



ACN 108 456 444

## **NOTICE OF ANNUAL GENERAL MEETING AND EXPLANATORY STATEMENT**

|               |   |
|---------------|---|
| <b>TIME:</b>  | 10.00am (WST)   |
| <b>DATE:</b>  | 30 November 2018  |
| <b>PLACE:</b> | Suite 9, 5 Centro Avenue<br>Subiaco, Western Australia 6008 |

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

If Shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser without delay.

Should you wish to discuss the matters in this Notice of Annual General Meeting please do not hesitate to contact the Company Secretary on +61 8 9226 1356.

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## IMPORTANT INFORMATION

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### Time and place of Meeting

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The Annual General Meeting of the Shareholders to which this Notice of Meeting relates will be held at 10.00am (WST) on Friday, 30 November 2018 at:

Suite 9, 5 Centro Avenue  
Subiaco, Western Australia 6008

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### Your vote is important

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

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### Voting eligibility

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The Company may specify a time, not more than 48 hours before the Meeting, at which a “snap-shot” of Shareholders will be taken for the purposes of determining Shareholder entitlements to vote at the Meeting.

The Company’s Directors have determined that all Shares of the Company that are on issue at 4.00pm (WST) on Wednesday, 28 November 2018 shall, for the purposes of determining voting entitlements at the Meeting, be taken to be held by the persons registered as holding the Shares at that time.

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### Voting in person

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

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### Voting by proxy

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To vote by proxy, please complete and sign the enclosed Proxy Form and return:

- In person at:  
New World Cobalt Limited  
Suite 9, 5 Centro Avenue  
Subiaco, Western Australia 6008
- By post to:  
New World Cobalt Limited  
PO Box 457  
West Perth, Western Australia 6872
- By facsimile to +61 8 9226 2027
- By scan and email to [info@newworldcobalt.com](mailto:info@newworldcobalt.com)

Please note that the Proxy Form must be received by the Company not later than **10.00am (WST) on Wednesday, 28 November 2018**. **Proxy Forms received later than this time will be invalid.**

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## BUSINESS OF THE MEETING

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The business to be considered at the Meeting is set out below

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### 1. FINANCIAL STATEMENTS AND REPORTS

To receive and consider the annual financial report of the Company for the financial year ended 30 June 2018 together with the declaration of the Directors, the Directors' report, the Remuneration Report and the Auditor's report.

*Note: there is no requirement for Shareholders to approve these reports.*

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### 2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary 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 2018."*

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

**Voting Exclusion:**

A vote on this Resolution must not be cast (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:

- (a) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or
- (b) the voter is the Chair 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.

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### 3. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – RICHARD HILL

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

*"That, in accordance with Listing Rule 14.5 and for the purposes of clause 11.5 of the Constitution and for all other purposes, Richard Hill, a Director, retires, and being eligible, offers himself for re-election, is re-elected as a Director of the Company."*

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### 4. RESOLUTION 3 – RATIFICATION OF PRIOR ISSUES UNDER LISTING RULE 7.1

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

*"That, for the purpose of ASX Listing Rule 7.4 and for all other purposes, Shareholders approve and ratify the prior issue by the Company of 13,516,131 Shares to Salmon Canyon Copper Company, on the terms and conditions set out in the Explanatory Statement."*

**Voting Exclusion:** The Company will disregard any votes cast in favour of the Resolution by or on behalf of Salmon Canyon Copper Company or any of its Associates. However, the Company need 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.

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5. **RESOLUTION 4 – CANCELLATION OF FORFEITED PERFORMANCE SHARES**

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

*"That, in accordance with section 258D of the Corporations Act, ASX Listing Rule 7.26 and for all other purposes, the Company's share capital be reduced by the cancellation of 1,133,334 Performance Shares that had been issued as part consideration for the acquisition of its interests in the Fraser Range Project and which have been forfeited in accordance with the terms of their issue."*

**Voting Exclusion:** The Company will disregard any votes cast on this Resolution by or on behalf of a person whose performance shares are to be cancelled or any Associate of such persons. However, the Company need 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.

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6. **RESOLUTION 5 – 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 of the Company (at the time 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 or on behalf of any person who is expected to participate, or who will obtain a material benefit as a result of, the proposed issue of Equity Securities under this Resolution (except a benefit solely in the capacity of a holder of ordinary securities), if the Resolution is passed and any Associate of those persons. However, the Company will not disregard a vote if it is cast by such 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.

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7. **RESOLUTION 6 – RESIGNATION AND APPOINTMENT OF AUDITOR**

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

*"That, subject to ASIC granting its consent to the resignation of the Company's current auditor, HLB Mann Judd, for the purpose of section 327B of the Corporations Act and for all other purposes, Stantons International Audit and Consulting Pty Ltd (ABN 84 144 581 519), having been nominated by a Shareholder and consented in writing to act as auditor of the Company, be appointed as auditor of the Company with effect from the close of the Annual General Meeting on the terms and conditions in the Explanatory Statement."*

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8. **RESOLUTION 7 – CHANGE OF CONSTITUTION**

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

*"That, for the purposes of sections 136(2) of the Corporations Act and for all other purposes, approval is given for the Company to repeal its existing Constitution and adopt a new constitution in its place, which will be initialled by the Chair for identification purposes, with effect from the close of the Meeting."*

Dated: 24 October 2018

By order of the Board

IAN CUNNINGHAM  
COMPANY SECRETARY

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## EXPLANATORY STATEMENT

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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.

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### 1. FINANCIAL STATEMENTS AND REPORTS

In accordance the Constitution and pursuant to the Corporations Act the annual financial report, directors' report and the auditor's report (**Annual Financial Statements**) are be received and considered at the Annual General Meeting. The Annual Financial Statements for the period ended 30 June 2018 are included in the Company's annual financial report, together with the declaration of the Directors, the Directors' report, the Remuneration Report and the Auditor's report, a copy of which can be accessed on-line at [www.newworldcobalt.com](http://www.newworldcobalt.com). A hard copy of the Company's annual financial report will be made available on request.

There is no requirement for Shareholders to approve these reports and no vote will be taken on the Annual Financial Statements. However, Shareholders attending the Annual General Meeting will be given a reasonable opportunity to ask questions about, or make comments on, the Annual Financial Statements and the management of the Company.

The Company's auditor, HLB Mann Judd, will be present at the Annual General Meeting and Shareholders will have the opportunity ask the auditor questions in relation to the conduct of the audit, the auditor's report, the Company's accounting policies, and the independence of the auditor.

In addition to taking questions at the Meeting, written questions to the Chair about the management of the Company, or to the Company's auditor about:

- (a) the preparation and content of the auditor's report;
- (b) the conduct of the audit;
- (c) accounting policies adopted by the Company in relation to the preparation of the Annual Financial Statements; and
- (d) the independence of the auditor in relation to the conduct of the audit,

may be submitted no later than 25 November 2018 to the Company Secretary on 9226 1356.

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### 2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

#### 2.1 General

The Corporations Act, at section 250R(2), requires that at a listed company's annual general meeting, a non-binding 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 directors or 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 the financial year ending 30 June 2018. The annual financial report will be made available on the Company's website at [www.newworldcobalt.com](http://www.newworldcobalt.com).

By way of summary, the Remuneration Report:

- (a) explains the Company's remuneration policy and the process for determining the remuneration of its Directors and executive officers; and
- (b) sets out the remuneration details for each Director and executive officer named in the Remuneration Report for the financial year ended 30 June 2018.

The Chair of the Annual General Meeting will allow a reasonable opportunity for Shareholders as a whole to ask about, or make comments on, the Remuneration Report.

## 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 Shareholders vote in favour of the Spill Resolution, the Company must convene the general 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 meeting were less than 25%. Accordingly, the Spill Resolution is not relevant for this Meeting.

## 2.4 Proxy voting restrictions

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

| Proxy                                 | Directions given | No directions given                              |
|---------------------------------------|------------------|--|
| Key Management Personnel <sup>1</sup> | Vote as directed | Unable to vote <sup>3</sup>                      |
| Chair <sup>2</sup>                    | Vote as directed | Able to vote at discretion of Proxy <sup>4</sup> |
| Other                                 | Vote as directed | Able to vote at discretion of Proxy              |

Notes:

1. Refers to 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.
2. Refers to the Chair (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).
3. 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.
4. The Proxy Form notes it is the Chair's intention to vote all undirected proxies in favour of all Resolutions.

## 2.5 Board Recommendation

The Board unanimously recommends that Shareholders vote in favour of Resolution 1.

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## 3. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – MR RICHARD HILL

### 3.1 Legal requirements

In accordance with ASX Listing Rule 14.5 there must be an election of Directors at each annual general meeting of the Company.

Clause 11.3 of the Constitution also requires that in every year one-third of the Directors (except the Managing Director) must retire and if eligible may stand for re-election. Clause 11.5 of the Constitution states that the Director to retire in accordance with these requirements is the Director who has been in office longest since their last election.

Richard Hill has been longest in office since his last election on 27 October 2017 and accordingly must retire by rotation and being eligible will stand for re-election.

### 3.2 Director information

Mr Hill is a geologist and solicitor with over 25 years' experience in the resources industry. He has performed roles as commercial manager and geologist for several mid cap Australian mining companies and as founding director for a series of successful ASX-listed companies. Mr Hill has

practical geological experience as a mine based and exploration geologist in a range of commodities.

Mr Hill is currently Chairman of Genesis Minerals Limited.

### 3.3 Board recommendation

The Board (other than Richard Hill) recommends Shareholders vote in favour of Resolution 2.

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## 4. RESOLUTION 3 – RATIFICATION OF PRIOR ISSUES UNDER LISTING RULE 7.1

### 4.1 Legal requirements

On 27 October 2017, Shareholders approved the acquisition of 100% of the issued capital of Liaz Pty Ltd at a general meeting (**Liaz Acquisition**).

The Liaz Acquisition provided the Company with exposure to three high-grade cobalt projects in North America, including the Colson Cobalt-Copper Project in Idaho, USA (**Colson Project**). The Salmon Canyon Deposit in Idaho USA (**Salmon Canyon Deposit**) is located within the Colson Project and comprises an area of 10 Federal mining claims (~200 acres). The terms to acquire a 100% interest in the Salmon Canyon Deposit from the vendor, Salmon Canyon Copper Company (**SCCC**), are:

- (i) initial cash payment of US\$250,000 and the issue of US\$250,000 in Shares on or before 31 October 2017;
- (ii) further cash payment of US\$150,000 and US\$250,000 in cash or Shares (**SCD Second Tranche Share Payment**) (at the Company's election) on or before 30 April 2018;
- (iii) further cash payment of US\$275,000 and US\$300,000 in cash or Shares (**SCD Third Tranche Share Payment**) (at the Company's election) on or before 30 August 2018; and
- (iv) further cash payment of US\$300,000 and US\$550,000 in cash or Shares (at the Company's election) on or before 31 December 2018.

The Company has paid the requisite consideration to date to acquire the Salmon Canyon Deposit, including the following Share consideration:

- (a) on 30 April 2018, the Company issued 3,553,682 Shares to SCCC, being the SCD Second Tranche Share Payment; and
- (b) on 30 August 2018, the Company issued a further 9,962,449 Shares to SCCC, being the SCD Third Tranche Share Payment;

(collectively the **SCCC Share Payments**).

The SCCC Share Payments were issued pursuant to ASX Listing Rule 7.1.

Resolution 3 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of all of the SCCC Share Payments pursuant to ASX Listing Rule 7.1 (**7.1 Ratification**).

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1. It provides that where a company in general meeting ratifies the previous issue of securities made without shareholder approval under ASX Listing Rule 7.1 (and provided that the previous issue did not breach ASX Listing Rule 7.1) those securities will be deemed to have been made with shareholder approval for the purpose of ASX Listing Rule 7.1.

Pursuant to the 7.1 Ratification, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1.

## **Technical information required by ASX Listing Rule 7.5**

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to the 7.1 Ratification:

- (a) 13,516,131 Shares were issued pursuant to ASX Listing Rule 7.1;
- (b) the Shares were issued to SCCC as part consideration for the acquisition of the Salmon Canyon Deposit;
- (c) the Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (d) the Shares were issued to SCCC, who is not a related party of the Company;
- (e) no funds were raised from the issues as the Shares were issued as part consideration for the acquisition of the Salmon Canyon Deposit; and
- (f) a Voting Exclusion Statement has been provided for this Resolution in the Agenda Section of this Notice of Meeting.

### **4.2 Board Recommendation**

The Board believes that the ratification of the above issues of securities is beneficial for the Company as it allows the Company to retain the flexibility to issue further securities representing up to 15% of the Company's share capital during the next 12 months. Accordingly, the Board recommends Shareholders vote in favour of Resolution 3.

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## **5. RESOLUTION 4 – CANCELLATION OF FORFEITED PERFORMANCE SHARES**

### **5.1 Background**

On 28 October 2013, the Company announced that the conditions for completion of the acquisition of a further 70% interest in the Fraser Range Project (**Fraser Range Acquisition**) had been met. This followed the issue on 23 October 2013 of the following securities to the project vendor as part consideration for the Fraser Range Acquisition (note numbers are shown post the effect of the 1 for 30 security consolidation in October 2013 and subsequent 1 for 20 security consolidation in November 2016):

- 566,667 Class A Performance Shares were issued, each of which could convert into a Share on a 1 for 1 basis, subject to the delineation of a 300,000 ounce JORC Inferred Resource at the Fraser Range Project on or before 4 years from the date of completion of the Fraser Range Acquisition; and
- 566,667 Class B Performance Shares, each of which could convert into a Share on a 1 for 1 basis, subject to a decision to mine being made on the Fraser Range Project on or before 5 years from the date of completion of the Fraser Range Acquisition;

(collectively the **Performance Shares**)

The issue of the Performance Shares was previously approved by shareholders at a general meeting held on 8 October 2013, including approval for the new creation of a new class of shares.

The Company has determined that completion of the Fraser Range Acquisition took place on 23 October 2013. The Fraser Range Project was subsequently relinquished in 2018. Hence, as announced to ASX on 24 October 2018, the prescribed performance conditions for the Performance Shares were not met by the required date and hence in accordance with the applicable terms the Performance Shares have expired and have been automatically forfeited.

### **5.2 Legal Requirements**

Section 258D of the Corporations Act provides that a company may, by resolution passed at a general meeting, cancel shares that have been forfeited under the terms on which the shares are on issue. Accordingly the Company is seeking Shareholder approval to cancel the 1,133,334 Performance Shares.



Following the cancellation of the Performance Shares, the Company's issued capital will consist of:

| Number      | Class  |
|-------------|--|
| 511,192,927 | Fully paid ordinary shares   |
| 10,000,000  | Unlisted Options exercisable at \$0.10 on or before 9 May 2020   |
| 1,250,000   | Unlisted Options exercisable at \$0.125 on or before 13 December 2019                                      |
| 833,334     | Unlisted Options exercisable at \$0.12 on or before 22 September 2020                                      |
| 1,050,000   | Unlisted Options exercisable at \$0.125, \$0.15, \$0.175, \$0.20 and \$0.225 on or before 13 December 2021 |
| 20,000,000  | Performance Rights expiring 1 November 2018  |

#### **Information required by ASX Listing Rule 7.26**

Pursuant to and in accordance with ASX Listing Rule 7.26, the following information is provided in relation to the forfeited Performance Shares:

- (a) the 1,133,334 Performance Shares were issued as part consideration (nil cash consideration) for the acquisition of the Fraser Range Project;
- (b) there are no amounts called but unpaid, nor any amounts uncalled relating to the Performance Shares;
- (c) there are no outstanding liabilities in relation to the Performance Shares; and
- (d) a Voting Exclusion Statement has been provided for this Resolution in the Agenda Section of this Notice of Meeting.

### **5.3 Board recommendation**

The Board recommends Shareholders vote in favour of Resolution 4.

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## **6. RESOLUTION 5 – APPROVAL OF 10% PLACEMENT CAPACITY**

### **6.1 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 10% Placement Capacity is in addition to the Company's 15% annual placement capacity granted under Listing Rule 7.1.

Resolution 5 seeks Shareholder approval to enable the Company to issue Equity Securities under the 10% Placement Capacity throughout the 12 months after the Annual General Meeting.

If Shareholders approve Resolution 5, the exact 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 6.2).

The effect of Resolution 5 will be to allow the Company to issue Equity Securities up to 10% of the Company's fully paid ordinary securities on 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 5 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 5 for it to be passed.

## 6.2 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 \$300,000,000.

The Company is an Eligible Entity as it is not included in the S&P/ASX 300 Index and has a market capitalisation of approximately \$23 million based on the closing Share price on 23 October 2018 and is expected to be an eligible entity as at the time of the Annual General Meeting.

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

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:
- plus the number of Shares issued in the previous 12 months under an exception in ASX Listing Rule 7.2;
  - plus the number of partly paid shares that became fully paid in the previous 12 months;
  - 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. This does not include an issue of fully paid ordinary shares under the entity's 15% placement capacity without shareholder approval; and
  - 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.

## 6.3 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 5:

### (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 6.3(a)(i), the date on which the Equity Securities are issued.

(b) **Date of Issue**

If Shareholders approve Resolution 6, the Company will have a mandate to issue the Equity Securities 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 Equity Securities during the 10% Placement Capacity Period.

(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 5 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 the current number of Equity Securities on issue as at the date of this Notice.

Shareholders should note if Resolution 5 is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Capacity, there is a risk that:

- (i) the market price for the Company's Shares may be significantly lower on the issue date than on the date of the Meeting; and
- (ii) 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.

The below table shows the dilution of existing Shareholders on the basis of the current market price of Shares and the current number of ordinary securities for variable "A" calculated in accordance with the formula in Listing Rule 7.1A(2) as at the date of this Notice of Meeting.

The table also shows:

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

| Number of Shares on Issue<br>(Variable 'A' in ASX Listing Rule 7.1A2) | Dilution                            |  |                        |  |
|---|-------------------------------------|--|------------------------|--|
|   | Issue Price (per Share)             | \$0.023<br>50% decrease in Issue Price | \$0.045<br>Issue Price | \$0.068<br>50% increase in Issue Price |
| 511,192,927<br>(Current Variable A)                                   | Shares issued - 10% voting dilution | 51,119,292 Shares                      | 51,119,292 Shares      | 51,119,292 Shares                      |
|   | Funds raised                        | \$1,150,184                            | \$2,300,368            | \$3,450,552                            |
| 766,789,391<br>(50% increase in Variable A)                           | Shares issued - 10% voting dilution | 76,678,939 Shares                      | 76,678,939 Shares      | 76,678,939 Shares                      |
|   | Funds raised                        | \$1,725,276                            | \$3,450,552            | \$5,175,828                            |
| 1,022,385,854<br>(100% increase in Variable A)                        | Shares issued - 10% voting dilution | 102,238,585 Shares                     | 102,238,585 Shares     | 102,238,585 Shares                     |
|   | Funds raised                        | \$2,300,368                            | \$4,600,736            | \$6,901,105                            |

\* 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) or that are issued with Shareholder approval under Listing Rule 7.1.

**The table above uses the following assumptions:**

- (i) Variable A is 511,192,927 being the number of Shares on issue as at the date of this Notice of Meeting.
- (ii) The issue price is \$0.045, being the closing price of the Shares on the ASX on 23 October 2018, being the last trading day before the date of this Notice of Meeting.
- (iii) The Company issues the maximum possible number of Equity Securities under the 10% Placement Capacity.
- (iv) No Options are exercised into Shares before the date of issue of the Equity Securities.
- (v) The Company has not issued any Equity Securities in the 12 months prior to the date of issue that were not issued under an exception in ASX Listing Rule 7.2 or with approval under ASX Listing Rule 7.1.
- (vi) The issue of Equity Securities under the 10% Placement Capacity consists only of Shares. It is also assumed no Options are exercised into Shares before the date of issue of the Equity Securities.
- (vii) The calculations above do not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Capacity, based on that Shareholder's holding at the date of the Meeting. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.
- (viii) This table does not set out any dilution pursuant to approvals under ASX Listing Rule 7.1.
- (ix) The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
- (x) The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Capacity, based on that Shareholder's holding at the date of the Meeting.

**(d) Purpose of Issue under 10% Placement Capacity**

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

- (i) as cash consideration in which case the Company intends to use funds raised for (i) exploration and development activities on its North American exploration projects; (ii) general working capital; and/or (iii) the acquisition of new resource assets and investments; or
- (ii) as non-cash consideration for the acquisition of new resource assets and investments excluding previously announced acquisitions, in such circumstances the Company will provide a valuation of the non-cash consideration as required by Listing Rule 7.1A.3.

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

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

The recipients of the Equity Securities to be issued under the 10% Placement Capacity have not yet been determined. However, the recipients 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 recipients 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).

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

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

The Company previously obtained Shareholder approval under ASX Listing Rule 7.1A at its last annual general meeting held on 23 November 2017.

The Company has issued a total of 132,391,589 Equity Securities during the 12 months preceding the date of this Meeting, representing approximately 25.1% of the total diluted number of Equity Securities on issue in the Company as at the date of the last annual general meeting.

Information relating to issues of Equity Securities by the Company in the 12 months prior to the date of this Meeting is set out in Schedule 1.

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

**(h) 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 5.

In these circumstances (and in accordance with the note set out in Listing Rule 14.11.1 relating to Listing Rules 7.1 and 7.1A), for a person's vote to be excluded, it must be known that that person will participate in the proposed issue. Where it is not known who will participate in the proposed issue (as is the case in respect of any Equity Securities issued under the 10% Placement Capacity), Shareholders must consider the proposal on the basis that they may or may not get a benefit and that it is possible that their holding will be diluted, and there is no reason to exclude their votes.

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## **7. RESOLUTION 6 - RESIGNATION AND APPOINTMENT OF AUDITOR**

HLB Mann Judd, the Company's existing auditor, have applied to the ASIC for its consent to resign as auditor effective from the date of the conclusion of the Annual General Meeting, and notified the Company of its application to ASIC. ASIC must consent to the resignation for it to be effective.

The Board would like to thank HLB Mann Judd for the manner in which audit services have been delivered during their appointment.

If ASIC consents to the resignation of HLB Mann Judd as auditor of the Company and that consent takes effect from the conclusion of the Meeting, the Company proposes that Stantons International Audit and Consulting Pty Ltd be appointed as the Company's new auditor.

Jordyn Kiernan, being a Shareholder of the Company, has nominated that Stantons International Audit and Consulting Pty Ltd be appointed as auditor. A copy of this nomination is attached as Schedule 2 of this Notice. Pursuant to section 328B(3) of the Corporations Act, a copy of this nomination has been sent to HLB Mann Judd and Stantons International Audit and Consulting Pty Ltd.

Stantons International Audit and Consulting Pty Ltd have consented in writing to act as the Company's auditor.

If ASIC has not consented to the resignation of HLB Mann Judd at the date of the Meeting, this Resolution 6 will not be proposed at the Meeting.

If ASIC provides its consent to the resignation of HLB Mann Judd and approval is received from Shareholders for the appointment of Stantons International Audit and Consulting Pty Ltd, Stantons International Audit and Consulting Pty Ltd will commence as auditor of the Company from the conclusion of the Annual General Meeting.

### **7.1 Board recommendation**

The Board recommends Shareholders vote in favour of Resolution 6.

If Resolution 6 is passed, the appointment of Stantons International Audit and Consulting Pty Ltd will take effect at the close this Annual General Meeting.

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## **8. RESOLUTION 7 – ADOPTION OF NEW CONSTITUTION**

### **8.1 Background**

In accordance with sections 136(1)(b) and 136(2) of the Corporations Act, the Constitution of the Company can only be replaced by a special resolution passed by at least 75% of the votes cast by Shareholders who are entitled to vote at the meeting.

Resolution 7 is a special resolution which will enable the Company to repeal its existing Constitution and adopt a new Constitution (**Proposed Constitution**) which is of the type suitable for a listed public company and updated to ensure it reflects current provisions of the Corporations Act and Listing Rules.

The Proposed Constitution will incorporate amendments to the Corporations Act and Listing Rules since the time that the current Constitution was adopted in. It will also incorporate amendments to reflect changes in corporate governance and market standards.

If Resolution 7 is passed, the Proposed Constitution will be effective immediately following this Meeting.

A copy of the Proposed Constitution is available for review at the registered office of the Company. A copy can also be sent to Shareholders upon request by contacting the Company Secretary on +61 8 9 226 1356. A copy will also be tabled at the Meeting. Shareholders are invited to contact the Company if they have any queries or concerns.

## **8.2 Proposed Changes**

The Proposed Constitution is broadly consistent with the provisions of the current Constitution. Many of the proposed changes are administrative or minor in nature. It is not practicable to list all of the differences between the current Constitution and the Proposed Constitution, however of particular note the Proposed Constitution includes provisions on the Company's power to sell unmarketable parcels and provisions on proportional takeover bids. Additional information on the proportional takeover provisions and other key differences is set out below.

## **8.3 Proportional Takeover Provisions**

Under the Corporations Act, a company is empowered to include in its constitution provision to enable the company to refuse to register shares acquired under a proportional takeover bid unless a resolution is passed by shareholders in general meeting approving the offer.

The Directors consider that it is appropriate to include in the Constitution of the Company a proportional takeover provision for a term of three years (after which it will have to be renewed by a further special resolution of Shareholders).

### ***Proportional takeover bids***

A proportional takeover bid is an off market takeover offer sent to all Shareholders but only in respect of a specified portion of each Shareholder's shares in the Company (i.e. less than 100%). Accordingly, if a Shareholder accepts in full the offer under a proportional takeover bid, the Shareholder will dispose of the specified portion of the Shareholder's Shares and retain the balance of the Shares.

### ***Effect of proportional takeover provision***

The effect of including the proportional takeover provision in the Proposed Constitution is that if a proportional takeover bid is made to Shareholders, the Directors are obliged to convene a meeting of Shareholders to be held at least 15 days before the offer closes. The purpose of the meeting would be to vote on a resolution to approve the proportional takeover bid. For the resolution to be approved, it must be passed by a simple majority of votes at the meeting, excluding votes of the offeror and its associates.

If no such resolution is voted on within the required timeframe, the resolution is deemed to have been approved. This, in effect, means that Shareholders as a body may only prohibit a proportional takeover bid by rejecting such a resolution.

If the resolution is approved or deemed to have been approved, transfers of Shares under the proportional takeover bid (provided they are in all other respects in order for registration) must be registered.

If the resolution is rejected, registration of any transfer of Shares resulting from that proportional takeover bid is prohibited and the offer is deemed by the Corporations Act to have been withdrawn.

The proportional takeover provision does not apply to a full takeover bid.

### ***Reasons for proportional takeover provision***

The Directors consider that Shareholders should have the opportunity to vote on a proposed proportional takeover bid. A proportional takeover bid may result in effective control of the Company changing hands without Shareholders having the opportunity to dispose of all their Shares. Shareholders could be at risk of passing control to the offeror without payment of an adequate control premium for all their Shares whilst leaving themselves as part of a minority interest in the Company.

If the Proposed Constitution is adopted, the proportional takeover provision can prevent this occurring by giving Shareholders the opportunity to decide whether a proportional takeover bid is acceptable and should be permitted to proceed.

### ***Presently proposed acquisitions***

As at the date of this Explanatory Statement, no Director is aware of any proposal by any person to acquire or increase the extent of a substantial interest in the Company.

### **Potential advantages and disadvantages for the Directors and shareholders**

The Directors consider that the proportional takeover provisions had no advantages or disadvantages for them during the period in which they were previously in effect.

The advantages and disadvantages of the proportional takeover provisions for Shareholders include those set out immediately below, which were applicable during the period in which they were in effect under the previous Constitution.

The Directors consider that proportional takeover provisions in the Proposed Constitution have no potential advantages or potential disadvantages for the Directors as they remain free to make whatever recommendations they consider appropriate on any proportional takeover bid that may be made.

The potential advantages of the proportional takeover provisions for Shareholders include:

1. the right to decide by majority vote whether an offer under a proportional takeover bid should proceed;
2. assisting in preventing Shareholders from being locked in as a minority;
3. increasing the bargaining power of Shareholders which may assist in ensuring that any proportional takeover bid is adequately priced; and
4. each individual Shareholder may better assess the likely outcome of the proportional takeover bid by knowing the view of the majority of Shareholders which may assist in deciding whether to accept or reject an offer under the takeover bid.

The potential disadvantages of the proportional takeover provisions for Shareholders include:

1. proportional takeover bids may be discouraged;
2. lost opportunity to sell a portion of their Shares at a premium; and
3. the likelihood of a proportional takeover bid succeeding may be reduced.

### **8.4 Other key differences**

The key differences between the existing Constitution and the Proposed Constitution are summarised below. This summary is not intended to be an exhaustive explanation of all the changes effected by the adoption of the Proposed Constitution.

#### **(a) Article 10.19: Proceedings at General Meeting**

By virtue of Article 10.19, the Constitution allows the Chair of a General Meeting to have a casting vote in the event of an equality of votes. Pursuant to Article 11.13 of the Proposed Constitution, the Chair does not have a casting vote if there is an equality of votes.

#### **(b) Article 11.1: The Directors**

Article 11.1 of the Constitution states that the maximum number of Directors is 10. The Proposed Constitution, at Article 12.1, does not set a maximum of Directors. This is to account for growth in the Company and to preserve flexibility going forward. The Company may still increase or reduce the maximum or minimum numbers of Directors by ordinary resolution.

Article 11.15 of the Constitution specifies that no non-executive Director shall be paid as part or whole of his remuneration a commission on or a percentage of profits or a commission or a percentage of operating revenue. This sentence is omitted from the Proposed Constitution.

#### **(c) Article 17.1: Dividends only payable from profits**

Article 17.1 of the Constitution provides that dividends are only payable from profits. Article 19.1 of the Proposed Constitution provides that, subject to the Corporations Act, the Listing Rules, the Proposed Constitution, and the rights of any person entitled to shares with special right to dividend, the Directors may determine that a dividend is payable. In addition, Article 19.2 of the Proposed Constitution prohibits interest payable on a dividend.



**(d) Remuneration of Directors (new Article 12.8)**

The Proposed Constitution allows Directors to participate in Share plans and to receive other non-cash benefits as part of their normal remuneration. If the Proposed Constitution is adopted, the Company will still need to comply with the relevant requirements of the Listing Rules and the Corporations Act.

**(e) Methods of service (new Article 21.2)**

The Proposed Constitution includes fax and other electronic means as additional methods of service of notices.

**(f) Indemnity and Insurance (new Article 23)**

Pursuant to Article 23 of the Proposed Constitution, the indemnity and insurance provisions allow the Company to indemnify a Director or secretary for legal costs incurred in obtaining advice on issues relating to the performance of their functions and duties.

**8.5 Board recommendation**

The Directors do not believe the potential disadvantages outweigh the potential advantages of adopting the proportional takeover provisions and as a result consider that the proportional takeover provision in the Proposed Constitution is in the interest of Shareholders.

The Directors unanimously recommend that Shareholders vote in favour of Resolution 7.

If this Resolution is approved, the Proposed Constitution will be adopted with effect from the close of the Meeting.

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**9. ENQUIRIES**

Shareholders may contact the Company Secretary on (+61) 8 9226 1356 if they have any queries in respect of the matters set out in these documents.

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## GLOSSARY

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

**ASIC** means the Australian Securities and Investments Commission.

**Associate** has the meaning given to that term in the Listing Rules.

**ASX** means ASX Limited (ACN 008 624 691) or the financial market operated by ASX Limited, as the context requires.

**Auditor** means the auditor of the Company.

**Board** means board of Directors.

**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)* for the purposes of the definition of 'closely related party' in the Corporations Act.

**Company** means New World Cobalt Limited (ACN 108 456 444).

**Constitution** means constitution of the Company.

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

**Director** means director of the Company.

**Eligible Entity** means an entity that, at the date of the relevant 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 \$300,000,000.

**Equity Securities** has the meaning set out in the ASX Listing Rules.

**Explanatory Statement** means the explanatory statement that accompanies this Notice of Meeting.

**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.

**Listing Rules** means the listing rules of ASX.

**Notice of Meeting** or **Notice** means this notice of Annual General Meeting.

**Proxy Form** means the proxy form enclosed with this Notice of Meeting.

**Remuneration Report** means the remuneration report set out in the Director's report section of the Company's annual financial report for the year ended 30 June 2018.

**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 registered holder of a Share.

**Variable A** means "A" as set out in the calculation in Section 6.2.

**WST** means Western Standard Time as observed in Perth, Western Australia.

**10% Placement Capacity** has the meaning given in Section 6.

**WST** means Western Standard Time as observed in Perth, Western Australia.

# **SCHEDULE 1 – ISSUE OF EQUITY SECURITIES SINCE 30 NOVEMBER 2017**

| <b>Date of Issue</b>                     | <b>Number</b> | <b>Class</b>                  | <b>Recipients</b>                          | <b>Issue Price (and discount to market price<sup>1</sup>) if applicable</b> | <b>Form of Consideration</b>  |
|--|---------------|-------------------------------|--|---|---|
| 13 Dec 2017 – 2 Aug 2018 (various dates) | 78,851,347    | Shares <sup>2</sup>           | Option holders                             | \$0.05 (discount not applicable)  | <p>Cash - exercise of unlisted options, which were exercisable at \$0.05 each on or before 31 July 2018</p> <p>Amount raised = \$3.9m<br/>Amount spent = \$3.2m<br/>Use of / intended use of funds<sup>3</sup> – (i) exploration, development and related activities for the North American mineral projects; (ii) issue expenses and (iii) general working capital</p> |
| 13 Dec 2017                              | 250,000       | Shares                        | Finders Fee and Vendor of Hazelton Project | No issue price (non-cash consideration)                                     | <p>Non-cash consideration – issued as finders fee and part consideration for the rights to acquire a 60% interest in the Hazelton Cobalt-Copper-Gold Project in British Columbia, Canada (Hazelton Project)</p> <p>Value = \$11,250<sup>7</sup></p>   |
| 13 Dec 2017                              | 638,310       | Shares                        | Vendor of Columbia Mine                    | No issue price (non-cash consideration)                                     | <p>Non-cash consideration – issued as consideration for the acquisition of the right to lease the 6 mining claims that encompass the Columbia Mine in Nevada, USA (Columbia Mine)</p> <p>Value = \$28,724<sup>7</sup></p>   |
| 13 Dec 2017                              | 750,000       | Unlisted Options <sup>4</sup> | Employee                                   | Nil cash consideration  | <p>Employee incentive options</p> <p>Value = \$55,461</p>   |
| 13 Dec 2017                              | 1,050,000     | Unlisted Options <sup>5</sup> | Director                                   | Nil cash consideration  | <p>Director incentive options</p> <p>Value = \$72,088</p>   |
| 18 Dec 2017                              | 10,000,000    | Shares                        | Option holders                             | \$0.02 (discount not applicable)  | <p>Exercise of unlisted options, which were exercisable at \$0.02 each on or before 31 December 2017</p> <p>Amount raised = \$0.2m<br/>Amount spent = \$0.2m<br/>Use of funds – working capital</p>   |
| 29 Mar 2018                              | 500,000       | Unlisted Options <sup>6</sup> | Consultants                                | Nil cash consideration  | <p>Part consideration for technical consulting services</p> <p>Value = \$21,217</p>   |
| 30 April 2018                            | 3,553,682     | Shares                        | Vendor of Salmon Canyon Deposit            | No issue price (non-cash consideration)                                     | <p>Non-cash consideration – issued as part consideration under the Salmon Canyon Option Agreement, pursuant to which the Company may acquire a 100% interest in the Salmon Canyon Deposit in Idaho, USA (Salmon Canyon Deposit)</p> <p>Value = \$159,916<sup>7</sup></p>  |
| 31 May 2018                              | 907,938       | Shares                        | Vendor of Grapevine Project                | No issue price (non-cash consideration)                                     | <p>Non-cash consideration – issued as part consideration for the acquisition of a 100% interest in the Grapevine Cobalt-Nickel-Copper Project in Arizona, USA (Grapevine Project)</p> <p>Value = \$40,857<sup>7</sup></p>   |

|                 |            |        |   |   |   |
|-----------------|------------|--------|---|---|---|
| 10 Aug 2018     | 24,162,173 | Shares | Subscribers pursuant to an underwriting agreement | \$0.05 (no discount)                    | <p>Cash – shares issued pursuant to an underwriting agreement in relation to the Company's unlisted options, which were exercisable at \$0.05 and expired on 31 July 2018.</p> <p>Amount raised = \$1.2m<br/>Amount spent = \$nil<br/>Use of / intended use of funds<sup>3</sup> – (i) exploration, development and related activities for the North American mineral projects; (ii) issue expenses and (iii) general working capital</p> |
| 30 Aug 2018     | 9,962,449  | Shares | Vendor of Salmon Canyon Deposit                   | No issue price (non-cash consideration) | <p>Non-cash consideration – issued as part consideration under the Salmon Canyon Option Agreement, pursuant to which the Company may acquire a 100% interest in the Salmon Canyon Deposit</p> <p>Value = \$448,310<sup>7</sup></p>  |
| 16 October 2018 | 1,371,213  | Shares | Vendor of Badger Basin option agreement           | No issue price (non-cash consideration) | <p>Non-cash consideration – issued as part consideration under the Badger Basin option agreement, pursuant to which the Company may acquire a 100% interest in the Badger Basin prospect in Idaho USA (Badger Basin Project)</p> <p>Value = \$61,705<sup>7</sup></p>  |
| 16 October 2018 | 394,477    | Shares | Vendor of the West Kimberley Project              | No issue price (non-cash consideration) | <p>Non-cash consideration – issued as part consideration to acquire an 80% interest in tenements E04/1972 and E04/2314 (West Kimberley Project)</p> <p>Value = \$17,751<sup>7</sup></p>   |

**Notes:**

1. Market Price means the closing price on ASX (excluding special crossings, overnight sales and exchange traded option exercises). For the purposes of this table the discount (if any) is calculated on the Market Price on the date of issue of the relevant Equity Securities.
2. Fully paid ordinary shares in the capital of the Company, ASX Code: NWC (terms are set out in the Constitution).
3. This is a statement of current intentions as at the date of this Notice. As with any budget, intervening events and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way the funds are applied on this basis.
4. Unquoted Options, exercisable at \$0.125 each, on or before 13 December 2019. Value has been estimated using the Black & Scholes Option Pricing Model.
5. Unquoted Options, exercisable at various prices between \$0.125 and \$0.225, on or before 13 December 2021. Value has been estimated using the Black & Scholes Option Pricing Model.
6. Unquoted Options, exercisable at \$0.125 each, on or before 13 December 2019. Value has been estimated using the Black & Scholes Option Pricing Model.
7. Value of share consideration issued is based on the closing share price on 23 October 2018 of \$0.045.

**SCHEDULE 2 – NOTICE OF NOMINATION OF AUDITOR**

## Nomination of Auditor

17 October 2018

The Company Secretary  
New World Cobalt Limited  
Suite 9, 5 Centro Avenue  
Subiaco WA 6008

Dear Sir

I, Jordyn Kiernan, being a shareholder of New World Cobalt Limited (**Company**), hereby nominate Stantons International Audit and Consulting Pty Ltd for appointment as auditor of the Company at its forthcoming annual general meeting (**AGM**).

I request that a copy of this nomination is sent to all persons entitled to receive notice of the AGM, Stantons International Audit & Consulting Pty Ltd and the Company's current auditor.

Yours faithfully



**Jordyn Kiernan**

## ANNUAL GENERAL MEETING PROXY FORM

NEW WORLD COBALT LIMITED  
ACN 108 456 444

I/We

of:

being a Shareholder entitled to attend and vote at the Meeting, hereby appoint:

Name:

OR:

☐ the Chair of the Meeting as my/our proxy.

or failing the person so named or, if no person is named, the Chair, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, and subject to the relevant laws as the proxy sees fit, at the Meeting to be held at 10.00am, on Friday, 30 November 2018 at Suite 9, 5 Centro Avenue, Subiaco WA 6008, and at any adjournment thereof.

### AUTHORITY FOR CHAIR TO VOTE UNDIRECTED PROXIES ON REMUNERATION RELATED RESOLUTIONS

Where I/we have appointed the Chair as my/our proxy (or where the Chair becomes my/our proxy by default), I/we expressly authorise the Chair to exercise my/our proxy on Resolution 1 (except where I/we have indicated a different voting intention below) even though Resolution 1 is connected directly or indirectly with the remuneration of a member of the Key Management Personnel, which includes the Chair.

### CHAIR'S VOTING INTENTION IN RELATION TO UNDIRECTED PROXIES

This proxy is solicited by and on behalf of management. The Chair intends to vote undirected proxies in favour of all Resolutions. In exceptional circumstances the Chair may change his/her voting intention on any Resolution. In the event this occurs an ASX announcement will be made immediately disclosing the reasons for the change.

| Voting on business of the Meeting |  | FOR                      | AGAINST                  | ABSTAIN                  |
|-----------------------------------|--|--------------------------|--------------------------|--------------------------|
| Resolution 1                      | Adoption of Remuneration Report              | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 2                      | Re-election of Director – Richard Hill       | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 3                      | Ratification Previous Share Issues           | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 4                      | Cancellation of Forfeited Performance Shares | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 5                      | Approval of 10% Placement Capacity           | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 6                      | Resignation and Appointment of Auditor       | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 7                      | Adoption of New Constitution                 | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

**Please note:** If you mark the abstain box for a particular Resolution, you are directing your proxy not to vote on that Resolution on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

If two proxies are being appointed, the proportion of voting rights this proxy represents is: \_\_\_\_\_ %

Signature of Shareholder(s):

Individual or Shareholder 1

Sole  
Secretary

Director/Company

Shareholder 2

Director

Shareholder 3

Director/Company Secretary

Date:

Contact name:

Contact ph (daytime):

E-mail address:

Consent for contact by e-mail  
in relation to this Proxy Form:

YES ☐ NO ☐



## HOW TO COMPLETE THIS PROXY FORM

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### 1. YOUR NAME AND ADDRESS

Please print your name and address as it appears on your holding statement and the Company's share register. If Shares are jointly held, please ensure the name and address of each joint Shareholder is indicated. Shareholders should advise the Company of any changes. Shareholders sponsored by a broker should advise their broker of any changes. Please note you cannot change ownership of your securities using this form.

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### 2. APPOINTMENT OF A PROXY

If you wish to appoint the Chair of the Meeting as your proxy, mark the box. If the person you wish to appoint as your proxy is someone other than the Chair of the Meeting please write the name of that person. If you leave this section blank, or your named proxy does not attend the meeting, the Chair of the Meeting will be your proxy. A proxy need not be a Shareholder of the Company.

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### 3. VOTES ON RESOLUTION

You may direct your proxy how to vote by placing a mark in one of the boxes opposite the Resolution. All your Shareholding will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on the 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 the Resolution, your proxy may vote as he or she chooses. If you mark more than one box on the Resolution your vote on the Resolution will be invalid.

If you direct your proxy how to vote validly in accordance with these instructions and your proxy fails to either attend the Meeting or vote on the directed Resolution, the Chair of the Meeting is taken to have been appointed as the proxy for the purposes of voting on the Resolution at the Meeting and must vote in accordance with your proxy.

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### 4. VOTING ENTITLEMENTS

In accordance with the Corporations Act, the Company has determined that the Shareholding of each person for the purpose of determining entitlements to attend and vote at the Meeting will be the entitlement of that person set out in the Company's share register as at 4.00pm (WST) on Wednesday, 28 November 2018. Accordingly, transactions registered after that time will be disregarded in determining entitlements to attend and vote at the Meeting.

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### 5. VOTING IN PERSON

A Shareholder that is an individual may attend and vote in person at the Meeting. If you wish to attend the Meeting, please bring the attached proxy form to the Meeting to assist in registering your attendance and number of votes. Please arrive 15 minutes prior to the start of the Meeting to facilitate this registration process.

A Shareholder that is a corporation may appoint an individual to act as its representative to vote at the Meeting in accordance with Section 250D of the Corporations Act. The appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission. A form of the Certificate is enclosed with this Notice of Meeting

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### 6. APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company Secretary on +61 8 9226 1356 or you may photocopy this form.

To appoint a second proxy you must on each Proxy Form state (in the appropriate box) the percentage of your voting rights which are the subject of the relevant proxy. If both Proxy Forms do not specify that percentage, each proxy may exercise half your votes. Fractions of votes will be disregarded.

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## 7. SIGNING INSTRUCTIONS

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

- Individual: where the holding is in one name, the holder must sign.
- Joint Holding: where the holding is in more than one name, all of the Shareholders should sign.
- Power of Attorney: to sign under Power of Attorney, you must have already lodged this document with the Company's share registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.
- Companies: where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to Section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

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## 8. LODGING YOUR PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at the address given below not later than 48 hours before the commencement of the Meeting being no later than 10.00am (WST) on Wednesday, 28 November 2018. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

| In Person   | By Mail  | By Facsimile    | By Scan and Email       |
|---|--|-----------------|-------------------------|
| New World Cobalt Limited, Suite 9, 5 Centro Avenue, Subiaco, Western Australia 6008 | PO Box 457, West Perth, Western Australia 6872 | +61 8 9226 2027 | info@newworldcobalt.com |