
COMET RESOURCES LIMITED**ACN 060 628 202****NOTICE OF GENERAL MEETING**

Notice is given that the Meeting will be held at:

TIME: 9.00 am (WST)

DATE: 3 April 2020

PLACE: 1176 Hay Street, West Perth, Western Australia

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

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

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 4.00pm (WST) on 1 April 2020.

BUSINESS OF THE MEETING

AGENDA

1. RESOLUTION 1 – RATIFICATION OF PRIOR ISSUE – TRANCHE 1 CAPITAL RAISING

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

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 18,500,000 Shares and 18,500,000 Options on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who participated in the issue or is a counterparty to the agreement being approved (namely participants in the Tranche 1 Capital Raising, details of which are set out in Schedule 5) or an associate of that person or those persons. However, this does not apply to a vote cast in favour of this Resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- (b) the chair of the meeting as proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with a direction given to the chair to vote on this Resolution as the chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on this Resolution; and
 - (ii) the holder votes on this Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

2. RESOLUTION 2 – RELATED PARTY PARTICIPATION IN TRANCHE 2 CAPITAL RAISING – MR M O’KANE

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

“That, for the purposes of section 195(4) of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 1,000,000 Shares and 1,000,000 Options to Mr M O’Kane (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of Mr O’Kane (or his nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person (or those persons) (**Resolution 2 Excluded Party**).

However, this does not apply to a vote cast in favour of a resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- (b) the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or

- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
 - (ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

3. RESOLUTION 3 – RELATED PARTY PARTICIPATION IN TRANCHE 2 CAPITAL RAISING – MR H HALLIDAY

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

“That, for the purposes of section 195(4) of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 1,000,000 Shares and 1,000,000 Options to Mr H Halliday (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of Mr Halliday (or his nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person (or those persons) (**Resolution 3 Excluded Party**).

However, this does not apply to a vote cast in favour of a resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- (b) the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
 - (ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

4. RESOLUTION 4 – RELATED PARTY PARTICIPATION IN TRANCHE 2 CAPITAL RAISING – MR D PRENTICE

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

“That, for the purposes of section 195(4) of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 1,000,000 Shares and 1,000,000 Options to Mr D Prentice (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of Mr Prentice (or his nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person (or those persons) (**Resolution 4 Excluded Party**).

However, this does not apply to a vote cast in favour of a resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or

- (b) the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
 - (ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

5. RESOLUTION 5 – RELATED PARTY PARTICIPATION IN TRANCHE 2 CAPITAL RAISING – MR A MOLYNEUX

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

“That, for the purposes of section 195(4) of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 1,000,000 Shares and 1,000,000 Options to Mr A Molyneux (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of Mr Molyneux (or his nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person (or those persons) (**Resolution 5 Excluded Party**).

However, this does not apply to a vote cast in favour of a resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- (b) the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
 - (ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

6. RESOLUTION 6 – RATIFICATION OF PRIOR ISSUE OF SHARES - LAND ACCESS AGREEMENT

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

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 2,000,000 Shares on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who participated in the issue or is a counterparty to the agreement being approved (namely Mr James Joseph Hanrahan and Ms Kay Cecelia Hanrahan) or an associate of that person or those persons. However, this does not apply to a vote cast in favour of this Resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or

- (b) the chair of the meeting as proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with a direction given to the chair to vote on this Resolution as the chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on this Resolution; and
 - (ii) the holder votes on this Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

7. RESOLUTION 7 – PLACEMENT – SHARES AND OPTIONS – BARRABA PROJECT CAPITAL RAISING

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

“That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 80,000,000 Shares and 80,000,000 Options on the terms and conditions set out in the Explanatory Statement.”

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

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

This does not apply to a vote cast in favour of the Resolution by a person as proxy or attorney for another person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way or, it is cast by the person chairing the meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the chair to vote on the Resolution as the chair decides. It also does not apply to a vote cast in favour of the Resolution by a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:

- (a) the beneficiary provides written confirmation to the holder that they are not excluded from voting, and are not an associate of a person excluded from voting on the Resolution; and
- (b) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

8. RESOLUTION 8 – PLACEMENT – SHARES IN PART CONSIDERATION FOR BARRABA PROJECT ACQUISITION

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

“That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to that number of Shares, when multiplied by the issue price, will raise up to \$450,000 to Mr Jonathan Charles Downes (or his nominee/s) on the terms and conditions set out in the Explanatory Statement.”

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

- (a) Mr Jonathan Charles Downes (or his nominee/s), a person who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company); or
- (b) an associate of that person (or those persons).

This does not apply to a vote cast in favour of the Resolution by a person as proxy or attorney for another person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way or, it is cast by the person chairing the meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the chair to vote on the Resolution as the chair decides. It also does not apply to a vote cast in favour of the Resolution by a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:

- (a) the beneficiary provides written confirmation to the holder that they are not excluded from voting, and are not an associate of a person excluded from voting on the Resolution; and
- (b) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

9. RESOLUTION 9 – APPROVAL OF SECURITIES ISSUANCE CAPACITY UNDER PERFORMANCE RIGHTS AND OPTION PLAN

“That, for the purposes of ASX Listing Rule 7.2 (Exception 15) and for all other purposes, approval is given for the Company to issue securities under an employee incentive scheme, titled Incentive Performance Rights and Options Plan, on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by a person who is eligible to participate in the employee incentive scheme, or an associate of that person or any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Voting Prohibition Statement:

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

- (a) the proxy is either:
 - (i) a member of the Key Management Personnel; or
 - (ii) a Closely Related Party of such a member; and
 - (b) the appointment does not specify the way the proxy is to vote on this Resolution.
- However, the above prohibition does not apply if:
- (a) the proxy is the Chair; and
 - (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

10. RESOLUTION 10 – ISSUE OF INCENTIVE OPTIONS – MR M O’KANE

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

“That, subject to the passing of Resolution 9, for the purposes of ASX Listing Rule 10.14 and for all other purposes, approval is given for the Company to issue up to 12,000,000 Incentive Options as Director incentive remuneration to Mr M O’Kane (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of Mr O’Kane (or his nominee) or an associate of that person (or those persons) (**Resolution 10 Excluded Party**).

However, this does not apply to a vote cast in favour of a resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- (b) the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
 - (ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Voting Prohibition Statement:

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

- (a) the proxy is either:
 - (i) a member of the Key Management Personnel; or
 - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution. Provided the Chair is not a Resolution 10 Excluded Party, the above prohibition does not apply if:
 - (a) the proxy is the Chair; and
 - (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

11. RESOLUTION 11 – REPLACEMENT OF CONSTITUTION

To consider and, if thought fit, to pass the following resolution as a **special resolution**:

“That, for the purposes of section 136(2) of the Corporations Act and for all other purposes, approval is given for the Company to repeal its existing Constitution and adopt a new constitution in its place in the form as signed by the chairman of the Meeting for identification purposes.”

12. RESOLUTION 12 – PLACEMENT – SHARES – EMPIRE CAPITAL PARTNERS

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

“That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 10,000,000 Shares to Empire (or its nominees) on the terms and conditions set out in the Explanatory Statement.”

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

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

This does not apply to a vote cast in favour of the Resolution by a person as proxy or attorney for another person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way or, it is cast by the person chairing the meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the chair to vote on the Resolution as the chair decides. It also does not apply to a vote cast in favour of the Resolution by a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:

- (a) the beneficiary provides written confirmation to the holder that they are not excluded from voting, and are not an associate of a person excluded from voting on the Resolution; and
- (b) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

13. RESOLUTION 13 – PLACEMENT – OPTIONS – EMPIRE CAPITAL PARTNERS

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

“That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 4,800,000 Options to Empire (or its nominees) on the terms and conditions set out in the Explanatory Statement.”

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

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

This does not apply to a vote cast in favour of the Resolution by a person as proxy or attorney for another person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way or, it is cast by the person chairing the meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the chair to vote on the Resolution as the chair decides. It also does not apply to a vote cast in favour of the Resolution by a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:

- (a) the beneficiary provides written confirmation to the holder that they are not excluded from voting, and are not an associate of a person excluded from voting on the Resolution; and
- (b) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

14. RESOLUTION 14 – PLACEMENT – OPTIONS – EMPIRE CAPITAL PARTNERS

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

“That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 4,000,000 Options to Empire (or its nominees) on the terms and conditions set out in the Explanatory Statement.”

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

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

This does not apply to a vote cast in favour of the Resolution by a person as proxy or attorney for another person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way or, it is cast by the person chairing the meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the chair to vote on the Resolution as the chair decides. It also does not apply to a vote cast in favour of the Resolution by a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:

- (a) the beneficiary provides written confirmation to the holder that they are not excluded from voting, and are not an associate of a person excluded from voting on the Resolution; and
- (b) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

15. RESOLUTION 15 – NON-EXECUTIVE DIRECTORS’ REMUNERATION

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 20.1(a) of the Constitution, ASX Listing Rule 10.17 and for all other purposes, Shareholders approve an increase of the maximum total aggregate amount of fees payable to non-executive Directors from \$140,000 per annum to \$200,000 per annum in accordance with the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of a Director or any of their associates. However, this does not apply to a vote cast in favour of a resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- (b) the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
 - (ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Voting Prohibition Statement

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

- (a) the proxy is either:
 - (i) a member of the Key Management Personnel; or
 - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if:

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

Dated: 2 March 2020

By order of the Board



Sonu Cheema
Company Secretary

Voting in person

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

Voting by proxy

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

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

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

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

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

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 8 6489 1600.

EXPLANATORY STATEMENT

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

1. BACKGROUND TO RESOLUTIONS

1.1 Capital Raising

On 19 November 2019, the Company announced that it had received commitments to raise \$562,500 via an issue of 22,500,000 Shares to sophisticated investors who are clients of the Company's corporate advisor, Empire (defined below), at an issue price of \$0.025 per Share, together with one free-attaching Option for every one Share subscribed for and issued (**Capital Raising**).

On 25 November 2019, the Company issued 18,500,000 Shares and 18,500,000 free-attaching Options to raise \$462,500 (before costs) pursuant to the tranche 1 of the Capital Raising (**Tranche 1**) out of the Company's capacity under ASX Listing Rule 7.1 (**Tranche 1 Securities**). Resolution 1 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of the Tranche 1 Securities to the parties set out in Schedule 5.

The remaining 4,000,000 Shares and 4,000,000 Options to be issued pursuant to tranche 2 of the Capital Raising (**Tranche 2**) to raise \$100,000 (before costs) are to be issued to related parties of the Company and are therefore, subject to Shareholder approval (being, the purpose of Resolutions 2 to 5) (**Tranche 2 Securities**).

Empire Capital Partners Pty Ltd (ACN 159 992 328) (Corporate Authorised Representative of Pursuit Capital Pty Ltd (ACN 136 717 283) (Holder of AFSL No. 339211) (**Empire**) was engaged by the Company to manage the Capital Raising pursuant to a corporate advisory mandate entered into between the Company and Empire in November 2019 (**Initial Empire Mandate**). In consideration for services provided to the Company in respect of the Capital Raising, the Company agreed to pay Empire a lead managers fee of \$28,750 and 4,000,000 Options exercisable a \$0.06 each on or before 30 June 2021 (which Options are yet to be issued, refer to Resolution 14 for further detail) and a distribution fee equal to 6% of the total amount raised, as a sales fee in consideration for Empire marketing and distributing materials to clients and other brokers in connection with the Capital Raising, being \$33,750.

A summary of the material terms and conditions of the Initial Empire Mandate is set out in Schedule 2.

Please refer to Section 1.4 below for further detail regarding the fees payable to Empire for services provided to the Company.

1.2 Land Access Agreement

As announced on 10 May 2019, the Company issued 2,000,000 Shares pursuant to a land access compensation agreement entered into between the Company, Mr James Joseph Hanrahan and Ms Kay Cecelia Hanrahan (**Land Owners**) (**Land Access Agreement**). The Land Access Agreement allows the Company to enter and remain upon E75/562 (the **Mining Tenement**) to conduct geological examinations and exploration in order to investigate the potential mineralisation of the Mining Tenement on the terms and conditions set out in the Land Access Agreement.

Resolution 6 seeks approval for the ratification of the issue of 2,000,000 Shares to the Land Owners under ASX Listing Rule 7.4.

1.3 Barraba Project Acquisition and Capital Raising

As announced on 23 January 2020, the Company has entered into an agreement to acquire up to 100% of the Barraba copper exploration project (**Barraba Project**) located in New South Wales (**Acquisition Agreement**).

The Barraba Project comprises EL8492, a 2,375ha exploration licence located near the town of Barraba, approximately 500km north of Sydney. It sits along the Peel Fault line and encompasses the historic Gulf Creek and Murchison copper mines. Refer to the Company's ASX Announcement dated 23 January 2020 for further detail in respect of the Barraba Project.

In accordance with the terms of the Acquisition Agreement, the Company is required to raise a minimum of \$2,000,000 to fund exploration as a condition precedent to the Acquisition (the **Capital Raising Condition**). Accordingly, the Company is seeking Shareholder approval pursuant to Resolution 7 for the issue of 80,000,000 Shares at an issue price of \$0.025 per Share, together with one free-attaching Option exercisable at \$0.06 each on or before 30 June 2021, to raise \$2,000,000 (**Barraba Capital Raising**).

Funds raised under the Barraba Capital Raising will be allocated towards the outstanding cash component of the Acquisition (\$100,000), an exploration program on the Barraba Project (the Company notes that a minimum expenditure amount of \$600,000 is to be incurred in accordance with the terms of the Acquisition Agreement) and ongoing exploration activities at the Company's Springdale Project and for general working capital purposes.

In addition, the Company is seeking Shareholder approval for the issue of that number of Shares which when multiplied by the Issue Price (as defined in Section 6.1) equals \$450,000 in part consideration for the Acquisition (refer to Resolution 8). Further detail regarding the key terms and conditions of the Acquisition Agreement is set out in Schedule 2.

1.4 Empire

Advisory Mandate

Empire is a boutique corporate advisory and investment firm based in Perth, Western Australia, focused on investments in the Australian resources and oil and gas sectors.

Empire has been engaged as corporate advisor to the Company for a 12 month period pursuant to a corporate advisory mandate entered into between the Company and Empire with effect from 1 January 2020 (**Empire Advisory Mandate**). In consideration for its role and services provided as corporate advisor to the Company, the Company has agreed to issue 10,000,000 Shares to Empire (refer to Resolution 12 for further detail).

The Company notes that the primary reason for entry into the Empire Advisory Mandate on the terms agreed was for the Company to secure the services of Empire on a non-cash basis, in a view to conserving the Company's cash resources for exploration activities. The Company believes that the agreed terms are fair to both parties due to the risk in value of the Shares. Further, the Company notes that the Empire Advisory Mandate does not restrict the ability of the Company to engage other third-party advisors for future capital raisings

undertaken by the Company as, amongst other things, the Company has not agreed to grant Empire a first right of refusal in respect of future capital raisings under the Empire Advisory Mandate.

A summary of the material terms and conditions of the Empire Advisory Mandate is set out in Schedule 2.

Capital Raising Mandate

The Company has also entered into a capital raising with Empire pursuant to which Empire has agreed to act as lead manager to the Barraba Capital Raising (**Empire Capital Raising Mandate**). The Company notes that Empire identified and introduced the Barraba Project to the Company, demonstrating the value Empire is adding to the Company and Shareholders.

Pursuant to the Empire Capital Raising Mandate, Empire will receive:

- (a) a lead manager fee of \$100,000;
- (b) a distribution fee of 6% of the total amount raised under the Barraba Capital Raising, as a sales fee in consideration for Empire marketing and distributing materials to clients and other brokers in connection with the Barraba Capital Raising (being, \$120,000 assuming \$2,000,000 is raised), of which 4% (being \$80,000) will be paid away to other brokers who assisted with the raising; and
- (c) such number of Options as is equal to 6% of the Options to be issued under the Barraba Capital Raising (being, 4,800,000 Options assuming 80,000,000 Options are issued under the Barraba Capital Raising). Refer to Resolution 13 for further detail.

The Company notes that it believes this fee arrangement to be a common arrangement for comparable junior explorers and given Empire incurred costs (including travel costs) associated with marketing the Barraba Capital Raising in the United Kingdom, and was faced with the challenges of fund raising in the current market (particularly, where securities offered under the Barraba Capital Raising were not offered at a discount to market), the Company believes the fee structure to be fair and reasonable and not excessive.

A summary of the material terms and conditions of the Empire Capital Raising Mandate is set out in Schedule 2.

Relationship of Empire and the Company

The Directors confirm that there is no relationship between the Company and Empire. Further, the Directors confirm that they consider the Initial Empire Mandate (described at Section 1.1 above), the Empire Advisory Mandate and the Empire Capital Raising Mandate to be on arm's length terms for the following reasons:

- (a) Empire is not a related party of the Company;
- (b) the Company has undertaken bona fide negotiations in relation to each mandate entered into with Empire;
- (c) Empire received its own advice, independent of any advice received by the Company;
- (d) the terms of the mandates are made on fair and commercial terms; and

- (e) for the additional reasons set out in this Section 1.4 above.

In aggregate, the outstanding fees payable by the Company to Empire pursuant to the Initial Empire Mandate, the Empire Advisory Mandate and the Empire Capital Raising Mandate are as follows:

- (a) 10,000,000 Shares;
- (b) 8,800,000 Options (assuming the maximum number of Options are issued under the Barraba Capital Raising); and
- (c) a lead manager and distribution fee of a total of \$180,000 in cash (assuming the maximum amount of \$2,000,000 is raised under the Barraba Capital Raising).

The Company confirms that it has not entered into any additional agreements with Empire as at the date of this Notice under which additional fees are payable by the Company (in cash or securities in the Company). The Company also confirms there are no other outstanding fees payable by the Company to Empire, other than as set out above.

A table setting out all fees paid or payable to Empire in connection with the matters set out in this Notice, together with a valuation of those fees (where relevant), is set out in Schedule 6.

1.5 Incentive Plan and New Constitution

In addition to the matters set out above, the Company is seeking Shareholder approval for:

- (a) issue of securities under an incentive plan titled 'Performance Rights and Options Plan'. The primary objective being to attract, motivate and retain key employees;
- (b) the issue of a total of 12,000,000 Incentive Options to Director, Mr M O'Kane under the Performance Rights and Options Plan;
- (c) the adoption of a new constitution in place of the existing Constitution which was last adopted by Shareholders in 2000; and
- (d) the increase in the aggregate amount payable to Non-Executive Directors from \$140,000 to \$200,000.

Refer to Sections 7, 8 and 9 and 13 for further detail in respect of Resolutions 9, 10, 11 and 15 (respectively).

2. RESOLUTION 1 – RATIFICATION OF PRIOR ISSUE – TRANCHE 1 CAPITAL RAISING

2.1 General

Resolution 1 seeks Shareholder ratification for the issue of the Tranche 1 Securities under Tranche 1 of the Capital Raising in accordance with ASX Listing Rule 7.4.

Broadly speaking, and subject to a number of exceptions, ASX Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval its shareholders over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that period.

The issue of the Tranche 1 Securities does not fit within any of these exceptions and, as it has not yet been approved by Shareholders, it effectively uses up part of the 15% limit in ASX Listing Rule 7.1, reducing the Company's capacity to issue further equity securities without Shareholder approval under ASX Listing Rule 7.1 for the 12 month period following the date of issue of the Tranche 1 Securities.

ASX Listing Rule 7.4 allows the shareholders of a listed company to approve an issue of equity securities after it has been made or agreed to be made. If they do, the issue is taken to have been approved under ASX Listing Rule 7.1 and so does not reduce the company's capacity to issue further equity securities without shareholder approval under that rule.

The Company wishes to retain as much flexibility as possible to issue additional equity securities into the future without having to obtain Shareholder approval for such issues under ASX Listing Rule 7.1.

To this end, Resolution 1 seeks Shareholder approval for the issue the Tranche 1 Securities under and for the purposes of ASX Listing Rule 7.4.

If Resolution 1 is passed, the Tranche 1 Securities will be excluded in calculating the Company's 15% limit in ASX Listing Rule 7.1, effectively increasing the number of equity securities it can issue without Shareholder approval over the 12 month period following the issue date of the Tranche 1 Securities.

If Resolution 1 is not passed, the Tranche 1 Securities will be included in calculating the Company's 15% limit in ASX Listing Rule 7.1, effectively decreasing the number of equity securities it can issue without Shareholder approval over the 12 month period following the date of issue of the Tranche 1 Securities.

2.2 Technical information required by ASX Listing Rule 7.4

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to Resolution 1:

- (a) the Tranche 1 Securities were issued to the participants in the Tranche 1 Capital Raising set out in Schedule 5, who are sophisticated investors and who are clients of the Company's corporate advisor, Empire. The participants were identified through a bookbuild process, which involved Empire seeking expressions of interest to participate in the Capital Raising from existing clients who were non-related parties of the Company. None of these participants are related parties of the Company;
- (b) 18,500,000 Shares and 18,500,000 Options were issued;
- (c) the Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares. The Options were issued on the terms set out in Schedule 1;
- (d) the Tranche 1 Securities were issued on 25 November 2019;
- (e) the issue price per Share was \$0.025 and the issue price per Option was nil as the Options were free-attaching to the Shares on a one (1) for one (1) basis;
- (f) the Company plans to use the funds from the Capital Raising for working capital and to progress the assessment of graphite and graphene at the Company's Springdale Project by continuing to evaluate the results of

recent drilling, which will include metallurgical test work on core material from that campaign focussed on classification of the material and test work regarding maximising recoveries, as well as value added test work regarding battery applications and foil opportunities;

- (g) the Tranche 1 Securities were not issued under an agreement; and
- (h) a voting exclusion statement is included in Resolution 1 of the Notice.

3. RESOLUTIONS 2, 3, 4 AND 5 – RELATED PARTY PARTICIPATION IN TRANCHE 2 CAPITAL RAISING

3.1 General

As set out in Section 1.1 above, Directors, Mr M O’Kane, Mr H Halliday, Mr D Prentice and Mr A Molyneux wish to participate in Tranche 2 of the Capital Raising on the same terms as unrelated participants in the Capital Raising (**Participation**) subject to Shareholder approval.

Accordingly, Resolutions 2, 3, 4 and 5 seek Shareholder approval for the issue of a total of 4,000,000 Shares and 4,000,000 Options to Directors, Messrs O’Kane, Halliday, Prentice and Molyneux, as a result of the Participation on the terms set out below.

3.2 Chapter 2E of the Corporations Act

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company’s members in the manner set out in sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

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

The Participation will result in the issue of the Tranche 2 Securities which constitutes giving a financial benefit and Mr M O’Kane, Mr H Halliday, Mr D Prentice and Mr A Molyneux are related parties of the Company by virtue of being Directors.

The Directors (other than with regards to the Resolution pursuant to which they may be issued the Tranche 2 Securities) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the Participation because the Tranche 2 Securities will be issued to the Directors (or their nominees) on the same terms as the Tranche 1 Securities were issued to participants in Tranche 1 of the Capital Raising who are not related parties of the Company and as such the giving of the financial benefit is on arm’s length terms.

3.3 Section 195(4) of the Corporations Act

Section 195 of the Corporations Act provides that a director of a public company may not vote or be present during meetings of directors when matters in which that director holds a “material personal interest” are being considered, except in certain limited circumstances.

Relevantly, section 195(4) provides that if there are not enough directors to form a quorum for a directors meeting because of the restriction set out in section 195 of the Corporations Act, one or more of the directors may call a general meeting and the general meeting may pass a resolution to deal with the matter.

It might be argued (but it is neither conceded nor, indeed, is it thought by the Board to be the case) that the four Directors comprising the Board have a material personal interest in the outcome of Resolutions 2, 3, 4 and 5. If each does have such an interest, then a quorum could not be formed to consider the matters contemplated by Resolutions 2, 3, 4 and 5 at Board level.

Accordingly, for the avoidance of any doubt, for the purpose of transparency and for best practice corporate governance, the Company seeks Shareholder approval for Resolutions 2, 3, 4 and 5 in accordance with 195(4) of the Corporations Act in respect of the reliance on the arms' length exception and the decision not to seek Shareholder approval under Chapter 2E of the Corporations Act.

3.4 ASX Listing Rule 10.11

ASX Listing Rule 10.11 provides that unless one of the exceptions in ASX Listing Rule 10.12 applies, a listed company must not issue or agree to issue equity securities to:

- (a) a related party;
- (b) a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (30%+) holder in the company;
- (c) a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (10+) holder in the company and who has nominated a director to the board of the company pursuant to a relevant agreement which gives them a right or expectation to do so;
- (d) an associate of a person referred to in ASX Listing Rules 10.11.1 to 10.11.3; or
- (e) a person whose relationship with the company or a person referred to in ASX Listing Rules 10.11.1 to 10.11.4 is such that, in ASX's opinion, the issue or agreement should be approved by its shareholders,

unless it obtains the approval of its shareholders.

The Participation falls within ASX Listing Rule 10.11.1 and does not fall within any of the exceptions in ASX Listing Rule 10.12. It therefore requires the approval of the Company's Shareholders under ASX Listing Rule 10.11.

Resolutions 2 to 5 seek the required Shareholder approval for the Participation under and for the purposes of ASX Listing Rule 10.11.

If Resolutions 2 to 5 are passed, the Company will be able to proceed with the issue of Shares and Options under the Participation and will raise additional funds which will be used in the manner set out in Section 2.2(f) above.

If Resolutions 2 to 5 are not passed, the Company will not be able to proceed with the issue of Shares and Options under the Participation and no further funds will be raised in respect of the Capital Raising.

3.5 Technical Information required by ASX Listing Rule 10.13

Pursuant to and in accordance with ASX Listing Rule 10.13, the following information is provided in relation to the Participation:

- (a) the Tranche 2 Securities will be issued to the following persons:
 - (i) Resolution 2: Mr M O'Kane (or his nominee);
 - (ii) Resolution 3: Mr H Halliday (or his nominee);
 - (iii) Resolution 4: Mr D Prentice (or his nominee); and
 - (iv) Resolution 5: Mr A Molyneux (or his nominee),all of whom are related parties of the Company under ASX Listing Rule 10.11.1 by virtue of being Directors;
- (b) the maximum number of Tranche 2 Securities to be issued to the Directors is:
 - (i) Resolution 2: 1,000,000 Shares and 1,000,000 Options to Mr M O'Kane (or his nominee);
 - (ii) Resolution 3: 1,000,000 Shares and 1,000,000 Options to Mr H Halliday (or his nominee);
 - (iii) Resolution 4: 1,000,000 Shares and 1,000,000 Options to Mr D Prentice (or his nominee); and
 - (iv) Resolution 5: 1,000,000 Shares and 1,000,000 Options to Mr A Molyneux (or his nominee);
- (c) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares. The Options will be issued on the terms and conditions set out in Schedule 1;
- (d) the Tranche 2 Securities will be issued no later than 1 month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is anticipated the Tranche 2 Securities will be issued on the same date;
- (e) the issue price of the Shares will be \$0.025 per Share and the issue price of the Options will be nil as the Options will be issued free-attaching to the Shares on a one (1) for one (1) basis. Other than in respect of additional funds received on exercise of the Options, the Company will not receive any other consideration for the issue of the Tranche 2 Securities;
- (f) the purpose of, and the proposed use of funds raised by, the issue of the Tranche 2 Securities is set out in Section 2.2(f) above;
- (g) the Tranche 2 Securities to be issued under the Participation are not intended to remunerate or incentivise the Directors;
- (h) the Tranche 2 Securities will not be issued under an agreement; and
- (i) a voting exclusion statement is included in Resolution 2, 3, 4 and 5 of the Notice.

Approval pursuant to ASX Listing Rule 7.1 is not required for the Participation as approval is being obtained under ASX Listing Rule 10.11. Accordingly, the issue of the Tranche 2 Securities to the Directors (or their nominees) will not be included in the use of the Company's 15% annual placement capacity pursuant to ASX Listing Rule 7.1.

4. RESOLUTION 6 – RATIFICATION OF PRIOR ISSUE OF SHARES – LAND ACCESS AGREEMENT

4.1 General

As set out in Section 1.2 above, the Company has entered into the Land Access Agreement which allows the Company to enter and remain upon the Mining Tenement to, amongst other things, conduct geological examinations and exploration in order to investigate the potential mineralisation of the Mining Tenement on the terms and conditions set out in the Land Access Agreement (which are summarised in Schedule 2).

In part consideration for being granted access to the Mining Tenement, the Company issued the Land Owners a total of 2,000,000 Shares (**Compensation Shares**). The Compensation Shares were issued to the Land Owners on 7 May 2019.

Resolution 6 seeks Shareholder ratification of the issue of the Compensation Shares under ASX Listing Rule 7.4.

4.2 ASX Listing Rule 7.4

A summary of Listing Rules 7.1 and 7.4 is set out in Section 2.1 above.

If Resolution 6 is passed, the Compensation Shares will be excluded in calculating the Company's 15% limit in ASX Listing Rule 7.1, effectively increasing the number of equity securities it can issue without Shareholder approval over the 12 month period following the date of issue of the Compensation Shares.

If Resolution 6 is not passed, the Compensation Shares will be included in calculating the Company's 15% limit in ASX Listing Rule 7.1, effectively decreasing the number of equity securities it can issue without Shareholder approval over the 12 month period following the date of issue of the Compensation Shares.

4.3 Technical information required by ASX Listing Rule 7.4

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to Resolution 6

- (a) the Compensation Shares were issued to Mr James Joseph Hanrahan and Ms Kay Cecelia Hanrahan, who are not related parties of the Company;
- (b) 2,000,000 Compensation Shares were issued;
- (c) the Compensation Shares issued are all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (d) the Compensation Shares were issued on 7 May 2019;
- (e) the Compensation Shares were issued for nil cash consideration, in part consideration for the Company being granted access to the Mining Tenement under the Land Access Agreement;

- (f) A summary of the material terms of the Land Access Agreement is set out in Section 1.2 and Schedule 2; and
- (g) a voting exclusion statement is included in Resolution 6 of the Notice.

5. RESOLUTION 7 – PLACEMENT – SHARES AND OPTIONS – BARRABA PROJECT CAPITAL RAISING

5.1 General

As set out in Section 1.3 above, the Company has entered into the Acquisition Agreement under which it has a right to acquire up to a 100% interest in the Barraba Project subject to satisfaction of a number of conditions precedent, including the Company raising a minimum of \$2,000,000 (the **Barraba Capital Raising**).

Resolution 7 seeks Shareholder approval for the issue of 80,000,000 Shares at an issue price of \$0.025 per Share, together with one free-attaching Option for every one Share subscribed for and issued, to raise \$2,000,000 pursuant to the Barraba Capital Raising.

A summary of ASX Listing Rule 7.1 is set out in Section 2.1 above. As set out in Section 2.1, ASX Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary shares it had on issue at the start of that period. The issue of Shares and Options under the Barraba Capital Raising does not fall within any of these exceptions and exceeds the 15% limit in ASX Listing Rule 7.1. The issue of Shares and Options therefore, requires the approval of the Company's Shareholders under ASX Listing Rule 7.1.

If Resolution 7 is passed, the Company will be able to proceed with the issue of Shares and Options under the Barraba Capital Raising and will be able to raise capital to allow the Company to satisfy part of the consideration payable under the Acquisition Agreement, undertake further exploration activities and fulfil its obligations under the Acquisition Agreement. In addition, the issue of Shares and Options will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under ASX Listing Rule 7.1.

If Resolution 7 is not passed, the Company will not be able to proceed with the issue of the Shares and Options pursuant to the Barraba Capital Raising and may not be able to raise capital to allow it to satisfy part of the consideration payable under the Acquisition Agreement, undertake further exploration activities or fulfil its obligations under the current terms and conditions of the Acquisition Agreement (which may result in further negotiation between the parties to the Acquisition Agreement and associated costs).

5.2 Technical information required by ASX Listing Rule 7.1

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to Resolution 7:

- (a) the persons to whom the Shares and Options will be issued pursuant to the Barraba Capital Raising (the **Recipients**) are not currently known but, will be professional and sophisticated investors who are clients of Empire and who are clients of brokers who deal with investments in a similar sector to which the Company operates. The Recipients will be identified through a bookbuild process, which will involve Empire and the brokers

seeking expressions of interest to participate in the Barraba Capital Raising from clients who are non-related parties of the Company . None of the Recipients will be related parties of the Company;

- (b) the maximum number of Shares to be issued to the Recipients is 80,000,000 Shares. The maximum number of Options to be issued is 80,000,000 Options;
- (c) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares. The terms and conditions of the Options are set out in Schedule 1;
- (d) the Shares and Options will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that issue of the Shares and Options will occur on the same date;
- (e) the issue price of the Shares will be \$0.025 per Share and issue price of the Options will be nil as the Options will be issued free attaching to the Shares on a one (1) for one (1) basis. Other than in respect of additional funds raised upon exercise of the Options, the Company will not receive any other consideration for the issue of the Shares and Options;
- (f) the main purpose of the issue of the Shares and Options is to:
 - (i) raise capital to allow the Company to:
 - (A) satisfy the outstanding component of the cash consideration payable in respect of the Acquisition (being, \$100,000);
 - (B) undertake an exploration program at the Barraba Project (the Company notes it has agreed to expend not less than \$600,000 on the Barraba Project in accordance with the terms of the Acquisition Agreement);
 - (C) for ongoing exploration activities at the Company's Springdale Project; and
 - (D) for general working capital purposes; and
 - (ii) fulfill its obligations under the Acquisition Agreement (in particular, the Capital Raising Condition).
- (g) the Shares and Options are not being issued under an agreement;
- (h) the Shares and Options are not being issued under, or to fund, a reverse takeover; and
- (i) a voting exclusion statement is included in Resolution 7 of the Notice.

6. RESOLUTION 8 – PLACEMENT – SHARES – BARRABA PROJECT ACQUISITION

6.1 General

As set out in Section 1.3 above, the Company has entered into the Acquisition Agreement under which it has a right to acquire up to a 100% interest in the Barraba Project from Mr Jonathon Charles Downes. In consideration for the Acquisition, the Company has agreed to:

- (a) pay \$150,000 in cash to Mr Jonathon Charles Downes (or his nominee/s) of which \$50,000 is a non-refundable deposit which has been paid by the Company; and
- (b) issue Mr Jonathon Charles Downes (or his nominee/s) \$450,000 worth of Shares at a deemed issue price per Share equal to the volume weighted average price of Shares calculated over the 20 days on which sales in Shares are recorded before the date of issue, subject to a maximum price per Share of \$0.025 (being, the price at which Shares are to be issued under the Barraba Capital Raising) (the **Issue Price**).

Resolution 8 seeks Shareholder approval for the issue of that number of Shares, when multiplied by the Issue Price, equals \$450,000 in part consideration for the Acquisition of the Barraba Project.

A summary of ASX Listing Rule 7.1 is set out in section 2.1 above. As set out in Section 2.1, ASX Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary shares it had on issue at the start of that period.

The issue of Shares does not fall within any of these exceptions and whilst the number of Shares may not exceed the 15% limit in ASX Listing Rule 7.1, the Company wishes to retain as much flexibility as possible to issue additional equity securities into the future without having to obtain Shareholder approval under ASX Listing Rule 7.1. To do this, the Company is asking Shareholders to approve the issue of Shares under ASX Listing Rule 7.1 so that it does not use up any of the 15% limit on issue equity securities without shareholder approval set out in ASX Listing Rule 7.1.

If Resolution 8 is passed, the Company will be able to proceed with the issue of Shares and will be to satisfy its obligations under the Acquisition Agreement (in respect of the consideration payable). In addition, the issue of Shares will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under ASX Listing Rule 7.1.

If Resolution 8 is not passed, the Company may not be able to proceed with the issue of the Shares and may not be able to satisfy its obligations under the current terms and conditions of the Acquisition Agreement (which may result in further negotiation between the parties to the Acquisition Agreement and associated costs).

6.2 Dilution

Set out below is a worked example of the number of Shares that may be issued under Resolution 8 based on issue prices of \$0.0105, \$0.021 and \$0.025.

Assumed issue price	Maximum number of Shares which may be issued ⁴	Current Shares on issue as at the date of this Notice ⁵	Increase in the number of Shares on issue assuming the Company issued the maximum amount pursuant to Resolution 8	Dilution effect on existing Shareholders
\$0.0105 ¹	42,857,143	296,000,000	338,857,143	14.48%
\$0.021 ²	21,428,571	296,000,000	317,428,571	7.24%
\$0.025 ³	18,000,000	296,000,000	314,000,000	6.08%

Notes:

1. Being, a 50% decrease to the closing price of Shares on the ASX on 6 February 2020.
2. Being, the closing price of Shares on the ASX on 6 February 2020.
3. Being, the maximum price at which the Shares may be issued.
4. Rounded to the nearest whole number.
5. There are currently 296,000,000 Shares on issue as at the date of this Notice and this table assumes no Options are exercised or additional Shares issued, other than the maximum number of Shares which may be issued pursuant to Resolution 8 (based on the assumed issue prices set out in the table).
6. The Company notes that the above workings are an example only and the actual issue price may differ.

6.3 Technical information required by ASX Listing Rule 7.1

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to Resolution 8:

- (a) the name of the person to whom the Company will issue the Shares to is Mr Jonathon Charles Downes (or his nominee/s), who is not a related party of the Company;
- (b) the maximum number of Shares to be issued to Mr Jonathon Charles Downes (or his nominees) is that number of Shares which, when multiplied by the Issue Price, equals \$450,000;
- (c) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (d) the Shares will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that issue of the Shares will occur on the same date;
- (e) the Shares will be issued at the Issue Price, which will be equal to the volume weighted average price of Shares calculated over the 20 days on which sales in Shares are recorded before the date of issue, subject to a maximum price per Share of \$0.025. The Company will not receive any other consideration for the issue of the Shares;
- (f) the main purpose of the issue of the Shares is to satisfy the Company's obligation under the Acquisition Agreement in respect of the consideration payable for the Acquisition in Shares;
- (g) the Shares are being issued to Mr Jonathon Charles Downes (or his nominees) in accordance with the Acquisition Agreement. A summary of the material terms of the Acquisition Agreement is set out in Schedule 2;

- (h) the Shares are not being issued under, or to fund, a reverse takeover; and
- (i) a voting exclusion statement is included in Resolution 8 of the Notice.

7. RESOLUTION 9 – ADOPTION OF INCENTIVE PERFORMANCE RIGHTS AND OPTIONS PLAN

Resolution 9 seeks Shareholder approval for the adoption of the employee incentive scheme titled Incentive Performance Rights and Options Plan (**Plan**) in accordance with ASX Listing Rule 7.2 (Exception 13).

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period. ASX Listing Rule 7.2 (Exception 13) sets out an exception to ASX Listing Rule 7.1 which provides that issues under an employee incentive scheme are exempt for a period of 3 years from the date on which shareholders approve the issue of securities under the scheme as an exception to ASX Listing Rule 7.1.

If Resolution 9 is passed, the Company will be able to issue Performance Rights and Options under the Plan to Eligible Participants over a period of 3 years without impacting on the Company's ability to issue up to 15% of its total ordinary securities without Shareholder approval in any 12 month period, subject to no material changes to the plan being made.

The objective of the Plan is to attract, motivate and retain key employees and it is considered by the Company that the adoption of the Plan and the future issue of Performance Rights or Options under the Plan will provide selected employees with the opportunity to participate in the future growth of the Company.

Any future issues of Performance Rights or Options under the Plan to a related party or a person whose relationship with the company or the related party is, in ASX's opinion, such that approval should be obtained will require additional Shareholder approval under ASX Listing Rule 10.14 at the relevant time. For this reason, the Company is also seeking approval under Resolution 10 for the issue of Options to Mr M O'Kane pursuant to the Plan.

The maximum number of Securities that may be issued under the Plan, should it be approved, is 23,712,500 Securities, being 5% of the total number of Securities on issue following the issue of all Securities contemplated by this Notice of Meeting including, for the avoidance of doubt, the 12,000,000 Options to be issued to Mr M O'Kane in the event Resolution 10 is passed (assuming that 18,000,000 Shares are issued under Resolution 8).

A summary of the key terms and conditions of the Plan is set out in Schedule 3. In addition, a copy of the Plan is available for review by Shareholders at the registered office of the Company until the date of the Meeting. A copy of the Plan can also be sent to Shareholders upon request to the Company Secretary (Mr Sonu Cheema on +61 8 6489 1600). Shareholders are invited to contact the Company if they have any queries or concerns.

8. RESOLUTION 10 – ISSUE OF INCENTIVE OPTIONS – MR M O'KANE

8.1 General

The Company has agreed, subject to obtaining Shareholder approval and to the adoption of the Plan (refer Resolution 9), to the issue of 12,000,000 Options on the

terms and conditions set out in Schedule 4 to Mr M O'Kane pursuant to the Plan (**Incentive Options**).

8.2 Chapter 2E of the Corporations Act

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

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

The issue of Incentive Options to Mr M O'Kane constitutes giving a financial benefit and Mr M O'Kane is a related party of the Company by virtue of being a Director.

The Directors (other than Mr M O'Kane) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue of Incentive Options, because the issue of Incentive Options constitutes reasonable remuneration payable to Mr M O'Kane.

8.3 ASX Listing Rule 10.14

ASX Listing Rule 10.11 provides that a listed company must not permit any of the following persons to acquire equity securities under an employee incentive scheme:

- (a) a director of the company;
- (b) an associate of a director of the company; or
- (c) a person whose relationship with the company or a person referred to in ASX Listing Rules 10.14.1 to 10.14.2 is such that, in ASX's opinion, the acquisition should be approved by its shareholders,

unless it obtains the approval of its shareholders.

The issue of Incentive Options falls within ASX Listing Rule 10.14.1 and therefore requires the approval of the Company's Shareholders under ASX Listing Rule 10.14.

Resolution 10 seeks the required Shareholder approval to the issue of the Incentive Options under and for the purposes of ASX Listing Rule 10.14.

If Resolution 10 is passed, the Company will be able to proceed with the issue of the Incentive Options to Mr M O'Kane under the Plan.

If Resolution 10 is not passed, the Company will not be able to proceed with the issue of the Incentive Options to Mr M O'Kane under the Plan.

8.4 Technical information required by ASX Listing Rule 10.15

Pursuant to and in accordance with the requirements of ASX Listing Rule 10.15, the following information is provided in relation to Resolution 10:

- (a) the Incentive Options will be issued to Mr M O'Kane (or his nominee) under ASX Listing Rule 10.14.1, by virtue of Mr M O'Kane being a Director;
- (b) the maximum number of Incentive Options to be issued to Mr O'Kane (or his nominee) is 12,000,000;
- (c) a summary of the terms and conditions of the Plan is set out in Schedule 3 and a summary of the material terms and conditions of the Incentive Options is set out in Schedule 4;
- (d) Mr M O'Kane's total remuneration package is \$225,000 (consisting of salary), plus superannuation contributions;
- (e) no Securities have previously been issued under the Plan, to Mr O'Kane or otherwise;
- (f) the Company proposes granting the Incentive Options to Mr M O'Kane to align the interests of Mr M O'Kane with those of Shareholders by creating a stronger link between performance resulting in increased Shareholder value and reward to Mr M O'Kane;
- (g) the Incentive Options are unquoted Options. The Company has chosen to grant Incentive Options to Mr M O'Kane as incentive-based remuneration as opposed to Shares because of the deferred taxation benefit which is available to Mr M O'Kane in respect of an issue of Options. This is also beneficial to the Company as it means Mr M O'Kane will not be required to immediately sell the Options to fund a tax liability (as would be the case in an issue of Shares where the tax liability arises upon issue of the Shares) and will instead, continue to hold an interest in the Company;
- (h) the Company values the Incentive Options at \$113,590 (being \$0.0126 per Incentive Option) based on the Black-Scholes methodology;
- (i) the Incentive Options will be issued to Mr M O'Kane (or his nominee) no later than 3 years after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the ASX Listing Rules) and it is anticipated the Incentive Options will be issued on one date;
- (j) the issue price of the Incentive Options will be nil, as such no funds will be raised from the issue of the Incentive Options;
- (k) no loan is being made to Mr M O'Kane in connection with the acquisition of the Incentive Options by Mr M O'Kane (or his nominee);
- (l) details of any Securities issued under the Plan will be published in the annual report of the Company relating to the period in which they were issued, along with a statement that approval for the issue was obtained under ASX Listing Rule 10.14;
- (m) any additional persons covered by ASX Listing Rule 10.14 who become entitled to participate in an issue of Securities under the Plan after Resolution 9 is approved and who were not named in this Notice will not participate until approval is obtained under ASX Listing Rule 10.14; and
- (n) a voting exclusion statement is included in Resolution 10 of the Notice.

9. RESOLUTION 11 – REPLACEMENT OF CONSTITUTION

9.1 General

A company may modify or repeal its constitution or a provision of its constitution by special resolution of Shareholders.

Resolution 11 is a special resolution which will enable the Company to repeal its existing Constitution and adopt a new constitution (**Proposed Constitution**) which is of the type required for a listed public company limited by shares updated to ensure it reflects the current provisions of the Corporations Act and ASX Listing Rules.

This will incorporate amendments to the Corporations Act and ASX Listing Rules since the current Constitution was adopted in 2000].

The Directors believe that it is preferable in the circumstances to replace the existing Constitution with the Proposed Constitution rather than to amend a multitude of specific provisions.

The Proposed Constitution is broadly consistent with the provisions of the existing Constitution. Many of the proposed changes are administrative or minor in nature including but not limited to expressly providing for statutory rights by mirroring these rights in provisions of the Proposed Constitution.

The Directors believe these amendments are not material nor will they have any significant impact on Shareholders. It is not practicable to list all of the changes to the Constitution in detail in this Explanatory Statement, however, a summary of the proposed material changes is set out below.

A copy of the Proposed Constitution is available for review by Shareholders at the Company's website (www.cometres.com.au) and at the office of the Company. A copy of the Proposed Constitution can also be sent to Shareholders upon request to the Company Secretary (+61 8 6489 1600). Shareholders are invited to contact the Company if they have any queries or concerns.

9.2 Summary of material proposed changes

Restricted Securities (clause 2.12)

The Proposed Constitution complies with the recent changes to ASX Listing Rule 15.12. Under this change, ASX will require certain more significant holders of restricted securities and their controllers (such as related parties, promoters, substantial holders, service providers and their associates) to execute a formal escrow agreement in the form Appendix 9A, as is currently the case. However, for less significant holdings (such as non-related parties and non-promoters), ASX will instead permit the Company to issue restriction notices to holders of restricted securities in the form of a new Appendix 9C advising them of the restriction rather than requiring signed restriction agreements.

Minimum Shareholding (clause 3)

Clause 3 of the Constitution outlines how the Company can manage shareholdings which represent an "unmarketable parcel" of shares, being a shareholding that is less than \$500 based on the closing price of the Company's Shares on ASX as at the relevant time.

The Proposed Constitution is in line with the requirements for dealing with "unmarketable parcels" outlined in the Corporations Act such that where the Company elects to undertake a sale of unmarketable parcels, the Company is only required to give one notice to holders of an unmarketable parcel to elect to retain their shareholding before the unmarketable parcel can be dealt with by the Company, saving time and administrative costs incurred by otherwise having to send out additional notices.

Clause 3 of the Proposed Constitution continues to outline in detail the process that the Company must follow for dealing with unmarketable parcels.

Fee for registration of off market transfers (clause 8.4(c))

On 24 January 2011, ASX amended ASX Listing Rule 8.14 with the effect that the Company may now charge a "reasonable fee" for registering paper-based transfers, sometimes referred to "off-market transfers".

Clause 8.4 of the Proposed Constitution is being made to enable the Company to charge a reasonable fee when it is required to register off-market transfers from Shareholders. The fee is intended to represent the cost incurred by the Company in upgrading its fraud detection practices specific to off-market transfers.

Before charging any fee, the Company is required to notify ASX of the fee to be charged and provide sufficient information to enable ASX to assess the reasonableness of the proposed amount.

Direct Voting (clause 13, specifically clauses 13.35 – 13.40)

The Proposed Constitution includes a new provision which allows Shareholders to exercise their voting rights through direct voting (in addition to exercising their existing rights to appoint a proxy). Direct voting is a mechanism by which Shareholders can vote directly on resolutions which are to be determined by poll. Votes cast by direct vote by a Shareholder are taken to have been cast on the poll as if the Shareholder had cast the votes on the poll at the meeting. In order for direct voting to be available, Directors must elect that votes can be cast via direct vote for all or any resolutions and determine the manner appropriate for the casting of direct votes. If such a determination is made by the Directors, the notice of meeting will include information on the application of direct voting.

Dividends (clause 22)

Section 254T of the Corporations Act was amended effective 28 June 2010.

There is now a three-tiered test that a company will need to satisfy before paying a dividend replacing the previous test that dividends may only be paid out of profits.

The amended requirements provide that a company must not pay a dividend unless:

- (a) the company's assets exceed its liabilities immediately before the dividend is declared and the excess is sufficient for the payment of the dividend;
- (b) the payment of the dividend is fair and reasonable to the company's shareholders as a whole; and

- (c) the payment of the dividend does not materially prejudice the company's ability to pay its creditors.

The existing Constitution reflects the former profits test and restricts the dividends to be paid only out of the profits of the Company. The Proposed Constitution is updated to reflect the new requirements of the Corporations Act. The Directors consider it appropriate to update the Constitution for this amendment to allow more flexibility in the payment of dividends in the future should the Company be in a position to pay dividends.

Partial (proportional) takeover provisions (new clause 36)

A proportional takeover bid is a takeover bid where the offer made to each shareholder is only for a proportion of that shareholder's shares.

Pursuant to section 648G of the Corporations Act, the Company has included in the Proposed Constitution a provision whereby a proportional takeover bid for Shares may only proceed after the bid has been approved by a meeting of Shareholders held in accordance with the terms set out in the Corporations Act.

This clause of the Proposed Constitution will cease to have effect on the third anniversary of the date of the adoption of last renewal of the clause.

Information required by section 648G of the Corporations Act

Effect of proposed proportional takeover provisions

Where offers have been made under a proportional off-market bid in respect of a class of securities in a company, the registration of a transfer giving effect to a contract resulting from the acceptance of an offer made under such a proportional off-market bid is prohibited unless and until a resolution to approve the proportional off-market bid is passed.

Reasons for proportional takeover provisions

A proportional takeover bid may result in control of the Company changing without Shareholders having the opportunity to dispose of all their Shares. By making a partial bid, a bidder can obtain practical control of the Company by acquiring less than a majority interest. Shareholders are exposed to the risk of being left as a minority in the Company and the risk of the bidder being able to acquire control of the Company without payment of an adequate control premium. These amended provisions allow Shareholders to decide whether a proportional takeover bid is acceptable in principle and assist in ensuring that any partial bid is appropriately priced.

Knowledge of any acquisition proposals

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

Potential advantages and disadvantages of proportional takeover provisions

The Directors consider that the proportional takeover provisions have no potential advantages or disadvantages for them and that they remain free to make a recommendation on whether an offer under a proportional takeover bid should be accepted.

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

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

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

- (a) proportional takeover bids may be discouraged;
- (b) lost opportunity to sell a portion of their Shares at a premium; and
- (f) the likelihood of a proportional takeover bid succeeding may be reduced.

9.3 Recommendation of the Board

The Directors do not believe the potential disadvantages outweigh the potential advantages of adopting the proportional takeover provisions and as a result consider that the proportional takeover provision in the Proposed Constitution is in the interest of Shareholders and unanimously recommend that Shareholders vote in favour of Resolution 11.

10. RESOLUTION 12 – PLACEMENT – SHARES – EMPIRE CAPITAL PARTNERS

10.1 General

As set out in Section 1.3 above, the Company entered into the Empire Advisory Mandate on 15 January 2020 under which it has appointed Empire as corporate advisor to the Company in consideration for the Company issuing 10,000,000 Shares to Empire. A summary of the material terms and condition of the Empire Advisory Mandate is set out in Schedule 2.

Resolution 12 seeks Shareholder approval for the issue of 10,000,000 Shares to Empire pursuant to the Empire Advisory Mandate.

A summary of ASX Listing Rule 7.1 is set out in Section 2.1 above. As set out in Section 2.1, ASX Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary shares it had on issue at the start of that period. The issue of Shares does not fall within any of these exceptions and whilst the issue does not exceed the 15% limit in ASX Listing Rule 7.1 and can therefore be made without breaching that rule, the Company wishes to retain as much flexibility as possible to issue additional equity securities into the future without having to obtain Shareholder approval under ASX Listing Rule 7.1. To do this, the Company is asking Shareholders to approve the issue under ASX Listing Rule 7.1 so

that it does not use up any of the 15% limit on issuing equity securities without Shareholder approval set out in ASX Listing Rule 7.1.

If Resolution 12 is passed, the Company will be able to proceed with the issue of Shares and fulfil its obligations under the Empire Advisory Mandate. In addition, the issue of Shares will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under ASX Listing Rule 7.1.

If Resolution 12 is not passed, the Company can still proceed but it will reduce, to that extent, the Company's capacity to issue equity securities without Shareholder approval under ASX Listing Rule 7.1 for 12 months following the date of issue of the Shares.

10.2 Technical information required by ASX Listing Rule 7.1

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to Resolution 12:

- (a) the Empire Shares will be issued to Empire, who is not a related party of the Company;
- (b) the maximum number of Shares to be issued to Empire under the Empire Advisory Mandate is 10,000,000 Shares;
- (c) the Empire Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (d) the Empire Shares will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that issue of the Empire Shares will occur on the same date;
- (e) the issue price of the Empire Shares will be nil, as the Empire Shares are being issued in consideration for Empire agreeing to act as corporate advisor to the Company, as such no funds will be raised through the issue of the Empire Shares;
- (f) the Empire Shares are being issued pursuant to the Empire Advisory Mandate, the material terms and conditions of which are summarised in Schedule 2;
- (g) the Empire Shares are not being issued under, or to fund, a reverse takeover; and
- (h) a voting exclusion statement is included in Resolution 12 of the Notice.

11. RESOLUTION 13 – PLACEMENT – OPTIONS – EMPIRE CAPITAL PARTNERS

11.1 General

As set out in Section 1.3 above, the Company entered into the Empire Capital Raising Mandate under which it has appointed Empire as lead manager to the Barraba Capital Raising. A summary of the material terms and condition of the Empire Capital Raising Mandate is set out in Schedule 2.

Resolution 13 seeks Shareholder approval for the issue of 4,800,000 Options to Empire (**Empire Options**) pursuant to the Empire Capital Raising Mandate.

A summary of ASX Listing Rule 7.1 is set out in Section 2.1 above. As set out in Section 2.1, ASX Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary shares it had on issue at the start of that period. The issue of Options does not fall within any of these exceptions and whilst the issue does not exceed the 15% limit in ASX Listing Rule 7.1 and can therefore be made without breaching that rule, the Company wishes to retain as much flexibility as possible to issue additional equity securities into the future without having to obtain Shareholder approval under ASX Listing Rule 7.1. To do this, the Company is asking Shareholders to approve the issue under ASX Listing Rule 7.1 so that it does not use up any of the 15% limit on issuing equity securities without Shareholder approval set out in ASX Listing Rule 7.1.

If Resolution 13 is passed, the Company will be able to proceed with the issue of Options and fulfil its obligations under the Empire Capital Raising Mandate. In addition, the issue of Options will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under ASX Listing Rule 7.1.

If Resolution 13 is not passed, the Company can still proceed but it will reduce, to that extent, the Company's capacity to issue equity securities without Shareholder approval under ASX Listing Rule 7.1 for 12 months following the date of issue of the Options.

11.2 Technical information required by ASX Listing Rule 7.1

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to Resolution 13:

- (a) the Empire Options will be issued to Empire, who is not a related party of the Company;
- (b) the maximum number of Empire Options to be issued to Empire under the Empire Capital Raising Mandate is 4,800,000 Empire Options;
- (c) the terms and condition of the Empire Options are summarised in Schedule 1;
- (d) the Empire Options will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that issue of the Empire Options will occur on the same date;
- (e) the issue price of the Empire Options will be nil, as the Empire Options are being issued in consideration for Empire agreeing to act as lead manager to the Barraba Capital Raising, as such no funds will be raised through the issue of the Empire Options. Additional funds will be raised should Empire exercise the Empire Options;
- (f) the Empire Options are being issued pursuant to the Empire Capital Raising Mandate, the material terms and conditions of which are summarised in Schedule 2;
- (g) the Empire Options are not being issued under, or to fund, a reverse takeover; and

- (h) a voting exclusion statement is included in Resolution 13 of the Notice.

12. RESOLUTION 14 – PLACEMENT – OPTIONS – EMPIRE CAPITAL PARTNERS

12.1 General

As set out in Section 1.3 above, the Company entered into the Initial Empire Mandate under which it has appointed Empire as lead manager to the Capital Raising. A summary of the material terms and condition of the Initial Empire Mandate is set out in Schedule 2.

Resolution 13 seeks Shareholder approval for the issue of 4,000,000 Options to Empire (**Empire Options**) pursuant to the Initial Empire Mandate.

A summary of ASX Listing Rule 7.1 is set out in Section 2.1 above. As set out in Section 2.1, ASX Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary shares it had on issue at the start of that period. The issue of Options does not fall within any of these exceptions and whilst the issue does not exceed the 15% limit in ASX Listing Rule 7.1 and can therefore be made without breaching that rule, the Company wishes to retain as much flexibility as possible to issue additional equity securities into the future without having to obtain Shareholder approval under ASX Listing Rule 7.1. To do this, the Company is asking Shareholders to approve the issue under ASX Listing Rule 7.1 so that it does not use up any of the 15% limit on issuing equity securities without Shareholder approval set out in ASX Listing Rule 7.1.

If Resolution 14 is passed, the Company will be able to proceed with the issue of Options and fulfil its obligations under the Initial Empire Mandate. In addition, the issue of Options will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under ASX Listing Rule 7.1.

If Resolution 14 is not passed, the Company can still proceed but it will reduce, to that extent, the Company's capacity to issue equity securities without Shareholder approval under ASX Listing Rule 7.1 for 12 months following the date of issue of the Options.

12.2 Technical information required by ASX Listing Rule 7.1

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to Resolution 14:

- (a) the Options will be issued to Empire, who is not a related party of the Company;
- (b) the maximum number of Options to be issued to Empire under the Initial Empire Mandate is 4,000,000 Options;
- (c) the terms and condition of the Options are summarised in Schedule 1;
- (d) the Options will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that issue of the Options will occur on the same date;
- (e) the issue price of the Options will be nil, as the Options are being issued in consideration for Empire agreeing to act as lead manager to the Capital

Raising, as such no funds will be raised through the issue of the Options. Additional funds will be raised should Empire exercise the Options;

- (f) the Options are being issued pursuant to the Initial Empire Mandate, the material terms and conditions of which are summarised in Schedule 2;
- (g) the Options are not being issued under, or to fund, a reverse takeover; and
- (h) a voting exclusion statement is included in Resolution 14 of the Notice.

13. RESOLUTION 15 – NON-EXECUTIVE DIRECTORS' REMUNERATION

ASX Listing Rule 10.17 provides that an entity must not increase the total aggregate amount of directors' fees payable to all of its non-executive directors without the approval of holders of its ordinary securities.

Clause 21.1(a) of the Constitution also requires that remuneration payable to the non-executive Directors will not exceed the sum initially set by the Constitution and subsequently increase by ordinary resolution of Shareholders in general meeting.

The maximum aggregate amount of fees payable to all of the non-executive Directors is currently set at \$140,000. Resolution 15 seeks Shareholder approval to increase this figure by \$60,000 to \$200,000.

This amount includes superannuation contributions made by the Company for the benefit of non-executive Directors and any fees which a non-executive Director agrees to sacrifice for other benefits. It does not include reimbursement of genuine out of pocket expenses, genuine "special exertion" fees paid in accordance with the Constitution, or securities issued to a non-executive Director under ASX Listing Rule 10.11 or 10.14 with approval of Shareholders.

The maximum aggregate amount of fees proposed to be paid to the non-executive Directors per annum has been determined after reviewing similar companies listed on ASX and the Directors believe that this level of remuneration is in line with corporate remuneration of similar companies.

Whilst it is not envisaged that the maximum amount sought will be utilised immediately, the proposed limit is requested to ensure that the Company:

- (a) maintains its capacity to remunerate both existing and any new non-executive directors joining the Board;
- (b) remunerates its non-executive Directors appropriately for the expectations placed upon them both by the Company and the regulatory environment in which it operates; and
- (c) has the ability to attract and retain non-executive directors whose skills and qualifications are appropriate for a company of the size and nature of the Company.

In the past 3 years, the Company has issued non-executive Directors an aggregate of 2,983,333 Shares and 6,791,667 Options with prior Shareholder approval under ASX Listing Rules 10.11 and 10.14, as set out in the table below:

Issue Date	Director	Number of Shares	Number of Options
24-Apr-19	H Halliday	1,000,000	500,000
24-Apr-19	D Prentice	333,333	166,667
24-Apr-19	A Molyneux		2,000,000
20-Aug-18	RO Jones	1,250,000	625,000
15-Aug-17	H Halliday	400,000	
15-Aug-17	H Halliday		3,000,000
15-Aug-17	RO Jones		500,000

Given the interest of the non-executive Directors in this Resolution, the Board makes no recommendation to Shareholders regarding this Resolution.

GLOSSARY

\$ means Australian dollars.

Agreement has the meaning given to that word on page 8 of the Notice.

ASIC means the Australian Securities & Investments Commission.

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

ASX Listing Rules means the Listing Rules of ASX.

Board means the current board of directors of the Company.

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

Chair means the chair of the Meeting.

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

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

Company means Comet Resources Limited (ACN 060 628 202).

Constitution means the Company's constitution.

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

Directors means the current directors of the Company.

Empire means Empire Capital Partners Pty Ltd (ACN 159 992 328).

Explanatory Statement means the explanatory statement accompanying the Notice.

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

Incentive Options means the Options to be issued pursuant to Resolution 10, the terms of which are set out in Schedule 4.

Key Management Personnel has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or

if the Company is part of a consolidated entity, of the consolidated entity, directly or indirectly, including any director (whether executive or otherwise) of the Company, or if the Company is part of a consolidated entity, of an entity within the consolidated group.

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

Option means an option to acquire a Share.

Optionholder means a holder of an Option.

Participation has the meaning given to it in Section 3.1.

Proxy Form means the proxy form accompanying the Notice.

Ratification has the meaning given to that word on page 4 of the Notice.

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

Section means a section of the Explanatory Statement.

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

Shareholder means a registered holder of a Share.

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

SCHEDULE 1 – TERMS AND CONDITIONS OF OPTIONS

(a) **Entitlement**

Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

(b) **Exercise Price**

The amount payable upon exercise of each Option will be \$0.06 (**Exercise Price**).

(c) **Expiry Date**

Each Option will expire at 4:00 pm (WST) on 30 June 2021 (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

(e) **Notice of Exercise**

The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(f) **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

(g) **Timing of issue of Shares on exercise**

Within 10 Business Days after the Exercise Date, the Company will:

- (i) allot and issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under (g)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the

Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(h) **Shares issued on exercise**

Shares issued on exercise of the Options rank equally with the then issued shares of the Company.

(i) **Quotation of Shares issued on exercise**

If admitted to the official list of ASX at the time, application will be made by the Company to ASX for quotation of the Shares issued upon exercise of the Options.

(j) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(k) **Participation in new issues**

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

(l) **Change in exercise price**

An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

(m) **Transferability**

The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

SCHEDULE 2 – SUMMARY OF AGREEMENTS

1. Land Access Agreement

The key terms and conditions of the Land Access Agreement are as follows:

- (a) **(Owners Obligations):** Jim Hanrahan and Kay Hanrahan (together, the **Owners**) each agree to grant the Company the exclusive rights by its employees, agents and contractors (**Personnel**), upon giving not less than 28 days notice, to enter upon the Mining Tenement together with such vehicles, plant and equipment as shall be necessary to carry out geological examination and testing, sampling, drilling, geological and geochemical programs and to exercise all or any of the rights that the Company may now have or subsequently acquire in the Mining Tenement (**Permitted Activities**), without interference or hindrance from the Owners and will permit the Company and its personnel all reasonable access to pass and repass across the Land for the purpose of the Permitted activities.
- (b) **(Compensation):** In compensation for granting the Company access, the Company has agreed to:
 - (i) issue 2,0000,000 Shares to the Owners, which are subject to voluntary escrow 3 April 2020 (which the Company notes occurred on 7 May 2019); and
 - (ii) pay a fee of \$1000 per year for each hectare of crops damaged by the Company's employees or contractors (rounded to the next whole hectare).
- (c) **(Lease):** The Company and the Owners have agreed that there is an opportunity to lease part of the land that the Company requires for detailed exploration (on arms' length, commercial rates).
- (d) **(Sale):** The Company and the Owners have agreed to a sale process for the Land, with the Company having the sole right to invoke the process whilst the Agreement is on foot (with such sale to be at a price and on such terms as the parties agree).
- (e) **(Term):** The Agreement shall terminate on 3 April 2021 (unless otherwise agreed between the parties).

2. Acquisition Agreement

- (a) **(Consideration):** subject to the satisfaction (or waiver) of the conditions, in consideration for the Acquisition the Company agrees to:
 - (i) pay \$150,000 in cash to the Vendor, Mr Jonathan Downes (or his nominees), (**Cash Consideration**) of which \$50,000 is a non-refundable deposit which was paid upon execution of the Acquisition Agreement; and
 - (ii) issue to the Vendor (or his nominees) \$450,000 worth of fully paid ordinary shares in the capital of the Company (**Shares**) at a deemed issue price per Share equal to the volume weighted average price of Shares calculated over the 20 days on which sales in Shares are recorded before the date of issue, subject to

a maximum price per Share which is equivalent to that of Shares issued pursuant to the capital raising condition (refer below) (**Consideration Shares**).

- (b) (**Conditions Precedent**): Settlement of the Acquisition is conditional upon the satisfaction (or waiver) of the following conditions precedent:
- (i) completion of legal and technical due diligence by the Company on EL8492 (the **Tenement**) and associated mining information (together, the **Assets**), to the satisfaction of the Company in its sole discretion;
 - (ii) the Company raising no less than \$2,000,000 (**Capital Raising**);
 - (iii) Shareholders of the Company approving the issue of the Consideration Shares to the Vendor (or his nominees) in accordance with the ASX Listing Rules and the Corporations Act; and
 - (iv) the Company obtaining all necessary regulatory approvals pursuant to the ASX Listing Rules, the Corporations Act, the relevant Australian state based mining legislation (**Mining Act**) or any other applicable law, on terms acceptable to the Company to allow the Company to lawfully complete the transactions contemplated by the agreement.
- (c) (**Grant of Option**): In addition to the Acquisition and subject to settlement occurring, the Vendor grants the Company an option to acquire a further 20% interest in the Assets (**Option**). The Option may be exercised by the Company at any time within the 36 month period following settlement by the Company giving written notice to the Vendor of its intention to exercise the Option (**Notice**) and making a payment of \$2,500,000 to the Vendor (or his nominees) within 60 days of the date of the Notice.
- (d) (**Joint Venture**): On and from the date of settlement, the Vendor and Company will be deemed to have established a joint venture for the purpose of exploration and development on the Tenement (Joint Venture). On the date of settlement, the interests of the parties in the Joint Venture will be (Joint Venture Interests):
- (i) the Company - 80%; and
 - (ii) the Vendor – 20%.
- (e) (**Post Settlement Obligations**): Subject to exercise of the Option, the Company has an obligation to expend a total amount of not less than \$600,000 (excluding GST) (**Minimum Expenditure Condition**) on direct, 'in-ground' exploration activities on the Tenement (**Approved Exploration Expenditure**) which shall include a minimum of 1,250m of Diamond or Reverse Circulation drilling (**Minimum Drilling Requirement**) within a period of 18 months from the date of settlement (**Minimum Expenditure Period**).
- (i) where the Minimum Drilling Requirement and the Minimum Expenditure Condition are not satisfied by the Company in full on or before the expiry of the Minimum Expenditure Period, the Company's interest in the Assets will revert to zero.

- (ii) where the Minimum Drilling Requirement is satisfied by the Company on or before the expiry of the Minimum Expenditure Period, but the Minimum Expenditure Condition is not satisfied by the Company on or before the expiry of the Minimum Expenditure Period, the Purchaser can elect (in its sole and absolute discretion) to:
 - (A) make a payment to the Vendor of the amount of shortfall in the Minimum Expenditure Condition, with such payment to be made in cash or Shares (as agreed to by both Parties and the issue of such Shares is subject to all required shareholder approvals); or
 - (B) dilute its interest in the Assets on a pro-rata basis, calculated in accordance with the formula:

$$(\text{Approved Exploration Expenditure} / \$600,000) * 80\%$$

(f) **(Free Carry and Decision to Mine):**

- (i) On and from the date of settlement, the Company will sole fund all costs incurred in connection with the activities of the Joint Venture and will free carry the Vendor's remaining Joint Venture Interest (**Remaining Interest**) until such time as a decision to mine is made (the **Free Carried Period**).
- (ii) On and from a decision to mine being made, the Company and Vendor will contribute to all Joint Venture expenditure made or incurred in respect of the Joint Venture in proportion to their respective Joint Venture Interests, except that either the Vendor or Company may elect not to contribute to Joint Venture expenditure, in which case the Joint Venture Interest of the non-contributing Party will be subject to reduction by dilution on standard industry terms.
- (iii) Where the Joint Venture Interest of either party dilutes to 5% or less, their Joint Venture Interest will convert to a 2% net smelter return royalty (on standard industry terms) and the Joint Venture will be at an end. The parties have agreed that where the Vendor is the diluting party, Comet will have a right to buy down the royalty from the Vendor, at any time, for a payment of \$5,000,000 such that the Vendor will hold a 1% net smelter return royalty on completion of the buy down.

- (g) **(Manager):** The party with the largest Joint Venture Interest will be manager of the Joint Venture and its representative on the operating committee formed in respect of the Joint Venture (which will be comprised of a representative of each party) will have a casting vote.

3. Initial Empire Mandate:

- (a) **(Appointment):** Pursuant to the Initial Empire Mandate, Empire was appointed to act as lead manager to the Capital Raising.
- (b) **(Fees):** In consideration for acting as lead manager to the Capital Raising, the Company agreed to pay the following fees to Empire:

- (i) a lead manager fee of \$28,750 (which has been paid by the Company) and 4,000,000 Options exercisable at \$0.06 on or before 30 June 2021 (which are to be issued by the Company); and
 - (ii) a distribution fee of 6% of the total amount raised under the Capital Raising (being, \$33,750) (which has been paid by the Company).
- (c) **(Termination by Empire):** Empire is entitled to terminate the Initial Empire Mandate at any time by giving two business days' notice in writing of its intention to do so, or if one or more of the following events occur in its sole and absolute opinion:
- (i) there is a material adverse effect including any adverse change in the assets, liabilities, financial position or prospects of the Company as disclosed publicly and/or to Empire, other than for the costs incurred by the Company in relation to the proposed offer;
 - (ii) there is a false or misleading statement in material or information supplied to Empire or a material omission in the material supplied to Empire;
 - (iii) default by the Company of any term of the Initial Empire Mandate;
 - (iv) the All Ordinaries Index as published by ASX is at any time 10% or more before its level as at the close of business on the business day prior to the date of the Initial Empire Mandate;
 - (v) any of the warranties or representations by the Company in the Empire Capital Raising Mandate are or become materially untrue; or
 - (vi) any government agency (including ASIC) commences any public action, hearing or investigation against the Company or any of its directors in their capacity as a director of the Company or announces that it intends to take such action.
- (d) **(Termination by Company):** The Company is unable to terminate the Initial Empire Mandate by virtue of the Company having made offers under the Capital Raising (and completed those offers in respect of unrelated participants).

4. Empire Advisory Mandate:

- (a) **(Services):** Empire will provide corporate advisory services to the Company pursuant to the Empire Advisory Mandate for a period of 12 months following the date the Empire Advisory Mandate was entered into **(Term)**, including:
- (i) providing assistance with broker presentations, marketing and non-deal road shows with strategic investors,
 - (ii) reviewing and providing input into material announcements to be released to the ASX;

- (iii) using its network and resources to identify potential opportunities of interest to the Company;
 - (iv) providing general and initial advice to the directors in their capacity as directors of the Company on a preliminary basis, where requested, in respect of potential offers, acquisitions, disposals, capital raising, corporate and other matters;
 - (v) initiation of Company research coverage; and
 - (vi) Ongoing investor relation and public relation assistance as required in consultation with the Company's other advisors.
- (b) **(Fees):** In consideration for agreeing to act as corporate advisor to the Company, Empire will be issued 10,000,000 Shares.
- (c) **(Termination by Company):** The Company is entitled to terminate the Empire Advisory Mandate:
- (i) if Empire fails to rectify any material breach of the Empire Advisory Mandate having been given 10 business days' notice in writing by the Company of such breach having occurred; or
 - (ii) on a no fault basis with 10 business days' notice in writing by the Company, provided that in circumstances where the Company considers withdrawing from any potential future offers or terminating the Empire Advisory Mandate as a result of dissatisfaction with the execution of the Empire Advisory Mandate by Empire, the Company must first provide Empire with reasonable verbal and written notice and an opportunity to rectify, to the Company's satisfaction, the quality of service to be provided under the Empire Advisory Mandate.
- (d) **(Termination by Empire):** Empire is entitled to terminate the Empire Advisory Mandate at any time by giving two business days' notice in writing of its intention to do so, or if one or more of the following events occur in its sole and absolute opinion:
- (i) there is a material adverse effect including any adverse change in the assets, liabilities, financial position or prospects of the Company as disclosed publicly and/or to Empire, other than for the costs incurred by the Company in relation to the proposed offer;
 - (ii) there is a false or misleading statement in material or information supplied to Empire or a material omission in the material supplied to Empire;
 - (iii) default by the Company of any term of the Empire Advisory Mandate;
 - (iv) any of the warranties or representations by the Company in the Empire Advisory Mandate are or become materially untrue; or
 - (v) any government agency (including ASIC) commences any public action, hearing or investigation against the Company or any of its directors in their capacity as a director of the Company or announces that it intends to take such action.

5. Empire Capital Raising Mandate:

- (e) **(Appointment):** Pursuant to the Empire Capital Raising Mandate, Empire is appointed to act as lead manager to the Barraba Capital Raising.
- (f) **(Fees):** In consideration for acting as lead manager to the Barraba Capital Raising, the fees payable to Empire are as follows:
 - (i) a lead manager fee of \$100,000;
 - (ii) a distribution fee of 6% of the total amount raised under the Barraba Capital Raising (being, \$80,000 assuming \$2,000,000 is raised); and
 - (iii) such number of Options as is equal to 6% of the Options to be issued under the Barraba Capital Raising, being 4,800,000 assuming 80,000,000 Options are issued under the Barraba Capital Raising.
- (g) **(Termination by Company):** The Company is entitled to terminate the Empire Capital Raising Mandate:
 - (i) if Empire fails to rectify any material breach of the Empire Capital Raising Mandate having been given 10 business days' notice in writing by the Company of such breach having occurred; or
 - (ii) on a no fault basis with 10 business days' notice in writing by the Company, provided that in circumstances where the Company considers withdrawing from any potential future offers or terminating the Empire Capital Raising Mandate as a result of dissatisfaction with the execution of the Empire Capital Raising Mandate by Empire, the Company must first provide Empire with reasonable verbal and written notice and an opportunity to rectify, to the Company's satisfaction, the quality of service to be provided under the Empire Capital Raising Mandate.
- (h) **(Termination by Empire):** Empire is entitled to terminate the Empire Capital Raising Mandate at any time by giving two business days' notice in writing of its intention to do so, or if one or more of the following events occur in its sole and absolute opinion:
 - (i) there is a material adverse effect including any adverse change in the assets, liabilities, financial position or prospects of the Company as disclosed publicly and/or to Empire, other than for the costs incurred by the Company in relation to the proposed offer;
 - (ii) there is a false or misleading statement in material or information supplied to Empire or a material omission in the material supplied to Empire;
 - (iii) default by the Company of any term of the Empire Capital Raising Mandate;
 - (iv) any of the warranties or representations by the Company in the Empire Capital Raising Mandate are or become materially untrue; or

- (v) any government agency (including ASIC) commences any public action, hearing or investigation against the Company or any of its directors in their capacity as a director of the Company or announces that it intends to take such action.

SCHEDULE 3 – TERMS AND CONDITIONS OF PERFORMANCE RIGHTS AND OPTION PLAN

The key terms of the Performance Rights and Option Plan (**Plan**) are as follows:

- (a) **Eligibility:** Participants in the Plan may be:
- (i) a Director (whether executive or non-executive) of the Company and any Associated Body Corporate of the Company (each, a **Group Company**);
 - (ii) a full or part time employee of any Group Company;
 - (iii) a casual employee or contractor of a Group Company to the extent permitted by ASIC Class Order 14/1000 as amended or replaced (**Class Order**); or
 - (iv) a prospective participant, being a person to whom the offer is made but who can only accept the offer if an arrangement has been entered into that will result in the person becoming a participant under subparagraphs (i), (ii), or (iii) above,
- who is declared by the Board to be eligible to receive grants of Options or Performance Rights (**Awards**) under the Plan (**Eligible Participants**).
- (b) **Offer:** The Board may, from time to time, in its absolute discretion, make a written offer to any Eligible Participant to apply for Awards, upon the terms set out in the Plan and upon such additional terms and conditions as the Board determines.
- (c) **Plan limit:** The Company must have reasonable grounds to believe, when making an offer, that the number of Shares to be received on exercise of Awards offered under an offer, when aggregated with the number of Shares issued or that may be issued as a result of offers made in reliance on the Class Order at any time during the previous 3 year period under an employee incentive scheme covered by the Class Order or an ASIC exempt arrangement of a similar kind to an employee incentive scheme, will not exceed 5% of the total number of Shares on issue at the date of the offer.
- (d) **Issue price:** Performance Rights granted under the Plan will be issued for nil cash consideration. Unless the Options are quoted on the ASX, Options issued under the Plan will be issued for no more than nominal cash consideration.
- (e) **Vesting Conditions:** An Award may be made subject to vesting conditions as determined by the Board in its discretion and as specified in the offer for the Awards (**Vesting Conditions**).
- (f) **Vesting:** The Board may in its absolute discretion (except in respect of a change of control occurring) by written notice to a Participant (being an Eligible Participant to whom Awards have been granted under the Plan or their nominee where the Awards have been granted to the nominee of the Eligible Participant (**Relevant Person**)), resolve to waive any of the Vesting Conditions applying to Awards due to:
- (i) special circumstances arising in relation to a Relevant Person in respect of those Awards, being:

- (A) a Relevant Person ceasing to be an Eligible Participant due to:
 - (I) death or total or permanent disability of a Relevant Person; or
 - (II) retirement or redundancy of a Relevant Person;
- (B) a Relevant Person suffering severe financial hardship;
- (C) any other circumstance stated to constitute "special circumstances" in the terms of the relevant offer made to and accepted by the Participant; or
- (D) any other circumstances determined by the Board at any time (whether before or after the offer) and notified to the relevant Participant which circumstances may relate to the Participant, a class of Participant, including the Participant or particular circumstances or class of circumstances applying to the Participant,

(Special Circumstances), or

- (v) a change of control occurring; or
 - (vi) the Company passing a resolution for voluntary winding up, or an order is made for the compulsory winding up of the Company.
- (g) **Lapse of an Award:** An Award will lapse upon the earlier to occur of:
- (i) an unauthorised dealing, or hedging of, the Award occurring;
 - (ii) a Vesting Condition in relation to the Award is not satisfied by its due date, or becomes incapable of satisfaction, as determined by the Board in its absolute discretion, unless the Board exercises its discretion to vest the Award in the circumstances set out in paragraph (f) or the Board resolves, in its absolute discretion, to allow the unvested Awards to remain unvested after the Relevant Person ceases to be an Eligible Participant;
 - (iii) in respect of unvested Awards only, a Relevant Person ceases to be an Eligible Participant, unless the Board exercises its discretion to vest the Award in the circumstances set out in paragraph (f) or the Board resolves, in its absolute discretion, to allow the unvested Awards to remain unvested after the Relevant Person ceases to be an Eligible Participant;
 - (iv) in respect of vested Awards only, a Relevant Person ceases to be an Eligible Participant and the Award granted in respect of that Relevant Person is not exercised within a one (1) month period (or such later date as the Board determines) of the date that person ceases to be an Eligible Participant;
 - (v) the Board deems that an Award lapses due to fraud, dishonesty or other improper behaviour of the Eligible Participant;
 - (vi) the Company undergoes a change of control or a winding up resolution or order is made and the Board does not exercise its discretion to vest the Award; and
 - (vii) the expiry date of the Award.

(h) **Cashless exercise facility**

If an Eligible Participant wishes to exercise some or all of their vested Options, they may, subject to Board approval, elect to pay the Option Exercise Price by using a cashless exercise facility, which entitles an Eligible Participant to set-off the Option exercise price against the number of Shares which the Participant is entitled to receive upon exercise of the Options as follows:

- (i) the aggregate total Option exercise price otherwise payable in respect of all vested Options exercised, less the aggregate total market value of Shares as at the date the vested Option is exercised that would otherwise be issued or transferred on exercise of the vested Options; and
 - (ii) divided by the market value of a Share as at the date the vested Option is exercised.
- (i) **Not transferrable:** Subject to the ASX Listing Rules, Awards are only transferrable in Special Circumstances with the prior written consent of the Board (which may be withheld in its absolute discretion) or by force of law upon death, to the Participant's legal personal representative or upon bankruptcy to the participant's trustee in bankruptcy.
- (j) **Shares:** Shares resulting from the exercise of the Awards shall, subject to any Sale Restrictions (refer paragraph (k)) from the date of issue, rank on equal terms with all other Shares on issue.
- (k) **Sale Restrictions:** The Board may, in its discretion, determine at any time up until exercise of Awards, that a restriction period will apply to some or all of the Shares issued to a Participant on exercise of those Awards (**Restriction Period**). In addition, the Board may, in its sole discretion, having regard to the circumstances at the time, waive any such Restriction Period.
- (a) **Quotation of Shares:** If Shares of the same class as those issued under the Plan are quoted on the ASX, the Company will, subject to the ASX Listing Rules, apply to the ASX for those Shares to be quoted on ASX within 10 business days of the later of the date the Shares are issued and the date any Restriction Period applying to the Shares ends.
- (l) **No Participation Rights:** There are no participation rights or entitlements inherent in the Awards and Participants will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Awards without exercising the Award.
- (m) **Change in exercise price of number of underlying securities:** An Award does not confer the right to a change in exercise price or in the number of underlying Shares over which the Award can be exercised.
- (n) **Reorganisation:** If, at any time, the issued capital of the Company is reorganised (including consolidation, subdivision, reduction or return), all rights of a Participant are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reorganisation.
- (o) **Amendments:** Subject to express restrictions set out in the Plan and complying with the Corporations Act, ASX Listing Rules and any other applicable law, the Board may, at any time, by resolution amend or add to all or any of the provisions of the Plan, or the terms or conditions of any Award granted under the Plan including giving any amendment retrospective effect.

SCHEDULE 4 – TERMS AND CONDITIONS OF INCENTIVE OPTIONS

(a) **Entitlement**

Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

(b) **Exercise Price**

The amount payable upon exercise of each Option will be \$0.0001 (**Exercise Price**).

(c) **Expiry Date**

Each Option will expire at 4:00 pm (WST) on the date that is four (4) years following the date of issue (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

The Options are exercisable at any time on or prior to the Expiry Date subject to satisfaction of the following performance milestones:

- (iii) **Class A Incentive Options:** 2,400,000 Incentive Options will be exercisable if, at any time within three (3) years following the date of issue of the Incentive Options (**Issue Date**), the volume weighted average price of Shares as traded on the ASX over twenty (20) consecutive trading days (**20 Day VWAP**) is equal to or greater than \$0.06;
- (iv) **Class B Incentive Options:** 2,400,000 Incentive Options will be exercisable if, at any time within three (3) years following the Issue Date, the 20 Day VWAP is equal to or greater than \$0.09;
- (v) **Class C Incentive Options:** 2,400,000 Incentive Options will be exercisable if, at any time within three (3) years following the Issue Date, the 20 Day VWAP is equal to or greater than \$0.12;
- (vi) **Class D Incentive Options:** 2,400,000 Incentive Options will be exercisable if, at any time within three (3) years following the Issue Date, the Company defines a JORC Resource at any individual project in which the Company holds a majority interest of at least 1,000,000 tonnes at a cut-off grade of 3% copper; and
- (vii) **Class E Incentive Options:** 2,400,000 Incentive Options will be exercisable if, at any time within three (3) years following the Issue Date, the Company completes a preliminary feasibility study on any individual project in which the Company holds a majority interest demonstrating an ability to operate that project as a commercially viable enterprise,

(**Exercise Period**),

(e) **Notice of Exercise**

The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(f) **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

(g) **Timing of issue of Shares on exercise**

Within 10 Business Days after the Exercise Date, the Company will:

- (i) allot and issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under (g)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(h) **Shares issued on exercise**

Shares issued on exercise of the Options rank equally with the then issued shares of the Company.

(i) **Quotation of Shares issued on exercise**

If admitted to the official list of ASX at the time, application will be made by the Company to ASX for quotation of the Shares issued upon exercise of the Options.

(j) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(k) **Participation in new issues**

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

(l) **Change in exercise price**

An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

(m) **Transferability**

The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

SCHEDULE 5 – TRACHE 1 CAPITAL RAISING INVESTORS

Investor	Investment	Shares	Options
Mr Rohan Charles Edmondson and Mrs Fionnuala Catherine Edmondson <R + F Edmondson Super Fund A/C>	\$25,000.00	1,000,000	1,000,000
Mr Adrian Paul Byass and Mrs Megan Ruth Byass <Oakwood Super Fund>	\$25,000.00	1,000,000	1,000,000
Station Nominees Pty Ltd <Station Super Fund A/C>	\$25,000.00	1,000,000	1,000,000
Nallur Pty Ltd	\$20,000.00	800,000	800,000
Mr Christopher James Martin Whitehead	\$25,000.00	1,000,000	1,000,000
Mr Peter Howells	\$25,000.00	1,000,000	1,000,000
Exit Out Pty Ltd <The Discretionary Trust>	\$25,000.00	1,000,000	1,000,000
Mr Mathew Donald Walker <Banjo Christopher Walker A/C>	\$6,250.00	250,000	250,000
Mr Mathew Donald Walker <Isabella Margaret Davis Walker A/C>	\$6,250.00	250,000	250,000
Mr Mathew Donald Walker <Charlotte Lynney Walker A/C>	\$6,250.00	250,000	250,000
Mr Mathew Donald Walker <Harriet Helen Walker A/C>	\$6,250.00	250,000	250,000
HSBC Custody Nominees (Australia) Limited	\$75,000.00	3,000,000	3,000,000
Corridor Nominees Pty Ltd	\$20,000.00	800,000	800,000
Mr Thomas Walter Houlihan	\$25,000.00	1,000,000	1,000,000
Silverlight Holdings Pty Ltd <Cairns Investment A/C>	\$25,000.00	1,000,000	1,000,000
Mr Roger Blake & Mrs Erica Lynette Blake <The Mandy Superfund A/C>	\$25,000.00	1,000,000	1,000,000
Mr Bryant James Mclarty <The Mclarty Family A/C>	\$25,000.00	1,000,000	1,000,000
Contacio Cove Pty Ltd	\$25,000.00	1,000,000	1,000,000
Empire Capital Partners Pty Ltd	\$22,500.00	900,000	900,000
Austern Investment Pty Ltd	\$25,000.00	1,000,000	1,000,000
Total	\$462,500	18,500,000	18,500,000



SCHEDULE 6 – FEES PAYABLE/PAID TO EMPIRE

Reason for Fee	Fee Payable			Value	Percentage of Capital Raising (is applicable)
	Shares	Options	Cash		
Empire Advisory Mandate					
Fee payable in consideration for appointment of Empire as corporate advisor under Empire Advisory Mandate (yet to be issued)	10,000,000	-	-	\$229,000 ¹	N/A
Empire Capital Raising Mandate – Barraba Capital Raising					
Fixed fee payable for acting as lead manager to Barraba Capital Raising (yet to be paid)	-	-	\$100,000	\$100,000	N/A
Distribution fee payable in connection with Barraba Capital Raising (yet to be paid/issued)	-	4,800,000	\$120,000 ⁴	\$3,024 ²	Calculated as 6% of amount raised under Barraba Capital Raising and equal to 6% of total Options to be issued (each assuming \$2,000,000 raised). Note that 4% of the funds raised will be paid away to other brokers assisting with the Barraba Capital Raising.
Initial Empire Mandate – Capital Raising					
Lead managers fee payable under the Initial Empire Mandate (Options yet to be issued)	-	4,000,000	\$28,750	\$2,520 ³	N/A
Distribution fee payable in connection with the Capital Raising	-	-	\$33,750	\$33,750	Cash fee calculated as 6% of amount raised under Capital Raising
TOTAL	10,000,000	8,800,000	\$242,450	\$477,548	

Notes:

1. Volume weighted average price of Shares over the 5 trading days prior to entry into the Empire Advisory Mandate.
2. \$80,000 cash and valuation of 4,800,000 Options using a Black & Scholes valuation undertaken by the Company with the following inputs: spot price \$0.018, strike price \$0.06, risk free rate 2.02%, time to expiry 1.33699 years, volatility 66.11%, for a valuation of \$0.0006 per Option for an aggregate total value of \$3,024.
3. \$28,750 cash and valuation of 4,800,000 Options using a Black & Scholes valuation undertaken by the Company with the following inputs: spot price \$0.018, strike price \$0.06, risk free rate 2.02%, time to expiry 1.33699 years, volatility 66.11%, for a valuation of \$0.0006 per Option for an aggregate total value of \$2,520.

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	ONLINE PROXY APPOINTMENT www.advancedshare.com.au/investor-login
	MOBILE DEVICE PROXY APPOINTMENT Lodge your proxy by scanning the QR code below, and enter your registered postcode. It is a fast, convenient and a secure way to lodge your vote.

2020 GENERAL MEETING PROXY FORM

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

STEP 1

APPOINT A PROXY

The Chair of the meeting **OR**
🔔 **PLEASE NOTE:** If you leave the section blank, the Chair of the Meeting will be your proxy.

or failing the individual(s) or body corporate(s) named, or if no individual(s) or body corporate(s) are named, the Chair of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf, including to vote in accordance with the following directions (or, if no directions have been given, and to the extent permitted by law, as the proxy sees fit), at the General Meeting of the Company to be held at **1176 Hay Street, West Perth, Western Australia on 3 April 2020 at 9.00 am (WST)** and at any adjournment or postponement of that Meeting.

CHAIR'S VOTING INTENTION IN RELATION TO UNDIRECTED PROXIES:
 The Chair intends to vote undirected proxies in favour of all Resolutions. In exceptional circumstances the Chair may change his/her voting intention on any Resolution. In the event this occurs an ASX announcement will be made immediately disclosing the reasons for the change.

STEP 2

VOTING DIRECTIONS

Resolutions	For	Against	Abstain*
1 Ratification of Prior Issue – Tranche 1 Capital Raising	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Related Party Participation in Tranche 2 Capital Raising – Mr M O’kane	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Related Party Participation in Tranche 2 Capital Raising – Mr H Halliday	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Related Party Participation in Tranche 2 Capital Raising – Mr D Prentice	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5 Related Party Participation in Tranche 2 Capital Raising – Mr A Molyneux	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6 Ratification of Prior Issue of Shares - Land Access Agreement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7 Placement – Shares and Options – Barraba Project Capital Raising	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8 Placement – Shares in Part Consideration for Barraba Project Acquisition	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9 Approval of Securities Issuance Capacity Under Performance Rights and Option Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10 Issue of Incentive Options – Mr M O’kane	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11 Replacement of Constitution	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12 Placement – Shares – Empire Capital Partners	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13 Placement – Options – Empire Capital Partners	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14 Placement – Options – Empire Capital Partners	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15 Non-Executive Directors’ Remuneration	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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

STEP 3

SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)	Joint Shareholder 2 (Individual)	Joint Shareholder 3 (Individual)
Sole Director and Sole Company Secretary	Director/Company Secretary (Delete one)	Director

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

Email Address

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

HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

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

CHANGE OF ADDRESS

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

APPOINTMENT OF A PROXY

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

DEFAULT TO THE CHAIR OF THE MEETING

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

VOTING DIRECTIONS – PROXY APPOINTMENT

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

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

APPOINTMENT OF A SECOND PROXY

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

To appoint a second proxy you must:

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

COMPLIANCE WITH LISTING RULE 14.11

In accordance with Listing Rule 14.11, if you hold shares on behalf of another person(s) or entity/entities or you are a trustee, nominee, custodian or other fiduciary holder of the shares, you are required to ensure that the person(s) or entity/entities for which you hold the shares are not excluded from voting on resolutions where there is a voting exclusion. Listing Rule 14.11 requires you to receive written confirmation from the person or entity providing the voting instruction to you and you must vote in accordance with the instruction provided.

By lodging your proxy votes, you confirm to the company that you are in compliance with Listing Rule 14.11.

CORPORATE REPRESENTATIVES

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

SIGNING INSTRUCTIONS ON THE PROXY FORM

Individual:

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

Joint Holding:

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

Power of Attorney:

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

Companies:

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

LODGE YOUR PROXY FORM

This Proxy Form (and any power of attorney under which it is signed) must be received at an address given below by 9.00 am (WST) on 1 April 2020, being not later than 48 hours before the commencement of the Meeting. Proxy Forms received after that time will not be valid for the scheduled meeting.



ONLINE PROXY APPOINTMENT

www.advancedshare.com.au/investor-login



BY MAIL

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



BY FAX

+61 8 6370 4203



BY EMAIL

admin@advancedshare.com.au



IN PERSON

Advanced Share Registry Limited
110 Stirling Hwy, Nedlands WA 6009



ALL ENQUIRIES TO

Telephone: +61 8 9389 8033