ISSUE OF NED OPTIONS TO MICHAEL RAMSDEN UNDER THE ESP

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

“That, for the purposes of ASX Listing Rule 10.14, and for all other purposes, approval be given for the Directors to issue NED Options to Michael Ramsden or his nominee(s) under the Company’s ESP, as detailed in the Explanatory Statement.”

Voting exclusion: see Resolution 5.

8. RESOLUTION 7 – APPROVAL TO ISSUE OF NED OPTIONS TO MICHAEL ELIAS UNDER THE ESP

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

“That, for the purposes of ASX Listing Rule 10.14, and for all other purposes, approval be given for the Directors to issue NED Options to Michael Elias or his nominee(s) under the Company’s ESP, as detailed in the Explanatory Statement.”

Voting exclusion: see Resolution 5.

9. RESOLUTION 8 – APPROVAL TO ISSUE OF NED OPTIONS TO DOMINIC MARINELLI UNDER THE ESP

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

“That, for the purposes of ASX Listing Rule 10.14, and for all other purposes, approval be given for the Directors to issue NED Options to Dominic Marinelli or his nominee(s) under the ESP, as detailed in the Explanatory Statement.”

Voting exclusion: see Resolution 5.

10. RESOLUTION 9 – APPROVAL TO ISSUE OF NED OPTIONS TO LES GUTHRIE UNDER THE ESP

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

“That, for the purposes of ASX Listing Rule 10.14, and for all other purposes, approval be given for the Directors to issue NED Options to Les Guthrie or his nominee(s) under the ESP, as detailed in the Explanatory Statement.”

Voting exclusion: see Resolution 5.

11. RESOLUTION 10 – APPROVAL OF ESP

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

“That, for the purposes of ASX Listing Rule 7.2 (Exception 9(b)), and for all other purposes, approval is given to issue securities under the Company’s ESP from time to time, the terms of which are summarised in the Explanatory Memorandum.”

Voting exclusion: The Company will disregard any votes cast on this Resolution by a Director of the Company (except one who is ineligible to participate in any employee incentive scheme in relation to the Company) and any of their associates. However, the Company need not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or if it is cast by the person chairing the meeting as a proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

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

- (a) the proxy is either:
 - (i) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or
 - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if:

- (c) the proxy is the Chair; and
- (d) the appointment expressly authorises the Chair to exercise the proxy even if the Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

BY ORDER OF THE BOARD

Benjamin Bell

BENJAMIN BELL
MANAGING DIRECTOR
9 OCTOBER 2019

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions which are the subject of the business of the Meeting.

Unless stated otherwise, information concerning the number of Shares on issue, market capitalisation and Share price are as at the date of the Notice of Meeting.

1. FINANCIAL STATEMENTS AND REPORTS – AGENDA ITEM 1

In accordance with the Constitution, the business of the Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 30 June 2019 together with the declaration of the directors, the directors' report, the Remuneration Report and the auditor's report.

The Company will not provide a hard copy of the Company's annual financial report to Shareholders unless specifically requested to do so. The Company's annual financial report is available on its website at <http://www.australianmines.com.au/>.

2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

2.1 General

The Corporations Act requires that at a listed company's annual general meeting, a resolution that the remuneration report be adopted must be put to the shareholders. However, such a resolution is advisory only and does not bind the company or the directors of the company.

The remuneration report sets out the company's remuneration arrangements for the directors and senior management of the company. The remuneration report is part of the directors' report contained in the annual financial report of the company for a financial year.

The chair of the meeting must allow a reasonable opportunity for its shareholders to ask questions about or make comments on the remuneration report at the annual general meeting.

2.2 Voting consequences

Under changes to the Corporations Act which came into effect on 1 July 2011, a company is required to put to its shareholders a resolution proposing the calling of another meeting of shareholders to consider the appointment of directors of the company (**Spill Resolution**) if, at consecutive annual general meetings, at least 25% of the votes cast on a remuneration report resolution are voted against adoption of the remuneration report and at the first of those annual general meetings a Spill Resolution was not put to vote. If required, the Spill Resolution must be put to vote at the second of those annual general meetings.

If more than 50% of votes cast are in favour of the Spill Resolution, the company must convene a shareholder meeting (**Spill Meeting**) within 90 days of the second annual general meeting.

All of the directors of the company who were in office when the directors' report (as included in the company's annual financial report for the previous financial year was approved, other than the managing director of the company), will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting.

Following the Spill Meeting those persons whose election or re-election as directors of the company is approved will be the directors of the company.

2.3 Previous voting results

At the Company's previous annual general meeting the votes cast against the remuneration report considered at that annual general meeting were less than 25%. Accordingly, the Spill Resolution is not relevant for this Annual General Meeting.

2.4 Proxy voting restrictions

Shareholders appointing a proxy for this Resolution should note the following:

If you appoint a member of the Key Management Personnel (other than the Chair) whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such a member as your proxy.

You must direct your proxy how to vote on this Resolution. Undirected proxies granted to these persons will not be voted and will not be counted in calculating the required majority if a poll is called on this Resolution.

If you appoint the Chair as your proxy (where he/she is also a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such a member).

You **do not** need to direct your proxy how to vote on this Resolution. However, if you do not direct the Chair how to vote, **you should note that the Chair intends to vote all undirected proxies in favour of all resolutions.**

If you appoint any other person as your proxy

You **do not** need to direct your proxy how to vote on this Resolution, and you **do not** need to mark any further acknowledgement on the Proxy Form.

3. RESOLUTION 2 – RE-ELECTION OF DIRECTORS

Clause 7.3 of the Constitution requires that at the Company's annual general meeting in every year, one-third of the Directors for the time being, or, if their number is not a multiple of 3, then the number nearest one-third (rounded down to the nearest whole number), shall retire from office.

The Directors to retire at an annual general meeting are those who have been longest in office since their last election, but, as between persons who became Directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by drawing lots.

A Director who retires by rotation is eligible for re-election.

The Company currently has 3 Directors (excluding the Managing Director) and accordingly 1 must retire.

Mr Michael Elias retires by rotation and seeks re-election. His details can be found in the Directors' Report section of the Annual Report. All Directors recommend that you vote in favour of his re-election.

4. RESOLUTION 3 – APPROVAL OF 10% PLACEMENT CAPACITY

4.1 General

ASX Listing Rule 7.1A provides that an Eligible Entity may seek Shareholder approval at its annual general meeting to allow it to issue Equity Securities up to 10% of its issued capital (**10% Placement Capacity**).

The Company is an Eligible Entity.

If Shareholders approve Resolution 3, the number of Equity Securities the Eligible Entity may issue under the 10% Placement Capacity will be determined in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 (as set out in section 4.2 below).

The effect of Resolution 3 will be to allow the Company to issue Equity Securities up to 10% of the Company's fully paid ordinary securities on issue on the date of issue under the 10% Placement Capacity during the period up to 12 months after the Meeting, without subsequent Shareholder approval and without using the Company's 15% annual placement capacity granted under Listing Rule 7.1.

Resolution 3 is a special resolution. Accordingly, at least 75% of votes cast by Shareholders present and eligible to vote at the Meeting must be in favour of Resolution 3 for it to be passed.

4.2 ASX Listing Rule 7.1A

ASX Listing Rule 7.1A came into effect on 1 August 2012 and enables an Eligible Entity to seek shareholder approval at its annual general meeting to issue Equity Securities in addition to those under the Eligible Entity's 15% annual placement capacity.

An Eligible Entity is one that, as at the date of the relevant annual general meeting:

- (a) is not included in the S&P/ASX 300 Index; and
- (b) has a maximum market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300 million.

The Company is an Eligible Entity as it is not included in the S&P/ASX 300 Index and has a current market capitalisation of approximately \$80 million.

Any Equity Securities issued must be in the same class as an existing class of quoted Equity Securities. The Company currently has 1 class of Equity Securities on issue, being the Shares (ASX Code: AUZ).

The exact number of Equity Securities that the Company may issue under an approval under Listing Rule 7.1A will be calculated according to the following formula:

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

Where:

- A** is the number of Shares on issue 12 months before the date of issue or agreement:
 - (i) plus the number of Shares issued in the previous 12 months under an exception in ASX Listing Rule 7.2;
 - (ii) plus the number of partly paid shares that became fully paid in the previous 12 months;
 - (iii) plus the number of Shares issued in the previous 12 months with approval of holders of Shares under Listing Rules 7.1 and 7.4 and not including issues of securities under the entity's 15% placement capacity without Shareholder approval; and
 - (iv) less the number of Shares cancelled in the previous 12 months.
- D** is 10%.
- E** is the number of Equity Securities issued or agreed to be issued under ASX Listing Rule 7.1A.2 in the 12 months before the date of issue or agreement to issue that are not issued with the approval of holders of Ordinary Securities under ASX Listing Rule 7.1 or 7.4.

4.3 Technical information required by ASX Listing Rule 7.1A

Pursuant to and in accordance with ASX Listing Rule 7.3A, the information below is provided in relation to this Resolution 3:

(a) **Minimum Price**

The minimum price at which the Equity Securities may be issued is 75% of the volume weighted average price of Equity Securities in that class, calculated over the 15 ASX trading days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
- (ii) if the Equity Securities are not issued within 5 ASX trading days of the date in section 4.3(a)(i), the date on which the Equity Securities are issued.

(b) **Date of Issue**

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

- (i) 12 months after the date of this Meeting; and
- (ii) the date of approval by Shareholders of any transaction under ASX Listing Rules 11.1.2 (a significant change to the nature or scale of the Company's activities) or 11.2 (disposal of the Company's main undertaking) (after which date, an approval under Listing Rule 7.1A ceases to be valid).

(10% Placement Capacity Period).

The Company will only issue and allot the Equity Securities during the 10% Placement Period. The approval under Resolution 3 for the issue of the Equity Securities will cease to be valid in the event that Shareholders approve a transaction under Listing Rule 11.1.2 (a significant change to the nature and scale of activities) or Listing Rule 11.2 (disposal of main undertaking).

(c) **Risk of voting dilution**

Any issue of Equity Securities under the 10% Placement Capacity will dilute the interests of Shareholders who do not receive any Shares under the issue.

If Resolution 3 is approved by Shareholders and the Company issues the maximum number of Equity Securities available under the 10% Placement Capacity, the economic and voting dilution of existing Shares would be as shown in the table below.

The table below shows the dilution of existing Shareholders calculated in accordance with the formula outlined in ASX Listing Rule 7.1A(2), on the basis of the current market price of Shares and Variable A in the formula contained in section 4.2 as at 6 October 2019.

The table also shows the voting dilution impact where the number of Shares on issue (variable A in the formula) changes and the economic dilution where there are changes in the issue price of Shares issued under the 10% Placement Capacity.

Number of Shares on Issue	Dilution			
	Issue Price (per Share)	\$0.0115 50% decrease in Issue Price	\$0.023 Issue Price	\$0.0345 50% increase in Issue Price
3,260,578,686 (Current)	10% Voting Dilution	326,057,868 Shares	326,057,868 Shares	326,057,868 Shares
	Funds raised	\$3,749,665,	\$7,499,330	\$11,248,996
489,086,803 (50% increase)	10% Voting Dilution	489,086,803 Shares	489,086,803 Shares	489,086,803 Shares
	Funds raised	\$5,624,498	\$11,248,996	\$16,873,494
6,521,157,372 (100% increase)	10% Voting Dilution	652,115,737 Shares	652,115,737 Shares	652,115,737 Shares
	Funds raised	\$7,499,330	\$14,998,661	\$22,497,992

*The number of Shares on issue (variable A in the formula) could increase as a result of the issue of Shares that do not require Shareholder approval (such as under a pro-rata rights issue or scrip issued under a takeover offer), that are issued with Shareholder approval under Listing Rule 7.1, or ratified at this meeting such as the securities the subject of Resolutions 5 to 9.

The table above uses the following assumptions:

- There are currently 3,444,742,479 Shares on issue. This amount does not include:
 - Shares that may be issued as a result of the exercise of the 19,800,000 Options on issue.
- The 10% voting dilution reflects the aggregate percentage dilution against Variable A in the formula contained in section 4.2. This is why the voting dilution is shown in each example as 10%.
- The issue price set out above is the closing price of the Shares on the ASX on 6 October 2019.
- The Company issues the maximum possible number of Equity Securities under the 10% Placement Capacity being 10% of the Company's issued capital on the date of issue.
- The Company's issue of Equity Securities in the 12 months prior to the Meeting are set out in Annexure A.
- The calculations above do not show the dilution that any one particular Shareholder will be subject to. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.
- This table does not set out any dilution pursuant to approvals under ASX Listing Rule 7.1.

Shareholders should note that there is a risk that:

- the market price for the Company's Shares may be significantly lower on the issue date than on the date of the Meeting; and
- the Shares may be issued at a price that is at a discount to the market price for those Shares on the date of issue.

(d) Purpose of Issue under 10% Placement Capacity

The Company may issue Equity Securities under the 10% Placement Capacity for the following purposes:

- as cash consideration in which case the Company intends to use funds raised for the acquisition of new resources, assets and investments (including expenses associated with such an acquisition), continued exploration (expenditure funds may then be used for project, feasibility studies and ongoing project administration) and general working capital; or

- (ii) as non-cash consideration for the acquisition of new resources assets and investments in such circumstances the Company will provide a valuation of the non-cash consideration as required by listing Rule 7.1A.3.

(e) **Allocation policy under the 10% Placement Capacity**

The Company's allocation policy for the issue of Equity Securities under the 10% Placement Capacity will be dependent on the prevailing market conditions at the time of the proposed placement(s).

The allottees of the Equity Securities to be issued under the 10% Placement Capacity have not yet been determined. However, the allottees of Equity Securities could consist of current Shareholders or new investors (or both), none of whom will be related parties of the Company.

The Company will determine the allottees at the time of the issue under the 10% Placement Capacity, having regard to the following factors:

- (i) the purpose of the issue;
- (ii) alternative methods for raising funds available to the Company at that time, including, but not limited to, an entitlement issue or other offer where existing Shareholders may participate;
- (iii) the effect of the issue of the Equity Securities on the control of the Company;
- (iv) the circumstances of the Company, including, but not limited to, the financial position and solvency of the Company;
- (v) prevailing market conditions; and
- (vi) advice from corporate, financial and broking advisers (if applicable).

(f) **Previous Approval under ASX Listing Rule 7.1A**

The Company has previously obtained approval under ASX Listing Rule 7.1A at the 2014, 2015, 2016, 2017 and 2018 Annual General Meetings.

During the 12 months prior to the date of this meeting, the Company has issued the Equity Securities set out in Annexure A.

The cash raised over the last 12 months has been and will be used to advance the Company's Cobalt-Nickel-Scandium projects as set out in the announcements concerning each capital raising and the Company's quarterly Activities and Cash Flow reports. The Company reported its cash position at as at 30 June 2019 at \$3.360m. Post 30 June 2019 it has raised \$5.8m under a Share Purchase Plan.

(g) **Compliance with ASX Listing Rules 7.1A.4 and 3.10.5A**

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

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

4.4 Voting Exclusion

A voting exclusion statement is included in this Notice. As at the date of this Notice, the Company has not invited any existing Shareholder to participate in an issue of Equity Securities under ASX Listing Rule 7.1A. Therefore, no existing Shareholders will be excluded from voting on Resolution 3.

5. RESOLUTION 4 - RATIFICATION OF ISSUE OF SECURITIES

5.1 Background

The Board is allowed to issue or agree to issue up to 15% of its issued capital without Shareholder approval each 12 months under ASX Listing Rule 7.1. The Company has issued securities for the purposes as set out in Table 2 to Annexure A within this limit.

Under Listing Rule 7.4, the Company can seek Shareholder ratification of an issue made within the limit of ASX Listing Rule 7.1, and, if given, the effect of the ratification is to deem that the securities issued were issued with Shareholder approval, meaning that, from the date of the approval, the Board is again able to issue up to a further 15% of the issued capital without Shareholder approval.

5.2 Terms of Securities

The Securities issued were Shares ranking equally with other Shares on issue.

5.3 ASX Listing Rule requirements for Resolution 4

(a) ASX Listing Rule 7.4

As stated, ASX Listing Rule 7.4 enables the Company to ratify an issue of securities made without prior Shareholder approval under ASX Listing Rule 7.1 if:

- i. the issue of securities did not breach ASX Listing Rule 7.1; and
- ii. Shareholders subsequently approve the issue of those securities by the Company.

The securities issued did not breach ASX Listing Rule 7.1.

(b) ASX Listing Rule 7.5

ASX Listing Rule 7.5 lists information which must be contained in the Notice of General Meeting and Explanatory Statement where Shareholders will consider a resolution pursuant to ASX Listing Rule 7.4. This information is set out below:

- i. The number of securities allotted – see Annexure A Table 2.
- ii. The issue price of the securities – see Annexure A Table 2.
- iii. The basis on which the allottees were determined – see Annexure A Table 2.
- iv. The terms of the securities – Shares.
- v. The use or intended use of the funds raised – see Annexure A Table 2.
- vi. A voting exclusion statement - this information is set out in the Notice of Meeting.

5.4 Recommendation of directors

All Directors recommend that Shareholders vote in favour of Resolution 4.

6. RESOLUTIONS 5 TO 9 – APPROVAL FOR THE ISSUE OF SHARES UNDER THE COMPANY'S ESP

The Board has adopted an Employee Securities Plan (**ESP**) to replace the Loan Shares Plan previously approved by Shareholders at the Company's 2014 annual general meeting and 2017 annual general meeting.

Subject to Shareholder approval of Resolutions 5 to 9 (inclusive), the Company proposes to invite Michael Ramsden, Benjamin Bell, Michael Elias, Dominic Marinelli and Les Guthrie (**Participating Directors**) to subscribe for options under and in accordance with the ESP.

Les Guthrie is a person who it is proposed will be elected as a Director, and as such is a related party of the Company for the purposes of the Corporations Act and ASX Listing Rules. He has over 40 years experience in project delivery space including strategy, development and delivery of major capital projects spanning mining, infrastructure and energy. He has held significant roles in various countries including Vice President Projects for BHP Billiton, Group head of Capital Projects and President LNG for BG Group UK.

It is proposed that the following maximum number of options will be granted to each of the Participating Directors:

Name	Maximum number of options
Benjamin Bell	70,000,000 Managing Director Options
Michael Ramsden	25,000,000 NED Options
Michael Elias	15,000,000 NED Options
Dominic Marinelli	15,000,000 NED Options
Les Guthrie	15,000,000 NED Options

The Board has sought and considered the recommendations of an independent Board and Executive Remuneration Benchmarking Report concerning total remuneration of Directors and Executives, and benchmarking of value of equity based incentives, in calculating the proposed maximum number of ESP Options the subject of this Resolution.

The Board has determined that the issue of ESP Options to the Participating Directors is an appropriate and reasonable form of long term incentive for the Company's key management personnel and those persons are essential to the operation of the Company's ongoing business.

In determining the Participating Directors remuneration packages, including this proposed grant of ESP Options, the Board considered the scope of the executive and non-executive directors' roles, the business challenges facing the Company and market practice for the remuneration of executive and non-executive officers in positions of similar responsibility. Accordingly, they determine that the proposed grant of ESP options to the Participating Directors is appropriate.

A summary of the ESP is provided in Annexure B. The terms of the specific offer to each of the Participating Directors is summarised below.

In addition to the ESP Rules:

Managing Director Options

Vesting conditions	
No.	Condition
9,333,333	Vest on 31 Dec 2019
9,333,333	Vest on 31 Dec 2020
9,333,334	Vest on 31 Dec 2021
14,000,000	securing finance required to build the Sconi Project plant
14,000,000	on commencement of construction of the Sconi Plant
14,000,000	on first export of finished product from Sconi Project meeting required specifications
Exercise Price	\$0.03 being 130% of the 5-day VWAP immediately prior to the date of this Notice
Expiry if not vested	30 November 2022

NED Options

Vesting conditions	
No.	Condition
33 1/3%	Vest on 31 Dec 2019
33 1/3%	Vest on 31 Dec 2020
33 1/3%	Vest on 31 Dec 2021
Exercise Price	\$0.03 being 130% of the 5-day VWAP immediately prior to the date of this Notice
Expiry if not vested	30 November 2022

6.1 ASX Listing Rules 10.14

ASX Listing Rule 10.11 provides a general restriction against issuing securities to directors without shareholder approval.

ASX Listing Rule 10.14 provides that a company must not issue equity securities to a director of the company under an employee incentive scheme (such as the ESP) unless the issue has been approved by shareholders by ordinary resolution. If approval is given by Shareholders under ASX Listing Rule 10.14, separate shareholder approval is not required under ASX Listing Rule 10.11.

Under Resolutions 5 to 9 (inclusive), the Company seeks approval from Shareholders for the issue of ESP Options to the Participating Directors, who by virtue of their position as executive and non-executive Directors of the Company, are related parties of the Company.

6.2 Further information

For the purpose of Listing Rule 10.15, the following information is provided to Shareholders for the purpose of obtaining Shareholder approval for the proposed issues of ESP options to the Participating Directors under the ESP:

- (a) The exercise price for the ESP Options is a 30% premium to the market price for the ESP Options (being 1.30 times the 5 day volume weighted average price of the Company's Shares immediately prior to the date of this Notice) (**Issue Price**).
- (b) This is the first issue of ESP Options. However, the following Plan Shares have been issued to related parties since the inception of the existing Loan Share Plan. Plan Shares listed were issued on 28 November 2014 and 28 November 2017. The acquisition price for the Plan Shares on 28 November 2017 was \$0.11626 per Share, a 30% premium to the then market price:

Name	Number of Plan Shares issued 28/11/14	Number of Plan Shares issued 28/11/2017
Benjamin Bell	13,000,000	40,600,000
Michael Ramsden	7,000,000	8,600,000
Michael Elias	7,000,000	5,200,000
Dominic Marinelli	7,000,000	5,200,000
Neil Warburton	7,000,000	-

- (c) All of the non-executive and executive directors, full-time and part-time employees of the Company (or any subsidiary of the Company), and any other person as determined by the Board, may participate, at the Directors' invitation, in the ESP. The Participating Directors are eligible to Participate in the ESP.
- (d) The Company intends to make an offer to the Participating Directors as soon as possible following this Meeting, and in any event, within 12 months after the date of Shareholder approval.
- (e) A voting exclusion statement in relation to Resolutions 5 to 9 (inclusive) is included in the Notice of Meeting.
- (f) The nature of the financial benefit to be given to Participating Directors is as follows:

Name	Maximum number of ESP Options to be issued	Annual Value (3 year life)
Benjamin Bell	75,000,000	\$267,323
Michael Ramsden	25,000,000	\$95,473
Michael Elias	15,000,000	\$57,284
Dominic Marinelli	15,000,000	\$57,284
Les Guthrie	15,000,000	\$57,284

Note:

- 1 The value of ESP Options to be granted was calculated using a Black Scholes methodology based on the following inputs:

Risk free Interest rate	0.61%
Volatility	96.5%
Initial Asset value (A)	\$0.023
Exercise Price	\$0.030
Time to expiration (years)	2.50

- (g) In respect of Resolution 5, all Directors recommend that Shareholders vote in favour of Resolution 5, save for Benjamin Bell who has an interest in the outcome of Resolution 4 and declines to make a recommendation in respect of it.
- (h) In respect of Resolution 6, all Directors recommend that Shareholders vote in favour of Resolution 6, save for Michael Ramsden who has an interest in the outcome of Resolution 6 and declines to make a recommendation in respect of it.
- (i) In respect of Resolution 7, all Directors recommend that Shareholders vote in favour of Resolution 7, save for Michael Elias who has an interest in the outcome of Resolution 7 and declines to make a recommendation in respect of it.

- (j) In respect of Resolution 8, all Directors recommend that Shareholders vote in favour of Resolution 8, save for Dominic Marinelli who has an interest in the outcome of Resolution 8 and declines to make a recommendation in respect of it.
- (k) In respect of Resolution 9, all Directors recommend that Shareholders vote in favour of Resolution 9.
- (l) As at the date of this Notice of Meeting, the Participating Directors hold the following relevant interests in Shares in the Company:

Name	Shares	Options	% of the current issued share capital of the Company on a fully diluted basis¹
Benjamin Bell	68,367,958	-	1.98
Michael Ramsden	64,627,228	-	1.88
Michael Elias	17,801,777	-	0.52
Dominic Marinelli	43,934,690	-	1.28
Les Guthrie	-	-	-
Total	194,731,653	-	5.65

Note:

1 This assumes that no other Shares are issued to the date of the Meeting.

- (m) Details of each of the Eligible Participant's remuneration for the financial year ended 30 June 2019 is as follows:

Name	Base Salaries per annum	Super/other benefits	Share-based payments	Total Remuneration
Benjamin Bell	379,469	39,306	376,142	\$794,917
Michael Ramsden	95,890	9,109	79,675	\$184,674
Michael Elias	63,927	6,073	48,176	\$118,176
Dominic Marinelli	63,927	6,073	48,176	\$118,176
Les Guthrie	-	-	-	-

The granting of the ESP options will have no effect on the Company's cash flow. Eligible Directors will be required to pay the exercise price of the Options before converting them into shares, increasing the cash reserves of the Company.

The Board does not consider that the giving of the financial benefit will be likely to materially prejudice the interests of the Company or its Shareholders or the Company's ability to pay its creditors.

- (n) Other than the material set out in this Explanatory Statement;
- (i) the Board of Directors does not consider that from an economic and commercial point of view, there are any costs or detriments, including opportunity costs or material taxation consequences for the Company or benefits foregone by the Company in issuing the ESP Options; and

- (ii) the Board is not aware of any other information which Shareholders of the Company would reasonably require in order to decide whether or not it is in the Company's best interest to pass Resolutions 5 - 9.

6.3 Corporations Act

Section 208 of the Corporations Act requires that for a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

6.2.2 obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and

6.2.3 give the benefit within 15 months following such approval,

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

The grant of the ESP Options constitutes giving a financial benefit and the Eligible Directors are related parties of the Company by virtue of being the Company's Directors or a person who may be appointed as a Director. One of the exceptions to section 208 is the payment of reasonable remuneration. As stated in section 6, the Company obtained an independent Board and Executive Remuneration Benchmarking Report concerning total remuneration of Directors and Executives, and benchmarking of value of equity based incentives, in calculating the proposed maximum number of ESP Options the subject of this Resolution.

As also stated in Section 6, the issue of ESP Options is a non-cash item and does not impact the Company's cash reserves. Eligible Directors must pay the exercise price of the ESP Options when exercising, increasing the cash reserves of the Company.

Accordingly, the Directors are of the view that there are reasonable grounds to believe that providing the Financial Assistance will not materially prejudice the interests of the Company, its shareholders and the ability to pay its creditors. The Directors have unanimously approved this statement.

7. RESOLUTION 10 – APPROVAL OF ESP

7.1 Background

The Board has adopted the ESP to replace the Loan Share Plan previously approved by Shareholders at the Company's 2014 annual general meeting and 2017 annual general meeting.

Shareholder approval is sought for the purposes of ASX Listing Rule 7.2 (Exception 9(b)) to approve the ESP, and to issue securities to executive and non-executive directors, full-time employees, contractors and consultants of the Company or its subsidiaries, as selected by the Board from time to time (Eligible Person).

The Board is committed to incentivising and retaining the Company's Eligible Persons in a manner which promotes alignment with Shareholder interests. Additionally, the Board considers equity-based compensation an integral component of the Company's remuneration platform enabling it to offer market-competitive remuneration arrangements.

The ESP is intended to enable Eligible Persons to share in any increase in the Company's value (as measured by share price) beyond the date of allocation of the Shares provided any specific performance conditions are met.

A summary of the ESP is set out in Annexure B.

7.2 ASX Listing Rules

ASX Listing Rule 7.1 requires shareholder approval for an issue of equity securities if, over a rolling 12 month period, the amount of equity securities issued (without prior shareholder approval) is more than 15% of the number of ordinary shares on issue at the start of that 12 month period.

ASX Listing Rule 7.2(Exception 9(b)) provides that an issue of securities under an employee incentive scheme does not detract from the available 15% limit under ASX Listing Rule 7.1 if the issue of securities is made under an employee incentive scheme and that employee incentive scheme was approved by shareholders no more than 3 years before the date of issue. The ESP is regarded as an employee incentive scheme for the purposes of Listing Rule 9.2 (Exception 9(b)).

The Company proposes that any issue of securities under the ESP not be included when undertaking the calculation of the Company's available 15% limit under ASX Listing Rule 7.1. Accordingly, it is seeking shareholder approval of the ESP under Exception 9 to ASX Listing Rule 7.2.

For the purpose of Exception 9 of ASX Listing Rule 7.2:

- (a) No securities have been issued under the ESP. Shares issued under the existing Loan Share Plan since it was last approved at the 2014 annual general meeting to related parties is set out in Section 6.2(b).

In addition, 10,000,000 Plan Shares were issued on 2 January 2019 at \$0.04183 per Share to an employee of the Company who is not a related party.

- (b) A summary of the key terms of the ESP is set out in Annexure B; and
- (c) A voting exclusion statement is set out in the Notice.

Glossary

\$ means Australian dollars.

Annual General Meeting or **Meeting** means the meeting convened by the Notice.

Annual Report means the Company's annual financial report for the year ended 30 June 2019

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited.

ASX Listing Rules means the Listing Rules of ASX.

Board means the current board of directors of the Company.

Brisbane, QLD Time means Australian Eastern Standard Time as observed in Brisbane Queensland.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

Chair means the chair of the Meeting.

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

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

Company means Australian Mines Limited (ACN 073 914 191).

Constitution means the Company's constitution.

Corporations Act means the Corporations Act 2001 (Cth).

Directors means the current directors of the Company.

Eligible Entity has the meaning given to that term in the ASX Listing Rules.

Equity Securities includes a Share, a right to a Share or Option, an Option, a convertible security and any security that ASX decides to classify as an Equity Security.

ESP means the Employee Securities Plan the subject of Resolution 10.

ESP Options means options issued under the ESP including NED Options and Managing Director Options;

Explanatory Statement means the explanatory statement accompanying the Notice.

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

Managing Director Options means the ESP Options the subject of resolution 5.

NED Options means the ESP Options the subject of Resolutions 6 to 9.

Notice or **Notice of Meeting** means this notice of meeting including the Explanatory Statement and the Proxy Form.

Option means an option to acquire a Share.

Proxy Form means the proxy form accompanying the Notice.

Remuneration Report means the remuneration report set out in the Director's report section of the Annual Report.

Resolutions means the resolutions set out in the Notice, or any one of them, as the context requires.

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

Shareholder means a holder of a Share.

Annexure A

Table 1 - Issued with Shareholder approval/other exception

No of securities	Date approval	Date of issue	Class	Issue Price	Close market price	Discount	Consideration on cash	Consideration on non cash current value	Purpose of issue	Persons issued to
96,666,667	21.11.18	23.11.2018	Shares	\$0.03	\$0.046	40%	Conversion of convertible note	N/A	Conversion of convertible note	Bergen*
87,058,824	27.11.18	31 May 2019	Shares	\$0.017	\$0.034	50%	Conversion of convertible note	N/A	Conversion of convertible note	Bergen*
361,335,912	N/A issued under Share Purchase Plan	22 July 2019	Shares	\$0.0161	\$0.02	19.5%	\$0.0161 per Share	N/A	Pursuant to SPP Prospectus lodged on 13 June 2019	Existing shareholders under SPP

*Bergen Global Opportunity Fund II LLP

Table 2 - Issued under Listing Rule 7.1

No of securities	Date of issue announcement	Date of issue	Class	Issue Price	Close market price	discount	Consideration cash	Consideration non cash – current value	Purpose of issue	Persons issued to or basis on which those persons were determined
1,750,000	21.01.2019	21.01.2019	Shares	Nil	\$0.045	N/A	Nil – issued to employee as part of employment agreement	N/A	Issued to employee	Issued to employee
172,413,793	27.02.2019	4-5.03.2019	Shares	\$0.029	\$0.03	3.3%	\$0.029 per Share	N/A	See announcement dated 27.02.2019	Clients of Terrain Capital Limited

Table 3 - Issued under Listing Rule 7.1A

No of securities	Date of issue announcement	Date of issue	Class	Issue Price	Close market price	Discount	Consideration - cash	Consideration – non cash – current value	Purpose of issue	Persons issued to
10,000,000	02.01.2019	02.01.2019	Shares	\$0.04183	\$0.0738	25%	\$0.04183 per Share	N/A	Issued under Loan Share Plan	Employee under ESP

Annexure B

Summary of the key terms of the ESP.

The key terms of the ESP are set out below:

- (a) **Eligibility:** The Board may from time to time, invite executive and non-executive directors, full-time or part-time employees or contractors or consultants of the Company (or its subsidiaries), or such other persons as the Board determines eligible, to participate in the ESP.
- (b) **Securities:** The Directors will determine the number of Securities to be offered to Eligible Persons pursuant to the terms of the ESP. However the maximum number of Securities that can be issued under this Plan and all other employee securities schemes during the last five years cannot exceed 5% of the total number of Securities on issue, excluding Excluded Offers as defined in the Plan (including offers that do not need a disclosure document under the Corporations Act).

Under the ESP, Securities will be offered to Eligible Persons (**Plan Securities**).

At the discretion of the Board, the Plan Securities may either be directly issued to Eligible Persons, or existing Securities purchased on-market and transferred. If Plan Securities are in a class of listed securities, the Board will apply for quotation of the Plan Securities issued (or any unquoted Plan Securities transferred) within the time required by the Listing Rules after the date of grant of the Plan Securities (**Grant Date**).

- (c) **Purchase Price:** At the Grant Date, the exercise price of the Plan Securities will be at least market value, or another value as determined by the Board.
- (d) **Forfeiture / Vesting:** The Plan Securities offered under the ESP may be subject to vesting conditions, forfeiture conditions and disposal restrictions (the **Conditions**) as determined by the Board and specified in offer documents to be provided to Eligible Persons. The Board has discretion to waive or deem Conditions to have been satisfied.

Unless otherwise determined by the Board, a Participant's Plan Securities will be forfeited in the circumstances set out in the rules of the ESP, and include where:

- (i) a Participant's employment, office or contractual relationship with the Company (or a subsidiary of the Company) ceases;
- (ii) the relevant vesting conditions are not satisfied or cannot be satisfied by the relevant time;
- (iii) a Participant acts fraudulently or dishonestly or in breach of his or her obligations to the Company (or its subsidiaries); or
- (iv) a Participant becomes insolvent.

If a Participant's Plan Securities are forfeited, they will be cancelled.

- (e) **Restrictions on Plan Securities:** Plan Securities cannot be dealt with unless they are not subject to any conditions.
- (f) **Trust:** The Company may use a specific purpose trust and trustee to facilitate the operation of the ESP and implement any procedures to enforce conditions and to monitor compliance with its securities trading policy.

- (g) **Change of control:** If a change of control event occurs, which is defined in the rules of the ESP and includes a takeover of the Company, the Board may in its absolute discretion determine the manner in which all or a specified number of a Participant's Plan Securities (whether vested or unvested) will be dealt with.
- (h) **Amendment:** The Board has the ability to amend the rules of the ESP at any time, including with retrospective effect, except that any amendments which affect a Participant's existing entitlements or obligations require a Participant's consent unless the amendment is primarily necessitated to ensure compliance with the Company's constitution or laws or to correct manifest errors.
- (i) **Other terms required under the ASX Listing Rules –** the issue of Plan Securities and if the Plan Securities are Options the Options themselves are subject to the ASX Listing Rules and all terms required under those rules apply to Options.

Copies of the ESP documentation will be available for inspection at the Company's registered office and will be provided without charge to Shareholders on request.



999 AUZ-12345678901

MR JOHN SMITH
UNIT 1
2 TEMPLATE STREET
BRISBANE, QUEENSLAND
AUSTRALIA 4000

LODGE YOUR PROXY APPOINTMENT ONLINE



ONLINE PROXY APPOINTMENT

www.advancedshare.com.au/investor-login



MOBILE DEVICE PROXY APPOINTMENT

Lodge your proxy by scanning the QR code below, and enter your registered postcode.

It is a fast, convenient and a secure way to lodge your vote.



Sub-Register	CHESS
HIN / SRN	X12345678

2019 ANNUAL GENERAL MEETING PROXY FORM

I/We being shareholder(s) of Australian Mines Limited and entitled to attend and vote hereby:

APPOINT A PROXY

☐ The Chair of the meeting **OR** ☐

PLEASE NOTE: If you leave the section blank, the Chair of the Meeting will be your proxy.

or failing the individual(s) or body corporate(s) named, or if no individual(s) or body corporate(s) named, the Chair of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf, including to vote in accordance with the following directions (or, if no directions have been given, and to the extent permitted by law, as the proxy sees fit), at the Annual General Meeting of the Company to be held at **Concorde Room, Sofitel Brisbane Central, 249 Turbot St, Brisbane City QLD 4000 on 19 November 2019 at 12.30 pm Brisbane time** and at any adjournment or postponement of that Meeting.

Chair authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chair of the Meeting as my/our proxy (or the Chair becomes my/our proxy by default), I/we expressly authorise the Chair to exercise my/our proxy on Resolution 1, 5, 6, 7, 8, 9 & 10 (except where I/we have indicated a different voting intention below) even though these resolutions are connected directly or indirectly with the remuneration of a member(s) of key management personnel, which includes the Chair. I/we acknowledge the Chair of the Meeting intends to vote all undirected proxies available to them in favour of each Resolution of Business.

VOTING DIRECTIONS

Resolutions

	For	Against	Abstain*
1 Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Re-Election of Director – Mr Michael Elias	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Approval of 10% Placement Capacity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Ratification of Issue of Securities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5 Approval to Issue of Managing Director Options to Benjamin Bell under the ESP	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6 Approval to Issue of NED Options to Michael Ramsden under the ESP	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7 Approval to Issue of NED Options to Michael Elias under the ESP	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8 Approval to Issue of NED Options to Dominic Marinelli under the ESP	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9 Approval to Issue of NED Options to Les Guthrie under the ESP	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10 Approval of ESP	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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

SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Joint Shareholder 2 (Individual)

Joint Shareholder 3 (Individual)

Sole Director and Sole Company Secretary

Director/Company Secretary (Delete one)

Director

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

Email Address

☐ Please tick here to agree to receive communications sent by the company via email. This may include meeting notifications, dividend remittance, and selected announcements.

HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

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

CHANGE OF ADDRESS

This form shows your address as it appears on Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes.

APPOINTMENT OF A PROXY

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

DEFAULT TO THE CHAIR OF THE MEETING

If you leave Step 1 blank, or if your appointed proxy does not attend the Meeting, then the proxy appointment will automatically default to the Chair of the Meeting.

VOTING DIRECTIONS – PROXY APPOINTMENT

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

PROXY VOTING BY KEY MANAGEMENT PERSONNEL

If you wish to appoint a Director (other than the Chair) or other member of the Company's key management personnel, or their closely related parties, as your proxy, you must specify how they should vote on Resolution 1, 5, 6, 7, 8, 9 & 10, by marking the appropriate box. If you do not, your proxy will not be able to exercise your vote for Resolution 1, 5, 6, 7, 8, 9 & 10.

PLEASE NOTE: If you appoint the Chair as your proxy (or if they are appointed by default) but do not direct them how to vote on a resolution (that is, you do not complete any of the boxes "For", "Against" or "Abstain" opposite that resolution), the Chair may vote as they see fit on that resolution.

APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning Advanced Share Registry Limited or you may copy this form and return them both together.

To appoint a second proxy you must:

- On each Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- Return both forms together.

CORPORATE REPRESENTATIVES

If a representative of a nominated corporation is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission in accordance with the Notice of Meeting. A Corporate Representative Form may be obtained from Advanced Share Registry.

SIGNING INSTRUCTIONS ON THE PROXY FORM

Individual:

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

Joint Holding:

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

Power of Attorney:

If you have not already lodged the Power of Attorney with Advanced Share Registry, please attach the original or a certified photocopy of the Power of Attorney to this form when you return it.

Companies:

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

LODGE YOUR PROXY FORM

This Proxy Form (and any power of attorney under which it is signed) must be received at an address given below by 12.30 pm Brisbane time on 17 November 2019, being not later than 48 hours before the commencement of the Meeting. Proxy Forms received after that time will not be valid for the scheduled meeting.



ONLINE PROXY APPOINTMENT

www.advancedshare.com.au/investor-login



BY MAIL

Advanced Share Registry Limited
110 Stirling Hwy, Nedlands WA 6009; or
PO Box 1156, Nedlands WA 6909



BY FAX

+61 8 9262 3723



BY EMAIL

admin@advancedshare.com.au



IN PERSON

Advanced Share Registry Limited
110 Stirling Hwy, Nedlands WA 6009



ALL ENQUIRIES TO

Telephone: +61 8 9389 8033