
CLASSIC MINERALS LIMITED

ACN 119 484 016

NOTICE OF GENERAL MEETING

TIME: 11:00 am WST

DATE: Tuesday, 22 April 2014

PLACE: Hyatt Regency Perth
99 Adelaide Terrace
Perth WA 6000

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 on (08) 9445 3008.

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TIME AND PLACE OF MEETING AND HOW TO VOTE

VENUE

The General Meeting of the Shareholders of Classic Minerals Limited which this Notice of General Meeting relates to will be held at 11.00am WST on Tuesday 22 April 2014 at Hyatt Regency Perth, 99 Adelaide Terrace, Perth WA 6000.

YOUR VOTE IS IMPORTANT

The business of the General 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 Thursday, 17 April 2014.

VOTING IN PERSON

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

VOTING BY PROXY

To vote by proxy, please complete and sign the proxy form enclosed and either:

- (a) send the proxy form by post to Advanced Share Registry Limited, PO Box 1156, Nedlands, Western Australia 6009; or
- (b) send the proxy form by facsimile to Advanced Share Registry Limited on facsimile number (08) 9389 7871.
- (c) send the proxy form by post to Classic Minerals Limited, PO Box 487, Osborne Park, Western Australia 6917; or
- (d) send the proxy form by facsimile to the Company on facsimile number (08) 9242 8295,

so that it is received not later than at 11.00am WST on Sunday, 20 April 2014.

TIME AND PLACE OF MEETING AND HOW TO VOTE

Proxy forms received later than this time will be invalid.

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

- Each member has a right to appoint a proxy;
- The proxy need not be a member of the company; and
- A member 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 each proxy may exercise, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise half of the votes.

Shareholders and their proxies should be aware of 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);
- 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;
- 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;
- the appointed proxy is not the chair of the meeting;
- 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.

NOTICE OF GENERAL MEETING

Notice is given that the General Meeting of Shareholders of Classic Minerals Limited will be held at Hyatt Regency Perth, 99 Adelaide Terrace, Perth WA 6000, at 11.00am WST on Tuesday 22 April 2014.

The Explanatory Statement to this Notice of Meeting provides additional information on matters to be considered at the General Meeting. The Explanatory Statement and the proxy form are part of this Notice of Meeting.

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the General Meeting are those who are registered Shareholders at 5.00pm on Thursday, 17 April 2014.

Terms and abbreviations used in this Notice of Meeting and Explanatory Statement are defined in the Glossary.

AGENDA

Ordinary Resolution 1 – Ratification of Prior Issue of Shares

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

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, the shareholders ratify the issue of 362,500 Shares on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on Resolution 1 by any person who participated in the issue and any person who might gain a benefit, other than a benefit solely in the capacity of an ordinary security holder, from the passing of Resolution 1 and any associates of those persons.

However the Company need not disregard a vote if:

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

Ordinary Resolution 2 – Ratification of Prior Issue of Shares

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

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, the shareholders ratify the issue of 585,714 Shares on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on Resolution 2 by any person who participated in the issue and any person who might gain a benefit, other than a benefit solely in the capacity of an ordinary security holder, from the passing of Resolution 2 and any associates of those persons.

However the Company need not disregard a vote if:

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

NOTICE OF GENERAL MEETING

Ordinary Resolution 3 – Ratification of Prior Issue of Shares

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

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, the shareholders ratify the issue of 714,286 Shares on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on Resolution 3 by any person who participated in the issue and any person who might gain a benefit, other than a benefit solely in the capacity of an ordinary security holder, from the passing of Resolution 3 and any associates of those persons.

However the Company need not disregard a vote if:

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

Ordinary Resolution 4 – Ratification of Prior Issue of Shares

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

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, the shareholders ratify the issue of 214,286 Shares on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on Resolution 4 by any person who participated in the issue and any person who might gain a benefit, other than a benefit solely in the capacity of an ordinary security holder, from the passing of Resolution 4 and any associates of those persons.

However the Company need not disregard a vote if:

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

Ordinary Resolution 5 – Ratification of Prior Issue of Shares

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

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, the shareholders ratify the issue of 700,000 Shares on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on Resolution 5 by any person who participated in the issue and any person who might gain a benefit, other than a benefit solely in the capacity of an ordinary security holder, from the passing of Resolution 5 and any associates of those persons.

However the Company need not disregard a vote if:

- (c) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (d) 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.

NOTICE OF GENERAL MEETING

Ordinary Resolution 6 – Ratification of Prior Issue of Shares and Options

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

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, the shareholders ratify the issue of 1,250,000 Shares and 625,000 Options on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on Resolution 6 by any person who participated in the issue and any person who might gain a benefit, other than a benefit solely in the capacity of an ordinary security holder, from the passing of Resolution 6 and any associates of those persons.

However the Company need not disregard a vote if:

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

Ordinary Resolution 7 – Ratification of Prior Issue of Shares

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

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, the shareholders ratify the issue of 400,000 Shares on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on Resolution 7 by any person who participated in the issue and any person who might gain a benefit, other than a benefit solely in the capacity of an ordinary security holder, from the passing of Resolution 7 and any associates of those persons.

However the Company need not disregard a vote if:

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

Ordinary Resolution 8 – Ratification of Prior Issue of Shares

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

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, the shareholders ratify the issue of 250,000 Shares on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on Resolution 8 by any person who participated in the issue and any person who might gain a benefit, other than a benefit solely in the capacity of an ordinary security holder, from the passing of Resolution 8 and any associates of those persons.

However the Company need not disregard a vote if:

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

NOTICE OF GENERAL MEETING

Ordinary Resolution 9 – Ratification of Prior Issue of Shares

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

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, the shareholders ratify the issue of 25,000,000 Shares on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on Resolution 9 by any person who participated in the issue and any person who might gain a benefit, other than a benefit solely in the capacity of an ordinary security holder, from the passing of Resolution 9 and any associates of those persons.

However the Company need not disregard a vote if:

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

Ordinary Resolution 10 – Approval for the Issue of Options

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

“That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval and authorisation is given to the Directors to issue 12,500,000 New Options (unlisted) on the terms and conditions set out in the Explanatory Statement”.

Voting Exclusion: The Company will disregard any votes cast on Resolution 10 by any person who may participate in the proposed issue and any person who might gain a benefit, other than a benefit solely in the capacity of an ordinary security holder, from the passing of Resolution 10 and any associates of those persons.

However the Company need not disregard a vote if:

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

Resolution 11 - Approval for the Future Placement of up to 35,000,000 Shares

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

“That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval and authorisation is given to the Directors to issue up to 35,000,000 Shares at an issue price that is at least 80% of the average market price of the Shares calculated over the last 5 days on which sales in the Shares were recorded before the date on which the issue is made, and otherwise on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on Resolution 11 by any person who may participate in the proposed issue and any person who might obtain a benefit, except a benefit solely in the capacity of a security holder, if Resolution 11 is passed and any associate of those persons.

NOTICE OF GENERAL MEETING

However the Company need not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (b) 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: 19 MARCH 2014

BY ORDER OF THE BOARD

**KENT HUNTER
COMPANY SECRETARY
CLASSIC MINERALS LIMITED**

EXPLANATORY STATEMENT

The purpose of this Explanatory Statement is to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the resolutions in the Notice of Meeting.

1. RESOLUTIONS 1 THROUGH 8 - RATIFICATION OF PRIOR ISSUES OF SHARES AND OPTIONS

1.1 Background

On 7 January 2014, the Company issued 2,505,357 Shares without prior Shareholder Approval out of its 15% annual placement capacity to various trade creditors at an issue price of either \$0.06 per Share or \$0.07 per Share.

On 30 January 2014, the Company issued 1,250,000 Shares and 625,000 free attaching Options without prior Shareholder Approval out of its 15% annual placement capacity to Mr Sheldon Coates as a private placement at an issue price of \$0.04 per Share.

On 19 February 2014, the Company issued 400,000 Shares without prior Shareholder Approval out of its 15% annual placement capacity to RJ & EJ Oldfield as a private placement at an issue price of \$0.05 per Share.

On 19 February 2014, the Company issued 321,429 Shares without prior Shareholder Approval out of its 15% annual placement capacity to various trade creditors at an issue price of either \$0.05 per Share or \$0.07 per Share.

None of the allottees the subject of Resolutions 1 through 8 are related parties to the Company. None of the allottees the subject of Resolutions 1 through 8, in conjunction with any of their associates, hold, either before, during, or after any of the issues the subject of Resolutions 1 through 8, more than 19.9% of the issued capital of the Company.

Resolutions 1 through 8 seek Shareholder ratification of these issues of Shares and Options pursuant to ASX Listing Rule 7.4 and for all other purposes.

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue during any 12 month period any equity securities or other securities with rights to conversion to equity (such as an option), if the number of those securities exceeds 15% of the number of securities in the same class 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, pursuant to ASX Listing Rule 7.4, a company in general meeting ratifies the previous issue of securities made (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 purposes of ASX Listing Rule 7.1.

By ratifying the issue of the Shares the subject of Resolutions 1 through 8, the Company will retain the flexibility to issue equity securities in the future of up to the 15% annual placement capacity set out in ASX Listing Rule 7.1.

None of the Directors have a material personal interest in the subject matter of Resolutions 1 through 8. The Board believes that the ratification of the issues of the Shares and Options is beneficial for the Company. The Board recommends Shareholders vote in favour of Resolutions 1 through 8 as it provides the Company with the flexibility to issue, subject to the limits under the ASX Listing Rules, further securities during the next 12 months without Shareholder approval.

EXPLANATORY STATEMENT

1.2 Technical information required by Listing Rule 7.4 for the Shares and Options Issues Ratifications

Pursuant to and in accordance with ASX Listing rule 7.5, the following information is provided in relation to the Shares and Options Issues Ratifications 1 through 8:

Resolution	Number of Shares or Options Issued (Shares unless otherwise stated)	Issue Price and date issued	Allottee	Funds raised / issue in lieu of creditor payment	Purpose of the Issue
1	362,500	\$0.06 07/01/14	Mavia Pty Ltd	\$21,750 In lieu of creditor payment	Issued in lieu of creditor payments
2	585,714	\$0.07 07/01/14	Al Maynard and Associates	\$41,000 In lieu of creditor payment	Issued in lieu of creditor payments
3	714,286	\$0.07 07/01/14	Lawton Gillon Solicitors	\$50,000 In lieu of creditor payment	Issued in lieu of creditor payments
4	214,286	\$0.07 142,857 on 07/01/14 71,429 on 30/01/14	Johanne Topping	\$15,000 In lieu of creditor payment	Issued in lieu of creditor payments
5	700,000	\$0.045	Paul Ravesi	\$31,500 In lieu of creditor payment	Issued in lieu of creditor payments
6	1,250,000 and 625,000 Options	\$0.04	Sheldon Coates	\$50,000	Private Placement for funding towards exploration on the Mammoth Nickel Discovery
7	400,000	\$0.05	RJ & EJ Oldfield	\$20,000	Private Placement for funding towards exploration on the Mammoth Nickel Discovery
8	250,000	\$0.05	Ashmik Pty Ltd	\$12,500 In lieu of creditor payment	Issued in lieu of creditor payments

The Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares. The Options were issued on the same terms as the Company's existing Listed Options.

Voting Exclusion Statement

A voting exclusion statement is included in the Notice in respect of each Resolution 1 through 8.

EXPLANATORY STATEMENT

2. RESOLUTION 9 – RATIFICATION OF PRIOR ISSUE OF SHARES

2.1 General

Listing Rule 7.1 imposes a 15% cap on the number of new securities that a company can issue over any 12 month period without shareholder approval. ASX Listing Rule 7.4 allows a company to seek the subsequent approval of shareholders for an issue of securities.

Shareholder approval of the 25,000,000 Shares issued under the Placement refreshes the Company's 15% annual capacity to raise additional capital without the need to obtain Shareholder approval. This will provide additional funding flexibility for the Company.

2.2 Effect of the proposal

If Resolution 9 is approved, the Company will not have to count the 25,000,000 Shares under the Placement towards the 15% limit that may be issued by the Company in any 12 month period under Listing Rule 7.1. Accordingly, if Resolution 9 is passed, the Company's annual capacity to issue capital within the 15% limit under Listing Rule 7.1 will be refreshed. The Directors of the Company consider it prudent to maintain such funding flexibility as part of the Company's capital management strategy.

If Resolution 9 is not approved, it will have no effect upon the 25,000,000 Shares issued. These Shares have already been issued and quoted on the ASX. However the shares would be counted towards the 15% of additional securities that may be issued by the Company in any twelve month period under Listing Rule 7.1.

2.3 Technical information required by ASX Listing Rule 7.4

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

- (a) the number of securities issued was 25,000,000 Shares;
- (b) the Shares were issued on 19 February 2014;
- (c) the Shares were issued at \$0.06 per Share;
- (d) the Shares were issued to professional and sophisticated investors or clients of Equity Underwriters Pty Ltd or to other persons to whom disclosure is not required under Chapter 6D of the Corporations Act. None of these persons are related parties of the Company;
- (e) the Shares issued were fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares; and
- (g) the Company intends to use the funds raised by Placement for the continued exploration of its portfolio of exploration assets, specifically the Fraser Range Mammoth Nickel Discovery. Any surplus funds will be used for general working capital purposes, review and analysis of new projects.

EXPLANATORY STATEMENT

2.4 Directors' recommendation

None of the Directors have a material personal interest in the subject matter of Resolution 9. The Board recommends Shareholders vote in favour of Resolution 9 as it has provided additional working capital to the Company and means that the Shares the subject of this Resolution will not need to be counted as part of the Company's 15% placement capacity, giving the Company the flexibility to issue further securities representing up to 15% of the Company's share capital without Shareholder approval.

Voting Exclusion Statement

A voting exclusion statement is included in the Notice.

3. RESOLUTION 10 – APPROVAL OF ISSUE OF OPTIONS TO PLACEMENT SHAREHOLDERS

3.1 Background

Resolution 10 seeks Shareholder approval for the proposed issue of 12,500,000 New Options to professional and sophisticated investors or clients of Equity Underwriters Pty Ltd or to other persons to whom disclosure is not required under Chapter 6D of the Corporations Act. None of these persons are related parties of the Company.

The New Options will be issued for nil cash consideration as the New Options are being issued as free attaching options to the Shares issued in the Placement. The options will be offered on the basis of one (1) New Option for every two (2) Shares subscribed for in the Placement.

As at the date of this Notice the Company has 236,201,999 Shares and 101,137,607 Listed Options exercisable on or before 30 June 2015.

Funds raised by the Private placement will be used for the continued exploration of its portfolio of exploration assets, specifically the Fraser Range Mammoth Nickel Discovery. Any surplus funds will be used for general working capital purposes, review and analysis of new projects.

3.2 Specific information required

For the purposes of Shareholder approval of the issue of unlisted Options and the requirements of Listing Rule 7.3, the information is provided as follows:

- (a) The maximum number of New Options to be issued is 12,500,000;
- (b) These Options will be allotted and issued no later than 3 months after the date of this Meeting (or such later date as approved by ASX);
- (c) The Options will be allotted to professional and sophisticated investors or clients of Equity Underwriters Pty Ltd or to other persons to whom disclosure is not required under Chapter 6D of the Corporations Act. None of these persons will be related parties of the Company;
- (d) The New Options will be issued for nil cash consideration as the New Options are being issued as free attaching options to the Shares issued in the Placement. The options will be offered on the basis of one (1) New Option for every two (2) Shares subscribed for in the Placement

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- (e) The New Options will be not be listed on the ASX and can be exercised at 10 cents at any time up to 31 December 2015. The shares issued upon exercise of the New Options 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.

3.3 Voting Exclusion Statement

A voting exclusion statement is included in the Notice.

4. RESOLUTION 11 – APPROVAL FOR THE FUTURE PLACEMENT OF UP TO 35,000,000 SHARES

4.1 Background

The Company is proposing to undertake a placement, through the issue of up to 35,000,000 Shares (Placement). The placement will be made to professional and sophisticated investors or to other persons to whom disclosure is not required under Chapter 6D of the Corporations Act.

The Shares the subject of the proposed Placement represent approximately 15% of the Company's current issued share capital of 236,201,999 Shares (assuming that no other Shares are issued and none of the existing Options have been converted into Shares prior to the Meeting).

As the issue of the Shares under the Placement will exceed the 15% limit in Listing Rule 7.1, Shareholder approval to the issue of these Shares is required for the purpose of Listing Rule 7.1.

4.2 ASX Listing Rule 7.1

A summary of ASX Listing Rule 7.1 is set out in section 1.1 above.

4.3 Technical information required by ASX Listing Rule 7.1

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

- (a) the maximum number of securities to be issued pursuant to this Resolution 11 is 35,000,000 Shares;
- (b) the Shares the subject of Resolution 11 will be issued no later than three (3) months after the date of this Meeting;
- (c) the Shares will be issued at a price that is at least 80% of the average market price of Shares calculated over the last 5 days on which sales in the Shares were recorded before the date on which any issue is made;
- (d) the Shares will be issued to professional and sophisticated investors or to other persons to whom disclosure is not required under Chapter 6D of the Corporations Act. The Directors will determine to whom the Shares will be issued but these persons will not be 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;

EXPLANATORY STATEMENT

- (f) the Shares will be issued progressively as subscribers are identified, however no Shares will be issued after the date which is three (3) months after the date of the Meeting; and
- (g) the Company intends to use the funds raised by Placement for the continued exploration of its portfolio of exploration assets, specifically the Fraser Range Project including the Mammoth Nickel Discovery. Any surplus funds will be used for general working capital purposes, review and analysis of new projects.

4.4 Directors' recommendation

None of the Directors have a material personal interest in the subject matter of Resolution 11. The Board recommends Shareholders vote in favour of Resolution 11 as it will provide additional working capital to the Company and means that the Shares the subject of this Resolution will not need to be counted as part of the Company's 15% placement capacity, giving the Company the flexibility to issue further securities representing up to 15% of the Company's share capital without Shareholder approval.

4.5 Voting Exclusion Statement

A voting exclusion statement is included in the Notice.

SCHEDULE 1 – TERMS AND CONDITIONS OF \$0.10 OPTIONS

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

(a) Entitlement

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

(b) Exercise Price and Expiry Date

The Options have an exercise price of \$0.10 (Exercise Price) and an expiry date of 31 December 2015 (Expiry Date).

(c) Exercise Period

The Options are exercisable at any time on or prior to the Expiry Date.

(d) Notice of Exercise

The Options may be exercised by notice in writing to the Company (Notice of Exercise) and payment of the Exercise Price for each Option being exercised. Any Notice of Exercise of an Option received by the Company will be deemed to be a notice of the exercise of that Option as at the date of receipt.

(e) Shares issued on exercise

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

(f) Quotation of Shares on exercise

Application will be made by the Company to ASX for quotation of the Shares issued upon the exercise of the Options.

(g) Timing of issue of Shares

Within 14 Days after the receipt of a Notice of Exercise given in accordance with these terms and conditions and payment of the Exercise Price for each Option being exercised the Company will allot and issue the Shares pursuant to the exercise of the Options.

(h) 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. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least nine business days after the issue is announced. This will give the holders of Options the opportunity to exercise their Options prior to the date for determining entitlements to participate in any such issue.

(i) Adjustment for bonus issues of Shares

If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment):

1. the number of Shares which must be issued on the exercise of an Option will be increased by the number of Shares which the Optionholder would have received if the Optionholder had exercised the Option before the record date for the bonus issue; and
2. no change will be made to the Exercise Price.

(j) Adjustment for rights issue

If the Company makes an issue of Shares pro rata to existing Shareholders the exercise price of the Options may be reduced in accordance with Listing Rule 6.22.

(k) Adjustments for reorganisation

If there is any reconstruction of the issued share capital of the Company, the rights of the Optionholders may be varied to comply with the Listing Rules which apply to the reconstruction at the time of the reconstruction.

(l) Quotation of the Options

The Company will not apply for quotation of the Options on ASX.

(m) Options Transferable

The Options are transferable.

(n) Lodgement Instructions

Cheques shall be in Australian currency made payable to the Company and crossed "Not Negotiable". The application for Shares on exercise of the Options with the appropriate remittance should be lodged at the Company's Registry.

GLOSSARY

In this Explanatory Statement, the following terms have the following meaning unless the context otherwise requires:

\$: means Australian dollars.

ASIC means Australian Securities and Investments Commission.

ASX means ASX Limited (ACN 008 724 791).

ASX Listing Rules or **Listing Rules** means the official Listing Rules of ASX.

Board means the Board of Directors of the Company.

Company or **Classic** means Classic Minerals Limited (ACN 119 484 016).

Constitution means the Company's constitution.

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

Directors mean the current directors of the Company.

Explanatory Statement means the explanatory statement to this Notice.

Listed Options means a class of Options that are listed on ASX and which can be exercised on or before 30 June 2015 at an exercise price of \$0.20.

Meeting means the meeting convened by the Notice.

Notice means the notice of meeting accompanying this Explanatory Statement.

New Option means an Option to acquire a Share which can be exercised on or before 31 December 2015 at an exercise price of \$0.10.

Option means an option to acquire a Share.

Ordinary Shares has the meaning set out in the ASX Listing Rules.

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

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

Shareholder means a shareholder of the Company.

WST means Western Standard Time.