

**NOTICE OF ANNUAL GENERAL MEETING**

**AND**

**EXPLANATORY STATEMENT**

**AND**

**PROXY FORM**

**Date of Meeting**

16 November 2018

**Time of Meeting**

11:00am

**Place of Meeting**

BDO  
Hay Room  
Ground Floor, 38 Station Street  
Subiaco WA 6008

*This Notice of Annual General Meeting 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 prior to voting.*

The **2018 Annual Report** may be viewed on the Company's website at [www.azumahresources.com.au](http://www.azumahresources.com.au)

**Notice is hereby given** that the **Annual General Meeting** of Shareholders of Azumah Resources Limited (**Company**) will be held at BDO, Hay Room, Ground Floor, 38 Station Street, Subiaco Western Australia on 16 November 2018 at 11:00am (**Meeting**) for the purpose of transacting the following business in each case, as more particularly described in the Explanatory Statement accompanying this Notice.

#### **FINANCIAL STATEMENTS AND REPORTS**

To receive and consider the annual financial report, together with the Directors' and Auditor's reports for the financial year ended 30 June 2018.

#### **RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT**

To consider and, if thought fit, to pass, with or without amendment, the following **advisory only resolution**:

*"That, for the purpose of section 250R(2) of the Corporations Act, and for all other purposes, the Remuneration Report forming part of the Company's 2018 Annual Report be adopted."*

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

**Voting Prohibition:** 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.

#### **RESOLUTION 2 – RE-ELECTION OF MR MICHAEL ATKINS AS A DIRECTOR**

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

*"That for the purposes of clause 13.2 of the Constitution and for all other purposes, Mr Michael Atkins retires by rotation as a Director, and being eligible, having offered himself for re-election, is re-elected as a Director."*

#### **RESOLUTION 3 – RE-ELECTION OF MS DEBRA BAKKER AS A DIRECTOR**

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

*"That for the purposes of clause 13.5 of the Constitution and for all other purposes, Ms Debra Bakker, who was appointed to the Board since the previous general meeting of the Company, retires as a Director, and being eligible, having offered herself for re-election, is re-elected as a Director."*

#### **RESOLUTION 4 – RE-ELECTION OF MR LINTON PUTLAND AS A DIRECTOR**

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

*"That for the purposes of clause 13.5 of the Constitution and for all other purposes, Mr Linton Putland, who was appointed to the Board since the previous general meeting of the Company, retires as a Director, and being eligible, having offered himself for re-election, is re-elected as a Director."*

## RESOLUTION 5 – APPROVAL OF 10% PLACEMENT FACILITY

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

*“That in accordance with Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of Equity Securities of up to 10% of the issued capital of the Company (at the time of the issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions 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 in, or who will obtain a material benefit as a result of, the 10% Placement Facility (except a benefit solely by reason of being a holder of Shares) and any Associate of that person (or those persons).

However, the Company will not disregard a vote if:

- (a) 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
- (b) it is cast by the Chair as a proxy for a person who is entitled to vote (in accordance with the directions on the proxy form) to vote as the proxy decides.

## RESOLUTION 6 – RATIFICATION OF ISSUE OF OPTIONS

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

*“That, pursuant to and in accordance with ASX Listing Rule 7.4 and for all other purposes, Shareholders approve and ratify the issue of 3,000,000 Options to the party, for the purposes and on the terms set out in the Explanatory Statement and Annexure A.”*

**Voting Exclusion:** For the purposes of Listing Rule 7.5, the Company will disregard any votes cast in favour of this Resolution by or on behalf of any person who participated in the issue or any of their Associates, unless it is cast:

- (a) by a person as a proxy for a person who is entitled to vote (in accordance with the directions on the proxy form); or,
- (b) by the Chair as a proxy for a person who is entitled to vote (in accordance with the directions on the proxy form) to vote as the proxy decides.

## RESOLUTION 7 – RATIFICATION OF ISSUE OF SHARES

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

*“That, pursuant to and in accordance with ASX Listing Rule 7.4 and for all other purposes, Shareholders approve and ratify the issue of 83,073,952 Shares to the parties, for the purposes and on the terms set out in the Explanatory Statement.”*

**Voting Exclusion:** For the purposes of Listing Rule 7.5, the Company will disregard any votes cast in favour of this Resolution by or on behalf of any person who participated in the issue or any of their Associates, unless it is cast:

- (a) by a person as a proxy for a person who is entitled to vote (in accordance with the directions on the proxy form); or,
- (b) by the Chair as a proxy for a person who is entitled to vote (in accordance with the directions on the proxy form) to vote as the proxy decides.

## RESOLUTION 8 – RATIFICATION OF ISSUE OF OPTIONS

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

*“That, pursuant to and in accordance with ASX Listing Rule 7.4 and for all other purposes, Shareholders approve and ratify the issue of 1,500,000 Options to the party, for the purposes and on the terms set out in the Explanatory Statement and Annexure B.”*

**Voting Exclusion:** For the purposes of Listing Rule 7.5, the Company will disregard any votes cast in favour of this Resolution by or on behalf of any person who participated in the issue or any of their Associates, unless it is cast:

- (a) by a person as a proxy for a person who is entitled to vote (in accordance with the directions on the proxy form);  
or,
- (b) by the Chair as a proxy for a person who is entitled to vote (in accordance with the directions on the proxy form) to vote as the proxy decides.

#### **RESOLUTION 9 – APPROVAL OF GRANT OF OPTIONS TO MS DEBRA BAKKER**

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

*“That, for the purpose of Listing Rule 10.11 of the Listing Rules, section 208 of the Corporations Act and for all other purposes, the issue to Ms Debra Bakker, or her nominees, for nil consideration of 5,000,000 Options to acquire fully paid shares in the capital of the Company, at an exercise price of \$0.03, expiring on 13 November 2021 and on the terms and conditions outlined in the Explanatory Statement and in Annexure C is hereby approved.”*

**Voting Exclusion:** The Company will, in accordance with the Listing Rules, disregard any votes cast in favour of Resolution 9 by or on behalf of Ms Bakker and any of her Associates. However, the Company will not disregard a vote if it is cast by a person 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.

**Voting Prohibition:** In accordance with the Corporations Act, a vote may not be cast (in any capacity) on Resolution 9 by or on behalf of Ms Bakker or any of her Associates. This prohibition does not prevent the casting of a vote if it is cast by a person as a proxy appointed in writing that specifies how the proxy is to vote on the proposed resolution and it is not cast on behalf of Ms Bakker or any of her Associates.

#### **RESOLUTION 10 – APPROVAL OF GRANT OF OPTIONS TO MR LINTON PUTLAND**

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

*“That, for the purpose of Listing Rule 10.11 of the Listing Rules, section 208 of the Corporations Act and for all other purposes, the issue to Mr Linton Putland, or his nominees, for nil consideration of 5,000,000 Options to acquire fully paid shares in the capital of the Company, at an exercise price of \$0.03, expiring on 13 November 2021 and on the terms and conditions outlined in the Explanatory Statement and in Annexure C is hereby approved.”*

**Voting Exclusion:** The Company will, in accordance with the Listing Rules, disregard any votes cast in favour of Resolution 10 by or on behalf of Mr Putland and any of his Associates. However, the Company will not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

**Voting Prohibition:** In accordance with the Corporations Act, a vote may not be cast (in any capacity) on Resolution 10 by or on behalf of Mr Putland or any of his Associates. This prohibition does not prevent the casting of a vote if it is cast by a person as a proxy appointed in writing that specifies how the proxy is to vote on the proposed resolution and it is not cast on behalf of Mr Putland or any of his Associates.

#### **OTHER BUSINESS**

To deal with any other business that may be brought forward in accordance with the Constitution and the Corporations Act.

## DEFINITIONS

For the purpose of Resolutions 1 to 10 and the Explanatory Statement accompanying this Notice, the following definitions apply:

**10% Placement Facility** has the meaning given in Section 5.1 of the Explanatory Statement;

**10% Placement Period** has the meaning given in Section 5.2(f) of the Explanatory Statement;

**AGM** means an annual general meeting;

**Annual Report** means the Directors' Report, the Financial Report and Auditor's Report, in respect of the financial year ended 30 June 2018;

**Associate** has the same meaning as defined in section 11 and sections 13 to 17 of the Corporations Act;

**ASX** means ASX Limited ABN 98 008 624 691 and, where the context permits, the Australian Securities Exchange operated by ASX Limited;

**Auditor's Report** means the auditor's report on the Financial Report;

**Board** means the board of Directors;

**Chair** means the chairperson of the Meeting;

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

- a spouse or child of the member;
- a child of the member's spouse;
- a dependent of the member or the member's spouse;
- 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;
- a company the member controls; or
- a person prescribed by the Corporations Regulations 2001 (Cth);

**Company** means Azumah Resources Limited ABN 72 112 320 251;

**Constitution** means the Company's constitution, as amended from time to time;

**Convertible Security** means a security of the Company which is convertible into Shares;

**Corporations Act** means 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;

**Equity Securities** has the same meaning as in the Listing Rules;

**Explanatory Statement** means the explanatory statement accompanying this Notice;

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

**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, directly or indirectly, including any Director (whether executive or otherwise) of the Company;

**Listing Rules** means the Listing Rules of ASX;

**Meeting** has the meaning in the introductory paragraph of the Notice;

**Notice** means this Notice of annual general meeting;

**Option** means an option to acquire a Share;

**Proxy Form** means the proxy form attached to this Notice;

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

**Resolution** means a resolution contained in this Notice;

**Section** means a section of the Explanatory Statement;

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

**Shareholder** means the holder of a Share;

**Strike** has the meaning set out in Section 1.1 of the Explanatory Statement;

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

**WST** means Australian Western Standard Time.

Capitalised terms referred to in this Notice are defined in the Explanatory Statement.

Shareholders are referred to the Explanatory Statement for more information with respect to the matters to be considered at the Meeting.

## 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 on the form. 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.

If you are a registered Shareholder of the Company and are unable to attend the Meeting in person, please date and execute the accompanying Proxy Form and return it in accordance with its instructions prior to 11:00am WST on 14 November 2018 by:

1. post to Security Transfer Australia Pty Ltd, PO Box 52, Collins Street West VIC 8007;
2. facsimile to Security Transfer Australia Pty Ltd at (08) 9315 2233 (International: +61 8 9315 2233);
3. email at [registrar@securitytransfer.com.au](mailto:registrar@securitytransfer.com.au); or
4. online at [www.securitytransfer.com.au](http://www.securitytransfer.com.au).

If you are a beneficial Shareholder and receive these materials through your broker or through another intermediary, please complete and return the form of proxy or voting instruction form in accordance with the instructions provided to you by your broker or by the other intermediary.

## ENTITLEMENT TO VOTE

For the purposes of regulation 7.11.37 of the Corporations Regulations 2001, the Company determines that members holding Shares at 5:00pm WST on 14 November 2018 will be entitled to attend and vote at the AGM.

## CORPORATIONS

A corporation may elect to appoint a representative in accordance with the Corporations Act, in which case the Company will require written proof of the representative's appointment, which must be lodged with, or presented to the Company, before the Meeting.

## ELECTRONIC COMMUNICATION

All Shareholders may elect to receive communications from the Company's share registry electronically. To provide or update your email address, please contact the Company's share registry.

## REVOCATION OF PROXIES

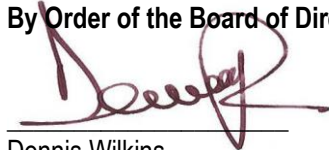
A Shareholder executing and delivering a proxy has the power to revoke it in accordance with the provisions of the Corporations Act, which provides that every proxy may be revoked by an instrument in writing executed by the Shareholder or by his or her attorney authorised in writing and delivered either to the registered office of the Company at any time up to and including the last business day preceding the day of the Meeting, or any adjournment thereof at which the proxy is to be used, or to the Chair of the Meeting on the day of the Meeting or any adjournment thereof, or in any other manner permitted by law.

## VOTING OF PROXIES

The Proxy Form accompanying this Explanatory Statement confers discretionary authority upon the proxy with respect to any amendments or variations to the matters identified in the Notice of Meeting and any other matters that may properly come before the Meeting. At the time of printing management knows of no such amendment, variation or other matter.

Shareholders must mark the boxes directing its proxy how to vote. If no voting instructions are indicated on the appointment of proxy form, the proxy will be voted as recommended by management or as the proxyholder sees fit (in the latter case, if management is not appointed as proxy).

**By Order of the Board of Directors**



Dennis Wilkins  
Company Secretary  
Date: 27 September 2018



**AZUMAH RESOURCES LIMITED**  
**ABN 72 112 320 251**  
**EXPLANATORY STATEMENT**

This Explanatory Statement is intended to provide Shareholders with sufficient information to assess the merits of the matters set forth in the Notice for approval at the Meeting. The Directors recommend that Shareholders read this Explanatory Statement in full before making any decision regarding the matters set forth in the Notice.

**2018 FINANCIAL STATEMENTS**

In accordance with section 317 of the Corporations Act, Shareholders will be offered the opportunity to discuss the Annual Report, including the Financial Report, the Directors' Report and the Auditor's Report for the financial year ended 30 June 2018.

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

At the Meeting, Shareholders will be offered a reasonable opportunity to:

- (a) discuss the Annual Report which is available online from the Company's website [www.azumahresources.com.au](http://www.azumahresources.com.au);
- (b) ask questions about, or comment on, the management of the Company; and
- (c) ask the auditor questions about:
  - (i) the preparation and content of the Auditor's Report;
  - (ii) the conduct of the audit;
  - (iii) accounting policies adopted by the Company in relation to the preparation of the financial statements; and
  - (iv) the independence of the auditor in relation to the conduct of the audit.

In addition to taking questions at the Meeting, Shareholders may provide written questions to the Company's auditor if the question is relevant to:

- (a) the content of the Auditor's Report; or
- (b) the conduct of the audit of the Annual Report to be considered at the AGM,

which may be submitted no later than five business days before the Meeting to the Company Secretary at the Company's registered office.

**1. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT**

**1.1 General**

In accordance with subsection 250R(2) of the Corporations Act, the Company must 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 the remuneration arrangements in place for the Key Management Personnel.

In accordance with subsection 250R(3) of the Corporations Act, Resolution 1 is advisory only and does not bind the Directors. If Resolution 1 is not passed, the Directors will not be required to alter any of the arrangements in the Remuneration Report. However, Shareholders will have the opportunity to remove the whole Board, except the managing director, if any, if the Remuneration Report receives a 'no' vote of 25% or more (**Strike**) at two consecutive AGMs.

Where a resolution on the Remuneration Report receives a Strike 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 must stand for re-election.

The Company's Remuneration Report did not receive a Strike at the 2017 annual general meeting. If the Remuneration Report receives a Strike at this Meeting, Shareholders should be aware that if a second Strike is received at the 2019 annual general meeting, this may result in the re-election of the Board

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

## **1.2 Voting on the Remuneration Report**

In accordance with the Corporations Act, a vote on this Resolution must not be cast (in any capacity) by or on behalf of either 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 how 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 the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

The Chair intends to exercise all available proxies in favour of Resolution 1.

If the Chair is appointed as your proxy and you have not specified the way the Chair is to vote on Resolution 1, by signing and returning the Proxy Form, you are considered to have provided the Chair with an express authorisation for the Chair to vote the proxy in accordance with the Chair's intention, even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel of the Company.

## **2. RESOLUTION 2 – RE-ELECTION OF MR MICHAEL ATKINS AS A DIRECTOR**

### **2.1 General**

Mr Michael Atkins was appointed as a Non-Executive Director on 20 October 2009. The Board considers Mr Atkins to be an independent director.

In accordance with Listing Rule 14.4, no director of the Company may hold office (without re-election) past the third AGM following the Director's appointment or 3 years, whichever period is longer. The Company's Constitution also requires that one third of the Directors (other than the managing director) retire from office at each AGM.

Accordingly, Mr Michael Atkins will retire by rotation at this Meeting and, being eligible offers himself for re-election.

Resolution 2 is an ordinary resolution, requiring it to be passed by a simple majority of votes cast by the Shareholders entitled to vote on it.

### **2.2 Director's Biography and Experience**

Mr Atkins is a Fellow of the Australian Institute of Company Directors.

He was a founding partner of a national Chartered Accounting practice from 1979 to 1987 and was a Fellow of the Institute of Chartered Accountants in Australia until resigning in June 2011.

Between 1987 and 1998 he was a director of, and involved in the executive management of, several publicly listed resource companies with operations in Australia, USA, South East Asia and Africa. From 1990 to 1995 he was Managing Director and later a non-executive director of Claremont Petroleum NL and Beach Petroleum NL during their reconstruction, and then remained as a non-executive director until 1995. He was also founding Executive Chair of Gallery Gold Ltd until 1998, and remained a non-executive director until 2000.

Since February 2009 Mr Atkins has been a Director - Corporate Finance at Patersons Securities Limited where he advises on the formation of, and capital raising for, emerging companies in the Australian resources sector.

He is currently non-executive Chairman of ASX listed public companies Castle Minerals Limited and Legend Mining Ltd, and a non-executive director of Global Construction Services Limited (and a director of SRG Global Limited which is no longer listed on ASX following its merger with Global Construction Services Limited).

### **2.3 Directors' Recommendation**

Based on the information available, including the information contained in this Explanatory Statement, all the Directors consider that Resolution 2 is in the best interests of the Company, as Mr Atkins' has a wealth of experience and expertise which is valuable to the Company. All the Directors, except Mr Atkins, who has an interest in this Resolution, recommend that Shareholders vote in favour of Resolution 2.

Each Director has indicated that she or he intends to vote the Shares she or he owns or controls in favour of Resolution 2. The Chair intends to exercise all available proxies in favour of Resolution 2.

## **3. RESOLUTION 3 – RE-ELECTION OF MS DEBRA BAKKER AS A DIRECTOR**

### **3.1 General**

Ms Debra Bakker was appointed as a non-executive Director on 18 July 2018. The Board considers Ms Bakker to be an independent director.

In accordance with clause 13.5 of the Constitution, a Director appointed as an addition to the Board by the other Directors may retire at the next general meeting but is eligible for re-election at that meeting.

Accordingly, Ms Bakker, who was appointed by the other Directors, now retires and, being eligible, offers herself for re-election as a Director.

Resolution 3 is an ordinary resolution, requiring it to be passed by a simple majority of votes cast by the Shareholders entitled to vote on it.

### **3.2 Director's biography and experience**

Ms Bakker has more than 25 years' experience as an international banker, deal maker and advisor to the resources industry, holding various senior positions with Commonwealth Bank of Australia, Standard Bank London Group and Barclays Capital in Sydney, London, New York, Chicago and, since 2003, Perth. She also is the Western Australian representative of Auramet Trading LLC, a New York-based metals trading firm and merchant banking advisory service.

Ms Bakker is currently a non-executive director of Independence Group (ASX: IGO) and Capricorn Metals Ltd (ASX: CAP) and holds several not-for-profit sector roles.

Ms Bakker holds a B.Bus Finance and Accounting from Edith Cowan University, Perth, is a graduate of the Securities Institute of Australia (now called FINSIA), holds a M.App Finance in Applied Finance from Macquarie University and is a Graduate of the AICD Company Directors course.

### **3.3 Directors' recommendation**

Based on the information available, including the information contained in this Explanatory Statement, all the Directors consider that Resolution 3 is in the best interests of the Company, as Ms Bakker has a wealth of experience and expertise which is valuable to the Company. All the Directors, except Ms Bakker, recommend that Shareholders vote in favour of Resolution 3.

Each Director has indicated that she or he intends to vote the Shares she or he owns or controls in favour of Resolution 3. The Chair intends to vote all undirected proxies in favour of the Resolution.

#### **4. RESOLUTION 4 – RE-ELECTION OF MR LINTON PUTLAND AS A DIRECTOR**

##### **4.1 General**

Mr Linton Putland was appointed as a non-executive Director on 18 July 2018. The Board considers Mr Putland to be an independent director.

In accordance with clause 13.5 of the Constitution, a Director appointed as an addition to the Board by the other Directors may retire at the next general meeting but is eligible for re-election at that meeting.

Accordingly, Mr Putland, who was appointed by the other Directors, now retires and, being eligible, offers himself for re-election as a Director.

Resolution 4 is an ordinary resolution, requiring it to be passed by a simple majority of votes cast by the Shareholders entitled to vote on it.

##### **4.2 Director's biography and experience**

Mr Putland is a mining professional with more than 30 years' experience in technical, operational and managerial roles centred on open pit and underground operations covering a wide range of commodities in Australia and overseas, including several campaigns in Africa.

As a consultant, he now provides advice on due diligence, business development, project planning and implementation, operational improvement and mentoring, various levels of project assessment studies, and tenders and contracts for a range of mining and mining-associated companies.

Mr Putland is also an independent non-executive director with Pacific Energy Limited (ASX: PEA) and was, for five years until 2017, the Principal Technical Adviser to private equity group, Pacific Road Capital Management.

Mr Putland is a 1988 B.Eng graduate of the Western Australia School of Mines from where he also gained an MSc. Mineral Economics and is a Graduate of the AICD Company Directors course. He also holds a Western Australia First Class Mine Managers Certificate (1991).

##### **4.3 Directors' recommendation**

Based on the information available, including the information contained in this Explanatory Statement, all the Directors consider that Resolution 4 is in the best interests of the Company, as Mr Putland has a wealth of experience and expertise which is valuable to the Company. All the Directors, except Mr Putland, recommend that Shareholders vote in favour of Resolution 4.

Each Director has indicated that she or he intends to vote the Shares she or he owns or controls in favour of Resolution 4. The Chair intends to vote all undirected proxies in favour of the Resolution.

#### **5. RESOLUTION 5 – APPROVAL OF 10% PLACEMENT FACILITY**

##### **5.1 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 AGM (**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. Based on the closing price of Shares on 17 September 2018, the market capitalisation of the Company is \$15,643,062. As the Company is not included in the S&P/ASX 300 Index, the Company qualifies as 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 to Section 5.2(c) below).

## **5.2 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 AGM, requiring a 75% majority vote to be cast.

### **(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 four classes of Equity Securities, being quoted Shares and three classes of unlisted Options.

### **(c) Formula for calculating 10% Placement Facility**

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

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

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

- (i) plus the number of fully paid shares issued in the 12 months under an exception in Listing Rule 7.2;
- (ii) plus the number of partly paid shares that became fully paid in the 12 months;
- (iii) plus the number of fully paid shares issued in the 12 months with shareholder approval 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;
- (iv) less the number of fully paid shares cancelled in the 12 months.

**D** is 10%;

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

### **(d) Listing Rule 7.1 and Listing Rule 7.1A**

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 782,153,101 Shares and, assuming Shareholders approve Resolutions 5, 6, 7 and 8, has a capacity to issue:

- (i) 117,322,965 Equity Securities under Listing Rule 7.1; and
- (ii) 78,215,310 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 7.2(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:

- (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 five 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 AGM at which the approval is obtained and expires on the earlier to occur of:

- (i) the date that is 12 months after the date of the AGM at which the approval is obtained; or
- (ii) 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),

**(10% Placement Period).**

### **5.3 Listing Rule 7.1A**

The effect of Resolution 5 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.

### **5.4 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 are to be issued is agreed; or
  - (ii) if the Equity Securities are not issued within five Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.
- (b) If Resolution 5 is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Facility, the existing Shareholders' voting power in the Company will be diluted as shown in the below table (in the case of Convertible Securities, only if the Convertible Securities are converted into Shares). There is a risk that:
  - (i) the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date of the Meeting; and
  - (ii) the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date or the Equity Securities are issued as part of consideration for the acquisition of a new asset,

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

The table below shows the dilution of existing Shareholders on the basis of the current market price of the 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 17 September 2018.

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 of 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		
		\$0.01 50% decrease in Issue Price	\$0.02 Issue Price	\$0.04 100% increase in Issue Price
Current Variable A 782,153,101 Shares	10% voting dilution	78,215,310 Shares		
	Funds raised	\$782,153	\$1,564,306	\$3,128,612
50% increase in current Variable A 1,173,229,651 Shares	10% voting dilution	117,322,965 Shares		
	Funds raised	\$1,173,229	\$2,346,459	\$4,692,918
100% increase in current Variable A 1,564,306,202 Shares	10% voting dilution	156,430,620 Shares		
	Funds raised	\$1,564,306	\$3,128,612	\$6,257,224

The table has been prepared on the following assumptions:

- (i) Shareholders approve Resolutions 5, 6, 7 and 8.
  - (ii) The Company issues the maximum number of Equity Securities available under the 10% Placement Facility.
  - (iii) No Convertible Securities (including any Convertible Securities issued under the 10% Placement Facility) are converted into Shares before the date of the issue of the Equity Securities.
  - (iv) 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%.
  - (v) 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 that Shareholder’s holding at the date of this Meeting.
  - (vi) The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.
  - (vii) The issue of Equity Securities under the 10% Placement Facility consists only of Shares. If the issue of Equity Securities includes Convertible Securities, it is assumed that those Convertible Securities are converted into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.
  - (viii) The issue price is \$0.02 being the closing price of Shares on the ASX on 17 September 2018.
- (c) The Company will only issue and allot the Equity Securities during the 10% Placement Period. The approval under Resolution 5 for the issue of the Equity Securities will cease to be valid in the event that Shareholders

- approve a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or Listing Rule 11.2 (disposal of main undertaking).
- (d) The Company may seek to issue the Equity Securities for the following purposes:
- (i) for cash consideration, in which case the Company may use the funds raised towards making (or to securing the right to make) one or more acquisitions and/or to further its existing projects; and/or general working capital; so that the Company has the necessary working capital and flexibility to consider, and if thought fit, to put in a stronger position to make (or to secure the right to make) one or more acquisitions and/or to further its existing projects; or
  - (ii) non-cash consideration for the acquisition of (or securing the right to make acquisitions of) new projects and investments or to further its existing projects. In such circumstances the Company will provide a valuation of the non-cash consideration as required by Listing Rule 7.1A.3.
- (e) The Company will comply with the disclosure obligations under Listing Rules 7.1A.4 and 3.10.5A upon issue of any Equity Securities.
- (f) The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility. The identity of the allottees of Equity Securities will be determined on a case-by-case basis having regard to the factors including but not limited to the following:
- (i) the methods of raising funds that are available to the Company, including but not limited to, rights issue or other issue in which existing security holders can participate;
  - (ii) the effect of the issue of the Equity Securities on the control of the Company;
  - (iii) the financial situation and solvency of the Company; and
  - (iv) advice from corporate, financial and broking advisers (if applicable).
- (g) 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 a related party or an Associate of a related party of the Company.
- Further, if the Company is successful in acquiring new assets or investments, it is possible that the allottees under the 10% Placement Facility will be the vendors of the new assets or investments.
- (h) The Company has previously obtained Shareholder approval under ASX Listing Rule 7.1A at its AGM held on 13 November 2017.

In accordance with Listing Rule 7.3A.6, the total number of Equity Securities issued in the 12 months preceding the date of this meeting is 122,573,952 representing 17.53% of the Equity Securities on issue at the commencement of the 12 month period.

The Company has issued the following Equity Securities in the 12 months preceding the date of this meeting:



Date of Issue	Number of Securities	Class	Issue Price	Discount to Market price	Total Consideration	Issued to	Current valuation
22/11/2017	35,000,000	Unlisted options, exercise price \$0.03 expiry 13/11/21	Nil	N/A	Nil	Directors	\$315,000 (Black and Scholes valuation as at 17 September 2018)
05/04/2018	3,000,000	Unlisted options, exercise price \$0.03 expiry 30/06/20	Nil	N/A	Nil	External advisor to the Company	\$17,100 (Black and Scholes valuation as at 17 September 2018)
30/04/2018	81,036,362	Fully paid ordinary shares	\$0.022	8.33%	\$1,782,800	Investors unrelated to the Company & exempt pursuant to section 708 Corporations Act	N/A
30/04/2018	1,128,500	Fully paid ordinary shares	\$0.022	8.33%	Nil – issued in satisfaction of fees owing	External advisor to the Company	\$22,570 (at share price of \$0.02 as at 17 September 2018)
09/05/2018	909,090	Fully paid ordinary shares	\$0.022	29.03%	\$20,000	Professional investor unrelated to the Company	N/A
17/09/2018	1,500,000	Unlisted options exercise price \$0.03 expiry 30/06/20	Nil	N/A	Nil	External advisor to the Company	\$8,550 (Black and Scholes valuation as at 17 September 2018)
<b>TOTAL</b>	<b>122,573,952</b>				<b>\$1,802,800</b>		

The Company has spent \$665,350 of the funds it has raised as a result of the issue of Equity Securities in the 12 months preceding the date of this Notice to finalise a number of minor commitments at the Company's Wa Gold Project, Ghana and for corporate expenses. It intends to spend the balance of the funds raised to complete on the purchase of the Julie West licence from Castle Minerals Limited, to meet the Company's incidental costs to the Wa Gold Project joint venture, for new project generation and appraisal and for corporate expenses.

- (i) A voting exclusion statement is included in the Notice.
- (j) 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.

## 5.5 Directors' Recommendation

The Directors unanimously recommend that Shareholders vote in favour of Resolution 5.

Resolution 5 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).

The Chair intends to exercise all available proxies in favour of Resolution 5.

## **6. RESOLUTION 6 – RATIFICATION OF ISSUE OF OPTIONS**

### **6.1 General**

The Company issued a total of 3,000,000 unlisted Options on 5 April 2018 to an external advisor to the Company in accordance with Listing Rule 7.1 and now seeks, pursuant to Resolution 6 of the Notice, to ratify the allotment and issue of those Options.

Listing Rule 7.1 provides that (subject to certain exceptions) prior approval of shareholders is required for an issue of securities by a company if the securities will, when aggregated with the securities issued by a company during the previous 12 months, exceed 15% of the number of the ordinary securities on issue at the commencement of that 12 month period.

Listing Rule 7.4 sets out the procedure and effect of Shareholder approval of a prior issue of securities and provides that where shareholders in general meeting ratify a previous issue of securities made without approval under Listing Rule 7.1, provided that the previous issue of securities did not breach Listing Rule 7.1, those securities shall be deemed to have been made with shareholder approval for the purposes of Listing Rule 7.1.

By ratifying the issue the subject of Resolution 6, the base figure (ie variable “A”) in which the Company’s 15% and 10% annual placement capacities are calculated under Listing Rule 7.1 and Listing Rule 7.1A will be a higher number which in turn will allow a proportionately higher number of securities to be issued without prior Shareholder approval.

The Company proposes Resolution 6 to ratify a previous issue of securities in accordance with Listing Rule 7.4. The Company confirms that the issue and allotment of the securities the subject of Resolution 6 did not breach Listing Rule 7.1.

### **6.2 Information required by Listing Rule 7.5**

The following information is provided to Shareholders for the purposes of Listing Rule 7.5.

- (a) 3,000,000 unlisted Options were allotted and issued by the Company pursuant to ASX Listing Rule 7.1.
- (b) The Options were issued for nil consideration.
- (c) The Options allotted are unlisted Options with an exercise price of \$0.03, expiring on 30 June 2020, with a vesting condition (the Options vest when Shares have traded at a VWAP of \$0.06 for 10 consecutive trading days), and otherwise on the terms set out in Annexure A.
- (d) The Shares were allotted to Cornerstone Advisors Pty Ltd as part compensation in accordance with a financial advisory services agreement, which is an exempt investor pursuant to section 708 of the Corporations Act and is not a related party of the Company.
- (e) No funds were raised by the issue of the Options. If all the Options are exercised, \$90,000 will be raised which will be used for working capital purposes.
- (f) A voting exclusion statement is included in the Notice.

### **6.3 Directors’ Recommendation**

The Directors of the Company believe that Resolution 6 is in the best interests of the Company and unanimously recommend that Shareholders vote in favour of this Resolution. The Directors have formed this view as the passing of this Resolution will provide greater flexibility when considering future capital raising opportunities. The passing of Resolutions 6, 7 and 8 will return the Directors’ ability to issue new Shares to the maximum permitted by the Listing Rules without requiring Shareholder approval.

## **7. RESOLUTION 7 – RATIFICATION OF ISSUE OF SHARES**

### **7.1 General**

The Company issued a total of 83,073,952 Shares in April/May 2018 (82,164,862 Shares on 30 April 2018 and 909,090 Shares on 9 May 2018) at an issue price of \$0.022 per Share in accordance with Listing Rule 7.1 and now seeks, pursuant to Resolution 7 of the Notice, to ratify the allotment and issue of those Shares.

Listing Rule 7.1 provides that (subject to certain exceptions) prior approval of shareholders is required for an issue of securities by a company if the securities will, when aggregated with the securities issued by a company during the previous 12 months, exceed 15% of the number of the ordinary securities on issue at the commencement of that 12 month period.

Listing Rule 7.4 sets out the procedure and effect of Shareholder approval of a prior issue of securities and provides that where shareholders in general meeting ratify a previous issue of securities made without approval under Listing Rule 7.1, provided that the previous issue of securities did not breach Listing Rule 7.1, those securities shall be deemed to have been made with shareholder approval for the purposes of Listing Rule 7.1. The Company confirms that the issue and allotment of the securities the subject of Resolution 7 did not breach Listing Rule 7.1.

By ratifying the issue the subject of Resolution 7, the base figure (ie variable "A") in which the Company's 15% and 10% annual placement capacities are calculated under Listing Rule 7.1 and Listing Rule 7.1A will be a higher number which in turn will allow a proportionately higher number of securities to be issued without prior Shareholder approval.

The Company proposes Resolution 7 to ratify a previous issue of securities in accordance with Listing Rule 7.4. The Company confirms that the issue and allotment of the securities the subject of Resolution 7 did not breach Listing Rule 7.1.

### **7.2 Information required by Listing Rule 7.5**

The following information is provided to Shareholders for the purposes of Listing Rule 7.5.

- (a) 83,073,952 Shares were allotted and issued by the Company pursuant to ASX Listing Rule 7.1.
- (b) The issue price per Share was \$0.022.
- (c) The Shares allotted were fully paid ordinary shares which rank equally with all other fully paid ordinary shares on issue.
- (d) The Shares were allotted to exempt investors pursuant to section 708 of the Corporations Act who are not related parties of the Company.
- (e) 1,128,500 Shares were issued in satisfaction of fees owed to an external advisor, so no funds were raised by the issue of those Shares. The funds raised of approximately \$1.8m are being used to finalise a number of minor commitments at the Company's Wa Gold Project, Ghana, to complete on the purchase of the Julie West licence from Castle Minerals Limited and for working capital purposes.
- (f) A voting exclusion statement is included in the Notice.

### **7.3 Directors' Recommendation**

The Directors of the Company believe that Resolution 7 is in the best interests of the Company and unanimously recommend that Shareholders vote in favour of this Resolution. The Directors have formed this view as the passing of this Resolution will provide greater flexibility when considering future capital raising opportunities. The passing of Resolutions 6, 7 and 8 will return the Directors' ability to issue new Shares to the maximum permitted by the Listing Rules without requiring Shareholder approval.

## **8. RESOLUTION 8 – RATIFICATION OF ISSUE OF OPTIONS**

### **8.1 General**

The Company issued a total of 1,500,000 unlisted Options on 17 September 2018 to an external advisor to the Company in accordance with Listing Rule 7.1 and now seeks, pursuant to Resolution 8 of the Notice, to ratify the allotment and issue of those Options.

Listing Rule 7.1 provides that (subject to certain exceptions) prior approval of shareholders is required for an issue of securities by a company if the securities will, when aggregated with the securities issued by a company during the previous 12 months, exceed 15% of the number of the ordinary securities on issue at the commencement of that 12 month period.

Listing Rule 7.4 sets out the procedure and effect of Shareholder approval of a prior issue of securities and provides that where shareholders in general meeting ratify a previous issue of securities made without approval under Listing Rule 7.1, provided that the previous issue of securities did not breach Listing Rule 7.1, those securities shall be deemed to have been made with shareholder approval for the purposes of Listing Rule 7.1.

By ratifying the issue the subject of Resolution 8, the base figure (ie variable "A") in which the Company's 15% and 10% annual placement capacities are calculated under Listing Rule 7.1 and Listing Rule 7.1A will be a higher number which in turn will allow a proportionately higher number of securities to be issued without prior Shareholder approval.

The Company proposes Resolution 8 to ratify a previous issue of securities in accordance with Listing Rule 7.4. The Company confirms that the issue and allotment of the securities the subject of Resolution 8 did not breach Listing Rule 7.1.

### **8.2 Information required by Listing Rule 7.5**

The following information is provided to Shareholders for the purposes of Listing Rule 7.5.

- (a) 1,500,000 unlisted Options were allotted and issued by the Company pursuant to ASX Listing Rule 7.1.
- (b) The Options were issued for nil consideration.
- (c) The Options allotted are unlisted Options with an exercise price of \$0.03, expiring on 31 January 2021, with a vesting condition (the Options vest when Shares have traded at a VWAP of \$0.06 for 10 consecutive trading days), and otherwise on the terms set out in Annexure B.
- (d) The Shares were allotted to Joanna Longo of Terre Partners, an external North American investor relations advisor to the Company, who is an exempt investor pursuant to section 708 of the Corporations Act and is not a related party of the Company.
- (e) No funds were raised by the issue of the Options. If all the Options are exercised, \$45,000 will be raised which will be used for working capital purposes.
- (f) A voting exclusion statement is included in the Notice.

### **8.3 Directors' Recommendation**

The Directors of the Company believe that Resolution 8 is in the best interests of the Company and unanimously recommend that Shareholders vote in favour of this Resolution. The Directors have formed this view as the passing of this Resolution will provide greater flexibility when considering future capital raising opportunities. The passing of Resolutions 6, 7 and 8 will return the Directors' ability to issue new Shares to the maximum permitted by the Listing Rules without requiring Shareholder approval.

## **9. RESOLUTION 9 – APPROVAL OF GRANT OF OPTIONS TO MS DEBRA BAKKER**

### **9.1 General**

The Company proposes to grant 5,000,000 Options to Ms Debra Bakker, or her nominees, for nil consideration at an exercise price of 3 cents, expiring on 13 November 2021.

The full terms of the Options are set out in Annexure C to this Explanatory Statement.

The Directors consider that the grant of the Options is a cost effective and efficient means for the Company to provide a reward and incentive.

The exercise price is \$0.03. In the event all the Options are exercised, Ms Bakker (or her nominees) will need to pay a total of \$150,000 to the Company.

### **9.2 Chapter 2E of the Corporations Act**

Chapter 2E of the Corporations Act prohibits a public company from giving a financial benefit to a related party of the public company unless either:

- (a) the giving of the financial benefit falls within one of the nominated exceptions to the provision; or
- (b) prior Shareholder approval is obtained to the giving of the financial benefit and the benefit is given within 15 months after obtaining such approval.

For the purposes of Chapter 2E, Directors and persons who were a related party in the previous six months are considered to be related parties of the Company.

Resolution 9 provides for the grant of Options to a related party which is a financial benefit requiring Shareholder approval. For the purpose of Chapter 2E of the Corporations Act the following information is provided.

#### ***The related party to whom the proposed Resolution would permit the financial benefit to be given***

Subject to Shareholder approval, the Options the subject of Resolution 9 will be granted to Ms Bakker, or her nominees, within one month of the passing of this Resolution. Ms Bakker is a Director of the Company and is therefore classified as a related party.

#### ***The nature of, reasons for and basis for the financial benefit***

The proposed financial benefit is the grant of 5,000,000 options to Ms Bakker, or her nominees, for no issue price. Each Option will allow Ms Bakker to subscribe for one ordinary fully paid Share in the Company. The Options have an exercise price of \$0.03 per Share and expire on 13 November 2021.

The Options form part of Ms Bakker's reward and incentive for continuing and future efforts. The issue of Options to Ms Bakker is subject to Resolution 9 being passed by Shareholders. Options are considered to be the appropriate incentive given the Company's current size and stage of development, being an exploration company with limited cash reserves. If Ms Bakker is to derive any value from the Options, the market Share price must be in excess of the exercise price at the time of exercise. As the exercise price of the Options is at a premium to the most recent closing Share price prior to the date of this Notice, and the average Share price as traded over the previous 3 months, the Options represent an incentive to Ms Bakker to achieve this increase in the Share price, which would result in an increase in Shareholder value.

The number of Options to be offered to Ms Bakker has been determined by reference to her role as a non-executive Director as well as current market practices in the junior exploration sector.

#### ***Directors' recommendation***

All Directors except Ms Bakker recommend Shareholders vote in favour of Resolution 9 as they believe, based on the information available, including the information contained in this Explanatory Statement, the granting of these Options to Ms Bakker will align her rewards with the long term creation of value for Shareholders.

Ms Bakker does not wish to make a recommendation about the proposed Resolution 9 as she may potentially receive a financial benefit from the passing of the Resolution in relation to the grant of Options and does not consider herself sufficiently independent to make a recommendation.

**Interests of Directors**

Ms Bakker has noted her interest in the approval of Resolution 9 in relation to the Options.

**Any other information that is reasonably required by members to make a decision and that is known to the Company or any of its officers**

- (a) The proposed Resolution would have the effect of giving power to the Directors to grant 5,000,000 Options to Ms Bakker, or her nominees.
- (b) The exercise of the Options is subject to the terms and conditions as set out in Annexure C to this Explanatory Statement and as otherwise mentioned above.
- (c) The Directors, in conjunction with the Company's advisers, have provided an indicative value to the Options by reference to the Black-Scholes valuation method.
- (d) The total value of the Options to be issued is outlined in Table 1 below. If Options granted to Ms Bakker, or her nominees, are exercised, the effect would be to dilute the Shareholdings of the existing Shareholders.

**Table 1 - Details of Director Options**

Name	Relationship	Number of options	Exercise price	Expiry date	Vesting	Value as determined by Black-Scholes valuation
Debra Bakker	Director	5,000,000	3 cents per share	13 November 2021	At date of allotment	\$43,500

**Option Valuation details**

Details	Input
Share price	\$0.02
Exercise Price	\$0.03
Risk Free Rate	2.03%
Volatility (Annualised)	81.46%
Start Date	16 November 2018
Expiry Date	13 November 2021
<b>Value per Option</b>	<b>\$0.0087</b>

- (e) The Black-Scholes Option Pricing Model is an industry accepted method of valuing equity instruments, at the date of grant. However, the Directors do not consider the resultant value as determined by the Black-Scholes Option Pricing Model is in any way representative of the market value of the share options issued. The theoretical fair value of the options will be influenced by the terms and conditions upon which the options were granted, the effects of non-transferability, exercise restrictions and behavioural considerations of buyers and sellers of such instruments, the impact of which are ignored in the Black-Scholes Option Pricing Model.
- (f) As at the date of this Notice, the issued capital of the Company comprised 782,153,101 Shares. If all Options granted as proposed above are exercised, and assuming all existing Options on issue have been exercised, and assuming no other share issues proceed, the effect would be to dilute the Shareholding of existing Shareholders as per the table below:

Shares and Options on issue	820,153,101
Options to be granted	5,000,000
<b>New Total</b>	<b>825,153,101</b>
Dilutionary effect	0.61%

(g) Ms Bakker's current interests in securities of the Company are set out in the table below:

Director	Shareholding	Option holding
Debra Bakker	400,000	Nil

- (h) The market price of the Company's Shares during the term of the Options will normally determine whether or not the Option holder exercises the Options. At the time any Options are exercised and Shares are issued pursuant to the exercise of the Options, the Company's Shares may be trading at a price which is higher than the exercise price of the Options.
- (i) The Options will not be quoted on ASX and as such have no actual market value. The fully paid ordinary Shares of the Company have been traded on ASX since January 2006. In the twelve months prior to 17 September 2018 the Shares have traded in the range of \$0.018 to \$0.046, the closing price on this date was \$0.02. The Options are capable of being converted to Shares by payment of the exercise price.
- (j) Ms Bakker currently receives a salary of \$45,000, inclusive of superannuation.
- (k) Under the Australian equivalent of IFRS, the Company is required to expense the value of the Options in its profit or loss for the current financial year. Other than as disclosed in this Explanatory Statement, the Directors do not consider that from an economic and commercial point of view there are any costs or detriments, including opportunity costs or taxation consequences for the Company or benefits foregone by the Company, in granting the Options to Ms Bakker or her nominees pursuant to Resolution 9.
- (l) Neither the Directors nor the Company are aware of any other information that would be reasonably required by Shareholders to make a decision in relation to the financial benefits contemplated by this Resolution.

### 9.3 Information required by Listing Rule 10.13

Listing Rule 10.13 requires that the following information be provided to Shareholders for the purposes of obtaining Shareholder approval pursuant to Listing Rule 10.11.

- (a) The Options will be issued to Ms Bakker (or her nominees).
- (b) The maximum number of Options to be issued to Ms Bakker (or her nominees) is 5,000,000.
- (c) The Options will be issued no later than one month after the date of the Meeting (or such longer period of time as ASX may in its discretion allow).
- (d) The Options will be unlisted Options with an exercise price of \$0.03, expiring on 13 November 2021, and otherwise on the terms set out in Annexure C.
- (e) A voting exclusion statement is included in the Notice of Meeting.
- (f) No funds will be raised from the issue of the Options. If all the Options are exercised, \$150,000 will be raised which will be used for working capital purposes.

## 10. RESOLUTION 10 – APPROVAL OF GRANT OF OPTIONS TO MR LINTON PUTLAND

### 10.1 General

The Company proposes to grant 5,000,000 Options to Mr Linton Putland, or his nominees, for nil consideration at an exercise price of 3 cents, expiring on 13 November 2021.

The full terms of the Options are set out in Annexure C to this Explanatory Statement.

The Directors consider that the grant of the Options is a cost effective and efficient means for the Company to provide a reward and incentive.

The exercise price is \$0.03. In the event all the Options are exercised, Mr Putland (or his nominees) will need to pay a total of \$150,000 to the Company.

## **10.2 Chapter 2E of the Corporations Act**

Chapter 2E of the Corporations Act prohibits a public company from giving a financial benefit to a related party of the public company unless either:

- (a) the giving of the financial benefit falls within one of the nominated exceptions to the provision; or
- (b) prior Shareholder approval is obtained to the giving of the financial benefit and the benefit is given within 15 months after obtaining such approval.

For the purposes of Chapter 2E, Directors and persons who were a related party in the previous six months are considered to be related parties of the Company.

Resolution 10 provides for the grant of Options to a related party which is a financial benefit requiring Shareholder approval. For the purpose of Chapter 2E of the Corporations Act the following information is provided.

### ***The related party to whom the proposed Resolution would permit the financial benefit to be given***

Subject to Shareholder approval, the Options the subject of Resolution 10 will be granted to Mr Putland, or his nominees, within one month of the passing of this Resolution. Mr Putland is a Director of the Company and is therefore classified as a related party.

### ***The nature of, reasons for and basis for the financial benefit***

The proposed financial benefit is the grant of 5,000,000 options to Mr Putland, or his nominees, for no issue price. Each Option will allow Mr Putland to subscribe for one ordinary fully paid Share in the Company. The Options have an exercise price of \$0.03 per Share and expire on 13 November 2021.

The Options form part of Mr Putland's reward and incentive for continuing and future efforts. The issue of Options to Mr Putland is subject to Resolution 10 being passed by Shareholders. Options are considered to be the appropriate incentive given the Company's current size and stage of development, being an exploration company with limited cash reserves. If Mr Putland is to derive any value from the Options, the market Share price must be in excess of the exercise price at the time of exercise. As the exercise price of the Options is at a premium to the most recent closing Share price prior to the date of this Notice, and the average Share price as traded over the previous 3 months, the Options represent an incentive to Mr Putland to achieve this increase in the Share price, which would result in an increase in Shareholder value.

The number of Options to be offered to Mr Putland has been determined by reference to his role as a non-executive Director as well as current market practices in the junior exploration sector.

### ***Directors' recommendation***

All Directors except Mr Putland recommend Shareholders vote in favour of Resolution 10 as they believe, based on the information available, including the information contained in this Explanatory Statement, the granting of these Options to Mr Putland will align his rewards with the long term creation of value for Shareholders.

Mr Putland does not wish to make a recommendation about the proposed Resolution 10 as he may potentially receive a financial benefit from the passing of the Resolution in relation to the grant of Options and does not consider himself sufficiently independent to make a recommendation.

### ***Interests of Directors***

Mr Putland has noted his interest in the approval of Resolution 10 in relation to the Options.



**Any other information that is reasonably required by members to make a decision and that is known to the Company or any of its officers**

- (a) The proposed Resolution would have the effect of giving power to the Directors to grant 5,000,000 Options to Mr Putland, or his nominees.
- (b) The exercise of the Options is subject to the terms and conditions as set out in Annexure C to this Explanatory Statement and as otherwise mentioned above.
- (c) The Directors, in conjunction with the Company's advisers, have provided an indicative value to the Options by reference to the Black-Scholes valuation method.
- (d) The total value of the Options to be issued is outlined in Table 1 below. If Options granted to Mr Putland, or his nominees, are exercised, the effect would be to dilute the Shareholdings of the existing Shareholders.

**Table 1 - Details of Director Options**

Name	Relationship	Number of options	Exercise price	Expiry date	Vesting	Value as determined by Black-Scholes valuation
Linton Putland	Director	5,000,000	3 cents per share	13 November 2021	At date of allotment	\$43,500

**Option Valuation details**

Details	Input
Share price	\$0.02
Exercise Price	\$0.03
Risk Free Rate	2.03%
Volatility (Annualised)	81.46%
Start Date	16 November 2018
Expiry Date	13 November 2021
<b>Value per Option</b>	<b>\$0.0087</b>

- (e) The Black-Scholes Option Pricing Model is an industry accepted method of valuing equity instruments, at the date of grant. However, the Directors do not consider the resultant value as determined by the Black-Scholes Option Pricing Model is in any way representative of the market value of the share options issued. The theoretical fair value of the options will be influenced by the terms and conditions upon which the options were granted, the effects of non-transferability, exercise restrictions and behavioural considerations of buyers and sellers of such instruments, the impact of which are ignored in the Black-Scholes Option Pricing Model.
- (f) As at the date of this Notice, the issued capital of the Company comprised 782,153,101 Shares. If all Options granted as proposed above are exercised, and assuming all existing Options on issue have been exercised, and assuming no other share issues proceed, the effect would be to dilute the Shareholding of existing Shareholders as per the table below:

Shares and Options on issue	820,153,101
Options to be granted	5,000,000
<b>New Total</b>	<b>825,153,101</b>
Dilutionary effect	0.61%

- (g) Mr Putland's current interests in securities of the Company are set out in the table below:

Director	Shareholding	Option holding
Linton Putland	Nil	Nil

- (h) The market price of the Company's Shares during the term of the Options will normally determine whether or not the Option holder exercises the Options. At the time any Options are exercised and Shares are issued pursuant to the exercise of the Options, the Company's Shares may be trading at a price which is higher than the exercise price of the Options.
- (i) The Options will not be quoted on ASX and as such have no actual market value. The fully paid ordinary Shares of the Company have been traded on ASX since January 2006. In the twelve months prior to 17 September 2018 the Shares have traded in the range of \$0.018 to \$0.046, the closing price on this date was \$0.02. The Options are capable of being converted to Shares by payment of the exercise price.
- (j) Mr Putland currently receives a salary of \$45,000, inclusive of superannuation.
- (k) Under the Australian equivalent of IFRS, the Company is required to expense the value of the Options in its profit or loss for the current financial year. Other than as disclosed in this Explanatory Statement, the Directors do not consider that from an economic and commercial point of view there are any costs or detriments, including opportunity costs or taxation consequences for the Company or benefits foregone by the Company, in granting the Options to Mr Putland or his nominees pursuant to Resolution 10.
- (l) Neither the Directors nor the Company are aware of any other information that would be reasonably required by Shareholders to make a decision in relation to the financial benefits contemplated by this Resolution.

### 10.3 Information required by Listing Rule 10.13

Listing Rule 10.13 requires that the following information be provided to Shareholders for the purposes of obtaining Shareholder approval pursuant to Listing Rule 10.11.

- (a) The Options will be issued to Mr Putland (or his nominees).
- (b) The maximum number of Options to be issued to Mr Putland (or his nominees) is 5,000,000.
- (c) The Options will be issued no later than one month after the date of the Meeting (or such longer period of time as ASX may in its discretion allow).
- (d) The Options will be unlisted Options with an exercise price of \$0.03, expiring on 13 November 2021, and otherwise on the terms set out in Annexure C.
- (e) A voting exclusion statement is included in the Notice of Meeting.
- (f) No funds will be raised from the issue of the Options. If all the Options are exercised, \$150,000 will be raised which will be used for working capital purposes.

### OTHER BUSINESS

Management is not aware of any other business to come before the Meeting other than as set forth in the accompanying Notice.

## ANNEXURE A

### TERMS AND CONDITIONS OPTIONS EXPIRING 30 JUNE 2020

The Options will be issued on the following terms:

1. Each Option shall be issued for no consideration.
2. The exercise price of each Option is 3 cents ("**Exercise Price**").
3. Each Option entitles the holder to subscribe for one Share in Azumah Resources Limited ABN 72 112 320 251 ("**Company**") upon the payment of the Exercise Price per Share subscribed for.
4. The Options will lapse at 5:00 pm, Australian Western Standard Time on 30 June 2020 ("**Expiry Date**").
5. The Options vest once the share price of the Company has traded at a VWAP of 6 cents for ten trading days.
6. The Options may be transferred at any time in accordance with the Corporations Law, the SCH Business Rules and/or the Listing Rules.
7. There are no participating rights or entitlements inherent in these Options and holders of the Options will not be entitled to participate in new issues of capital that may be offered to shareholders during the currency of the Option.
8. Option holders have the right to exercise their Options prior to the date of determining entitlements to any capital issues to the then existing shareholders of the Company made during the currency of the Options, and will be granted a period of at least 10 business days before closing date to exercise the Options.
9. In the event the Company proceeds with a pro rata issue (except a bonus issue) of securities to the holders of Shares after the date of issue of the Options, the exercise price of the Options will be adjusted in accordance with the formula set out in ASX Listing Rule 6.22.2.
10. In the event of any re-organisation (including reconstruction, consolidation, subdivision, reduction or return of capital) of the issued capital of the Company, the Options will be re-organised as required by the Listing Rules, but in all other respects the terms of exercise will remain unchanged.
11. The Options shall be exercisable at any time until the Expiry Date ("**Exercise Period**") by the delivery to the registered office of the Company of a notice in writing ("**Notice**") stating the intention of the Option holder to exercise all or a specified number of Options held by them accompanied by an Option certificate and a cheque made payable to the Company for the subscription monies for the Shares. The Notice and cheque must be received by the Company during the Exercise Period. An exercise of only some Options shall not affect the rights of the Option holder to the balance of the Options held by it.
12. The Company shall allot the resultant Shares and deliver a statement of shareholdings with a holders' identification number within 5 business days of exercise of the Options.
13. The Shares allotted shall rank, from the date of allotment, equally with the existing ordinary shares of the Company in all respects.

## ANNEXURE B

### TERMS AND CONDITIONS OPTIONS EXPIRING 31 JANUARY 2021

The Options will be issued on the following terms:

1. Each Option shall be issued for no consideration.
2. The exercise price of each Option will be 3 cents ("**Exercise Price**").
3. Subject to Option terms 5, 22 and 23, each Option entitles the holder to subscribe for one share in Azumah Resources Limited ACN 112 320 251 ("**Company**") upon the payment of the Exercise Price per share subscribed for.
4. The Options will lapse at 5:00 pm, Australian Western Standard Time, on 31 January 2021 ("**Expiry Date**").
5. The Options vest once the share price of the Company has traded at a VWAP of 6 cents for ten trading days.
6. The Options may be transferred at any time in accordance with the Corporations Law, the SCH Business Rules and/or the Listing Rules.
7. There are no participating rights or entitlements inherent in these Options and holders of the Options will not be entitled to participate in new issues of capital that may be offered to shareholders during the currency of the Option.
8. The Option holder may only participate in new issues of securities to holders of shares to the extent the Option has been exercised, if that is permitted by its terms, and the shares allotted in respect of the Option before the record date for determining entitlements to the issue. The Company must give notice to the Option holder of any new issue before the record date for determining entitlements to the issue in accordance with the ASX Listing Rules.
9. In the event the Company proceeds with a pro rata issue (except a bonus issue) of securities to the holders of shares after the date of issue of the Options, the exercise price of the Options will be adjusted in accordance with the formula set out in ASX Listing Rule 6.22.2.
10. In the event of any re-organisation (including reconstruction, consolidation, subdivision, reduction or return of capital) of the issued capital of the Company, the Options will be re-organised as required by the ASX Listing Rules, but in all other respects the terms of exercise will remain unchanged.
11. Subject to Option terms 5 and 26, the Options shall be exercisable at any time until the Expiry Date ("**Exercise Period**") by the delivery to the registered office of the Company of a notice in writing ("**Notice**") stating the intention of the Option holder to exercise all or a specified number of Options held by them accompanied by an Option certificate and cleared funds for the subscription monies for the shares. The Notice and cleared funds must be received by the Company during the Exercise Period. An exercise of only some Options shall not affect the rights of the Option holder to the balance of the Options held by it.
12. The Company shall allot the resultant shares and deliver a statement of shareholdings with a holders' identification number as soon as it is reasonably practical to do so.
13. No Option may be exercised if to do so would contravene the Corporations Act 2001 (Cth) or the ASX Listing Rules.
14. The shares allotted shall rank, from the date of allotment, equally with the existing ordinary shares of the Company in all respects.

## ANNEXURE C

### TERMS AND CONDITIONS OPTIONS EXPIRING 13 NOVEMBER 2021

The Options will be issued on the following terms:

15. Each Option shall be issued for no consideration.
16. The exercise price of each Option will be 3 cents ("**Exercise Price**").
17. Subject to Option terms 22 and 23, each Option entitles the holder to subscribe for one share in Azumah Resources Limited ACN 112 320 251 ("**Company**") upon the payment of the Exercise Price per share subscribed for.
18. The Options will lapse at 5:00 pm on 13 November 2021 ("**Expiry Date**").
19. The Options are not transferable.
20. There are no participating rights or entitlements inherent in these Options and holders of the Options will not be entitled to participate in new issues of capital that may be offered to shareholders during the currency of the Option.
21. The Option holder may only participate in new issues of securities to holders of shares to the extent the Option has been exercised, if that is permitted by its terms, and the shares allotted in respect of the Option before the record date for determining entitlements to the issue. The Company must give notice to the Option holder of any new issue before the record date for determining entitlements to the issue in accordance with the ASX Listing Rules.
22. In the event the Company proceeds with a pro rata issue (except a bonus issue) of securities to the holders of shares after the date of issue of the Options, the exercise price of the Options will be adjusted in accordance with the formula set out in ASX Listing Rule 6.22.2.
23. In the event of any re-organisation (including reconstruction, consolidation, subdivision, reduction or return of capital) of the issued capital of the Company, the Options will be re-organised as required by the ASX Listing Rules, but in all other respects the terms of exercise will remain unchanged.
24. Subject to Option term 26, the Options shall be exercisable at any time until the Expiry Date ("**Exercise Period**") by the delivery to the registered office of the Company of a notice in writing ("**Notice**") stating the intention of the Option holder to exercise all or a specified number of Options held by them accompanied by an Option certificate and cleared funds for the subscription monies for the shares. The Notice and cleared funds must be received by the Company during the Exercise Period. An exercise of only some Options shall not affect the rights of the Option holder to the balance of the Options held by it.
25. The Company shall allot the resultant shares and deliver a statement of shareholdings with a holders' identification number as soon as it is reasonably practical to do so.
26. No Option may be exercised if to do so would contravene the Corporations Act 2001 (Cth) or the ASX Listing Rules.
27. The shares allotted shall rank, from the date of allotment, equally with the existing ordinary shares of the Company in all respects.
28. The Options are issued in accordance with a deferred taxation scheme as defined by the Australian Taxation Office.
29. The Options are granted under an arrangement to which Subdivision 83A-C of the Income Tax Assessment Act 1997 applies.

# AZUMAH RESOURCES LIMITED

ACN: 112 320 251

REGISTERED OFFICE:

UNIT 2  
11 VENTNOR AVE  
WEST PERTH WA 6005

SHARE REGISTRY:

Security Transfer Australia Pty Ltd

All Correspondence to:

PO BOX 52  
Collins Street West VIC 8007  
Suite 913, Exchange Tower  
530 Little Collins Street  
Melbourne VIC 3000

T: 1300 992 916 F: +61 8 9315 2233

E: registrar@securitytransfer.com.au

W: www.securitytransfer.com.au

«EFT\_REFERENCE\_NUMBER»

«Company\_code» «Sequence\_number»

«Holder\_name»  
«Address\_line\_1»  
«Address\_line\_2»  
«Address\_line\_3»  
«Address\_line\_4»  
«Address\_line\_5»

Code:

AZM

Holder Number:

«HOLDER\_NUM

## PROXY FORM

THIS DOCUMENT IS IMPORTANT. IF YOU ARE IN DOUBT AS TO HOW TO DEAL WITH IT, PLEASE CONTACT YOUR STOCK BROKER OR LICENSED PROFESSIONAL ADVISOR.

**VOTE  
ONLINE**

Lodge your proxy vote securely at [www.securitytransfer.com.au](http://www.securitytransfer.com.au)

1. Log into the Investor Centre using your holding details.
2. Click on "Proxy Voting" and provide your Online Proxy ID to access the voting area.

«ONLINE

### SECTION A: Appointment of Proxy

I/We, the above named, being registered holders of the Company and entitled to attend and vote hereby appoint:

The meeting chairperson

OR

or failing the person named, or if no person is named, the Chairperson of the meeting, as my/our Proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, as the Proxy sees fit) at the Annual General Meeting of the Company to be held at 11:00am WST on Friday 16 November 2018 at BDO, Hay Room, Ground Floor, 38 Station Street, Subiaco WA 6008 and at any adjournment of that meeting.

### SECTION B: Voting Directions

Please mark "X" in the box to indicate your voting directions to your Proxy. The Chairperson of the Meeting intends to vote undirected proxies in FAVOUR of all the resolutions.

In exceptional circumstances, the Chairperson of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

RESOLUTION	For	Against	Abstain*	For	Against	Abstain*
1. ADOPTION OF REMUNERATION REPORT <sup>+</sup>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	7. RATIFICATION OF ISSUE OF SHARES	<input type="checkbox"/>	<input type="checkbox"/>
2. RE-ELECTION OF MR MICHAEL ATKINS AS A DIRECTOR	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	8. RATIFICATION OF ISSUE OF OPTIONS	<input type="checkbox"/>	<input type="checkbox"/>
3. RE-ELECTION OF MS DEBRA BAKKER AS A DIRECTOR	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	9. APPROVAL OF GRANT OF OPTIONS TO MS DEBRA BAKKER	<input type="checkbox"/>	<input type="checkbox"/>
4. RE-ELECTION OF MR LINTON PUTLAND AS A DIRECTOR	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	10. APPROVAL OF GRANT OF OPTIONS TO MR LINTON PUTLAND	<input type="checkbox"/>	<input type="checkbox"/>
5. APPROVAL OF 10% PLACEMENT FACILITY	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>			
6. RATIFICATION OF ISSUE OF OPTIONS	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>			

+ If no directions are given on Resolution 1, you expressly authorise the Chairperson to exercise your proxy

If no directions are given my proxy may vote as the proxy thinks fit or may abstain. \* If you mark the Abstain box for a particular item, you are directing your Proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

### SECTION C: Signature of Security Holder(s)

This section must be signed in accordance with the instructions overleaf to enable your directions to be implemented.

Individual or Security Holder

Sole Director & Sole Company Secretary

Security Holder 2

Director

Security Holder 3

Director/Company Secretary

Proxies must be received by Security Transfer Australia Pty Ltd no later than 11:00am WST on Wednesday 14 November 2018.

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My/Our contact details in case of enquiries are:

Name:

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Number:

( 

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 )

**1. NAME AND ADDRESS**

This is the name and address on the Share Register of the Company. If this information is incorrect, please make corrections on this form. Shareholders sponsored by a broker should advise their broker of any changes. Please note that you cannot change ownership of your shares using this form.

**2. APPOINTMENT OF A PROXY**

If the person you wish to appoint as your Proxy is someone other than the Chairperson of the Meeting please write the name of that person in Section A. If you leave this section blank, or your named Proxy does not attend the meeting, the Chairperson of the Meeting will be your Proxy. A Proxy need not be a shareholder of the Company.

**3. DIRECTING YOUR PROXY HOW TO VOTE**

To direct the Proxy how to vote place an "X" in the appropriate box against each item in Section B. Where more than one Proxy is to be appointed and the proxies are to vote differently, then two separate forms must be used to indicate voting intentions.

**4. APPOINTMENT OF A SECOND PROXY**

You are entitled to appoint up to two (2) 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 contacting the Company's share registry or you may photocopy this form.

To appoint a second Proxy you must:

- a) On each of the Proxy forms, state the percentage of your voting rights or number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each Proxy may exercise, each Proxy may exercise half of your votes; and
- b) Return both forms in the same envelope.

**5. SIGNING INSTRUCTIONS**

**Individual:** where the holding is in one name, the Shareholder must sign.

**Joint Holding:** where the holding is in more than one name, all of the Shareholders must 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 may sign alone. Otherwise this form must be signed by a Director jointly with either another Director or Company Secretary. Please indicate the office held in the appropriate place.

If a representative of the corporation is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be lodged with the Company before the meeting or at the registration desk on the day of the meeting. A form of the certificate may be obtained from the Company's share registry.

**6. LODGEMENT OF PROXY**

Proxy forms (and any Power of Attorney under which it is signed) must be received by Security Transfer Australia Pty Ltd no later than the date and time stated on the form overleaf. Any Proxy form received after that time will not be valid for the scheduled meeting.

The proxy form does not need to be returned to the share registry if the votes have been lodged online.

**Security Transfer Australia Pty Ltd**

<b>Online</b>	www.securitytransfer.com.au
<b>Postal Address</b>	PO BOX 52 Collins Street West VIC 8007
<b>Street Address</b>	Suite 913, Exchange Tower 530 Little Collins Street Melbourne VIC 3000
<b>Telephone</b>	1300 992 916
<b>Facsimile</b>	+61 8 9315 2233
<b>Email</b>	registrar@securitytransfer.com.au

**PRIVACY STATEMENT**

Personal information is collected on this form by Security Transfer Australia Pty Ltd as the registrar for securities issuers for the purpose of maintaining registers of security holders, facilitating distribution payments and other corporate actions and communications. Your personal details may be disclosed to related bodies corporate, to external service providers such as mail and print providers, or as otherwise required or permitted by law. If you would like details of your personal information held by Security Transfer Australia Pty Ltd or you would like to correct information that is inaccurate please contact them on the address on this form.

