



CAPRICORN METALS LTD

ACN 121 700 105

NOTICE OF GENERAL MEETING

Notice is given that the Meeting will be held at:

TIME: 11.00 am WST

DATE: Tuesday, 27 August 2019

PLACE: The Function Room
Celtic Club
48 Ord Street
West Perth WA 6005

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

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

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 4:00pm WST on Sunday, 25 August 2019.

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IMPORTANT INFORMATION

Time and place of Meeting

Notice is given that the Meeting will be held at 11.00 am (WST) on Tuesday, 27 August 2019 at:

The Function Room, Celtic Club, 48 Ord Street, West Perth WA 6005

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 4:00pm (WST) on Sunday, 25 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 separately provided, personalised, Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

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

- each Shareholder has a right to appoint a proxy;
- the proxy need not be a Shareholder of the Company; and
- a Shareholder who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the Shareholder appoints 2 proxies and the appointment does not specify the proportion or number of the Shareholder'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:

- 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 9212 4600.

BUSINESS OF THE MEETING

AGENDA

1. RESOLUTION 1 – RATIFICATION OF PRIOR ISSUE UNDER LISTING RULE 7.1

To consider and, if thought fit, to pass 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 prior issue of 108,707,208 Shares to sophisticated investors on the terms and conditions described 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.

2. RESOLUTION 2 – APPROVAL TO ISSUE PLACEMENT SHARES

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

“That, for the purpose of Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 172,215,221 Shares to professional and sophisticated investors on the terms and conditions described 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 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 Company) or any associates of that person (or 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 – ISSUE OF OPTIONS TO MARK CLARK UNDER THE INCENTIVE OPTION PLAN

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

“That, for the purpose of Listing Rule 10.14 and for all other purposes, Shareholders approve the issue of 40,000,000 Options to Mark Clark (and/or his nominee) under the Incentive Option Plan and on the terms and conditions described in the Explanatory Statement.”

Voting Exclusion:

The Company will disregard any votes cast in favour of the Resolution by or on behalf of a Director of the Company (except a Director ineligible to participate in the Plan) (and/or their nominee) or an associate of that person (or those persons). However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Voting Prohibition Statement:

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

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

However, the above prohibition does not apply if:

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

4. RESOLUTION 4 – ISSUE OF OPTIONS TO MARK OKEBY UNDER THE INCENTIVE OPTION PLAN

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

“That, for the purpose of Listing Rule 10.14 and for all other purposes, Shareholders approve the issue of 10,000,000 Options to Mark Okeby (and/or his nominee) under the Incentive Option Plan and on the terms and conditions described in the Explanatory Statement.”

Voting Exclusion:

The Company will disregard any votes cast in favour of the Resolution by or on behalf of a Director of the Company (except a Director ineligible to participate in the Plan) (and/or their nominee) or an associate of that person (or those persons). However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Voting Prohibition Statement:

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

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

However, the above prohibition does not apply if:

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

Dated: 25 July 2019

By order of the Board



Natasha Santi
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. BACKGROUND TO RESOLUTIONS

On 3 July 2019, the Company announced a total capital raising of up to \$18.26 million, through the issue of a maximum of 280,922,429 Shares at an issue price of \$0.065 per share (**Placement**). The Placement is being undertaken in two tranches.

The Shares issued pursuant to Tranche 1 (**Tranche 1 Placement Shares**) were issued on 5 July 2019 without Shareholder approval, to the following persons:

- (i) 69,230,770 Shares to Mark Clark (incoming Executive Chairman);
- (ii) 23,076,924 Shares to Mark Okeby (incoming Non-Executive Director); and
- (iii) 16,399,514 Shares to Hawke's Point Holdings I Limited (**Hawke's Point**).

The Shares issued to Hawke's Point were issued pursuant to an existing top up right Hawke's Point has pursuant to a subscription agreement entered into with the Company and in accordance with a waiver granted by the ASX to ASX Listing Rule 6.18 (**Top-Up Right**).

Following completion of the Tranche 1 Placement Shares, Mark Clark and Mark Okeby were appointed to the Board as Executive Chairman and Non-Executive Director respectively.

The Shares to be issued pursuant to Tranche 2 of the Placement (**Tranche 2 Placement Shares**) are subject to Shareholder approval (which the Company is seeking Shareholder approval for, pursuant to Resolution 2 of this Notice) and will comprise the offer of:

- (i) 138,461,537 Shares to sophisticated and professional investors; and
- (ii) 33,753,684 Shares to Hawke's Point (pursuant to the Hawke's Point Top-Up Right).

2. RESOLUTION 1 – RATIFICATION OF PRIOR ISSUE UNDER LISTING RULES 7.1

2.1 General

On 5 July 2019, the Company issued 108,707,208 Shares under the Placement to raise \$7.07 million. The allotments were made without Shareholder approval under Listing Rule 7.1, which allows up to 15% of eligible capital to be issued without shareholder approval. Further details are contained in Section 1.

At the time when the Tranche 1 Placement Shares were issued, Mark Clark and Mark Okeby were related parties of the Company, as they believed, or had reasonable grounds to believe that they would likely become a related party of the Company by being appointed directors of the Company. The Board formed a view at the time that Shareholder approval was not required under section 208 of the Corporations Act as the transaction comprising the issue of Tranche 1 Placement Shares to the incoming Directors was negotiated on an arm's length basis.

Pursuant to Listing Rule 10.12, Exception 6, as the incoming Directors were related parties of the Company by reason only of the transactions which were the reason for the issue of their respective Tranche 1 Placement Shares and the application to them of section 228(6) of the Corporations Act, the Company was not required to seek Shareholder approval under Listing Rule 10.11 for the issue of Shares to Mark Clark and Mark Okeby.

Resolution 1 seeks ratification pursuant to ASX Listing Rule 7.4 for the issue of the Tranche 1 Placement Shares.

Resolution 1 is an ordinary resolution.

2.2 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.

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

By shareholders ratifying the issue which is the subject of Resolution 1, the Company will retain the flexibility to issue Equity Securities in the future up to the 15% placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

2.3 Technical information required by ASX Listing Rule 7.5

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

- (i) 108,707,208 Shares were issued at a price of \$0.065 per Share;
- (ii) all Tranche 1 Placement Shares issued were fully paid ordinary shares and rank equally with all other Shares on issue;
- (iii) the 108,707,208 Shares were issued to Mark Clark, Mark Okeby and Hawke's Point, who are sophisticated investors. The issue of the Shares to Mark Clark and Mark Okeby were negotiated on an arm's length basis prior to their appointment to the Board;
- (iv) the Tranche 1 Placement Shares raised a total of \$7.07 million and it is proposed the funds raised together with the funds to be raised under Tranche 2 of the Placement will be used to fund continued development of the Karlawinda Gold Project (including construction of roads and other services, installation and refurbishment of accommodation village and mining infrastructure, purchase of long lead time capital items for the proposed ore processing facility (\$15.50m)), and for corporate and general working capital purposes (\$2.76m); and
- (v) a voting exclusion statement is included in this Notice for Resolution 1.

2.4 Board recommendation

The Directors unanimously recommend that Shareholders vote in favour of Resolution 1.

3. RESOLUTION 2 – APPROVAL TO ISSUE PLACEMENT SHARES

3.1 General

The Company proposes to issue up to 172,215,221 Shares (**Tranche 2 Placement Shares**) under the Placement to raise up to \$11.19 million. The allotments will be made subject to Shareholder approval under Listing Rule 7.1. Further details are contained in Section 1.

Resolution 2 seeks approval pursuant to ASX Listing Rule 7.1 for the issue of the Tranche 2 Placement Shares.

None of the subscribers of the Tranche 2 Placement Shares will be related parties of the Company or an associate of a related party of the Company.

Resolution 2 is an ordinary resolution.

3.2 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.

By shareholders approving the issue which is the subject of Resolution 2, the Company will retain the flexibility to issue Equity Securities in the future up to the 15% placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

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 Resolution 2:

- (i) the maximum number of Shares to be issued under this portion of the Placement is 172,215,221 Shares and will be issued at \$0.065 per Share;
- (ii) the Tranche 2 Placement Shares will be issued as soon as possible following the passing of Resolution 2, but no later than 3 months after the date of the Meeting (or such later date to the extent permitted by an ASX waiver or modification of the ASX Listing Rules);
- (iii) the Tranche 2 Placement Shares will be issued to professional and sophisticated investors (none of whom will be a related party of the Company), including to Hawke's Point pursuant to the Hawke's Point Top-Up Right;
- (iv) the Tranche 2 Placement Shares will be fully paid ordinary shares and rank equally with all other Shares on issue;
- (v) the Tranche 2 Placement Shares will raise up to \$11.19 million and it is proposed the funds raised together with the funds raised under Tranche 1 of the Placement will be used to fund continued development of the Karlawinda Gold Project (including construction of roads and other services, installation and refurbishment of accommodation village and mining infrastructure, and the purchase of long lead time capital items for the proposed ore processing facility (\$15.50m)), and for corporate and general working capital purposes (\$2.76m); and
- (vi) the Shares to be issued pursuant to Resolution 2 will be issued all on the same date; and
- (vii) a voting exclusion statement is included in the Notice for Resolution 2.

3.4 Board recommendation

The Directors unanimously recommend that Shareholders vote in favour of Resolution 2.

4. RESOLUTIONS 3 & 4 – ISSUE OF OPTIONS TO DIRECTORS UNDER THE INCENTIVE OPTION PLAN

4.1 General

Mark Clark was appointed as Executive Chairman of the Company on 8 July 2019. Pursuant to his employment agreement, Mark Clark is entitled to 40,000,000 unlisted Options, exercisable at \$0.12 per share, with an expiry date of 3 years after the date of issue, subject to Shareholder approval. Refer to Schedule 1 for a summary of the terms and conditions of the Options.

Mark Okeby was appointed as a Non-Executive Director of the Company on 8 July 2019. Pursuant to his employment agreement, Mark Okeby is entitled to 10,000,000 unlisted Options, exercisable at \$0.12 per share, with an expiry date of 3 years after the date of issue. Refer to Schedule 1 for a summary of the terms and conditions of the Options.

In accordance with Listing Rule 10.14, Shareholder approval is required for the issue of Options to a Director or any of his associates under an employee incentive scheme. At the Company's 2016 Annual General Meeting held on 25 November 2016, Shareholders approved the Company's Incentive Option Plan (**Plan**).

Resolution 3 seeks Shareholder approval to allow the Company to issue 40,000,000 Options to Mark Clark (and/or his nominee) under the Plan. Resolution 4 seeks Shareholder approval to allow the Company to issue 10,000,000 Options to Mark Okeby (and/or his nominee) under the Plan.

Resolutions 3 & 4 are ordinary resolutions.

4.2 Section 208 of the Corporations Act

In accordance with section 208 of the Corporations Act, to give a financial benefit to a related party, the Company must obtain Shareholder approval unless the giving of the financial benefit falls within an exception in sections 210 to 216 of the Corporations Act.

The Directors consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue of the Options as the exception in section 211 of the Corporations Act applies. The Options are considered to be reasonable remuneration for the purposes of section 211 of the Corporations Act.

4.3 Listing Rules 7.1 and 10.14

In accordance with Listing Rule 10.14, the Company must not permit a Director or any of his associates to acquire securities under an employee incentive scheme unless it obtains Shareholder approval.

Pursuant to Listing Rule 7.2 exception 14, as Shareholder approval is sought under Listing Rule 10.14, approval under Listing Rule 7.1 is not required.

4.4 Technical information required by ASX Listing Rule 10.15

Pursuant to and in accordance with ASX Listing Rule 10.15, the following information is provided in relation to Resolutions 3 & 4:

- (i) Mark Clark and Mark Okeby are related parties by virtue of being Directors;
- (ii) the maximum number of Options to be issued to:
 - (A) Mark Clark (and/or his nominee) pursuant to Resolution 3 will be 40,000,000 Options; and
 - (B) Mark Okeby (and/or his nominee) pursuant to Resolution 4 will be 10,000,000 Options;
- (iii) the Options will be issued at no cost;
- (iv) since the Plan was approved by Shareholders on 25 November 2016 at the Company's 2016 Annual General Meeting, no Options have been granted under the Plan to a director of the Company or to an associate of a director of the Company;
- (v) the persons named in Listing Rule 10.14 and entitled to participate in the Plan are the Directors, Mark Clark and Mark Okeby;
- (vi) the Options will be issued for nil cash consideration. Each of the Options has an exercise price of \$0.12 per Share. No funds will be raised from the issue of the Options;
- (vii) a voting exclusion statement is included in the Notice for Resolutions 3 & 4;
- (viii) no loan is being offered in relation to the issue of the Options; and
- (ix) the Options will be issued as soon as practicable after the meeting, and in any event, no later than 12 months after the date of the Meeting.

4.5 Board recommendation

The Directors (other than Mark Clark) recommend that Shareholders vote in favour of Resolution 3. The Directors (other than Mark Okeby) recommend that Shareholders vote in favour of Resolution 4.

GLOSSARY

\$ means Australian dollars.

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

ASX Listing Rules means the Listing Rules of ASX.

Board means the current board of Directors of the Company.

Chair means the chair of the Meeting.

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

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

Company means Capricorn Metals Ltd (ACN 121 700 105).

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

Directors means the current directors of the Company.

Equity Securities includes a Share, a right to a Share or Option, an Option, a convertible security and any security that ASX decides to classify as an Equity Security.

Explanatory Statement means the explanatory statement accompanying the Notice.

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

Hawke's Point has the meaning given to that term in Section 1.

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.

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

Placement has the meaning given to that term in Section 1.

Plan has the meaning given to that term in Section 4.1 and **Incentive Option Plan** has the same meaning.

Proxy Form means the personalised proxy form accompanying the Notice.

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

Section means a section of the Explanatory Statement.

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

Shareholder means a registered holder of a Share.

Top-Up Right has the meaning given to that term in Section 1.

Tranche 1 Placement Shares has the meaning given to that term in Section 1.

Tranche 2 Placement Shares has the meaning given to that term in Section 1.

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

SCHEDULE 1 – TERMS AND CONDITIONS OF OPTIONS

The Options will entitle the holder to subscribe for fully paid ordinary shares in the Company (**Shares**) on the following terms:

1. Each Option entitles the holder to subscribe for and be allotted one Share.
2. The Options are exercisable at 12 cents each, payable in cash (Exercise Price).
3. The Options will vest immediately (**Vesting Date**).
4. The Options shall expire at 5.00pm (Western Australian Standard Time) on the day which is three years after the date of issue of the Options (**Expiry Date**).
5. Options may be exercised at any time after the Vesting Date and on or before the Expiry Date.
6. Options not exercised on or before the Expiry Date will automatically lapse.
7. On an Option lapsing, all rights of the Option holder in respect of the Option cease and no consideration or compensation will be payable for or in relation to that lapse.
8. Following allotment of the Options, a transaction confirmation statement will be issued by the Company for the Options.
9. Subject to these conditions, Options may be exercised at any time after the relevant Vesting Date and on or before the Expiry Date by the Option holder:
 - (i) lodging with the Company the certificate for the Options or, if the certificate for the Options has been lost, mutilated or destroyed, a declaration to that effect, accompanied by an indemnity in favour of the Company against any loss, costs or expenses which might be incurred by the Company as a consequence of its relying on the declaration that the certificate has been lost, mutilated or destroyed;
 - (ii) lodging with the Company a Notice of Exercise signed by the Option holder for a parcel of not less than one thousand (1,000) except that if the Option holder holds less than one thousand (1,000) Options then such Options may be exercised; and
 - (iii) paying the Company the Exercise Price in respect of the Options exercised.

An exercise of Options will only be valid and effective once the Company has received, in cleared funds, the full amount of the Exercise Price payable and after the other matters have been complied with pursuant to this clause 9.
10. A Notice of Exercise, once lodged with the Company, is irrevocable and by giving a Notice of Exercise the Option holder:
 - (i) agrees to subscribe for that number of Shares equivalent to the number of Options exercised in the Notice of Exercise;
 - (ii) agrees to be bound by the Company's constitution on the issue of Shares; and
 - (iii) without limiting any other clause in these conditions, must pay the Exercise Price in respect of the Options exercised at the time the Notice of Exercise is lodged with the Company.
11. The Options may be exercised in whole or in part, subject to clause 9.
12. For each Option that is exercised, the Company must issue to the Option holder one Share, credited as fully paid and, within 10 Business Days (or such other period as is required by the ASX Listing Rules) after the date of exercise of the Option, issue (or cause to be issued) to the Option holder a holding statement or other appropriate evidence of title for each Share that is issued.
13. If an Option holder exercises only some of the Options held, the Company must issue (or cause to be issued) an option certificate or other appropriate evidence of title for each remaining Option held by the Option holder.

14. In the event of any reconstruction (including consolidation, subdivision, reduction or return) of the issued capital of the Company, the rights of the Option holder will be treated in the manner prescribed by the ASX Listing Rules applying to reconstructions at that time.
15. If:
 - (i) a takeover bid within the meaning of the Corporations Act is made for the Shares and the bidder becomes entitled to compulsorily acquire Shares, any Options not exercised by the end of the bid period will lapse; or
 - (ii) a court orders a meeting to be held in relation to a proposed scheme of arrangement under Part 5.1 of the Corporations Act in relation to the Company, which, if implemented, would result in a person having a relevant interest in at least 90% of Shares, any Options not exercised during the period that ends seven days after the date of the court order will lapse.
16. The options will not be listed on the ASX.
17. All Shares issued upon exercise of the Options will rank pari passu in all respects with the Company's then existing Shares. The Company will apply for Official Quotation by the ASX of all Shares issued upon exercise of the Options.
18. There are no participating 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, if from time to time on or prior to the Expiry Date the Company makes an issue of new Shares to Shareholders, the Company will announce the issue to ASX prior to the record date in accordance with the requirements of the ASX Listing Rules. This will give holders of Options the opportunity to exercise their Options prior to the date for determining entitlements to participate in any such issue.
19. There is no right to a change in the Exercise Price of the Options or to the number of Shares over which the Options are exercisable in the event of a new issue of capital during the currency of the Options.
20. Options are transferrable.
21. Unless otherwise authorised by the Company's Board, vested Options which are not exercised within one month of the Option holder ceasing to be a director of the Company, for whatever reason, will lapse.
22. Unless otherwise authorised by the Company's Board, Options which have not vested at the date when the Option holder ceases to be a director of the Company will lapse.



Capricorn Metals Limited | ACN 121 700 105

GM Registration Card

If you are attending the meeting
in person, please bring this with you
for Securityholder registration.

Holder Number:

Mr Sam Sample
123 Sample Street
Sampleville WA 6000

Vote by Proxy: CMM

Your proxy voting instruction must be received by **11.00am (WST) on Sunday 25 August 2019**, being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

SUBMIT YOUR PROXY VOTE ONLINE

Vote online at <https://investor.automic.com.au/#/loginsah>

Login & Click on 'Meetings'. Use the Holder Number as shown at the top of this Proxy Voting form.

- ✓ **Save Money:** help minimise unnecessary print and mail costs for the Company.
- ✓ **It's Quick and Secure:** provides you with greater privacy, eliminates any postal delays and the risk of potentially getting lost in transit.
- ✓ **Receive Vote Confirmation:** instant confirmation that your vote has been processed. It also allows you to amend your vote if required.



SUBMIT YOUR PROXY VOTE BY PAPER

Complete the form overleaf in accordance with the instructions set out below.

YOUR NAME AND ADDRESS

The name and address shown above is as it appears on the Company's share register. If this information is incorrect, and you have an Issuer Sponsored holding, you can update your address through the investor portal: <https://investor.automic.com.au/#/home> Shareholders sponsored by a broker should advise their broker of any changes.

VOTING UNDER STEP 1 - APPOINTING A PROXY

If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name of that Individual or body corporate. A proxy need not be a Shareholder of the Company. Otherwise if you leave this box blank, the Chairman of the Meeting will be appointed as your proxy by default.

DEFAULT TO THE CHAIRMAN OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting, who is required to vote these proxies as directed. Any undirected proxies that default to the Chairman of the Meeting will be voted according to the instructions set out in this Proxy Voting Form, including where the Resolutions are connected directly or indirectly with the remuneration of KMP

VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

You may direct your proxy how to vote by marking one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

APPOINTMENT OF SECOND PROXY

You may appoint up to two proxies. If you appoint two proxies, you should complete two separate Proxy Voting Forms and specify the percentage or number each proxy may exercise. If you do not specify a percentage or number, each proxy may exercise half the votes. You must return both Proxy Voting Forms together. If you require an additional Proxy Voting Form, contact Automic Registry Services.

SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided

Individual: Where the holding is in one name, the Shareholder must sign.

Joint holding: Where the holding is in more than one name, all of the Shareholders should sign.

Power of attorney: If you have not already lodged the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Voting Form when you return it.

Companies: To be signed in accordance with your Constitution. Please sign in the appropriate box which indicates the office held by you.

Email Address: Please provide your email address in the space provided.

By providing your email address, you elect to receive all communications despatched by the Company electronically (where legally permissible) such as a Notice of Meeting, Proxy Voting Form and Annual Report via email.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate 'Appointment of Corporate Representative' should be produced prior to admission. A form may be obtained from the Company's share registry online at <https://automic.com.au>.

ATTENDING THE MEETING

Completion of a Proxy Voting Form will not prevent individual Shareholders from attending the Meeting in person if they wish. Where a Shareholder completes and lodges a valid Proxy Voting 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.

POWER OF ATTORNEY

If a representative as power of attorney of a Shareholder of the Company is to attend the Meeting, a certified copy of the Power of Attorney, or the original Power of Attorney, must be received by the Company in the same manner, and by the same time as outlined for proxy forms.

Contact	Return your completed form		All enquiries to Automic
	 BY MAIL Automic GPO Box 5193 Sydney NSW 2001	 IN PERSON Automic Level 5, 126 Phillip Street Sydney NSW 2000	 BY EMAIL meetings@automicgroup.com.au

STEP 1: Appoint Your Proxy	Complete and return this form as instructed only if you do not vote online
	I/We being a Shareholder entitled to attend and vote at the General Meeting of Capricorn Metals Limited to be held at 11.00 am (WST) on Tuesday 27 August 2019, at The Function Room, The Celtic Club, 48 Ord Street West Perth WA 6005 hereby: Appoint the Chairman of the Meeting (Chair) OR if you are not appointing the Chairman of the Meeting as your proxy, please write in the box provided below the name of the person or body corporate you are appointing as your proxy or failing the person so named or, if no person is named, the Chair, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, and subject to the relevant laws as the proxy sees fit and at any adjournment thereof. The Chair intends to vote undirected proxies in favour of all Resolutions in which the Chair is entitled to vote. Unless indicated otherwise by ticking the "for," against" or "abstain" box you will be authorising the Chair to vote in accordance with the Chair's voting intention. AUTHORITY FOR CHAIR TO VOTE UNDIRECTED PROXIES ON REMUNERATION RELATED RESOLUTIONS Where I/we have appointed the Chair as my/our proxy (or where the Chair becomes my/our proxy by default), I/we expressly authorise the Chair to exercise my/our proxy on Resolutions 3 and 4 (except where I/we have indicated a different voting intention below) even though Resolutions 3 and 4 are connected directly or indirectly with the remuneration of a member of the Key Management Personnel, which includes the Chair.

STEP 2: Your Voting Direction	Resolutions	For	Against	Abstain
	1. Ratification of prior issue under Listing Rule 7.1	☐	☐	☐
	2. Approval to issue Placement Shares	☐	☐	☐
	3. Issue of Options to Mark Clark under the Incentive Option Plan	☐	☐	☐
	4. Issue of Options to Donald Mark Okeby under the Incentive Option Plan	☐	☐	☐
	<i>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.</i>			

STEP 3: Sign Here + Contact Details	SIGNATURE OF SECURITYHOLDERS – THIS MUST BE COMPLETED		
	Individual or Securityholder 1 Sole Director and Sole Company Secretary	Securityholder 2 Director	Securityholder 3 Director / Company Secretary
	Contact Name: 		
	Email Address: 		
	Contact Daytime Telephone 		
	Date (DD/MM/YY) / /		
	By providing your email address, you elect to receive all of your communications despatched by the Company electronically (where legally permissible).		