



CAENEUS MINERALS LTD

ACN 082 593 235

NOTICE OF ANNUAL GENERAL MEETING AND EXPLANATORY MEMORANDUM

Date of Meeting: Tuesday, 27 November 2018

Time of Meeting: 2:00pm WST

**Place of Meeting: Stanton's International Perth, Level 1, 1 Walker Avenue, West Perth,
Western Australia, 6005**

The Annual Report is available online at <http://www.caeneus.com.au/>.

This Notice of Annual General Meeting and Explanatory Memorandum should be read in its entirety. If Shareholders are in doubt as to how to vote, they should seek advice from their accountant, solicitor or other professional adviser without delay.

Should you wish to discuss any matter please do not hesitate to contact the Company by telephone on (08) 6165 8858.

NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Annual General Meeting of Shareholders of Caeneus Minerals Ltd (**Company**) will be held at Level 1, 1 Walker Avenue, West Perth, WA 6005, Australia on Tuesday, 27 November 2018 commencing at 2:00pm (WST).

The Explanatory Memorandum to this Notice provides additional information on matters to be considered at the Meeting. The Explanatory Memorandum and the Proxy Form form part of this Notice.

The Directors have determined pursuant to regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered as Shareholders at 2:00pm on Sunday, 25 November 2018.

Terms and abbreviations used in this Notice and Explanatory Memorandum are defined in Schedule 1.

AGENDA

Annual Report

To table and consider the Annual Report of the Company and its controlled entities for the year ended 30 June 2018, which includes the Financial Report, the Directors' Report and the Auditor's Report.

1. Resolution 1 – Adoption of Remuneration Report

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

“That, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, the Remuneration Report that forms part of the Directors' Report for the financial year ended 30 June 2018 be adopted by the Shareholders on the terms and conditions in the Explanatory Memorandum.”

Please note that a vote on this Resolution is advisory only and does not bind the Directors or the Company.

Voting Exclusion

In accordance with section 250R of the Corporations Act, a vote on this Resolution must not be cast by, or on behalf of, a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such member. However, a vote may be cast by such person if:

- (a) the person is acting as a proxy and the Proxy Form specifies how the proxy is to vote, and the vote is not cast on behalf of a person who is otherwise excluded from voting on this Resolution as described above; or
- (b) the person is the Chair voting an undirected proxy which expressly authorises the Chair to vote on a resolution connected with the remuneration of a member of the Key Management Personnel.

2. Resolution 2 – Re-election of Director – Christopher Zielinski

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

“That, for the purpose of clause 13.4 of the Constitution and for all other purposes, Mr Christopher Zielinski, a Director who was appointed on 26 March 2018 to fill a casual vacancy, retires, and being eligible for re-election, is elected as a Director with immediate effect.”

3. Resolution 3 – Re-election of Director – Johnathon Busing

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

“That, for the purpose of clause 13.4 of the Constitution and for all other purposes, Mr Johnathon Busing, a Director who was appointed on 30 November 2017 to fill a casual vacancy, retires, and being eligible for re-election, is elected as a Director with immediate effect.”

4. Resolution 4 – Re-election of Director – Peter Christie

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

“That, for the purpose of clause 13.2 of the Constitution and for all other purposes, Mr Peter Christie, a Director who was appointed on 26 September 2017, retires, and being eligible for re-election, is elected as a Director with immediate effect.”

5. Resolution 5 – Ratification of June Placement Facility

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

“That, pursuant to and in accordance with Listing Rule 7.4 and for all other purposes Shareholders ratify the issue of 663,389,981 fully paid ordinary Shares on the terms and conditions set out in the Explanatory Memorandum.”

Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of:

- (a) a person (or the persons) who has participated in the issue of 663,389,981 Shares; or
- (b) an associate of that person (or those persons) who has participated in the issue of 663,389,981 Shares.

However, the Company will not disregard a vote if:

- (a) it is cast by the person as a proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
- (b) it is cast by the Chairman as proxy for a person who is entitled to vote, in accordance with a direction of the Proxy Form to vote as the proxy decides.

6. Resolution 6 – Ratification of August Placement Facility

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

“That, pursuant to and in accordance with Listing Rule 7.4 and for all other purposes Shareholders ratify the issue of 1,170,924,212 fully paid ordinary Shares on the terms and conditions set out in the Explanatory Memorandum.”

Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of:

- (a) a person (or the persons) who has participated in the issue of 1,170,924,212 Shares; or
- (b) an associate of that person (or those persons) who has participated in the issue of 1,170,924,212 Shares.

However, the Company will not disregard a vote if:

- (a) it is cast by the person as a proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
- (b) it is cast by the Chairman as proxy for a person who is entitled to vote, in accordance with a direction of the Proxy Form to vote as the proxy decides.

7. Resolution 7 – June Placement - Free Attaching Options

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

“That, for the purpose of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 663,389,981 Options 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:

- (a) a person (or persons) who is expected to participate in, or who will obtain a material benefit as a result of, the issue of the 663,389,981 Options (except a benefit solely by reason of being a holder of ordinary securities in the Company); or
- (b) an associate of that person (or those persons) who are expected to participate in, or who will obtain a material benefit as a result of, the issue of the 663,389,981 Options (except a benefit solely by reason of being a holder of ordinary securities in the Company).

However, the Company will not disregard a vote if:

- (a) it is cast by the person as a proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
- (b) it is cast by the Chairman as proxy for a person who is entitled to vote, in accordance with a direction of the Proxy Form to vote as the proxy decides.

8. Resolution 8 – August Placement - Free Attaching Options

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 7.1 and for all other purposes, approval is given for the Company to issue up to 1,170,924,242 Options 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:

- (a) a person (or persons) who is expected to participate in, or who will obtain a material benefit as a result of, the issue of the 1,170,924,242 Options (except a benefit solely by reason of being a holder of ordinary securities in the Company); or
- (b) an associate of that person (or those persons) who are expected to participate in, or who will obtain a material benefit as a result of, the issue of the 1,170,924,242 Options (except a benefit solely by reason of being a holder of ordinary securities in the Company).

However, the Company will not disregard a vote if:

- (a) it is cast by the person as a proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
- (b) it is cast by the Chairman as proxy for a person who is entitled to vote, in accordance with a direction of the Proxy Form to vote as the proxy decides.

9. Resolution 9 – Approval of 10% Placement Facility

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

"That, pursuant to and in accordance with Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of Equity Securities 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 terms and conditions in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of:

- (a) a person (or persons) 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 ordinary securities in the Company); or
- (b) an associate of that person (or those persons) who are expected to participate in, or who will obtain a material benefit as a result of the issue the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company).

However, the Company will not disregard a vote if:

- (a) it is cast by the person as a proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
- (b) it is cast by the Chairman as proxy for a person who is entitled to vote, in accordance with a direction of the Proxy Form to vote as the proxy decides.

10. Resolution 10 – Issue of Shares and Options on Conversion of Convertible Notes

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

"That, for the purpose of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to:

- (a) issue up to 4,500,000,000 Conversion Shares;*
- (b) issue up to 2,250,000,000 Options which are free attaching to the Conversion Shares; and*
- (c) issue up to 78,340,007 Interest Shares;*
- (d) issue up to 39,170,004 Interest Options which are free attaching to the Interest Shares;*

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:

- (a) a person (or persons) who is expected to participate in, or who will obtain a material benefit as a result of, the issue of the Conversion Shares, Options, Interest Shares and Interest Options (except a benefit solely by reason of being a holder of ordinary securities in the Company); or
- (b) an associate of that person (or those persons) who are expected to participate in, or who will obtain a material benefit as a result of, the issue of the Conversion Shares, Options, Interest Shares and Interest Options (except a benefit solely by reason of being a holder of ordinary securities in the Company).

However, the Company will not disregard a vote if:

- (a) it is cast by the person as a proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
- (b) it is cast by the Chairman as proxy for a person who is entitled to vote, in accordance with a direction of the Proxy Form to vote as the proxy decides.

Dated 29 October 2018

BY ORDER OF THE BOARD

Johnathon Busing

Company Secretary

EXPLANATORY MEMORANDUM

1. Introduction

This Explanatory Memorandum has been prepared for the information of Shareholders of the Company in connection with the business to be conducted at the Meeting to be held at Level 1, 1 Walker Avenue, West Perth, WA 6005, Australia on Tuesday, 27 November 2018 commencing at 2:00pm (WST).

This Explanatory Memorandum should be read in conjunction with and forms part of the accompanying Notice. The purpose of this Explanatory Memorandum is to provide information to Shareholders in deciding whether or not to pass the Resolutions in the Notice.

A Proxy Form is located at the end of the Explanatory Memorandum.

2. Action to be taken by Shareholders

Shareholders should read the Notice and this Explanatory Memorandum carefully before deciding how to vote on the Resolutions.

2.1 Proxies

A Proxy Form is attached to the Notice. This is to be used by Shareholders if they wish to appoint a representative (a proxy) to vote in their place. All Shareholders are invited and encouraged to attend the Meeting or, if they are unable to attend in person, sign and return the Proxy Form to the Company in accordance with the instructions thereon. Lodgement of a Proxy Form will not preclude a Shareholder from attending and voting at the Meeting in person.

Please note that:

- a member of the Company entitled to attend and vote at the Meeting is entitled to appoint a proxy;
- a proxy need not be a member of the Company; and
- a member of the Company entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise, but where the proportion or number is not specified, each proxy may exercise half of the votes.

Shareholders and their proxies should be aware that changes to the Corporations Act made in 2011 have the effect that:

- If proxy holders vote, they must cast all directed proxies as they are directed to; and
- Any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

Further details on these changes are set out below.

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.

The enclosed Proxy Form provides further details on appointing proxies and lodging Proxy Forms.

2.2 Voting Prohibition by Proxy Holders

In accordance with section 250R of the Corporations Act, a vote on Resolution 1 must not be cast (in any capacity) by, or on behalf of:

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

However, a person described above may cast a vote on Resolution 1 as proxy if the vote is not cast behalf of a person described in subparagraphs (a) or (b) above and either:

- (a) the person does so as a proxy appointed by writing that specifies how the proxy is to vote on Resolution; or
- (b) the person is the Chairman and the appointment of the Chairman as proxy:
 - (a) does not specify the way the proxy is to vote on Resolution 1; and
 - (b) expressly authorises the Chairman to exercise the proxy even if Resolution 1 is connected directly or indirectly with the remuneration of Key Management Personnel.

3. Annual Report

There is no requirement for Shareholders to approve the Annual Report.

Shareholders will be offered the following opportunities:

- (a) discuss the Annual Report which is available online at <http://www.caeneus.com.au/>;
- (b) ask questions or make comment on the management of the Company;
- (c) ask the auditor questions about the conduct of the audit and the preparation and content of the Auditor's Report.

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

- (a) the preparation and the content of the Auditor's Report; and
- (b) the conduct of the audit;
- (c) accounting policies by the Company in relation to the preparation of the financial statements; and
- (d) the independence of the auditor in relation to the conduct of the audit,

may be submitted no later than 5 Business Days before the Meeting to the Company Secretary at the Company's registered office.

4. Resolution 1 – Remuneration Report

Section 250R(2) of the Corporations Act provides that the Company is required to put the Remuneration Report to the vote of Shareholders. The Directors' Report contains the Remuneration Report which sets out the remuneration policy for the Company and reports the remuneration arrangements in place for the executive Directors, specified executives and non-executive Directors.

Section 250R(3) of Corporations Act provides that Resolution 1 is advisory only and does not bind the Directors of the Company of itself, a failure of Shareholders to pass Resolution 1 will not require the Directors to alter any of the arrangements in the Remuneration Report.

However, the Corporations Act has been amended by the *Corporations Amendment (Improving Accountability on Director and Executive Remuneration) Act 2011 (Director and Executive Remuneration Act)* which received the Royal Assent on 27 June 2011 and came into effect on 1 July 2011.

The Director and Executive Remuneration Act introduced new sections 250U and 250Y, amongst others, into the Corporations Act, giving Shareholders the opportunity to remove

the Board if the Remuneration Report receives a 'no' vote of 25% or more at two consecutive annual general meetings (**Two Strikes Rule**).

Under the Two Strikes Rule, where a resolution on the Remuneration Report receives a 'no' vote of 25% or more at two consecutive annual general meetings, the Company will be required to put to Shareholders at the second annual general meeting a resolution on whether another meeting should be held (within 90 days) at which all Directors (other than the managing director) who were in office at the date of approval of the applicable Directors' Report will cease to hold office immediately before that further meeting but may stand for re-election.

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, a further resolution relating to the Two Strikes Rule is not relevant for this Annual General Meeting.

The Chairman will allow a reasonable opportunity for Shareholders as a whole to ask about, or make comments on the Remuneration Report.

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.

The Chairman intends to exercise all undirected proxies in favour of Resolution 1. If the Chairman of the Meeting is appointed as your proxy and you have not specified the way the Chairman is to vote on Resolution 1, by signing and returning the Proxy Form, the Shareholder is considered to have provided the Chairman with an express authorisation for the Chairman to vote the proxy in accordance with the Chairman's intention.

5. Resolutions 2 and 3 – Re-election of Directors – Christopher Zielinski and Johnathon Busing

Mr Zielinski was appointed to fill a casual vacancy on 26 March 2018 and Mr Busing was appointed to fill a casual vacancy on 30 November 2017.

Pursuant to clause 13.4, Directors appointed to fill casual vacancies hold office only until the next following annual general meeting and are then eligible for re-election.

Accordingly, Mr Zielinski and Mr Busing, in accordance with clause 13.4 of the Constitution, being eligible, seek re-election.

Details of Mr Zielinski and Mr Busing's background and experience are set out in the Annual Report.

The Board (excluding Mr Zielinski) recommends that Shareholders vote in favour of Resolution 2. The Chairman of the meeting intends to vote undirected proxies in favour of Resolution 2.

The Board (excluding Mr Busing) recommends that Shareholders vote in favour of Resolution 3. The Chairman of the meeting intends to vote undirected proxies in favour of Resolution 3.

6. Resolution 4 – Re-election of Director – Peter Christie

Clause 13.2 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, provided always that no Director (except a managing director) shall hold office for a period in excess of 3 years, or until the third annual general meeting following his or her appointment, whichever is the longer, without submitting himself or herself for re-election.

The Directors to retire at an annual general meeting are those who have been longest in the 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. Directors appointed as casual vacancies pursuant to clause 13.4 are not to be taken into account when considering which Directors are to retire by rotation.

A Director who retires by rotation under clause 13.2 of the Constitution is eligible for re-election.

Accordingly, Mr Christie, will retire in accordance with clause 13.2 of the Constitution and being eligible, seeks re-election.

Details of Mr Christie's background and experience are set out in the Annual Report.

The Board (excluding Mr Christie) recommends that Shareholders vote in favour of Resolution 4. The Chairman of the meeting intends to vote undirected proxies in favour of Resolution 4.

7. Resolution 5 – Ratification of June Share Placement

7.1 General

On 26 June 2018 the Company issued 663,389,981 fully paid ordinary Shares to unrelated and exempt investors pursuant to section 708 of the Corporations Act (**Exempt Investors**) at an issue price of \$0.0004 per Share to raise \$265,355.

Resolution 5 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of those Shares (**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 pursuant to 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.

7.2 Technical information required by ASX Listing Rule 7.4

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

- (a) 663,389,981 fully paid ordinary Shares were issued;
- (b) the issue price was \$0.0004 per Share;
- (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 Exempt Investors who participated in the Company's June placement and were identified by the Directors at their discretion, none of these investors are related parties of the Company;
- (e) the funds raised from this issue-were used for exploration efforts at the Columbus Marsh Project in Nevada and the Pardoo Nickel Project in Western Australia and general working capital; and
- (f) a voting exclusion is included in the Notice.

The Directors of the Company believe Resolution 5 is in the best interest of the Company and its Shareholders and unanimously recommend that the Shareholders vote in favour of this Resolution.

The Chairman of the meeting intends to vote undirected proxies in favour of Resolution 5.

8. Resolution 6 – Ratification of August Share Placement

8.1 General

On 30 August 2018 the Company issued 1,170,924,212 fully paid ordinary Shares to unrelated Exempt Investors at an issue price of \$0.0005 per Share to raise \$585,462.

Resolution 6 seeks Shareholder Ratification pursuant to ASX Listing Rule 7.4 for the issue of those Shares.

A summary of ASX Listing Rule 7.1 and ASX Listing Rule 7.4 is set out section 7.1 above.

8.2 Technical information required by ASX Listing Rule 7.4

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

- (a) 1,170,924,212 fully paid ordinary Shares were issued;
- (b) the issue price was \$0.0005 per Share;
- (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 Exempt Investors who participated in the Company's August placement and were identified by the Directors at their discretion, none of these investors are related parties of the Company;
- (e) the funds raised from this issue-were used for exploration efforts at the Pardoo Project in Western Australia (including the diamond drilling program) and general working capital; and

- (f) a voting exclusion is included in the Notice.

The Directors of the Company believe Resolution 6 is in the best interest of the Company and its Shareholders and unanimously recommend that the Shareholders vote in favour of this Resolution.

The Chairman of the meeting intends to vote undirected proxies in favour of Resolution 6.

9. Resolution 7 – June Placement – Free Attaching Options

9.1 General

Resolution 7 seeks Shareholder approval for the issue of up to 663,389,981 free attaching unlisted Options exercisable at \$0.0015 expiring on or before 31 December 2023, being 1 Option for every 1 Share issued under the June Placement (being 663,389,981 shares and 663,389,981 Options on a 1:1 basis).

A summary of ASX Listing Rule 7.1 is set out section 7.1 above.

The effect of Resolution 7 will be to allow the Company to issue the Options pursuant to the June Placement during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

(a) Technical information required by ASX Listing Rule 7.1

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to the Placement:

- (a) the maximum number of Options to be issued is 663,389,981;
- (b) the Options will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that the issue of the Options will occur on the same date;
- (c) the issue price for the June Placement Shares was \$0.0004 per Share and is nil per Option, as the Options will be issued free attaching to the Shares on a 1:1 basis;
- (d) the Options will be issued to Exempt Investors who participated in the Company's June placement and were identified by the Directors at their discretion, none of these investors are related parties of the Company;
- (e) the Options will be issued on the terms and conditions set out in Annexure A; and
- (f) the funds raised are intended to be used for exploration efforts at the Columbus Marsh Project in Nevada and the Pardoo Nickel Project in Western Australia and general working capital. The Company will raise \$995,084 upon exercise of the Options.

The dilution effect of the issue and exercise of the free attaching Options under the June Placement is set out in Annexure C.

The Directors of the Company believe Resolution 7 is in the best interest of the Company and its Shareholders and unanimously recommend that the Shareholders vote in favour of this Resolution.

The Chairman of the meeting intends to vote undirected proxies in favour of Resolution 7.

10. Resolution 8 – August Placement – Free Attaching Options

10.1. General

Resolution 8 seeks Shareholder approval for the issue of up to 1,170,924,212 free attaching unlisted Options exercisable at \$0.0015, expiring on or before 31 December 2023, being 1 Option for every 1 Share issued under the August Placement (being 1,170,924,212 shares and 1,170,924,212 Options on a 1:1 basis).

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.

A summary of ASX Listing Rule 7.1 is set out section 7.1 above.

The effect of Resolution 8 will be to allow the Company to issue the Options pursuant to the June Placement during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

(a) Technical information required by ASX Listing Rule 7.1

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to the Placement:

- (a) the maximum number of Options to be issued is 1,170,924,212;
- (b) the Options will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that the issue of the Options will occur on the same date;
- (c) the issue price for the August Placement Shares was \$0.0005 per Share and is nil per Option, as the Options will be issued free attaching to the Shares on a 1:1 basis;
- (d) the Options will be issued to Exempt Investors who participated in the Company's August placement and were identified by the Directors at their discretion, none of these investors are related parties of the Company;
- (e) the Options will be issued on the terms and conditions set out in Annexure A; and
- (f) the funds raised are intended to be used for exploration efforts at the Pardoo Project in Western Australia (including the diamond drilling program) and general working capital. The Company will raise \$1,756,386 upon exercise of the Options.

The dilution effect of the issue and exercise of the free attaching Options under the August Placement is set out in Annexure C.

The Directors of the Company believe Resolution 8 is in the best interest of the Company and its Shareholders and unanimously recommend that the Shareholders vote in favour of this Resolution.

The Chairman of the meeting intends to vote undirected proxies in favour of Resolution 8.

11. Resolution 9 – Approval of 10% Placement Facility

11.1 General

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

An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. The Company currently has a market capitalisation of \$14,063,075 and is an eligible entity.

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

The exact number of Equity Securities to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer Section 11.2(c) below).

As disclosed in the Company's Annual Report lodged on 30 June 2018, the Company continues to actively seek to acquire new resource assets and investments and continue to develop its existing projects. The Company may use the 10% Placement Facility to acquire new resource assets or investments.

The Directors of the Company believe Resolution 9 is in the best interest of the Company and its Shareholders and unanimously recommend that the Shareholders vote in favour of this Resolution.

11.2 Description of Listing Rule 7.1A

(a) Shareholder approval

The ability to issue Equity Securities under the 10% Placement Facility is subject to shareholder approval by way of a special resolution at an annual general meeting. Accordingly, at least 75% of votes cast by Shareholders present and eligible to vote at the Meeting must be in favour of Resolution 9 for it to be passed.

(b) Equity Securities

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

The Company, as at the date of the Notice, has on issue two classes of quoted Equity Securities, being Shares (ASX: CAD) and Listed Options (ASX: CADO).

(c) Formula for calculating 10% Placement Facility

Listing Rule 7.1A.2 provides that eligible entities which have obtained shareholder approval at an annual general meeting any issue or agree to issue, during the 12 month period after the annual general meeting, a number of Equity Securities calculated in accordance with the following formula:

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

Where:

- A** is number of shares on issue 12 months before the date of issue or agreement:
- (A) plus the number of fully paid shares issued in the 12 months under an exception in Listing Rule 7.2;
 - (B) plus the number of partly paid shares that became fully paid in the 12 months;
 - (C) plus the number of fully paid shares issued in the 12 months with approval of holders of shares under Listing Rule 7.1 and 7.4. This does not include an issue of fully paid shares under the entity's 15% placement capacity without shareholder approval;
 - (D) less the number of fully paid shares cancelled in the 12 months.

Note that A has the same meaning in Listing Rule 7.1 when calculating an entity's 15% placement capacity.

D is 10%.

E is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of issue or agreement to issue that are not issued with the approval of shareholders under Listing Rule 7.1 or 7.4.

(d) Listing Rule 7.1A and Listing Rule 7.3A

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

At the date of this Notice, the Company has on issue 14,063,075,478 Shares and therefore has a capacity to issue:

- (a) 2,109,461,321 Equity Securities under Listing Rule 7.1; and
- (b) subject to Shareholder approval being sought under Resolution 9, 1,406,307,547 Equity Securities under Listing Rule 7.1A.

The actual number of Equity Securities that the Company will have capacity to issue under Listing Rule 7.1A will be calculated at the date of issue of the Equity Securities in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to Section 11.2(c) above).

(e) Minimum Issue Price

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

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

(f) **10% Placement Period**

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

- (a) the date that is 12 months after the date of the annual general meeting at which the approval is obtained; or
- (b) the date of the approval by shareholders of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking),

or such longer period if allowed by ASX (**10% Placement Period**).

11.3 Listing Rule 7.1A

The effect of Resolution 9 will be to allow the Directors to issue the Equity Securities under Listing Rule 7.1A during the 10% Placement Period without using the Company's 15% placement capacity under Listing Rule 7.1.

Resolution 9 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

11.4 Specific information required by Listing Rule 7.3A

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

- (a) The Equity Securities will be issued at an issue price of not less than 75% of the VWAP for the Company's Equity Securities over the 15 Trading Days on which trades in that class were recorded immediately before:
 - (i) the date on which the price at which the Equity Securities in that class are to be issued is agreed; or
 - (ii) if the Equity Securities are not issued within 5 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.
- (b) If Resolution 9 is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Facility, the existing Shareholders' voting power in the Company will be diluted as shown in the below table (in the case of Listed Options, only if the Listed Options are exercised). There is a risk that:
 - (i) the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than of the date of the Meeting; and
 - (ii) the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date or the Equity Securities are issued as part of the consideration for the acquisition of a new asset,

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

The 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.

The table 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 or ordinary securities has decreased by 50% and increased by 100% as against the current market price.

Variable “A” in Listing Rule 7.1A.2		Dilution		
		\$0.0005 50% decrease in Issue Price	\$0.001 Issue Price	\$0.0020 100% increase in Issue Price
Current Variable “A” 14,063,075,478 Shares	10% Voting Dilution	1,406,307,547 Shares	1,406,307,547 Shares	1,406,307,547 Shares
	Funds raised	\$703,154	\$1,406,308	\$2,812,616
50% increase in current Variable “A” 21,094,613,217 Shares	10% Voting Dilution	2,109,461,321 Shares	2,109,461,321 Shares	2,109,461,321 Shares
	Funds raised	\$1,054,731	\$2,109,462	\$4,218,923
100% increase in current Variable “A” 28,126,150,956 Shares	10% Voting Dilution	2,812,615,095 Shares	2,812,615,095 Shares	2,812,615,096 Shares
	Funds raised	\$1,406,308	\$2,812,616	\$5,625,231

The table has been prepared on the following assumptions:

- (a) The Company issues the maximum number of Equity Securities available under the 10% Placement Facility.
- (b) No Listed Options (including any Listed Options issued under the 10% Placement Facility) are exercised into Shares before the date of the issue of the Equity Securities;
- (c) 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 at 10%.
- (d) The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on the Shareholder’s holding at the date of the Meeting.
- (e) The table shows only the effect of issue of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.
- (f) The issue of Equity Securities under the 10% Placement Facility consists only of Shares. If the issue of Equity Securities includes Listed Options, it is assumed that those Listed Options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.
- (g) The issue price is \$0.001, being the closing price of the Shares on ASX on 25 October 2018.

- (c) The Company will only issue the Equity Securities during the 10% Placement Period. The approval under Resolution 9 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 a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking).
- (d) The Company may seek to issue the Equity Securities for the following purposes:
 - (i) non-cash consideration for the acquisition of the 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; or
 - (ii) cash consideration. In such circumstances, the Company intends to use the funds raised towards an acquisition of new assets or investments (including expense associated with such acquisition), continued exploration and feasibility study expenditure on the Company's current assets and/or general working capital.

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

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

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

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

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

- (e) The Company previously obtained Shareholder approval under Listing Rule 7.1A at its annual general meeting held on 30 November 2017. In the 12 months preceding the date of the 2018 Annual General Meeting, the Company issued a total of 7,560,253,384 Equity Securities, representing 116.26% of the total number of Equity Securities on issue at 30 November 2017. Details of the Equity Securities issued in the preceding 12 month period are set out in Annexure B.

A voting exclusion statement is included in the Notice. At the date of the Notice, the Company has not approached any particular existing Shareholder or security holder or an identifiable class of existing security holder to participate in the issue of the Equity

Securities. No existing Shareholder's votes will therefore be excluded under the voting exclusion in the Notice.

12. Resolution 10 – Issue of Shares and Options on Conversion of Convertible Notes

12.1 General

The Company proposes to enter into convertible note agreements with unrelated Exempt Investors to raise funds of up to \$450,000 (**Convertible Notes**).

The material terms and conditions of the Convertible Note agreements are as follows:

- (a) up to \$450,000 to be raised by way of convertible notes (each with a face value of \$1 per note), with multiple investors identified and selected at the directors' discretion who are not related parties of the Company and who are Exempt Investors (who do not require a disclosure document pursuant to section 708 of the Corporations Act);
- (b) the Convertible Notes will convert into ordinary shares in the Company at a conversion rate of \$0.0001 per note (**Conversion Shares**);
- (c) free attaching unlisted Options will be issued with the Conversion Shares, on the basis of 1 free attaching unlisted Option for every 2 Conversion Shares issued, exercisable at \$0.0015, expiring on or before 31 December 2023, (**Options**);
- (d) interest will accrue on the value of the Convertible Notes at 6% per annum and will be converted into Shares at a conversion rate of \$0.0001 per note (**Interest Shares**);
- (e) free attaching unlisted Options will be issued with the Interest Shares, on the basis of 1 free attaching unlisted Option for every 2 Interest Shares issued, exercisable at \$0.0015, expiring on or before 31 December 2023, (**Interest Options**); and
- (f) the term of the Convertible Notes will be 3 months from the date of this Meeting, unless otherwise agreed by the noteholder and the Company, or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules.

For the avoidance of doubt, the Convertible Notes are convertible into shares at a deemed price of \$0.0001 per Conversion Share issued. Accordingly, the Company notes that if the Noteholders elect to sell their shares on market at the Company's current share price (\$0.001 as at 26 October 2018), the Noteholders would immediately make a 900% profit from their investment. Due to the Company's recent low liquidity, the Directors' opinion is that the Company is unable to raise capital at a price closer to the current market price.

Resolution 10(a) seeks Shareholder approval for the issue of up to 4,500,000,000 Conversion Shares to Convertible Noteholders.

Resolution 10(b) seeks Shareholder approval for the issue of up to 2,250,000,000 unlisted free attaching Options to be issued to Convertible Noteholders upon conversion of the Convertible Notes, exercisable at \$0.0015, expiring on or before 31 December 2023, being 1 Option for every 2 Conversion Shares on the terms and conditions set out in Annexure A. These Options are free attaching to the Conversion Shares.

Resolution 10(c) seeks Shareholder approval for the issue of up to 78,340,007 Interest Shares to be issued to Convertible Noteholders upon conversion of the Conversion Notes within 3 months of the date of this Meeting, being the number of shares equivalent to 6% interest on the total face value of the Convertible Notes (up to \$450,000), pursuant to the Convertible Note agreements.

Resolution 10(d) seeks Shareholder approval for the issue of up to 39,170,004 unlisted free attaching Interest Options to be issued to Convertible Noteholders upon conversion of the Convertible Notes, exercisable at \$0.0015, expiring on or before 31 December 2023, being 1 Interest Option for every 2 Interest Shares on the terms and conditions set out in Annexure A. These Interest Options are free attaching to the Interest Shares.

A summary of ASX Listing Rule 7.1 is set out section 7.1 above.

The effect of Resolutions 10(a), (b), (c) and (d) will be to allow the Company to issue the Conversion Shares, Options, Interest Shares and Interest Options pursuant to the Convertible Note agreements and, during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

12.2 Technical information required by ASX Listing Rule 7.1

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to the Placement:

- (a) the maximum number of:
 - (i) Conversion Shares to be issued is 4,500,000,000;
 - (ii) Options to be issued is 2,250,000,000;
 - (iii) Interest Shares to be issued is 78,340,007 (being the number of shares equivalent to 6% interest on the total face value of the Convertible Notes (up to \$450,000), calculated at 3 months from the date of this Meeting); and
 - (iv) Interest Options to be issued is 39,170,004.
- (b) the Conversion Shares, Options, Interest Shares and Interest Options will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that the issue of the Conversion Shares, Options, Interest Shares and Interest Options will occur progressively;
- (c) the Conversion Shares, Options, Interest Shares and Interest Options will be issued for nil consideration, but are otherwise subject to the terms of the Convertible Note agreement including the conversion price for the Conversion Shares and Interest Shares being \$0.0001 per Share and the Options and Interest Options exercise price of \$0.0015 per Option;
- (d) the Conversion Shares, Options, Interest Shares and Interest Options will be issued to Convertible Noteholders, who are Exempt Investors identified and selected at the directors' discretion. None of the Noteholders will be related parties of the Company (and for the avoidance of doubt no Convertible Noteholder will be an Associate of any other Convertible Noteholder and no Convertible Noteholder will contravene section 606 of the Corporations Act (whether in respect of the Convertible Noteholder and/or in respect of any of the Convertible Noteholder's related parties or Associates));
- (e) the Conversion Shares and Interest Shares will be fully paid ordinary shares on the same terms as existing fully paid ordinary Shares and the Options and Interest Options will be issued on the terms set out in Annexure A; and
- (f) upon entering into the Convertible Note agreements, the Company will raise up to \$450,000 via the advance of funds from the Noteholders. No further funds will be raised from the issue of the Conversion Shares and Interest Shares. On Conversion, the Company will raise up to \$3,375,000 upon the exercise of the Options and up to \$58,755 upon the exercise of the Interest Options. The Company intends to use the funds raised from the Convertible Notes, Options and Interest Options towards the

Company's existing assets, the Nevada Lithium project and Pardoo Nickel project, working capital in respect of existing activities and ongoing standard corporate expenses.

- (g) Specifically, the indicative use of funds for the \$450,000 raised via the advance of funds from the Noteholders is as follows:

Indicative Use of Funds	\$
Nevada Lithium Project (ongoing exploration, assessing and identifying additional drill targets and possible further drilling)	\$300,000
Pardoo Nickel Project (costs to finalise the drill program completed in October 2018, including assessing assay drill results, tenement rehabilitation)	\$50,000
Working capital in respect of existing activities, and ongoing standard corporate expenses	\$100,000
TOTAL	\$450,000

The dilution effect of the issue of the Conversion Shares, Options and Interest Shares, and exercise of the Options and Interest Options is set out in Annexure C.

The Directors of the Company believe Resolutions 10(a), (b), (c) and (d) are in the best interest of the Company and its Shareholders, and unanimously recommend that the Shareholders vote in favour of these Resolutions.

The Chairman of the meeting intends to vote undirected proxies in favour of Resolutions 10(a), (b), (c) and (d).

Schedule 1 – Definitions

In this Notice and the Explanatory Memorandum:

\$ means Australian Dollars.

10% Placement Facility has the meaning given in Section 11.1.

10% Placement Period has the meaning given in Section 11.2.

Annual Report means the Directors' Report, the Financial Report and the Auditor's Report in respect to the financial year ending 30 June 2018.

Associate has the meaning given in sections 12 and 16 of the Corporations Act. Section 12 is to be applied as if paragraph 12(1)(a) included a reference to the Listing Rules and on the basis that the Company is the "designated body" for the purposes of that section. A related party of a director or officer of the Company or of a Child Entity of the Company is to be taken to be an associate of the director or officer unless the contrary is established.

ASX means ASX Limited (ACN 008 624 691) and, where the context permits, the Australian Securities Exchange operated by ASX.

Auditor's Report means the auditor's report on the Financial Report.

Board means the board of Directors.

Business Day means:

- (a) for determining when a notice, consent or other communication is given, a day that is not a Saturday, Sunday or public holiday in the place to which the notice, consent or other communication is sent; and
- (b) for any other purpose, a day (other than a Saturday, Sunday or public holiday) on which banks are open for general banking business in Perth.

Chair or **Chairman** means the person appointed to chair the Meeting convened by this Notice.

Closely Related Party means:

- (a) a spouse or child of the member; or
- (b) has the meaning given in section 9 of the Corporations Act.

Company means Caeneus Minerals Ltd (ACN 082 593 235).

Constitution means the constitution of the Company as at the commencement of the Meeting.

Convertible Notes has the meaning in section 12.1.

Corporations Act means the Corporations Act 2001 (Cth).

Director means a director of the Company.

Directors' Report means the annual directors' report prepared under chapter 2M of the Corporations Act for the Company and its controlled entities contained in the Annual Report.

Equity Securities has the same meaning as in the Listing Rules.

Exempt Investors means an investor under section 708 of the Corporations Act.

Explanatory Memorandum means the explanatory memorandum attached to the Notice.

Financial Report means the annual financial report prepared under Chapter 2M of the Corporations Act of the Company and its controlled entities.

Interest Options has the meaning in section 12.1.

Interest Shares has the meaning in section 12.1.

Key Management Personnel means persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of the Company.

Listed Options means listed options of the Company each with an exercise price of \$0.003 and expiry date of 31 December 2020.

Listing Rules means the listing rules of ASX.

Meeting has the meaning in the introductory paragraph of the Notice.

Notice means this notice of meeting.

Option means an option which entitles the holder to subscribe for one Share.

Placement Shares has the meaning given in Section 11.1.

Proxy Form means the proxy form attached to the Notice.

Ratification means ratification pursuant to ASX Listing Rule 7.4.

Remuneration Report means the remuneration report of the Company contained in the Directors' Report.

Resolution means resolution contained in the Notice.

Schedule means a schedule to this Notice.

Section means a section contained in this Explanatory Memorandum.

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

Share Placement has the meaning given in Section 11.1.

Shareholder means a shareholder of the Company.

Trading Day means a day determined by ASX to be a trading day in accordance with the Listing Rules.

Two Strikes Rule has the meaning in Section 4.

VWAP means volume weight average price.

WST means Western Standard Time, being the time in Perth, Western Australia.

In this Notice and the Explanatory Memorandum words importing the singular include the plural and vice versa.

Annexure A – Terms and Conditions of Options

Options entitle the holder to subscribe for Shares on the following terms and conditions:

- (a) Each Option gives the Option holder the right to subscribe for one Share.
 - (b) The Options will expire at 5.00pm (AWST) on 31 December 2023 (**Expiry Date**). Any Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
 - (c) The amount payable upon exercise of each Option will be \$0.0015 (**Exercise Price**).
 - (d) The Options held by each Option holder may be exercised in whole or in part, and if exercised in part, multiples of 1,000 must be exercised on each occasion.
 - (e) An Option holder may exercise their Options by lodging with the Company, before the Expiry Date:
 - (i) a written notice of exercise of Options specifying the number of Options being exercised; and
 - (ii) a cheque or electronic funds transfer for the Exercise Price for the number of Options being exercised;
- (Exercise Notice).**
- (f) An Exercise Notice is only effective when the Company has received the full amount of the Exercise Price in cleared funds.
 - (g) Within 10 Business Days of receipt of the Exercise Notice accompanied by the Exercise Price, the Company will issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Exercise Notice.
 - (h) The Options are not transferable.
 - (i) All Shares issued upon the exercise of the Options will upon issue rank pari passu in all respects with other Shares.
 - (j) The Company will not apply for quotation of the Options on ASX. However, The Company will apply for quotation of all Shares issued pursuant to the exercise of the Options on ASX within 10 business days after the date of issue of those Shares.
 - (k) If at any time the issued capital of the Company is reconstructed, all rights of an Option holder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.
 - (l) There are no participating rights or entitlements inherent in the Options and Option holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least 7 business days after the issue is announced. This will give Option holders the opportunity to exercise their Options prior to the date for determining entitlements to participate in any such issue.

An Option does not confer the right to a change in exercise price or a change in the number of underlying Shares over which the Option can be exercised.

Annexure B - Equity Shares Issued in 12 Months Preceding AGM

Date of issue of securities issued post 21 November 2017	Quantity and class of Equity Securities issued	Names of the persons to whom the Equity Securities were issued	Issue Price	Discount (if any) that issue price represented to closing market price on the date of issue	Total cash consideration received	Use of funds or intended use of funds for remaining consideration	Non-cash consideration and current value	Listing Rule pursuant to which the issue was made
26.06.2018	663,389,981 fully paid ordinary shares	Participants in the 26 June 2018 placement being exempt investors as per the announcement as of 21 June 2018.	0.0004	0.0006	\$265,356	Funds used: \$265,356 Use of funds to date: To acquire 20% Pardoo Nickel Project, exploration efforts at Columbus Marsh, Nevada and Pardoo, Western Australia Remaining Funds: Nil Intended use of remaining funds: N/A	n/a	LR 7.1
13.07.2018	515,000,000 fully paid ordinary shares 515,000,000 unlisted options at \$0.003 exp 31.12.2020	Vendors of the Mount Roe Project as detailed in the Notice of meeting dated 12 June 2018	0.002	-	n/a	n/a	n/a	LR 7.3

Date of issue of securities issued post 21 November 2017	Quantity and class of Equity Securities issued	Names of the persons to whom the Equity Securities were issued	Issue Price	Discount (if any) that issue price represented to closing market price on the date of issue	Total cash consideration received	Use of funds or intended use of funds for remaining consideration	Non-cash consideration and current value	Listing Rule pursuant to which the issue was made
13.07.2018	158,000,000 unlisted options at \$0.003 exp 31.12.2020	RM Corporate Finance Pty Ltd	nil	n/a	NIL	n/a	Current value: \$72,103(method Back Scholes Valuation)	LR 7.3
13.07.2018	133,333,333 unlisted options at \$0.003 exp 31.12.2020	Sophisticated and professional investors who participated in the placement of 23 October 2017.		n/a	NIL	n/a	Current value: \$60,846 (method Back Scholes Valuation)	LR 7.3
13.07.2018	200,000,000 unlisted options at \$0.003 exp 31.12.2020	Sophisticated and professional investors who participated in the capital raising of 3 October 2017.		n/a	NIL	n/a	Current value: \$91,269 (method Back Scholes Valuation)	LR 7.3

Date of issue of securities issued post 21 November 2017	Quantity and class of Equity Securities issued	Names of the persons to whom the Equity Securities were issued	Issue Price	Discount (if any) that issue price represented to closing market price on the date of issue	Total cash consideration received	Use of funds or intended use of funds for remaining consideration	Non-cash consideration and current value	Listing Rule pursuant to which the issue was made
12.07.2018	5,000,000,000 fully paid ordinary shares 5,000,000,000 unlisted options at \$0.00150 exp 31.12.2023	Conversion note holders per the announcements dated 20 April 2018 and 16 July 2018.	\$0.00025	\$0.00075	\$1,250,000	Funds used: \$1,250,000 Use of funds to date: (a) repayment of existing exploration creditors, corporate creditors and paying costs of the recent court hearing; and (b) exploration of the Company's existing assets, working capital in respect of the Company's existing activities. Remaining funds: NIL Intended use of remaining funds: N/A	Shares current value: \$5,000,000 Options current value: \$3,525,357 (method Back Scholes Valuation)	LR 7.3

Date of issue of securities issued post 21 November 2017	Quantity and class of Equity Securities issued	Names of the persons to whom the Equity Securities were issued	Issue Price	Discount (if any) that issue price represented to closing market price on the date of issue	Total cash consideration received	Use of funds or intended use of funds for remaining consideration	Non-cash consideration and current value	Listing Rule pursuant to which the issue was made
12.07.2018	50,939,191 fully paid ordinary shares 50,939,191 unlisted options at \$0.00150 exp 31.12.2023	Conversion note holders per the announcements dated 20 April 2018 and 16 July 2018.	\$0.00025	\$0.00075	NIL	n/a	Shares current value: \$50,939 Options current value: \$35,916 (method Back Scholes Valuation)	LR 7.3

Date of issue of securities issued post 21 November 2017	Quantity and class of Equity Securities issued	Names of the persons to whom the Equity Securities were issued	Issue Price	Discount (if any) that issue price represented to closing market price on the date of issue	Total cash consideration received	Use of funds or intended use of funds for remaining consideration	Non-cash consideration and current value	Listing Rule pursuant to which the issue was made
12.07.2018	750,000,000 unlisted options at \$0.00150 exp 30.06.2023	Otan Holdings Pty Ltd	n/a	n/a	NIL	n/a	Current value: \$506,557 (method Back Scholes Valuation)	LR 7.3
12.07.2018	160,000,000 fully paid ordinary shares	Vendors of Lida Valley and Muddy Mountain Project as detailed in notice of meeting dated 12 June 2018.	\$0.001	-	NIL	n/a	Current value: \$160,000 The shares were issued as Deferred Consideration pursuant to a contractual obligation on the Company pursuant to the Mining Claims Acquisition Agreement for as part consideration for the Lida Valley Project and Muddy Mountain Project.	LR 7.3

Date of issue of securities issued post 21 November 2017	Quantity and class of Equity Securities issued	Names of the persons to whom the Equity Securities were issued	Issue Price	Discount (if any) that issue price represented to closing market price on the date of issue	Total cash consideration received	Use of funds or intended use of funds for remaining consideration	Non-cash consideration and current value	Listing Rule pursuant to which the issue was made
30.08.2018	1,170,924,212 fully paid ordinary shares	Participants in the 26 June 2018 placement being exempt investors as per the announcement dated 21 August 2018.	\$0.0005	\$0.0005	\$585,462	<p>Funds used:\$360,000</p> <p>Use of funds to date: For exploration and diamond drilling at the Pardoo Project in Western Australia.</p> <p>Remaining funds: \$225,462</p> <p>Intended use of remaining funds: Remaining creditors from exploration and diamond drilling at the Pardoo Project in Western Australia and working capital</p>	nil	LR 7.1

Annexure C – Dilution Effect

Resolution	SHARES TO BE ISSUED	OPTIONS	DILUTIVE EFFECT (*undiluted basis)	DILUTIVE EFFECT (**fully diluted basis)
7 June Placement - Free Attaching Options		663,389,981		4.72%
8 August Placement - Free Attaching Options		1,170,924,242		8.33%
10(a) Conversion Shares	4,500,000,000		32.00%	
10(b) Free Attaching Options to Conversion Shares		2,250,000,000		16.00%
10(c) Interest Shares	78,340,007		0.56%	
10(d) Free Attaching Options to Interest Shares		39,170,004		0.28%
Total	4,578,340,007	4,123,484,227	32.56%	29.33%

Table based on the current shares on issue, 14,063,075,478.

* Based on no existing options being exercised

** Based on Options under Resolution 7,8,10(b) and 10(d) being issued and exercised, but no other existing options on issue are exercised

PROXY FORM

The Secretary
Caeneus Minerals Ltd

By Post:
Suite 29,117 Brisbane Street, Perth WA 6000

By facsimile:
+61 8 9262 3723

Name of Shareholder:	
Address of Shareholder:	
Number of Shares entitled to vote:	

Please mark to indicate your directions. Further instructions are provided overleaf.

Proxy appointments will only be valid and accepted by the Company if they are made and received no later than 48 hours before the meeting, that is by Sunday, 25 November 2018 at 2:00pm (WST).

Step 1 – Appoint a Proxy to Vote on Your Behalf

The Chairman of the Meeting (mark box)

OR if you are **NOT** appointing the Chairman of the meeting as your proxy, please write the name of the person or body corporate (excluding the registered shareholder) you are appointing as your proxy

or failing the person/body corporate named, or if no person/body is named, the Chairman 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 Meeting of the Company to be held at Stanton's International Perth, Level 1, 1 Walker Avenue, West Perth, Western Australia, 6005 on Tuesday, 27 November 2018 commencing at 2:00pm (WST) and at any adjournment or postponement of that Meeting.

Chairman authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), by signing and returning this form I/we expressly authorise the Chairman 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 Key Management Personnel, which includes the Chairman.

Important Note: If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on a Resolution by marking the appropriate box below.

The Chairman of the Meeting intends to vote all undirected proxies in favour of each Resolution.

The proxy is to vote for or against the Resolutions referred to in the Notice as follows:

Step 2 – Instruction as to Voting on Resolutions

	FOR	AGAINST	ABSTAIN
Resolution 1 – Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2 – Re-election of Director – Christopher Zielinski	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3 – Re-election of Director – Johnathon Busing	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4 – Re-election of Director – Peter Christie	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5 – Ratification of June Share Placement Facility	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6 – Ratification of August Share Placement Facility	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7 – June Placement – Free Attaching Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 8 – August Placement – Free Attaching Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 9 – Approval of 10% Placement Facility	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 10(a) – Issue of Conversion Share	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 10(b) – Issue of Free Attaching Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 10(c) – Issue of Interest Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 10(d) – Issue of Free Attaching Interest Options	<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 Member(s):

Date:

Individual or Member 1

Member 2

Member 3

Sole Director/Company Secretary

Director

Director/Company Secretary

Contact Name:

Contact Ph (daytime):

Date:

Proxy Notes:

- Voting Restrictions applying to Key Management Personnel:** If you appoint a member of the Key Management Personnel of the Company or one of their closely related parties as your proxy, that person will not be able to cast your votes on Resolution 1 unless you direct them how to vote, or the Chairman of the Meeting is your proxy. "Key Management Personnel" is defined in the Explanatory Memorandum and includes each of the Directors of the Company, all those executives named in the Company's 2018 Remuneration Report, and any other persons who are the Company's Key Management Personnel at the date of the Meeting.
- A Shareholder entitled to attend and vote at the Meeting may appoint a natural person as the Shareholder's proxy to attend and vote for the Shareholder at that Meeting. If the Shareholder is entitled to cast 2 or more votes at the Meeting the Shareholder may appoint not more than 2 proxies. Where the Shareholder appoints more than one proxy the Shareholder may specify the proportion or number of votes each proxy is entitled to exercise. If such proportion or number of votes is not specified each proxy may exercise half of the Shareholder's votes. A proxy may, but need not be, a Shareholder of the Company.
- If a Shareholder appoints a body corporate as the Shareholder's proxy to attend and vote for the Shareholder at that Meeting, the representative of the body corporate to attend the Meeting must produce the Certificate or Appointment of Representative prior admission. A form of the certificate may be obtained from the Company's share registry.
- You must sign this form as follows in the spaces provided:

Joint Holding: where the holding is in more than one name all of the holders must sign.

Power of Attorney: if signed under a Power of Attorney, you must have already lodged it with the registry, or alternatively, attach a certified photocopy, of the Power of Attorney to this Proxy Form when you return it.

Companies: a Director can sign jointly with another Director or Company Secretary. A sole Director who is also a sole Company Secretary can also sign. Please indicated the office held by signing in the appropriate space.
- If a representative of the corporation is to attend the Meeting the appropriate "Certificate of Appointment of Representative" should be produced prior to admission. A form of the certificate may be obtained from the Company's Share Registry.
- Proxy Forms (and the power of attorney or other authority, if any, under which the Proxy Form is signed) or a copy or facsimile which appears on its face to be an authentic copy of the Proxy Form (and the power of attorney or other authority) must be deposited at or received at the Perth office of the Company at suite 29, 117 Brisbane Street, Perth WA 6000 or by facsimile +61 8 9262 3723 not less than 48 hours prior to the time of commencement of the Meeting (WST), being Sunday, 25 November 2018 at 2:00pm (WST).