
ARDIDEN LTD

ACN 110 884 252

NOTICE OF GENERAL MEETING

TIME: 11.30am (WST)

DATE: Tuesday, 8 August 2017

PLACE: Suite 6, 295 Rokeby Road
Subiaco WA 6008

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.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary, Arron Canicais, on (+61 8) 6555 2950.

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IMPORTANT INFORMATION

TIME AND PLACE OF MEETING

Notice is given that the Meeting will be held at 11.30am (WST) on Tuesday, 8 August 2017 at:
Suite 6, 295 Rokeby Road, Subiaco WA 6008.

YOUR VOTE IS IMPORTANT

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

VOTING ELIGIBILITY

The Directors have determined pursuant to 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 5.00pm (WST) on 6 August 2017.

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 Shareholder 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.

Further details on these changes are set out below.

Proxy vote if appointment specifies way to vote

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

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

Transfer of non-chair proxy to chair in certain circumstances

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

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

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

BUSINESS OF THE MEETING

AGENDA

ORDINARY BUSINESS

1. RESOLUTION 1 – ISSUE OF TRANCHE 1 CONDITIONAL PERFORMANCE OPTIONS TO MR BRAD BOYLE

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

"That, for the purpose of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 5,000,000 Conditional Performance Options to Mr Brad Boyle (or his nominee) on the terms and conditions set out in Schedule 1 which includes the following performance hurdles that must be satisfied prior to being exercised:

(i) subject to defining at least one of the following:

(A) five (5) million tonnes of Li₂O, or

(B) five (5) million tonnes of Graphite at 4% graphitic carbon, or

(C) 500,000 ounces of gold.

across all current and potential future sourced Canadian projects; and

(ii) the volume weighted average price of Shares traded on ASX over 10 consecutive trading days after the date of grant of the Conditional Performance Options is not less than 3 cents,

and otherwise on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion Statement: The Company will disregard any votes cast on this Resolution by Mr Brad Boyle (and his nominee) and any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

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.

2. RESOLUTION 2 – ISSUE OF TRANCHE 2 CONDITIONAL PERFORMANCE OPTIONS TO MR BRAD BOYLE

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

"That, for the purpose of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 5,000,000 Conditional Performance Options to Mr Brad Boyle (or his nominee) on the terms and conditions set out in Schedule 1 which includes the following performance hurdles that must be satisfied prior to being exercised:

- (i) the successful execution of an off-take agreement for at least five (5) thousand tonnes of lithium concentrate or five (5) thousand tonnes per annum of graphite concentrate or equivalent mineral concentrates as otherwise agreed, or the identification and securing of additional mineral projects that will give rise to suitable JORC compliant resources, and*
- (ii) the volume weighted average price of Shares traded on ASX over 10 consecutive trading days after the date of grant of the Conditional Performance Options is not less than 5 cents,*

and otherwise on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion Statement: The Company will disregard any votes cast on this Resolution by Mr Brad Boyle (and his nominee) and any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

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.

3. RESOLUTION 3 – PARTICIPATION IN PLACEMENT – RELATED PARTY

To consider and, if thought fit, to pass 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, Shareholders approve the issue of 1,000,000 New Shares to Mr Brad Boyle (or his nominee) on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast on this Resolution by Mr Brad Boyle (and his nominee) and any of their associates. However, the Company will not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

4. RESOLUTION 4 – PARTICIPATION IN PLACEMENT – RELATED PARTY

To consider and, if thought fit, to pass 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, Shareholders approve the issue of 1,333,333 New Shares to Mr Neil Hackett (or his nominee) on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast on this Resolution by Mr Neil Hackett (and his nominee) and any of their associates. However, the Company will not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

5. RESOLUTION 5 – RATIFICATION OF PRIOR ISSUE OF SHARES

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

"That, for the purpose of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 100,000 Shares on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast on this Resolution by a person who participated in the issue and an associate 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.

6. RESOLUTION 6 – RATIFICATION OF PRIOR ISSUE OF SHARES

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

"That, for the purpose of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 37,666,667 Shares on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast on this Resolution by a person who participated in the issue and an associate 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.

DATED: 7 JULY 2017

BY ORDER OF THE BOARD

**BRAD BOYLE
DIRECTOR**

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. RESOLUTIONS 1 AND 2 – ISSUE OF CONDITIONAL PERFORMANCE OPTIONS TO MR BRAD BOYLE

1.1 General

As announced on 12 April 2017, as part of Brad Boyle's remuneration the Company has agreed, subject to obtaining Shareholder approval, to issue a total of 10,000,000 Conditional Performance Options in two tranches (**Related Party Conditional Performance Options**) to Mr Brad Boyle (**Related Party**) (or his nominees)

Resolutions 1 and 2 seek Shareholder approval for the grant of the Related Party Conditional Performance Options to Mr Boyle (or his nominees). on the terms and conditions set out below.

1.2 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 the Related Party Conditional Performance Options constitutes giving a financial benefit and Mr Brad Boyle is a related party of the Company by virtue of being a Director.

1.3 ASX Listing Rule 10.11

ASX Listing Rule 10.11 also requires Shareholder approval to be obtained where an entity issues, or agrees to issue, securities to a related party, or a person whose relationship with the entity or a related party is, in ASX's opinion, such that approval should be obtained unless an exception in ASX Listing Rule 10.12 applies.

1.4 Exceptions to requirement for Shareholder approval

The Directors (excluding Mr Brad Boyle) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue of the Related Party Conditional Performance Options because the issue is a form of remuneration for the Related Party which is considered reasonable in the circumstances of the Company and the relevant Related Party including taking into consideration the responsibilities involved in the office of the Related Party as a Director.

It is the view of the Directors that the exceptions set out in ASX Listing Rule 10.12 do not apply in the current circumstances. Accordingly, Shareholder approval pursuant to ASX Listing Rule 10.11 is sought for the issue of the Related Party Conditional Performance Options to the Related Party (or his nominees).

1.5 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 proposed issue of the Related Party Conditional Performance Options:

- (a) the related party is Mr Brad Boyle and he is a related party of the Company by virtue of being a Director;
- (b) the Related Party Conditional Performance Options will be issued to Mr Brad Boyle (or his nominees) in respect of Resolutions 1 and 2;
- (c) the maximum number of Related Party Conditional Performance Options to be issued to the Related Party (or his nominees) is 10,000,000 Related Party Conditional Performance Options pursuant to Resolutions 1 and 2;
- (d) the Related Party Conditional Performance Options 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);
- (e) the Related Party Conditional Performance Options will be issued for nil cash consideration, accordingly no funds will be raised;
- (f) the Related Party Conditional Performance Options will be issued on the terms and conditions set out in Schedule 1 which includes the following performance hurdles that must be satisfied prior to being exercised:

Tranche 1:

- (i) *subject to defining at least one of the following:*
 - (A) *five (5) million tonnes of Li₂O, or*
 - (B) *five (5) million tonnes of Graphite at 4% graphitic carbon, or*
 - (C) *500,000 ounces of gold.**across all current and potential future sourced Canadian projects; and*
- (ii) *the volume weighted average price of Shares traded on ASX over 10 consecutive trading days after the date of grant of the Conditional Performance Options is not less than 3 cents.*

Tranche 2:

- (i) *the successful execution of an off-take agreement for at least five (5) thousand tonnes of lithium concentrate or five (5) thousand tonnes per annum of graphite concentrate or equivalent mineral concentrates as otherwise agreed, or the identification and securing of additional mineral projects that will give rise to suitable JORC compliant resources, and*
- (ii) *the volume weighted average price of Shares traded on ASX over 10 consecutive trading days after the date of grant of the Conditional Performance Options is not less than 5 cents.*

- (g) no funds will be raised from the issue of the Related Party Conditional Performance Options as the issue is being made to provide a performance linked incentive component in the remuneration package for the Related Party to motivate and reward the performance of the Related Party in his roles as a Director.

Approval pursuant to ASX Listing Rule 7.1 is not required in order to issue the Related Party Conditional Performance Options to the Related Party (or his nominees) as approval is being obtained under ASX Listing Rule 10.11. Accordingly, the issue of Related Party Conditional Performance Options to the Related Party (or his nominees) will not be included in the 15% calculation of the Company's annual placement capacity pursuant to ASX Listing Rule 7.1.

2. RESOLUTION 3 AND 4 – PARTICIPATION IN PLACEMENT BY RELATED PARTIES

2.1 General

The Company announced on 5 June 2017 a placement of 40,000,000 Shares at an issue price of \$0.015 (**Placement**). On 9 June 2017, the Company issued to professional and sophisticated investors a total of 37,666,667 Shares. Subject to Shareholders approving the issues pursuant to Resolutions 3 and 4, the Company will issue the balance of the Placement of 2,333,333 Shares (**Related Party Shares**) to Directors.

The number of Shares that each Director has committed to subscribe for, subject to Shareholder approval, is set out below:

Director	Number of Shares	Total subscription amount
Mr Brad Boyle	1,000,000	\$15,000
Mr Neil Hackett	1,333,333	\$20,000
Total	2,333,333	\$35,000

Resolutions 3 and 4 seek Shareholder approval pursuant to issue a total of 2,333,333 Related Party Shares at \$0.015 to the Directors as detailed in the table above (**Participation**).

Resolutions 3 and 4 are ordinary resolutions.

The Chair intends to exercise all available proxies in favour of Resolutions 3 and 4.

2.2 Chapter 2E of the Corporations Act and Listing Rule 10.11

In accordance with Chapter 2E of the Corporations Act, in order to give a financial benefit to a related party, the Company must:

- (a) obtain Shareholder approval in the manner set out in section 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 an issue of Shares which constitutes giving a financial benefit and Directors are related parties by virtue of being Directors.

The Directors (other than a Director with a material personal interest in the matter being considered) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of this participation because the Related Party Shares will be issued to the participating Directors on the same terms as Shares issued to non-related party participants in the Placement and as such the giving of the financial benefit is on arm's length terms. The terms of the Placement are at the same issue price as the remaining 37,666,667 Shares issued to professional and sophisticated investors on 9 June 2017.

Listing Rule 10.11 also requires shareholder approval to be obtained where an entity issues, or agrees to issue, securities to a related party, or a person whose relationship with the entity or a related party is, in ASX's opinion, such that approval should be obtained unless an exception in Listing Rule 10.12 applies.

As the Participation involves the issue of Shares to related parties of the Company, Shareholder approval pursuant to Listing Rule 10.11 is required unless an exception applies. It is the view of the Directors that the exceptions set out in Listing Rule 10.12 do not apply in the current circumstances.

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

2.3 Section 195

Section 195 of the Corporations Act provides that a director of a public company must not vote or be present during meetings of directors when matters in which that director holds a 'material personal interest' are being considered.

The Director, Mr Brad Boyle has a material personal interest in the outcome of Resolution 3. The Director, Mr Neil Hackett has a material personal interest in the outcome of Resolution 4.

The Directors have accordingly exercised their right under section 195(4) of the Corporations Act to put the issue of the Related Party Shares to Shareholders to resolve upon.

2.4 Technical information required by Listing Rule 10.13 for Resolution 3

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

- (a) the Shares will be issued to Mr Brad Boyle (or his nominees);
- (b) the maximum number of Shares to be issued to Mr Boyle under the Placement is 1,000,000;
- (c) the Shares 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 Listing Rules);
- (d) the issue price will be \$0.015 per Share, being the same as all other Shares issued under the Placement, to raise approximately \$15,000;
- (e) 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;

- (f) the funds raised will be used for the same purposes as all other funds raised under the Placement as set out in section 3.3(e) of this Explanatory Statement; and
- (g) a voting exclusion statement is included in the Notice.

2.5 Technical information required by Listing Rule 10.13 for Resolution 4

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

- (a) the Shares will be issued to Mr Neil Hackett (or his nominees);
- (b) the maximum number of Shares to be issued to Mr Hackett is 1,333,333;
- (c) the Shares 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 Listing Rules);
- (d) the issue price will be \$0.015 per Share, being the same as all other Shares issued under the Placement, to raise approximately \$20,000;
- (e) 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; and
- (f) the funds raised will be used for the same purposes as all other funds raised under the Placement as set out in section 3.3(e) of this Explanatory Statement; and
- (g) a voting exclusion statement is included in the Notice.

3. RESOLUTIONS 5 AND 6 – RATIFICATION OF PRIOR ISSUE OF SHARES

3.1 General

Resolutions 5 and 6 seek Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of Shares to unrelated party subscribers (**Ratification**).

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

ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1. It provides that where a company in general meeting ratifies the previous issue of securities made pursuant to ASX Listing Rule 7.1 (and provided that the previous issue did not breach ASX Listing Rule 7.1) those securities will be deemed to have been made with shareholder approval for the purpose of ASX Listing Rule 7.1.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

3.2 Technical information required by ASX Listing Rule 7.4 for Resolution 5

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to Resolution 5:

- (a) 100,000 Shares were issued;
- (b) the issue price was \$0.024 per Share;

- (c) the Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (d) the Shares were issued to Benton Resources Inc. as outlined in the option agreement to acquire the Atikokan Project. Benton Resources Inc. is not a related party of the Company; and
- (e) no funds were raised from the issue of the Shares as the Shares were issued for no cash consideration pursuant to the option agreement.

3.3 Technical information required by ASX Listing Rule 7.4 for Resolution 6

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

- (a) 37,666,667 Shares were issued;
- (b) the issue price was \$0.015 per Share;
- (c) the Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (d) the Shares were issued to sophisticated investors as part of a private placement. None of these subscribers are related parties of the Company; and
- (e) the funds raised are being used for the Phase 2 drilling program at the Seymour Lake Lithium Project and exploration work at the Wisa Lake Lithium Project and the Bold Properties (under option) located in Ontario, Canada.

GLOSSARY

\$ means Australian dollars.

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.

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 Ardiden Ltd (ACN 110 884 252).

Conditional Performance Option means an Option issued with the terms and conditions set out in Schedule 1.

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

Directors means the current directors of the Company.

Explanatory Statement means the explanatory statement accompanying the Notice.

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

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

Option means an option to acquire a Share.

Optionholder means a holder of an Option.

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

Proxy Form means the proxy form accompanying 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 CONDITIONAL PERFORMANCE OPTIONS

(a) **Entitlement**

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

(b) **Exercise Price and Expiry Date**

Subject to paragraphs (i) and (k), the amount payable upon exercise of each Option will be \$0.02 (**Exercise Price**).

(c) **Expiry Date**

Each Option will expire at 5:00 pm (WST) on the day that is two (2) years from the date of issue of the options (**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 between the date of grant of the Options and the Expiry Date on and from that date on which the following performance hurdles are satisfied:

Tranche 1:

(i) *subject to defining at least one of the following:*

(A) *five (5) million tonnes of Li₂O, or*

(B) *five (5) million tonnes of Graphite at 4% graphitic carbon, or*

(C) *500,000 ounces of gold.*

across all current and potential future sourced Canadian projects; and

(ii) *the volume weighted average price of Shares traded on ASX over 20 consecutive trading days after the date of grant of the Conditional Performance Options is not less than 4 cents.*

Tranche 2:

(i) *the successful execution of an off-take agreement for at least five (5) thousand tonnes of lithium concentrate or five (5) thousand tonnes per annum of graphite concentrate or equivalent mineral concentrates as otherwise agreed, or the identification and securing of additional mineral projects that will give rise to suitable JORC compliant resources, and*

(ii) *the volume weighted average price of Shares traded on ASX over 20 consecutive trading days after the date of grant of the Conditional Performance Options is not less than 4 cents.*

until 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 15 Business Days after the later of the following:

- (i) the Exercise Date; and
- (ii) when excluded information in respect to the Company (as defined in section 708A(7) of the Corporations Act) (if any) ceases to be excluded information,

but in any case no later than 20 Business Days after the Exercise Date, the Company will:

- (iii) 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;
- (iv) 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
- (v) 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)(iv) 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) **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.

(j) **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.

(k) **Adjustment for rights issue**

In the event the Company proceeds with a pro rata issue (except a bonus issue) of securities to Shareholders after the date of issue of the Options, the Exercise Price may be reduced in accordance with the formula set out in ASX Listing Rule 6.22.2.

(l) **No adjustment for bonus issues of Shares**

In the event the Company proceeds with a bonus issue of securities to Shareholders after the date of issue of the Options, an Option does not confer the right to a change in the number of underlying securities over which the Option can be exercised.

(m) **Transferability**

The Options are not transferable. The Options may be subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

PROXY FORM

ARDIDEN LTD
ACN 110 884 252

GENERAL MEETING

I/We

of

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

Name:

OR

☐

the Chair as my/our proxy

or failing the person so named or, if no person is named, the Chair, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, and subject to the relevant laws as the proxy sees fit, at the Meeting to be held at 11.30am (WST), on 8 August 2017 at Suite 6, 295 Rokeby Road, Subiaco, Western Australia, and at any adjournment thereof.

AUTHORITY FOR CHAIR TO VOTE UNDIRECTED PROXIES ON REMUNERATION RELATED RESOLUTIONS

Where I/we have appointed the Chair as my/our proxy (or where the Chair becomes my/our proxy by default), I/we expressly authorise the Chair to exercise my/our proxy on Resolutions 1 and 2 (except where I/we have indicated a different voting intention below) even though Resolution 1 and 2 are connected directly or indirectly with the remuneration of a member of the Key Management Personnel, which includes the Chair.

CHAIR'S VOTING INTENTION IN RELATION TO UNDIRECTED PROXIES

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

Voting on business of the Meeting

	FOR	AGAINST	ABSTAIN
Resolution 1 – Issue of Tranche 1 Conditional Performance Options to Mr Brad Boyle	☐	☐	☐
Resolution 2 – Issue of Tranche 2 Conditional Performance Options to Mr Brad Boyle	☐	☐	☐
Resolution 3 – Participation In Placement – Related Party	☐	☐	☐
Resolution 4 – Participation In Placement – Related Party	☐	☐	☐
Resolution 5 – Ratification of prior issue of Shares	☐	☐	☐
Resolution 6 – Ratification of prior issue of Shares	☐	☐	☐

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

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

Signature of Shareholder(s):

Individual or Shareholder 1

Sole Director/Company Secretary

Shareholder 2

Director

Shareholder 3

Director/Company Secretary

Date:

Contact name:

Contact ph (daytime):

E-mail address:

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

YES ☐ NO ☐

Instructions for completing Proxy Form

1. **(Appointing a proxy):** A Shareholder entitled to attend and cast a vote at the Meeting is entitled to appoint a proxy to attend and vote on their behalf at the Meeting. If a Shareholder is entitled to cast 2 or more votes at the Meeting, the Shareholder may appoint a second proxy to attend and vote on their behalf at the Meeting. However, where both proxies attend the Meeting, voting may only be exercised on a poll. The appointment of a second proxy must be done on a separate copy of the Proxy Form. A Shareholder who appoints 2 proxies may specify the proportion or number of votes each proxy is appointed to exercise. If a Shareholder appoints 2 proxies and the appointments do not specify the proportion or number of the Shareholder's votes each proxy is appointed to exercise, each proxy may exercise one-half of the votes. Any fractions of votes resulting from the application of these principles will be disregarded. A duly appointed proxy need not be a Shareholder.
2. **(Direction to vote):** A Shareholder may direct a proxy how to vote by marking one of the boxes opposite each item of business. The direction may specify the proportion or number of votes that the proxy may exercise by writing the percentage or number of Shares next to the box marked for the relevant item of business. Where a box is not marked the proxy may vote as they choose subject to the relevant laws. Where more than one box is marked on an item the vote will be invalid on that item.
3. **(Signing instructions):**
 - **(Individual):** Where the holding is in one name, the Shareholder must sign.
 - **(Joint holding):** Where the holding is in more than one name, all of the Shareholders should sign.
 - **(Power of attorney):** If you have not already provided the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Form when you return it.
 - **(Companies):** Where the company has a sole director who is also the sole company secretary, that person must sign. Where the company (pursuant to Section 204A of the Corporations Act) does not have a company secretary, a sole director can also sign alone. Otherwise, a director jointly with either another director or a company secretary must sign. Please sign in the appropriate place to indicate the office held. In addition, if a representative of a company is appointed pursuant to Section 250D of the Corporations Act to attend the Meeting, the documentation evidencing such appointment should be produced prior to admission to the Meeting. A form of a certificate evidencing the appointment may be obtained from the Company.
4. **(Attending the Meeting):** Completion of a Proxy Form will not prevent individual Shareholders from attending the Meeting in person if they wish. Where a Shareholder completes and lodges a valid Proxy Form and attends the Meeting in person, then the proxy's authority to speak and vote for that Shareholder is suspended while the Shareholder is present at the Meeting.
5. **(Return of Proxy Form):** To vote by proxy, please complete and sign the enclosed Proxy Form and return by:
 - (a) post to Ardiden Ltd, Suite 6, 295 Rokeby Road, Subiaco WA 6008; or
 - (b) facsimile to the Company on facsimile number +61 8 9321 3102; or
 - (c) email to the Company at bboyle@ardiden.com.au,

so that it is received not less than 48 hours prior to commencement of the Meeting.

Proxy Forms received later than this time will be invalid.