
CLASSIC MINERALS LIMITED

ABN 77 119 484 016

NOTICE OF GENERAL MEETING AND EXPLANATORY
STATEMENT

TIME: 2:30pm WST

DATE:	Wednesday 21 June 2017
PLACE:	Mosman Bay Room, Hyatt Regency Perth, 99 Adelaide Terrace, Perth, WA, 6000.

This Notice of Meeting and Explanatory Statement 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 Jeffrey Nurse, the Company Secretary on (08) 6305 0221.

NOTICE OF GENERAL MEETING

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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 Meeting relates to will be held at 2:30pm WST on Wednesday 21 June 2017 (General Meeting) at:

Mosman Bay Room, 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 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 Classic Minerals Limited, PO Box 487, Osborne Park WA 6917; or
- (b) Send the proxy form by post to Advanced Share Registry Limited, PO Box 1156, Nedlands, WA, 6909 or on facsimile number (08) 9262 3723

so that it is received not later than 2.30pm WST on Monday 19 June 2017.

Proxy forms received later than this time will be invalid.

NOTICE OF GENERAL MEETING

Notice is given that the General Meeting of Shareholders of Classic Minerals Limited will be held at the Mosman Bay Room, Hyatt Regency, 99 Adelaide Terrace, Perth, WA, 6000 at 2.30pm WST on Wednesday 21 June 2017.

The Explanatory Statement to this Notice of Meeting provides additional information on matters to be considered at the Meeting. The Explanatory Statement and the proxy form are part of this Notice of General 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 the close of business on Monday 19 June 2017.

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

AGENDA

Ordinary Resolution 1 – Approval for the issue of 85M (Eighty Five Million Shares) 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, the shareholders approves the issue of 85,000,000 Shares to Stock Assist Group Pty Ltd on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast on Resolution 1 by or on behalf of Stock Assist Group Pty Ltd and any of their associates.

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 – Approval for the issue of 40M (Forty Million Shares) 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, the shareholders approves the issue of 40,000,000 Shares to Fortuna SL Mining Pty Ltd on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast on Resolution 2 by or on behalf of Fortuna SL Mining Pty Ltd and any of their associates.

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 - Approval for the issue of 26,000,000 shares to Greywood Holdings Pty Ltd

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 26,000,000 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 3 by or on behalf of Greywood Holdings Pty Ltd and any associate 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 - Approval for the future placement of up to 100,000,000 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 100,000,000 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 4 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 4 is passed and any associate 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.

DATED: 22 May 2017

BY ORDER OF THE BOARD

**JUSTIN DOUTCH
MANAGING DIRECTOR
CLASSIC MINERALS LIMITED**

GLOSSARY

This Explanatory Statement has been prepared for the information of the Shareholders in connection with the business to be conducted at the General Meeting of Classic Minerals Limited to be held at the Mosman Bay Room , Hyatt Regency, 99 Adelaide Terrace, Perth, WA, 6000 at 2.30pm WST on Wednesday 21 June 2017.

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 (of which this Explanatory Statement forms a part).

1. Ordinary Resolution 1 – Approval for the Issue of 85M shares

1.1 Background

On 28 February 2017 and varied by mutual consent by a letter dated 14 March 2017, the Company has entered into a sale agreement with Stock Assist Group Pty Ltd relating to the acquisition of 80% of the gold rights over five exploration licences E77/2207, E77/2219, E77/2220, E77/2239 and E77/2303 in addition to two Prospecting Licences P77/4290 and P77/4291 in the Forrestania region and referred to as the Forrestania Gold Project. As consideration the Company is required to issue 85M shares to Stock Assist Group Pty Ltd as the Vendor and a \$5million royalty.

ASX Listing Rule 7.1 provides that prior approval of the shareholders of the Company is required for an issue of equity securities if the number of securities to be issued will exceed 15% of the number of securities on issue 12 months before the date of issue aggregated with any securities issued by the company.

Stock Assist Group Holdings Pty Ltd will abstain from voting on this Resolution.

ASX Listing Rule 7.3 requires the following information to be provided to shareholders:

- (a) The maximum number of shares to be issued is 85,000,000 fully paid ordinary shares;
- (b) The shares are proposed to be issued within five business days after the date of the General Meeting and in any event no later than three months after the Meeting;
- (c) The issue price will be not less than 80% of the volume weighted average price for 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 Stock Assist Group Pty Ltd. Stock Assist Group Pty Ltd is not a related party of the Company;
- (e) The shares shall rank equally in all respects with other existing ordinary shares;
- (f) The issue of these shares will enable the Company to acquire an 80% interest in the Forrestania Gold project.

Resolution 1 is subject to a voting exclusion statement (see the Notice of General Meeting)

2.Ordinary Resolution 2 – Approval for the Issue of 40M shares

2.2Background

On 20 March 2017, the Company entered into a Heads of Agreement for the sale of purchase of the Vendor's interest in tenement applications P77/4325 and P77/4326 known as the Lady Lila tenements. The Company will acquire 100% in the gold and non-gold rights over the Lady Lila tenements (formerly known as Violet Haze) in the Forrestania region. Under the Heads of Agreement the Company is required to issue 40M shares to Fortuna SL Mining Pty Ltd, the Vendor. The Company will also receive a 2.5% Net Smelter Royalty on gold production at the Lady Lila tenements.

ASX Listing Rule 7.1 provides that prior approval of the shareholders of the Company is required for an issue of equity securities if the number of securities to be issued will exceed 15% of the number of securities on issue 12 months before the date of issue aggregated with any securities issued by the company.

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Fortuna SL Mining Pty Ltd will abstain from voting on this Resolution.

ASX Listing Rule 7.3 requires the following information to be provided to shareholders:

- (a) The maximum number of shares to be issued is 40,000,000 fully paid ordinary shares;
- (g) The shares are proposed to be issued within five business days after the date of the General Meeting and in any event no later than three months after the Meeting;
- (b) The issue price will be \$0.015 per share.
- (c) The shares will be issued to Fortuna SL Mining Pty Ltd. Fortuna SL Mining Pty Ltd is not a related party of the Company;
- (d) The shares shall rank equally in all respects with other existing ordinary shares;
- (e) The company will issue these shares to the vendor, Fortuna SL Mining Pty Ltd and will acquire 100% of the Gold and non-Gold rights for the Lady Lila tenements

Resolution 2 is subject to a voting exclusion statement (see the Notice of General Meeting)

3. RESOLUTION 3 – APPROVAL FOR THE ISSUE OF 26,000,000 SHARES TO GREYWOOD HOLDINGS PTY LTD

3.1 Background

On 31 March 2016, the Company entered into an agreement with a private company, Accelerated Mining Pty Ltd ("Accelerated") relating to the Sale of Classic's Mining Interest in the Doherty's Gold project (M57/619) for a purchase consideration of \$4 Million(GST Inclusive). Accelerated was introduced to Classic by Greywood Holdings Pty Ltd ("Greywood") and it was agreed that an Introductory Fee of \$300,000.00 would be paid by the Company as well as the issue of 26,000,000 Shares to Greywood Holdings Pty Ltd. As at the date of this Notice \$195,000 of the introductory fee has been paid.

The Shares the subject of this proposed issue will represent approximately 6.84% of the Company's current issued share capital of 379,967,635 Shares (assuming that no other Shares are issued prior to the Meeting) and as an existing shareholder, Greywood Holdings Pty Ltd will hold 11.05% of the Company's expanded issued capital (after the issue).

Greywood Holdings Pty Ltd will abstain from voting on this Resolution.

3.2 ASX Listing Rule 7.1

A summary of ASX Listing Rule 7.1 is set out in section 1 above.

3.3 Technical information required by ASX Listing Rule 7.3

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

- (a) the maximum number of shares to be issued pursuant to this Resolution 3 is 26,000,000 Shares;
- (b) the Shares the subject of Resolution 3 will be issued no later than five (5) days after the Settlement of the Doherty's transaction
- (c) the Shares will be issued at a price that is at least 80% of the volume weighted 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 Greywood Holdings Pty Ltd or a nominated entity. Greywood Holdings Pty Ltd is not a related party of the Company;

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- (e) the Shares issued will be as fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (g) the Company will issue these shares in addition to an introductory fee to Greywood Holdings Pty Ltd and relate to the Sale of Classic's mining interest in the Doherty's Gold project.

4. RESOLUTION 4 – APPROVAL FOR THE FUTURE PLACEMENT OF UP TO 100,000,000 SHARES

4.1 Background

The Company is proposing to undertake through the issue of up to 100,000,000 Shares (Placements). These placements 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 effect of Resolution 4 will be to enable the Directors to issue the Shares pursuant to the Placement during the period of 3 months after the Meeting without using the Company's 15% annual placement capacity.

The Shares the subject of these proposed placements represent approximately 26.32% of the Company's current issued share capital of 379,967,635 Shares (assuming that no other Shares are issued prior to the Meeting).

4.2 ASX Listing Rule 7.1

A summary of ASX Listing Rule 7.1 is set out in section 1 above.

4.3 Technical information required by ASX Listing Rule 7.3

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 shares to be issued pursuant to this Resolution 4 is 100,000,000 Shares;
- (b) the Shares the subject of Resolution 4 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 volume weighted 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 as 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 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 these Placements for the costs of dewatering at the Forrestania Gold Project, continued exploration and

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acquisition of assets associated with the Company's existing projects. 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 4. The Board recommends Shareholders vote in favour of Resolution 4 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 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.

GLOSSARY

2016 Annual Report means the Company's annual report including the reports of the Directors and auditor and the financial statements of the Company for the year ended 30 June 2016, which can be downloaded from the Company's website at www.classicminerals.com.au

ASX means ASX Limited (ACN 008 724 791).

ASX Listing Rules or **Listing Rules** means the Listing Rules Adoption of the ASX and any other rules of the ASX which are applicable while the entity is admitted to the Official List of the ASX, each as amended or replaced from time to time, except to the extent of any express written waiver by the ASX.

Board means the Board of Directors.

Chair or **Chairman** means the person appointed to chair the Meeting convened by this Notice.

Company or **Classic Minerals** means Classic Minerals Limited (ABN 77 119 484 016).

Constitution means the constitution of the Company.

Convertible Note means the convertible note dated 26 August 2015 and issued to Mdivest Pty Ltd for a face value of \$1,000,000 and convertible into New Shares at \$0.03 per Share.

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

Director means a director of the Company.

Explanatory Statement means the explanatory statement accompanying this Notice of Meeting.

Introductory Fee means the Fee paid to Greywood Holdings Pty Ltd for introducing Accelerated Mining Pty Ltd to the Company.

Meeting has the meaning in the introductory paragraph of the Notice.

New Share means new Shares to be issued upon conversion of the Convertible Notes.

Noteholder means Mdivest Pty Ltd.

Notice means the Notice of the Annual General Meeting attached to this Explanatory Statement.

Proxy Form means the proxy form attached to the Notice.

Remuneration Report means that section of the Directors' Report under the heading "Remuneration Report" set out in the 2016 Annual Report.

Resolution means a resolution contained in the Notice.

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

Shareholder means a shareholder of the Company.

WST means Western Standard Time

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PROXY FORM

APPOINTMENT OF PROXY
CLASSIC MINERALS LIMITED
ACN 119 484 016

GENERAL MEETING

I/We

of

being a member of Classic Minerals Limited entitled to attend and vote at the General Meeting, hereby
Appoint

Name of proxy

OR

☐

the Chair of the General Meeting as your proxy

or failing the person so named or, if no person is named, the Chair of the General Meeting, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, as the proxy sees fit, at the General Meeting to be held at the Mosman Bay Room, Hyatt Regency, 99 Adelaide Terrace, Perth WA, 6000 at 2:30pm WST on Wednesday 21 June 2017, and at any adjournment thereof.

The Chair intends to vote undirected proxies in favour of the resolutions in which the Chair is entitled to vote.

Voting on Business of the General Meeting

ABSTAIN

FOR AGAINST

Resolution 1	Approval of 85M Issue of Shares	☐	☐	☐
Resolution 2	Approval of 40M Issue of Shares	☐	☐	☐
Resolution 3	Approval of issue of 26M Shares to Greywood Holdings Pty Ltd	☐	☐	☐
Resolution 4	Approval of future Placement of up to 100M 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 Member(s): _____ Date: _____

Individual or Member 1

Member 2

Member 3

Sole Director/Company
Secretary

Director

Director/Company
Secretary

Contact Name: _____ Contact Ph (daytime): _____

E-mail Address: _____ Consent for contact by e-mail YES NO

CLASSIC MINERALS LIMITED
ABN 77 119 484 016

Instructions for Completing 'Appointment of Proxy' Form

1. A shareholder entitled to attend and vote at a meeting is entitled to appoint not more than two proxies to attend and vote on their behalf. Where more than one proxy is appointed, such proxy must be allocated a proportion of the shareholder's voting rights. If the shareholder appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half the votes.
2. A duly appointed proxy need not be a shareholder of the Company. In the case of joint holders, all must sign.
3. Corporate shareholders should comply with the execution requirements set out on the proxy form or otherwise with the provisions of Section 127 of the Corporations Act. Section 127 of the Corporations Act provides that a company may execute a document without using its common seal if the document is signed by:
 - Directors of the company;
 - a Director and a company secretary of the company; or
 - for a proprietary company that has a sole Director who is also the sole company secretary – that Director.

For the Company to rely on the assumptions set out in Section 129(5) and (6) of the Corporations Act, a document must appear to have been executed in accordance with Section 127(1) or (2). This effectively means that the status of the persons signing the document or witnessing the affixing of the seal must be set out and conform to the requirements of Section 127(1) or (2) as applicable. In particular, a person who witnesses the affixing of a common seal and who is the sole Director and sole company secretary of the company must state that next to his or her signature.

4. 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. Where a proxy form or form of appointment of corporate representative is lodged and is executed under power of attorney, the power of attorney must be lodged in like manner as this proxy.
6. 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 6909; or
 - (b) send the proxy form by post to Classic Minerals Limited, PO Box 487, Osborne Park, Western Australia 6917; or
 - (c) send the proxy form by facsimile to Advanced Share Registry (08) 9262 3723.

so that it is received not later than 2:30pm WST on Monday 19 June 2017.

Proxy forms received later than this time will be invalid.