

GTI RESOURCES LTD
ACN 124 792 132
NOTICE OF GENERAL MEETING

Notice is given that the Meeting will be held at:

TIME: 9:00am (WST)
DATE: Wednesday, 21 August 2019
PLACE: GW Capital Group
7/24 Walters Drive Osborne Park
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 5pm (WST) on Monday, 19 August 2019.

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IMPORTANT INFORMATION

Time and place of Meeting

Notice is given that the Meeting will be held at 9am (WST) on Wednesday, 21 August 2019 at the offices of GW Capital Group, 7/24 Walters Drive Osborne Park, Western Australia.

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 5pm (WST) on Monday, 19 August 2019.

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 9430 7888.

BUSINESS OF THE MEETING

AGENDA

1. RESOLUTION 1 – ISSUE OF CONSIDERATION SHARES

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 90,000,000 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 any person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the entity) 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.

2. RESOLUTION 2 – RATIFICATION OF TRANCHE 1 PLACEMENT SHARES UNDER EXISTING 15% CAPACITY

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 24,422,721 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 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.

3. RESOLUTION 3 – APPROVAL TO ISSUE REMAINING TRANCHE 1 PLACEMENT SHARES

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 15,577,279 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 any person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the entity) 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.

4. RESOLUTION 4 – ISSUE OF TRANCHE 2 PLACEMENT SHARES

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 60,000,000 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 any person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the entity) 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.

5. RESOLUTION 5 – ISSUE OF BROKER SECURITIES

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 12,084,544 Shares and 30,000,000 Options to CPS 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 any person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the entity) 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.

6. RESOLUTION 6 – ISSUE OF SHARES TO FACILITATORS

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 9,000,000 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 any person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the entity) 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.

7. RESOLUTION 7 – ADOPTION OF PERFORMANCE RIGHTS PLAN

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 7.2 (Exception 9(b)) and for all other purposes, approval is given for the Company to adopt an employee incentive scheme titled “GTI Resources Ltd Performance Rights Plan” and for the issue of securities under that 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 or on behalf of any Director except one who is ineligible to participate in any employee incentive scheme in relation to the Company, or any associates of those Directors. 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.

8. RESOLUTION 8 – ISSUE OF SHARES TO GEOLOGICAL CONSULTANT

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 350,000 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 any person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the entity) 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.

Dated: 15 July 2019

By order of the Board

Frank Campagna
Company Secretary

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. ACQUISITION OF URANIUM & VANADIUM PROPERTIES IN UTAH, USA

1.1 Acquisition

As announced on 1 July 2019 (**Announcement**), GTI Resources Ltd (**GTI** or the **Company**) has entered into a binding sale and purchase agreement to acquire 100% of Voyager Energy Pty Ltd (ACN 630 132 679) (**Voyager**), a private entity which in turn has the exclusive right to acquire, via a newly incorporated Utah company, eight highly prospective uranium/vanadium exploration projects located in the Henry Mountains mining district of south eastern Utah, USA (**Acquisition**) (**Properties**).

Full details of the Properties, including the location, history, mineralisation and industry outlook for the uranium market are set out in the Announcement.

In consideration for the Acquisition, the Company will issue to the shareholders of Voyager (**Vendors**) a total of 90,000,000 fully paid ordinary shares (**Shares**) at a deemed issue price of \$0.012 per Share (that is, having a deemed value of \$1,080,000) (the subject of Resolution 1) (**Consideration Shares**). The Vendors' details and their respective apportionment of the Consideration Shares are set out in Schedule 1.

Completion of the Acquisition (**Completion**) is subject to the satisfaction of a number of conditions that must be satisfied within 3 months of the date of the Agreement including, the Company obtaining any required shareholder approval associated with the Acquisition and the Capital Raising (defined below) and the Company completing technical, legal and financial due diligence on Voyager, its assets and the Properties.

The Company proposes to issue to nominees of CPS Capital Group Pty Ltd (ACN 088 055 636) (**CPS**) who assisted the Company in previous capital raisings and for facilitating the proposed Capital Raising a total of 9,000,000 Shares, subject to shareholder approval (the subject of Resolution 6).

Effective as at Completion, it is proposed that Mr Bruce Lane will be appointed to the board as an executive director. Details of Mr Lane's background and experience is set out in the Announcement. The Company will announce full details of the terms of Mr Lane's proposed engagement as an executive director prior to completion of the Acquisition.

On and from Completion, Mr Murray McDonald will resign from his role as executive chairman and managing director and will continue to serve the Company in the role of non-executive director until such time as a suitable industry replacement has been found.

1.2 Capital Raising

In connection with the Acquisition, the Company proposes to conduct the following:

- (a) a placement of 40,000,000 Shares at an issue price of \$0.01 to raise \$400,000 (before costs) (**Tranche 1 Placement**). A total of 24,422,721 Shares pursuant to the Tranche 1 Placement will be completed using the Company's existing 15% placement capacity under Listing Rule 7.1 (the Company is seeking to ratify this issue pursuant to Resolution 2) and the remaining 15,577,279 Shares to be issued subject to approval (Resolution 3);
- (b) an additional placement of 60,000,000 Shares at an issue price of \$0.01 to raise \$600,000 (before costs) (**Tranche 2 Placement**). The Tranche 2 Placement will be subject to shareholder approval (the subject of Resolution 4); and

- (c) shortly after completion of the Tranche 1 Placement, a non-renounceable entitlements issue to offer a total of 101,409,070 Shares to Shareholders on a 1:2 basis at an issue price of \$0.01 per Share to raise \$1,014,091 (before costs) (**Entitlement Issue**),

(together the **Capital Raising**).

The Tranche 1 Placement and the Tranche 2 Placement are collectively referred to as the "**Placement**."

Completion of the Tranche 1 Placement will occur prior to the Entitlement Issue record date in order to allow investors under the Tranche 1 Placement the opportunity to participate in the Entitlement Issue.

CPS will fully underwrite the Entitlement Issue and act as lead manager to the Placement. In support, CPS has elected to receive, subject to shareholder approval, its 6% capital raising fee for both the Entitlement Issue and the Placement in shares in the Company (equating to a total of 12,084,544 Shares) (the Subject of Resolution 5).

As part of its services, CPS will receive a monthly corporate advisory fee of A\$4,000 (plus GST) for a minimum term of twelve (12) months.

In addition, CPS will also receive 30,000,000 options to acquire Shares (**Options**) exercisable at 3c and expiring on 31 December 2021. These Options will have those terms as set out in Schedule 2 to this Notice and will be issued at \$0.00001 per Option (the subject of Resolution 5).

It is also proposed that 30,000,000 performance rights will also be issued in connection with the Acquisition post the Meeting which will vest subject to various conditions and milestones (**Performance Rights**). It is the intention that the Performance Rights be issued (where applicable) pursuant to the GTI Resources Ltd Performance Rights Plan (**Plan**) (the subject of Resolution 7).

The Company will announce details of the offer period for the Entitlement Issue to shareholders in due course. It is envisaged that sufficient time and notice will be given in order to allow for those investors under the Tranche 1 Placement and any other investors the opportunity to subscribe under the Entitlement Issue.

The funds raised from the Capital Raising will be used towards exploration and development of the Properties and continue ongoing assessment of the Company's West Australian projects. Full details of the Company's proposed exploration program on the Properties and its West Australian projects are set out in the Announcement.

1.3 Capital Structure

Item	Shares	Options	Performance Rights
Currently on issue	162,818,139	85,137,500 ¹	Nil
Issue to the Vendors	90,000,000	Nil	Nil
Issued pursuant to the Placements (T1 & T2)	100,000,000	Nil	Nil
Issued pursuant to the Entitlement Issue to GTI Shareholders	101,409,070	Nil	Nil
Fees associated with the Capital Raising	12,084,544	30,000,000 ²	Nil

Introduction and facilitation fees to advisors	9,000,000	Nil	Nil
Other securities issued pursuant to the Acquisition	Nil	Nil	30,000,000 ³
Issued to Geological Consultant	350,000	Nil	Nil
TOTAL	475,661,753	115,137,500	30,000,000

Notes:

1. These options consist of 50,000,000 options exercisable at \$0.08 expiring on or before 30 June 2021 and 35,137,500 options exercisable at \$0.03 expiring on or before 31 December 2021.
2. 30,000,000 options exercisable at 3c and expiring on 31 December 2021. These options will have those terms as set out in Schedule 2 to this Notice and will be issued at \$0.00001 per option.
3. 30,000,000 Performance Rights which vest subject to various conditions and milestones.

2. RESOLUTION 1 – ISSUE OF CONSIDERATION SHARES

2.1 General

Resolution 1 seeks Shareholder approval for the issue of the 90,000,000 Consideration Shares to the Vendors pursuant to ASX Listing Rule 7.1.

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.

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

2.2 Technical information required by ASX Listing Rule 7.1

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to the issue of the Consideration Shares:

- (a) 90,000,000 Consideration Shares will be issued;
- (b) the Consideration 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 Consideration Shares will occur on the same date;
- (c) the Consideration Shares will be issued for nil cash consideration as consideration for the Acquisition;
- (d) the Consideration Shares will be issued to the Vendors, in accordance with the terms of the Agreement, none of whom are a related party of the Company;
- (e) the Consideration 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) no funds will be raised from the issue, as the Consideration Shares will be issued in consideration for the Acquisition.

3. RESOLUTION 2 – RATIFICATION OF TRANCHE 1 PLACEMENT SHARES UNDER EXISTING 15% CAPACITY

3.1 General

The Company has issued a total of 24,422,721 Shares pursuant to the Tranche 1 Placement at an issue price of \$0.01 per Share utilising the Company's existing placement capacity under ASX Listing Rules 7.1.

Resolution 2 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of those Shares under the Tranche 1 Placement (**Ratification**).

If Resolution 2 is approved, the Company's issuing capacity under Listing Rules 7.1 will be restored. This will allow the Company to issue further Equity Securities representing up to 15% of the Company's issued capital under Listing Rule 7.1 in the next 12 months.

A summary of ASX Listing Rule 7.1 is set out in Section 2.1 above.

Listing Rule 7.4 states that an issue by a company of Equity Securities made without approval under Listing Rule 7.1 is treated as having been made with approval for the purpose of Listing Rule 7.1 if the issue did not breach Listing Rule 7.1, and the company's shareholders subsequently approve it.

3.2 Technical information required by ASX Listing Rule 7.4

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

- (a) 24,422,721 Shares were issued;
- (b) the issue price was \$0.01 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 and professional investor clients of CPS. None of these subscribers are related parties of the Company; and
- (e) the funds raised from this issue will be used towards exploration and development of the Properties and continue ongoing assessment of the Company's West Australian projects.

4. RESOLUTION 3 – APPROVAL TO ISSUE REMAINING TRANCHE 1 PLACEMENT SHARES

4.1 General

Resolution 3 seeks Shareholder approval for the issue of 15,577,279 Shares (being the remaining balance pursuant to the Tranche 1 Placement) at an issue price of \$0.01 pursuant to ASX Listing Rule 7.1.

A summary of ASX Listing Rule 7.1 is set out in Section 2.1 above.

The effect of this Resolution will be to allow the Company to issue the remaining Shares pursuant to the Tranche 1 Placement during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

4.2 Technical information required by ASX Listing Rule 7.1

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to the issue of the remaining Shares pursuant to the Tranche 1 Placement:

- (a) 15,577,279 Shares will be issued (being the remaining balance pursuant to the Tranche 1 Placement);
- (b) 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;
- (c) the Shares will be issued at an issue price of \$0.01 per Share;
- (d) the Shares will be issued to sophisticated and professional investor clients of CPS, none of whom are a related party of the Company;
- (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 from this issue will be used towards exploration and development of the Properties and continue ongoing assessment of the company's West Australian projects.

5. RESOLUTION 4 – ISSUE OF TRANCHE 2 PLACEMENT SHARES

5.1 General

Resolution 4 seeks Shareholder approval for the issue of the 60,000,000 Shares pursuant to the Tranche 2 Placement at an issue price of \$0.01 pursuant to ASX Listing Rule 7.1.

A summary of ASX Listing Rule 7.1 is set out in Section 2.1 above.

The effect of this Resolution will be to allow the Company to issue the Shares pursuant to the Tranche 2 Placement during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

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 the issue of the Shares pursuant to the Tranche 2 Placement:

- (a) 60,000,000 Shares will be issued;
- (b) 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;
- (c) the Shares will be issued at an issue price of \$0.01 per Share;
- (d) the Shares will be issued to sophisticated and professional investor clients of CPS, none of whom are a related party of the Company;
- (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 from this issue will be used towards exploration and development of the Properties and continue ongoing assessment of the company's West Australian projects.

6. RESOLUTION 5 - ISSUE OF BROKER SECURITIES

6.1 General

Resolution 5 seeks Shareholder approval pursuant to ASX Listing Rule 7.1 for the issue of the following securities to CPS in consideration for services as lead manager to the Placement and underwriter to the Entitlement Issue:

- (a) 12,084,544 Shares in lieu of CPS' 6% broker fee; and
- (b) 30,000,000 Options in accordance with the terms set out in Schedule 2, (together, the **Broker Securities**).

A summary of ASX Listing Rule 7.1 is set out in Section 2.1 above.

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

6.2 Technical information required by ASX Listing Rule 7.1

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to the issue of the Broker Securities:

- (a) 12,084,544 Shares and 30,000,000 Options will be issued to CPS;
- (b) the Broker Securities 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 Broker Securities will occur on the same date;
- (c) the Shares will be issued for nil consideration;
- (d) the Broker Securities will be issued to CPS, who is not a related party of the Company, in consideration for services as lead manager to the Placement and as underwriter to the Entitlement Issue;
- (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 Options will be issued in accordance with the terms set out in Schedule 2 and will be issued at \$0.00001 per Option; and
- (g) other than nominal funds received for issuing the Options to CPS (being \$300) no other funds will be raised from the issue of the Broker Securities.

7. RESOLUTION 6 - ISSUE OF SHARES TO FACILITATORS

7.1 General

Resolution 6 seeks Shareholder approval pursuant to ASX Listing Rule 7.1 for the issue of 9,000,000 Shares to nominees of CPS for facilitating the proposed Capital Raising and in supporting previous capital raisings.

A summary of ASX Listing Rule 7.1 is set out in Section 2.1 above.

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

7.2 Technical information required by ASX Listing Rule 7.1

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

- (a) a total of 9,000,000 Shares will be issued to nominees of CPS for facilitating the proposed Capital Raising and in supporting previous capital raising of the Company;
- (b) 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;
- (c) the Shares will be issued for nil consideration;
- (d) the Shares will be issued to nominees of CPS, none of whom are (or will be) a related parties of the Company;
- (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) no funds will be from the issue of the Shares.

8. RESOLUTION 7 – ADOPTION OF PERFORMANCE RIGHTS PLAN

The Company considers that it is desirable to maintain a securities incentive plan pursuant to which the Company can issue performance rights to eligible Directors, employees and consultants in order to attract, motivate and retain such persons and to provide them with an incentive to deliver growth and value to all Shareholders.

Accordingly, Resolution 7 seeks Shareholder approval for the adoption of the employee securities incentive plan titled "GTI Resources Ltd Performance Rights Plan" (**Plan**) in accordance with Listing Rule 7.2 Exception 9(b).

Under the Plan, the Board may offer to eligible persons the opportunity to subscribe for such number of performance rights in the Company as the Board may decide and on the terms set out in the rules of the Plan, a summary of which 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. Shareholders are invited to contact the Company if they have any queries or concerns.

A summary of Listing Rule 7.1 is provided in Section 2.1. Listing Rule 7.2, Exception 9(b) provides an exception to Listing Rule 7.1 by which equity securities issued under an employee incentive scheme are exempt for a period of 3 years from the date on which shareholders approve the issue of equity securities under the scheme as an exception to Listing Rule 7.1.

If Resolution 7 is passed, the Company will be able to issue performance rights 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.

No performance rights have been issued under the current Plan as it is a new employee incentive plan and has not previously been approved by Shareholders.

Prior Shareholder approval will be required under Listing Rule 10.14 before any Director or related party of the Company can participate in the Plan.

Pursuant to the Listing Rules, Shareholders must re-approve the Plan and all unissued Securities issuable pursuant thereto every 3 years.

Resolution 7 is an ordinary resolution.

9. RESOLUTION 8 - ISSUE OF SHARES TO GEOLOGICAL CONSULTANT

9.1 General

Resolution 8 seeks Shareholder approval pursuant to ASX Listing Rule 7.1 for the issue of 350,000 Shares at a deemed issue price of \$0.01 per Share to Shearwater Australia Pty Ltd (ACN 151 921 247) (**Shearwater**), an entity associated with the Company's consultant geologist, Mr Andy Rust, in lieu of fees for geological consulting services to the Company.

A summary of ASX Listing Rule 7.1 is set out in Section 2.1 above.

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

9.2 Technical information required by ASX Listing Rule 7.1

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

- (a) a total of 350,000 Shares will be issued;
- (b) 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;
- (c) the Shares will be issued for nil consideration as they are being issued in lieu of fees for geological consulting services to the Company;
- (d) the Shares will be issued to Shearwater, who is not a related party of the Company;
- (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) no funds will be from the issue of the Shares.

GLOSSARY

\$ means Australian dollars.

Acquisition has that meaning given to it in Section 1.1.

Announcement has that meaning given to it in Section 1.1.

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.

Capital Raising means the Placement and the Entitlement Issue.

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 GTI Resources Ltd (ACN 124 792 132).

Completion has its meaning given to it in Section 1.1.

Consideration Shares means the 90,000,000 Shares that, subject to Resolution 1, will be issued to the Vendors in consideration for the Acquisition.

Constitution means the Company's constitution.

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

CPS means CPS Capital Group Pty Ltd (ACN 088 055 636).

Directors means the current directors of the Company.

Entitlement Issue means a non-renounceable entitlements issue to offer a total of 101,409,070 Shares to Shareholders on a 1:2 basis at an issue price of \$0.01 per Share to raise \$1,014,091 (before costs).

Equity Securities has the meaning given to that term in Listing Rule 19.12, being: (a) a share; (b) a unit; (c) a right to a share or unit or option; (d) an option over an issued or unissued security; (e) a convertible security; (f) any security that ASX decides to classify as an equity security; (g) but not a security that ASX decides to classify as a debt security.

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 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.

Performance Right means a right to acquire a Share, subject to satisfaction of any vesting conditions, and the corresponding obligation of the Company to provide the Share.

Placement means Tranche 1 Placement and Tranche 2 Placement.

Plan means the employee incentive scheme titled "GTI Resources Ltd Performance Rights Plan" on the terms and conditions set out in Schedule 3 to be adopted by the Company subject to receipt of Shareholder approval being sought under Resolution 7.

Proxy Form means the proxy form accompanying the Notice.

Ratification has its meaning given to it in Section 3.1.

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.

Shearwater means Shearwater Australia Pty Ltd (ACN 151 921 247).

Tranche 1 Placement means a placement of 40,000,000 Shares at an issue price of \$0.01 to raise \$400,000 (before costs).

Tranche 2 Placement means a placement of 60,000,000 Shares at an issue price of \$0.01 to raise \$600,000 (before costs).

Vendors means the parties set out in Schedule 3.

Voyager means Voyager Energy Pty Ltd (ACN 630 132 679).

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

SCHEDULE 1 – THE VENDORS

	Voyager Shareholder	Voyager Shares Held	% Interest in the Consideration Shares	Consideration Shares (GTR Shares)
1	MR GUY KALMA	50,000	0.36%	326,086
2	GODRON PTY LTD <THE GODRON TRUST>	250,000	1.81%	1,630,435
3	LODNI INVESTMENTS PTY LTD <LMN SUPER FUND A/C>	100,000	0.72%	652,174
4	MR WILLI RUDIN	1,000,000	7.25%	6,521,739
5	MR STEVEN SCOTT DAY	1,000,000	7.25%	6,521,739
6	FLUFFY DUCK SUPER PTY LTD <FLUFFY DUCK SUPER FUND A/C>	1,000,000	7.25%	6,521,739
7	MR DAVID CHARLES NEESHAM & MRS PAMELA CHRISTINE NEESHAM <DC&PC NEESHAM SUPER A/C>	1,000,000	7.25%	6,521,739
8	MR BRUCE JAMES LANE <OSCELLA FAMILY A/C>	100,001	0.72%	652,174
9	KITARA INVESTMENTS PTY LTD <KUMOVA #1 FAMILY A/C>	830,000	6.01%	5,413,043
10	MELVILLE WATERPOLO CLUB <BUILDING DEVELOPMENT A/C>	450,000	3.26%	2,934,783
11	PENINSULA INVESTMENTS (WA) PTY LTD	320,000	2.32%	2,086,957
12	J STIMPSON PTY LTD <HOEK A/C>	200,000	1.45%	1,304,348
13	ROBERT BRIERLEY <BRIERLEY FAMILY TRUST A/C>	400,000	2.90%	2,608,696
14	RAT CONSULTING PTY LTD	150,000	1.09%	978,261
15	ACI CASTELLO PTY LTD	50,000	0.36%	326,087
16	AUSI PROJECTS LLC	6,900,000	50.00%	45,000,000
	Total	13,800,000	100.00%	90,000,000

SCHEDULE 2 – BROKER OPTIONS

(a) **Entitlement**

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

(b) **Exercise Price**

Subject to paragraph (i), the amount payable upon exercise of each Option will be \$0.03 (**Exercise Price**).

(c) **Expiry Date**

Each Option will expire at 5:00 pm (WST) on 31 December 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 15 Business Days after the Exercise Date, the Company will:

- (i) 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) **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) **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.

(l) **Transferability**

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

SCHEDULE 3 – SUMMARY OF PERFORMANCE RIGHTS PLAN

Performance Rights Plan

The main objective of the Plan is to provide the Company with a remuneration mechanism, through the issue of securities in the capital of the Company, to motivate and reward the performance of employees in achieving specified performance milestones within a specified performance period. The Directors consider that the Plan is an appropriate method to:

- reward employees for their past performance;
- provide long term incentives for participation in the Company's future growth;
- motivate employees and generate loyalty from senior employees; and
- assist to retain the services of valuable employees.

Summary of Plan

- (a) Performance Rights may be granted to any full-time or part-time employee of the Company (including a salaried director or company secretary), who is determined by the Board to be eligible to participate in the Plan (**Eligible Participants**), with effect from the date determined by the Board, upon the terms set out in the Plan and upon such additional terms and vesting conditions as the Board determines.
- (b) The number of Performance Rights that will be offered to an Eligible Participant pursuant to an Offer is entirely within the discretion of the Board. On vesting, each Performance Right is an entitlement to one fully paid ordinary share in the capital of the Company (**Share**) provided that certain performance milestones are met. If the performance milestones are not met, the Performance Rights will lapse, and the Eligible Participant will have no entitlement to any Shares.
- (c) Performance Rights that have not vested will lapse on the earlier of the following:
 - (i) failure to meet the vesting conditions;
 - (ii) the expiry date (as set by the Board);
 - (iii) the employee ceasing employment or employment relationship with the Company;
 - (iv) a purported transfer of the Performance Rights without the Board's consent;
 - (v) fraud or dishonesty;
 - (vi) the seven-year anniversary of the date of grant of the Performance Rights; or
 - (vii) any other circumstances specified by the Board in the Offer.
- (d) An Eligible Participant will not be required to make any payment in return for a grant of Performance Rights, nor for the issue or transfer of Shares upon the vesting of the Performance Rights.
- (e) The Company shall notify the Eligible Participant when the relevant vesting requirements have been satisfied and the Performance Rights have vested. The Eligible Participant may then exercise their vested Performance Rights by lodging with the Company a notice of exercise of the Performance Rights and the certificate for the Performance Rights. Within 10 days of receipt of a valid notice of exercise of

Performance Rights, the Company will issue one Share to the Eligible Participant for each Performance Right exercised. Performance Rights cannot vest, nor can Shares be issued in relation to vested Performance Rights, during a blackout period.

- (f) (The Company will, as soon as practicable after the Shares have been allotted, apply to ASX for quotation of the Shares.
- (g) Shares resulting from the vesting of the Performance Rights shall, from the date of issue, rank *pari passu* with all other Shares on issue.
- (h) Performance Rights shall not be quoted on ASX.
- (i) Performance Rights shall not be transferred or assigned by an Eligible Participant except with the prior written consent of the Directors of the Company.
- (j) Subject to any rights an Eligible Participant may have in relation to a bonus issue or reorganisation, Eligible Participants are not entitled to participate in any new issue of securities of the Company as a result of their holding Performance Rights.
- (k) If Shares are issued pro-rata to the Company's shareholders generally by way of bonus issue (other than an issue in lieu of dividends or by way of dividend reinvestment) involving capitalisation of reserves or distributable profits, the number of Performance Rights to which each Eligible Participant is entitled, will be adjusted in the manner determined by the Board to ensure that no advantage accrues to the Eligible Participant as a result of the bonus issue.
- (l) In the event of any reorganisation (including consolidation, subdivision, reduction or return) of the issued capital of the Company, the number of Performance Rights to which each Eligible Participant is entitled, or any amount payable on vesting of the Performance Rights, or both as appropriate, will be adjusted in the manner determined by the Board to ensure that no advantage or disadvantage accrues to the Eligible Participant as a result of such corporate actions.
- (m) Unless the Eligible Participant agrees otherwise, all of an Eligible Participant's unvested Performance Rights vest automatically:
 - (i) if a takeover bid is made, the takeover bid is declared unconditional and the bidder has acquired a relevant interest in more than 50% of the Company's shares; or
 - (ii) a court approves under section 411(4)(b) of the Corporations Act a proposed compromise or arrangement for the purposes of or in connection with a scheme for the reconstruction of the Company or its amalgamation with any other company or companies.
- (n) The holder of Performance Rights does not have any entitlement to vote at a general meeting of Shareholders or to receive dividends.

GTI RESOURCES LTD
ACN 124 792 132

PROXY FORM

The Company Secretary
GTI Resources Ltd

By post:
7/24 Walters Drive
Osborne Park
WA 6017

Delivery:
7/24 Walters Drive
Osbourne Park
WA 6017

By facsimile:
+61 6323 1128

Step 1 – Appoint a Proxy to Vote on Your Behalf

I/We ¹ _____ of _____

being a Shareholder/Shareholders of the Company and entitled to _____
votes in the Company, hereby appoint:

The Chairman of the Meeting (mark box)

☐

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

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the Meeting to be held at 9am (AWST) on 21 August 2019 at GW Capital Group, 7/24 Walters Drive Osborne Park, Western Australia, (and at any adjournment or postponement of the Meeting) on my/our behalf and 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, except as provided below).

Proxy appointments will only be valid and accepted by the Company if they are made and received no later than 48 hours before the meeting.

Important – If the Chairman of the Meeting is your proxy or is appointed your proxy by default

The Chairman of the Meeting intends to vote all available proxies in favour of all Resolutions. If the Chairman of the Meeting is your proxy or is appointed your proxy by default, unless you indicate otherwise by ticking either the 'for', 'against' or 'abstain' box in relation to Resolutions 1 to 8, you will be authorising the Chairman to vote in accordance with the Chairman's voting intentions on Resolutions 1 to 8 even if Resolutions 1 to 8 are connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

Please read the voting instructions overleaf before marking any boxes with an ☒.

Step 2 – Instructions as to Voting on Resolutions

INSTRUCTIONS AS TO VOTING ON RESOLUTIONS

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

		For	Against	Abstain
Resolution 1	Issue of Consideration Shares	☐	☐	☐
Resolution 2	Ratification of Tranche 1 Placement Shares under 15% capacity	☐	☐	☐
Resolution 3	Approval to issue remaining Tranche 1 Placement Shares	☐	☐	☐
Resolution 4	Issue of Tranche 2 Placement Shares	☐	☐	☐
Resolution 5	Issue of Broker Securities	☐	☐	☐
Resolution 6	Issue of Shares to Facilitators	☐	☐	☐
Resolution 7	Adoption of Performance Rights Plan	☐	☐	☐
Resolution 8	Issue of Shares to Geological Consultant	☐	☐	☐

* 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.

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

Authorised signature/s

This section **must** be signed in accordance with the instructions below to enable your voting instructions to be implemented.

Individual or Shareholder 1

Sole Director and Sole Company Secretary

Shareholder 2

Director

Shareholder 3

Director/Company Secretary

Contact Name

Contact Daytime Telephone

Date

¹Insert name and address of Shareholder**Proxy Notes:**

A Shareholder entitled to attend and vote at the Meeting may appoint a natural person as the Shareholder's proxy to attend and vote for the Shareholder at that Meeting. If the Shareholder is entitled to cast 2 or more votes at the Meeting the Shareholder may appoint not more than 2 proxies. Where the Shareholder appoints more than one proxy the Shareholder may specify the proportion or number of votes each proxy is appointed to exercise. If such proportion or number of votes is not specified each proxy may exercise half of the Shareholder's votes. A proxy may, but need not be, a Shareholder of the Company.

If a Shareholder appoints a body corporate as the Shareholder's proxy to attend and vote for the Shareholder at that Meeting, the representative of the body corporate to attend the Meeting must produce the Certificate of Appointment of Representative prior to admission. A form of the certificate may be obtained from the Company's share registry.

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

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

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

Companies: a Director can sign jointly with another Director or a Company Secretary. A sole Director who is also a sole Company Secretary can also sign. Please indicate the office held by signing in the appropriate space.

If a representative of the corporation is to attend the Meeting the appropriate "Certificate of Appointment of Representative" should be produced prior to admission. A form of the certificate may be obtained from the Company's Share Registry.

Proxy Forms (and the power of attorney or other authority, if any, under which the Proxy Form is signed) or a copy or facsimile which appears on its face to be an authentic copy of the Proxy Form (and the power of attorney or other authority) must be deposited at or received by facsimile transmission at the address below no later than 48 hours prior to the time of commencement of the Meeting (AWST).

Business address: 7/24 Walters Drive, Osborne Park, WA 6017

Postal address: 7/24 Walters Drive, Osborne Park, WA 6017

Facsimile: +61 6323 1128