
FORCE COMMODITIES LIMITED

ABN 12 145 184 667

NOTICE OF ANNUAL GENERAL MEETING

TIME: 11:00am (WST)

DATE: Friday, 25 May 2018

PLACE: Ground Floor, 20 Kings Park Road, West Perth, Western Australia 6005

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 +61 8 6462 1414.

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IMPORTANT INFORMATION

Time and place of Meeting

Notice is given that the Annual General Meeting of the Shareholders to which this Notice of Meeting relates will be held at 11:00am (WST) on Friday, 25 May 2018 at Ground Floor, 20 Kings Park Road, West Perth, Western Australia 6005.

Your vote is important

The business of the Annual 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 Annual General Meeting are those who are registered Shareholders by 11:00am on Wednesday, 23 May 2018.

Voting in person

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

Voting by proxy

To vote by proxy, please complete and sign the enclosed Proxy Form and return to the Company's share registry, Computershare Investor Services Pty Ltd, by:

- (a) **post** to Computershare Investor Services Pty Ltd, GPO Box 242, Melbourne, Victoria, 3001; or
- (b) **facsimile** on 1800 783 447 (within Australia) or +61 3 9473 2555 (outside of Australia),

or the Company's registered office by:

- (a) **post or delivery** to Ground Floor, 20 Kings Park Road, West Perth, Western Australia, 6005; or
- (b) **facsimile** on +61 8 6323 3347,

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

Proxy Forms received later than this time will be invalid.

BUSINESS OF THE MEETING

Notice is hereby given that the Annual General Meeting of Shareholders will be held at 11:00am (WST) on Friday, 25 May 2018 at:

Ground Floor,
20 Kings Park Road
West Perth, Western Australia 6005

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

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

BUSINESS

1. ANNUAL REPORT

To table and consider the Annual Report of the Company and its controlled entities for the year ended 31 December 2017, which includes the Directors' Report, Financial Statements, Notes to the Financial Statements and the independent Auditor's Report.

Short Explanation: There is no requirement for Shareholders to approve the Annual Report. The tabling of the Annual Report provides an opportunity for Shareholders to ask any questions related to the Annual Report of the Company or make comment.

2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

To consider and, if thought fit, to pass the following resolution as a **non-binding ordinary resolution**:

"That, for the purpose of Section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Company's annual financial report for the financial year ended 31 December 2017."

Short Explanation: The Annual General Meeting of a listed company must propose that the Remuneration Report be adopted by Shareholders.

This resolution is advisory only and does not bind the Company or its directors.

Voting Prohibition Statement: A vote on this resolution must not be cast (in any capacity) by or on behalf of the following persons:

- (a) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or
- (b) a Closely Related Party of such a member.

However, a person described above may vote on this resolution if:

- (a) the person does so as a proxy appointed by writing that specifies how the proxy is to vote on the resolution; and
- (b) the voter is the Chair and the appointment of the Chair as proxy:
 - (i) does not specify the way the proxy is to vote on this resolution; and
 - (ii) expressly authorises the Chair to exercise the proxy even though this resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

3. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – MR GEDEON PELESA

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

“That, for the purposes of Rule 7.3(c) of the Constitution, Mr Gedeon Pelesa, a director of the Company who was appointed on 17 October 2017, retires and, being eligible, is re-elected as a director of the Company.”

Short Explanation: Pursuant to Rule 7.3(c) of the Constitution, a director who is appointed by the Directors must retire at the next annual general meeting of Shareholders. A director who retires in accordance with Rule 7.3(c) of the Constitution is eligible for re-election at that meeting.

4. RESOLUTION 3 – RATIFICATION OF DECEMBER 2017 PLACEMENT OF SHARES ISSUED 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 Listing Rule 7.4, Shareholders approve the issue of 32,929,246 Shares under the Company’s Listing Rule 7.1 15% capacity on the terms and conditions set out in the Explanatory Statement.”

Short Explanation: Listing Rule 7.4 permits the ratification of previous issues of securities made without prior shareholder approval under Listing Rule 7.1 provided that the issue did not breach Listing Rule 7.1. The effect of such ratification is to restore the Company’s maximum discretionary power to issue further securities up to the 15% limit imposed by Listing Rule 7.1.

Voting Exclusion: The Company will disregard any votes cast in favour of this resolution by or on behalf of any person who participated in the issue or any of their associates. However, the Company need not disregard a vote if:

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

5. RESOLUTION 4 – RATIFICATION OF DECEMBER 2017 PLACEMENT OF SHARES ISSUED UNDER LISTING RULE 7.1A

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

“That, for the purposes of Listing Rule 7.4, Shareholders approve the issue of 27,070,754 Shares under the Company’s Listing Rule 7.1A 10% capacity, on the terms and conditions set out in the Explanatory Statement.”

Short Explanation: Listing Rule 7.4 permits the ratification of a previous issue of securities made with prior shareholder approval under Listing Rule 7.1A. The effect of such ratification is to restore the Company’s maximum power to issue further securities pursuant to Listing Rules 7.1 and 7.1A.

Voting Exclusion: The Company will disregard any votes cast in favour of this resolution by or on behalf of any person who participated in the issue or any of their associates. However, the Company need not disregard a vote if:

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

- (d) it is cast by the Chair as proxy for another person who is entitled to vote, in accordance with directions on the Proxy Form to vote as the proxy decides.

6. RESOLUTION 5 – RATIFICATION OF ISSUE OF SHARES IN LIEU OF CASH PAYMENT

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

“That, for the purposes of Listing Rule 7.4, Shareholders approve the issue of 2,750,000 Shares under the Company’s Listing Rule 7.1 15% capacity on the terms and conditions set out in the Explanatory Statement.”

Short Explanation: Listing Rule 7.4 permits the ratification of previous issues of securities made without prior shareholder approval under Listing Rule 7.1 provided that the issue did not breach Listing Rule 7.1. The effect of such ratification is to restore the Company’s maximum discretionary power to issue further securities up to the 15% limit imposed by Listing Rule 7.1.

Voting Exclusion: The Company will disregard any votes cast in favour of this resolution by or on behalf of any person who participated in the issue or any of their associates. However, the Company need not disregard a vote if:

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

7. RESOLUTION 6 – ISSUE OF SHARES TO KANUKA (OR NOMINEE)

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

“That, for the purposes of Listing Rule 7.1, approval is given for the Company to issue up to 20,000,000 Shares to Kanuka Mining Company SARL or its nominee(s), on the terms and conditions set out in the Explanatory Statement.”

Short Explanation: 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.

Voting Exclusion: The Company will disregard any votes cast in favour of this resolution by or on behalf of any person who may participate in the proposed issue or any person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the resolution is passed or any associates of those persons. However, the Company need not disregard a vote if:

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

8. RESOLUTION 7 – ISSUE OF PERFORMANCE RIGHTS TO MR JASON BREWER (OR NOMINEE)

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

“That, for the purposes of Chapter 2E of the Corporations Act and Listing Rule 10.11, approval is given for the Company to issue 1,800,000 Performance Rights to Mr Jason Brewer or his nominee(s) on the terms and conditions set out in the Explanatory Statement.”

Short Explanation: Chapter 2E of the Corporations Act provides that a company must not, subject to specified exceptions, give a financial benefit to a related party without shareholder approval. Listing Rule 10.11 provides that a company must not, subject to specified exceptions, issue or agree to issue equity securities to a related party or a person whose relationship with the company or a related party is, in ASX's opinion such that approval should be obtained, without shareholder approval.

Voting Exclusion: the Company will disregard any votes cast in favour of this resolution by or on behalf of Mr Jason Brewer or any of his associates. However, the Company need not disregard a vote if:

- (a) It is cast by a person as proxy for another person who is entitled to vote, in accordance with directions on the Proxy Form; or
- (b) It is cast by the Chair as proxy for another person who is entitled to vote, in accordance with directions on the Proxy Form to vote as the proxy decides.

Voting Prohibition Statement: A person appointed as a proxy must not vote, on the basis of that appointment, on this resolution if:

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

However, the above prohibition does not apply if:

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

Where the Chair is the related party the subject of the resolution or is an associate of the related party, the Chair cannot cast undirected proxies in respect of the resolution.

9. RESOLUTION 8 – ISSUE OF OPTIONS TO MR GEDEON PELESA (OR NOMINEE)

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

"That, for the purposes of Chapter 2E of the Corporations Act and Listing Rule 10.11, approval is given for the Company to issue 2,500,000 Options to Mr Gedeon Pelesa or his nominee(s) on the terms and conditions set out in the Explanatory Statement."

Short Explanation: Chapter 2E of the Corporations Act provides that a company must not, subject to specified exceptions, give a financial benefit to a related party without shareholder approval. Listing Rule 10.11 provides that a company must not, subject to specified exceptions, issue or agree to issue equity securities to a related party or a person whose relationship with the company or a related party is, in ASX's opinion such that approval should be obtained, without shareholder approval.

Voting Exclusion: the Company will disregard any votes cast in favour of this resolution by or on behalf of Mr Pelesa or any of his associates. However, the Company need not disregard a vote if:

- (a) It is cast by a person as proxy for another person who is entitled to vote, in accordance with directions on the Proxy Form; or
- (b) It is cast by the Chair as proxy for another person who is entitled to vote, in accordance with directions on the Proxy Form to vote as the proxy decides.

Voting Prohibition Statement: A person appointed as a proxy must not vote, on the basis of that appointment, on this resolution if:

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

However, the above prohibition does not apply if:

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

Where the Chair is the related party the subject of the resolution or is an associate of the related party, the Chair cannot cast undirected proxies in respect of the resolution.

10. RESOLUTION 9 – 10% ENHANCED PLACEMENT CAPACITY

To consider and, if thought fit, to pass the following resolution as a **special resolution**:

"That, pursuant to and in accordance with Listing Rule 7.1A, Shareholders approve the issue of Equity Securities up to 10% of the issued capital of the Company (at the time of the issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions set out in the Explanatory Statement."

Short Explanation: Pursuant to Listing Rule 7.1A an eligible company may seek approval from its Shareholders to increase its placement capacity by 10%, from 15% to 25%. The Company is an eligible company as at the date of this Notice of Meeting, and expects to remain so up until the date of the Annual General Meeting.

Voting Exclusion: the Company will disregard any votes cast in favour of this resolution by or on behalf of any person or any associates of that person who:

- (a) may participate in the issue of Shares pursuant to the 10% Enhanced Placement Capacity; and
- (b) might obtain a benefit if this resolution is passed, except a benefit solely in their capacity as a holder of Shares if the resolution is passed.

However, the Company need not disregard a vote on this resolution 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 Annual General Meeting as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form to vote as the proxy decides.

11. RESOLUTION 10 – FUTURE PLACEMENT OF SHARES

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

"That, for the purposes of Listing Rule 7.1, approval is given for the Company to issue up to 50,000,000 Shares within three months from the date of this Meeting, at a price not lower than 80% of the volume weighted average market price of the Shares over the five days on which sales were recorded preceding the date on which the issue will be made, on the terms and conditions set out in the Explanatory Statement."

Short Explanation: Listing Rule 7.1 provides that a company must not, without the approval of Shareholders, issue during any 12 month period any equity securities with rights of conversion to equity (such as an option) if the number of those securities exceeds 15% of the total ordinary shares on issue at the commencement of that 12 month period.

Voting Exclusion: The Company will disregard any votes cast in favour of this resolution by or on behalf of any person or any associates of that person who:

- (a) may participate in the issue; or
- (b) might obtain a benefit if this resolution is passed, except a benefit solely in their capacity as a holder of Shares.

However, the Company need not disregard a vote on this resolution 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 Annual General Meeting as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form to vote as the proxy decides.

12. QUESTIONS AND COMMENTS

The Chairman will allow a reasonable opportunity for Shareholders to ask questions about or make comments on the management of the Company.

DATED: TUESDAY, 24 APRIL 2018

BY ORDER OF THE BOARD



**MICHAEL FRY
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 which are the subject of the business of the Meeting.

The Explanatory Statement should be read in conjunction with the Notice of Meeting.

Shareholders should read the Notice of Meeting and this Explanatory Statement carefully before deciding how to vote on the resolutions.

A Proxy Form is attached to the Notice of Meeting. This is to be used by Shareholders if they wish to appoint a representative (a "proxy") to vote in their place. All Shareholders are invited and encouraged to attend the Meeting or, if they are unable to attend in person, sign and return the Proxy Form to the Company in accordance with the instructions thereon. Lodgement of a Proxy will not preclude a Shareholder from attending and voting at the Meeting in person.

1. ANNUAL REPORT

The business of the Meeting will include receipt and consideration of the Annual Report of the Company for the financial year ended 31 December 2017.

The Company will not provide a hard copy of the Company's Annual Report to Shareholders unless specifically requested to do so. The Company's annual financial report is available at www.forcecommodities.com.au.

There is no requirement for Shareholders to approve the Annual Report.

Shareholders will be offered the following opportunities:

- (a) to discuss the Annual Report for the financial year ended 31 December 2017; and
- (b) to ask the auditor questions about the conduct of the audit and the preparation and content of the auditor's report.

In addition to taking questions at the Meeting, written questions to the Company's auditor about:

- (a) the preparation and content of the auditor's report;
- (b) the conduct of the audit;
- (c) accounting policies adopted by the Company in relation to the preparation of the financial statements; and
- (d) the independence of the auditor in relation to the conduct of the audit,

may be submitted no later than 5 business days before the Meeting to the Company Secretary at the Company's registered office.

2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT (NON-BINDING)

2.1 General

The Remuneration Report sets out the Company's remuneration arrangements for the Directors and senior management of the Company. The Remuneration Report is part of the Director's Report contained in the annual financial report of the Company for the financial year ended 31 December 2017.

The Annual Report of the Company can be found on the Company's website at www.forcecommodities.com.au or at asx.com.au.

The Corporations Act requires that at a listed company's Annual General Meeting, a resolution that the Remuneration Report be adopted must be put to the Shareholders. However, such a resolution is advisory only and does not bind the Directors of the Company.

A reasonable opportunity will be provided for discussion of the Remuneration Report at the Meeting.

Under the Corporations Act, if at least 25% of the votes cast on Resolution 1 are voted against adoption of the Remuneration Report at this Meeting, the Company will receive a "first strike".

If, and only if, at least 25% of Shareholders vote against adoption of the Remuneration Report again at the 2019 Annual General Meeting, the Company will receive a "second strike" requiring it to put to its shareholders at the 2019 Annual General Meeting a resolution proposing the calling of another meeting of shareholders to consider removal of directors of the Company, referred to as a spill resolution.

2.2 Proxy Restrictions

Shareholders appointing a proxy for this Resolution should note the following:

Proxy	Directions given	No directions given
Key Management Personnel ¹	Vote as directed	Unable to vote ³
Chair ²	Vote as directed	Able to vote at discretion of Proxy ⁴
Other	Vote as directed	Able to vote at discretion of Proxy

Notes:

¹ Refers to Key Management Personnel (other than the Chair) whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such a member.

² Refers to the Chair (where he/she is also a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report), or a Closely Related Party of such a member).

³ Undirected proxies granted to these persons will not be voted and will not be counted in calculating the required majority if a poll is called on this Resolution.

⁴ The Proxy Form notes it is the Chair's intention to vote all undirected proxies in favour of all Resolutions.

3. RESOLUTION 2 – RE-ELECTION OF DIRECTOR - MR GEDEON PELESA

Rule 7.2(b) of the Constitution allows the Directors to appoint any person as a director of the Company, but only where the total number of Directors does not exceed the maximum number of 10 specified by the Constitution.

Pursuant to Rule 7.3(c) of the Constitution, any person so appointed holds office as a director of the Company only until the next annual general meeting of Shareholders at which time he or she must retire and is then eligible for re-election.

Mr Pelesa, who was appointed as a director of the Company on 17 October 2017, will retire in accordance with Rule 7.3(c) of the Constitution and, being eligible, seeks re-election.

3.1 Qualifications and other material directorships

Mr Pelesa is a qualified mining engineer (M.Eng (Mining), Lubumbashi University) with over 10 years' experience in mineral exploration projects including senior roles with Xstrata and Glencore in the DRC.

3.2 Independence

Mr Pelesa has no interests, position, association or relationship that might influence, or reasonably be perceived to influence, in a material respect his capacity to bring an independent judgement to bear on issues before the board and to act in the best interest of the entity and its security holders generally.

If re-elected the Board considers Mr Pelesa will be an independent director.

3.3 Board recommendation

The Board supports the re-election of Mr Pelesa and recommends that Shareholders vote in favour of Resolution 2.

4. RESOLUTION 3 – RATIFICATION OF DECEMBER 2017 PLACEMENT OF SHARES ISSUED UNDER LISTING RULE 7.1

4.1 General

On 18 December 2017, the Company issued 32,929,246 Shares under the Company's Listing Rule 7.1 15% capacity, which raised \$1,646,462.30 pursuant to a share placement to sophisticated and professional investors.

4.2 Listing Rules Chapter 7

Listing Rule 7.1 provides, subject to certain exceptions, that Shareholder approval is required for any issue of securities by a listed company in a 12 month period, where the securities proposed to be issued represent more than 15% of the company's ordinary securities then on issue during that 12 month period. Listing Rule 7.2 sets out the exceptions to Listing Rules 7.1. It provides that where a company in a general meeting ratifies the previous issue of securities made pursuant to Listing Rule 7.1 (and provided that the previous issue did not breach Listing Rules 7.1) those securities will be deemed to have been made with shareholder approval for the purpose of Listing Rule 7.1.

Listing Rule 7.4 provides that an issue under Listing Rule 7.1 is treated as having been made with Shareholder approval if each of the following applies:

- the issue did not breach Listing Rule 7.1; and
- Shareholders subsequently approve it.

By ratifying the issue of the Shares the subject of Resolution 3 pursuant to Listing Rule 7.4, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

4.3 Technical information required by the Listing Rules

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to Resolution 3:

- (a) 32,929,246 Placement Shares were issued;
- (b) the Placement Shares were issued and allotted on 18 December 2017;
- (c) the issue price was \$0.05 per Placement Share, raising a total of \$1,646,462.30;
- (d) the Placement Shares are fully paid ordinary shares that rank equally in all respects with the Company's existing Shares;
- (e) the Placement Shares were issued to sophisticated and professional investors. None of these subscribers are related parties of the Company;
- (f) the funds raised from the Placement Shares were principally to fund exploration activities and for general working capital; and
- (g) a voting exclusion statement is set out in the Notice of Meeting.

5. RESOLUTION 4 – RATIFICATION OF DECEMBER 2017 PLACEMENT OF SHARES ISSUED UNDER LISTING RULE 7.1A

5.1 General

On 18 December 2017, the Company issued a total of 27,070,754 Shares under the Company's Listing Rule 7.1A 10% capacity, which raised \$1,353,537.70 pursuant to a share placement to sophisticated and professional investors.

4.2 Listing Rules Chapter 7

Listing Rule 7.1A provides that an eligible company may seek Shareholder approval by a special resolution passed at an Annual General Meeting to have capacity to issue additional securities up to 10% of the company's ordinary securities then on issue. The Company is an eligible company which sought and received Shareholder approval under Listing Rule 7.1A at its Annual General Meeting held on 31 May 2017. Listing Rule 7.4 provides that an issue under Listing Rule 7.1A can be ratified subsequently by Shareholders.

4.3 Technical information required by the Listing Rules

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to Resolution 3:

- (a) 27,070,754 Placement Shares were issued;
- (b) the Placement Shares were issued and allotted on 18 December 2017;

- (c) the issue price was \$0.05 per Placement Share, raising a total of \$1,353,537.70;
- (d) the Placement Shares are fully paid ordinary shares that rank equally in all respects with the Company's existing Shares;
- (e) the Placement Shares were issued to sophisticated and professional investors. None of these subscribers are related parties of the Company;
- (f) the funds raised from the Placement Shares were principally to fund exploration activities and for general working capital; and
- (g) a voting exclusion statement is set out in the Notice of Meeting.

6. RESOLUTION 5 – RATIFICATION OF ISSUE OF SHARES IN LIEU OF CASH PAYMENT

6.1 General

On 18 November 2017, the Company issued a total of 2,750,000 Shares, to a consultant to the Company in lieu of cash payment.

6.2 Listing Rules Chapter 7

The Consultant Shares were issued under the Company's Listing Rule 7.1 15% capacity.

Listing Rule 7.1 provides, subject to certain exceptions, that Shareholder approval is required for any issue of securities by a listed company in a 12 month period, where the securities proposed to be issued represent more than 15% of the company's ordinary securities then on issue.

Listing Rule 7.2 sets out the exceptions to Listing Rule 7.1. It provides that where a company in a general meeting ratifies the previous issue of securities made pursuant to Listing Rule 7.1 (and provided that the previous issue did not breach Listing Rule 7.1) those securities will be deemed to have been made with shareholder approval for the purpose of Listing Rule 7.1.

Listing Rule 7.4 provides that an issue under Listing Rule 7.1 is treated as having been made with Shareholder approval if each of the following applies:

- the issue did not breach Listing Rule 7.1; and
- Shareholders subsequently approve it.

By ratifying the issue of the Shares the subject of Resolution 5 pursuant to Listing Rule 7.4, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in Listing Rule 7.1, without the requirement to obtain prior Shareholder approval.

6.3 Technical information required by the Listing Rules

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

- (a) 2,750,000 Consultant Shares were issued;
- (b) the Consultant Shares were issued and allotted on 18 November 2017;
- (c) the issue price was \$0.04 per Consultant Share;
- (d) the Consultant Shares are fully paid ordinary shares that rank equally in all respects with the Company's existing Shares;

- (e) the Consultant Shares were issued to Mrs Ann Mary Fry ATF M&A Fry Family Trust. The consultant is not a related party of the Company;
- (f) no funds were raised from the issue of the Consultant Shares; and
- (g) a voting exclusion statement is set out in the Notice of Meeting.

7. RESOLUTION 6 – ISSUE OF SHARES TO KANUKA (OR NOMINEE)

7.1 General

Resolution 6 seeks Shareholder approval pursuant to ASX Listing Rule 7.1 for the issue of up to 20,000,000 Shares in connection with the acquisition by the Company of a 51% interest in the Kanuka Lithium Production Project. Pursuant to the terms of the Joint Venture and Development Agreement with Kanuka the Company is required to issue Shares to Kanuka or its nominee on the delineation of a JORC Code compliant resource in relation to the Kanuka Lithium Production Project subject to the Company obtaining shareholder approval.

7.2 Listing Rules Chapter 7

ASX Listing Rule 7.1 provides that a company must not, without the approval of Shareholders, issue during any 12 month period any equity securities with rights of conversion to equity (such as an option) if the number of those securities exceeds 15% of the total ordinary shares on issue at the commencement of that 12 month period.

7.3 Technical information required by the Listing Rules

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

- (a) the maximum number of Shares to be issued is 20,000,000. The maximum number of Shares will be issued in the event of delineation of a JORC Code compliant lithium resource in excess of 1,000,000 tonnes of contained lithium at a grade of greater than or equal to 1% Li₂O. The number of Shares to be issued if a JORC Code compliant resource of less than 1,000,000 tonnes of contained lithium at a grade of greater than or equal to 1% Li₂O is delineated is as follows:
 - (i) 16,000,000 Shares for a resource of over 500,000 tonnes and less than or equal to 1,000,000 tonnes;
 - (ii) 12,000,000 Shares for a resource of over 250,000 tonnes and less than or equal to 500,000 tonnes; and
 - (iii) 8,000,000 Shares for a resource of up to 250,000 tonnes;
- (b) the Shares will be issued in the event that a JORC Code compliant lithium resource is delineated in relation to the Kanuka Lithium Production Project. It is expected that the Shares (if any) will be issued later than 3 months after the date of the Meeting and as such the Company has applied to ASX for a waiver of the ASX Listing Rules to permit their issue on a date which is later than 3 months after the Meeting but no later than 5 years after the Annual General Meeting. The Company will not issue the Shares without first having obtained a waiver of the ASX Listing Rules. If ASX does not grant the waiver, the Company will seek further Shareholder approval for the issue of the Shares in due course;
- (c) the Shares will be issued for no cash consideration at a deemed issue price of the market price of Shares at the time they are issued;

- (d) the Shares will be issued to Kanuka (or its nominee), which is not a related party or an associate of a related party of the Company;
- (e) the Shares will be fully paid ordinary shares that rank equally in all respects with the Company's existing Shares;
- (f) no funds will be raised from the issue of the Shares;
- (g) the Shares will be issued on the date of delineation of the relevant JORC Code compliant resource; and
- (h) a voting exclusion statement is set out in the Notice of Meeting.

8. RESOLUTION 7 – ISSUE OF PERFORMANCE RIGHTS TO MR JASON BREWER (OR NOMINEE)

8.1 General

Resolution 7 seeks the approval of Shareholders for the issue of 1,800,000 Performance Rights as an incentive to new Managing Director Jason Brewer or his nominee(s) in accordance with Chapter 2E of the Corporations Act and Listing Rule 10.11.

Effective 19 February 2018, Mr Jason Brewer was appointed as Managing Director of the Company. The Performance Rights form part of the remuneration arrangements of Mr Brewer.

The Performance Rights have the following vesting dates:

Number	Vesting date
600,000	19 February 2019
600,000	19 February 2020
600,000	19 February 2021

For each tranche of Performance Rights to vest Mr Brewer must remain in employment with the Company on each relevant vesting date.

8.2 Chapter 2E of the Corporations Act

Chapter 2E of the Corporations Act regulates the provision of financial benefits to related parties by a public company. Section 208 of the Corporations Act prohibits a public company giving a financial benefit to a related party of that public company unless one of a number of exceptions applies.

A "financial benefit" is defined in the Corporations Act in broad terms and includes the issue of securities. For the purpose of the Meeting, a related party includes a director of the Company.

For the purposes of Chapter 2E of the Corporations Act, Mr Brewer is a related party of the Company by virtue of the fact that he is a Director of the Company.

Section 208 of the Corporations Act provides that for a public company, or an entity that a public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in Sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in Sections 210 to 216 of the Corporations Act.

The Company is seeking the approval of Shareholders for the purposes of Chapter 2E of the Corporations Act in respect of the Performance Rights proposed to be issued to Mr Brewer.

Pursuant to and in accordance with the requirements of Sections 217 to 227 of the Corporations Act, the following information is provided in relation to the proposed issue of Performance Rights to Mr Brewer:

- (a) Mr Brewer is a related party by virtue of him being a Director of the Company;
- (b) the number of Performance Rights (being the financial benefit being provided) to be issued to Mr Brewer or his nominee(s) is 1,800,000;
- (c) Mr Brewer currently does not have a relevant interest in any securities in the Company;
- (d) the remuneration from the Company to Mr Brewer for the prior financial year and the proposed remuneration for the current financial year is set out below:

Current Financial Year (ending 31-Dec-2018)			Prior Financial Year (ending 31-Dec-2017)	
Annual Fee	Bonus	Performance ² Rights	Director Fees	Options ¹
\$180,000	Up to 50% of Annual Fee	1,800,000	\$27,000	5,000,000

¹ these Options are exercisable at \$0.035 each on or before 30 June 2019

² these Performance Rights are the subject of this Resolution 7 and are subject to approval being obtained from Shareholders, with one third of the Performance Rights to vest on each of the first, second and third anniversary of the commencement date of Mr Brewer's engagement with the Company subject to Mr Brewer being engaged on the relevant vesting dates.

- (e) if the Performance Rights proposed to be issued to Mr Brewer are approved by Shareholders, a total of 1,800,000 Performance Rights will be issued. If the Performance Rights vest, this will increase the number of Shares on issue from 419,915,868 to 421,715,868 (assuming that no other Shares are issued in the meantime) with the effect that the shareholding of existing shareholders would be diluted by an aggregate of 0.43%.
- (f) the trading history of Shares on ASX in the 12 months before the date of this Notice of Meeting is set out below:

	Price	Date
Highest	\$0.17	16 January 2018
Lowest	\$0.017	8 May 2017
Last	\$0.078	12 April 2018

- (g) the purpose of the grant of the Performance Rights is to reward Mr Brewer and to provide cost effective consideration to Mr Brewer for his ongoing commitment and contribution to the Company in his role as Managing Director, whilst allowing the Company to maintain cash reserves for acquisitions and operations. In addition, the Board considers the grant of the Performance Rights to Mr Brewer to be reasonable, given the necessity to attract high calibre professionals to the Company whilst maintaining the Company's cash reserve. The Board considered the extensive experience and reputation of Mr Brewer within the industry, the market price of Shares and current market practices when determining the number of Performance Rights to be issued to the Managing Director;
- (h) the Board does not consider there are any significant opportunity costs to the Company in issuing the Performance Rights to the Managing Director;
- (i) based on the closing price of Shares on 12 April 2018, the day before the Notice of Meeting was lodged with ASIC, the total value of the Performance Rights are \$140,400.00;
- (j) Mr Brewer has an interest in Resolution 7 and, therefore, believes it inappropriate to make a recommendation;
- (k) the Board (excluding Mr Brewer) recommends Shareholders vote in favour of this Resolution; and
- (l) the Board is not aware of any other information that would be reasonably required by Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass the Resolution.

8.3 Listing Rule 10.11

Resolution 7 is required to be approved by Shareholders in accordance with Listing Rule 10.11.

Listing Rule 10.11 requires a company obtain shareholder approval by ordinary resolution prior to the issue of securities to a related party.

Accordingly, Shareholder approval is sought for the issue of the Performance Rights to Mr Brewer.

The following information is provided to Shareholders for the purposes of Listing Rule 10.13:

- (a) the person to whom the Performance Rights are to be issued to is Mr Jason Brewer, a Director of the Company or his nominee(s);
- (b) the maximum number of Performance Rights to be issued by the Company is 1,800,000;
- (c) upon vesting the Performance Rights will entitle Mr Brewer or his nominee(s) to be issued fully paid ordinary shares that rank equally in all respects with the Company's existing Shares;
- (d) the Performance Rights will be granted to Mr Brewer as soon as possible after the date of the Meeting and, in any case, no later than 1 month after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules) and the Performance Rights will be issued on one date;
- (e) the Performance Rights will be issued in consideration of Mr Brewer's services as Managing Director and will have a deemed issue price of the market value of the Performance Rights at the time they are issued;

- (f) no funds will be raised from the issue of the Performance Rights;
- (g) a voting exclusion statement is set out in the Notice of Meeting.

Shareholder approval pursuant to ASX Listing Rule 7.1 is not required in order to issue the Performance Rights to Mr Brewer as approval is being obtained under ASX Listing Rule 10.11. Accordingly, the issue of the Performance Rights to Mr Brewer will not be included in the 15% calculation of the Company's annual placement capacity pursuant to ASX Listing Rule 7.1.

9. RESOLUTION 8 – ISSUE OF OPTIONS TO GEDEON PELESA (OR NOMINEE)

9.1 General

Resolution 8 seeks the approval of Shareholders for the issue of 2,500,000 Options to Mr Pelesa or his nominee(s) in accordance with Chapter 2E of the Corporations Act and Listing Rule 10.11.

The Options will be exercisable at \$0.10 on or before 30 June 2020. The exercise price represents an approximately 13.6% premium to the trading price on 6 April 2017 when the grant of the Options was considered and approved, subject to shareholder approval, by the Board and a premium of approximately 28% to the closing price on 12 April 2018, the day before this Notice of Meeting was lodged with ASIC.

9.2 Chapter 2E of the Corporations Act

Chapter 2E of the Corporations Act regulates the provision of financial benefits to related parties by a public company. Section 208 of the Corporations Act prohibits a public company giving a financial benefit to a related party of that public company unless one of a number of exceptions applies.

A "financial benefit" is defined in the Corporations Act in broad terms and includes the issue of securities. For the purpose of the General Meeting, a related party includes a director of the Company.

For the purposes of Chapter 2E of the Corporations Act, Mr Pelesa is a related party of the Company by virtue of the fact that he is a Director of the Company.

Section 208 of the Corporations Act provides that for a public company, or an entity that a public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in Sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in Sections 210 to 216 of the Corporations Act.

The Company is seeking the approval of Shareholders for the purposes of Chapter 2E of the Corporations Act in respect of the Options proposed to be issued to Mr Pelesa.

Pursuant to and in accordance with the requirements of Sections 217 to 227 of the Corporations Act and ASX Listing Rule 10.13, the following information is provided in relation to the proposed issue of Options to Mr Pelesa:

- (a) Mr Pelesa is a related party by virtue of him being a Director of the Company;

- (b) the number of Options (being the nature of the financial benefit being provided) to be allocated to Mr Pelesa or his nominee(s) is 2,500,000;
- (c) the Options will be issued on the terms set out in Schedule 2;
- (d) Mr Pelesa currently does not have a relevant interest in any securities of the Company;
- (e) the remuneration from the Company to Mr Pelesa for the prior financial year and the proposed remuneration for the current financial year (in addition to the Options) is set out below:
- Current Financial Year (ending 31-Dec-2018): \$48,000;
 - Prior Financial Year (ending 31-Dec-2017): \$10,000;
- (f) if the Options granted to Mr Pelesa are exercised, a total of 2,500,000 Shares will be issued. This will increase the number of Shares on issue from 419,915,868 to 422,415,868 (assuming that no other Shares are issued in the meantime) with the effect that the shareholding of existing shareholders would be diluted by an aggregate of 0.59%;
- (g) the trading history of Shares on ASX in the 12 months before the date of this Notice of Meeting is set out below:

	Price	Date
Highest	\$0.17	16 January 2018
Lowest	\$0.017	8 May 2017
Last	\$0.078	12 April 2018

- (h) the purpose of the grant of the Options is to reward Mr Pelesa and to provide cost effective consideration to Mr Pelesa for his ongoing commitment and contribution to the Company in his role as a Director, whilst allowing the Company to maintain cash reserves for acquisitions and operations. In addition, the Board considers the grant of the Options to Mr Pelesa to be reasonable, given the necessity to attract high calibre professionals to the Company whilst maintaining the Company's cash reserves. The Board considered the extensive experience and reputation of Mr Pelesa within the industry, the current market price of Shares and current market practices when determining the number and exercise price of the Options to be issued to the Director;
- (i) the Board does not consider there are any significant opportunity costs to the Company in issuing the Options to the Director. The market price of Shares during the term of the Options would normally determine whether or not the Options are exercised. If, at any time any of the Options are exercised and the Shares are trading on ASX at a price that is higher than the exercise price of the Options, there may be a perceived cost to the Company;
- (j) the value for the Options the subject of Resolution 8 has been estimated using the Black-Scholes method. In determining these values, the following assumptions have been made:
- (i) The market price per Share as at the valuation date of 12 April 2018 is \$0.078.
 - (ii) The exercise price of the Options is \$0.10.

- (iii) The Options will expire on 30 June 2020.
- (iv) The price volatility of the Shares is approximately 135%.
- (v) The current average risk-free interest rate is 2.03%.
- (vi) A dividend is unlikely to be paid by the Company during the life of the Options.

The total value of the 2,500,000 Options proposed to be issued to Mr Pelesa is therefore estimated as \$127,500;

- (k) Mr Pelesa has an interest in Resolution 8 and, therefore, believes it inappropriate to make a recommendation;
- (l) the Board (excluding Mr Pelesa) recommends Shareholders vote in favour of this Resolution; and
- (m) the Board is not aware of any other information that would be reasonably required by Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass the Resolution.

9.3 Listing Rule 10.11

Resolution 8 is required to be approved by Shareholders in accordance with Listing Rule 10.11

Listing Rule 10.11 requires a company obtain shareholder approval by ordinary resolution prior to the issue of securities to a related party.

Accordingly, Shareholder approval is sought for the issue of the Options to Mr Pelesa.

The following information is provided to Shareholders for the purposes of Listing Rule 10.13:

- (a) the person to whom the Options are to be issued to is Mr Gedeon Pelesa, a Director of the Company or his nominee(s);
- (b) the maximum number of Options to be issued by the Company is 2,500,000;
- (c) the Options will be granted to Mr Pelesa as soon as possible after the date of the Meeting and, in any event, no later than 1 month after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the ASX Listing Rules) and the Options will be issued on one date;
- (d) the Options will be issued in consideration of Mr Pelesa's services as a Director and will have a deemed issue price of the market value of the Options at the time they are issued;
- (e) no funds will be raised from the issue of the Options;
- (f) the Options will be issued on the terms set out in Schedule 2; and
- (g) a voting exclusion statement is set out in the Notice of Meeting.

Shareholder approval pursuant to ASX Listing Rule 7.1 is not required in order to issue the Options to the Directors as approval is being obtained under ASX Listing Rule 10.11. Accordingly, the issue of the Options to the Directors will not be included in the 15% calculation of the Company's annual placement capacity pursuant to ASX Listing Rule 7.1.

10. RESOLUTION 9 – 10% ENHANCED PLACEMENT FACILITY

10.1 General

Listing Rule 7.1A enables eligible entities to issue Equity Securities up to 10% of its issued share capital through placements over a 12 month period after the annual general meeting (**10% Enhanced Placement Facility**). The 10% Enhanced Placement Facility is in addition to the Company's 15% placement capacity without shareholder approval under Listing Rule 7.1.

An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less as at the date of the Annual General Meeting. The Company is an eligible entity as at the time of this Notice of Meeting and expects to remain so up to and including the date of the Annual General Meeting as it is not included in the S&P/ASX 300 Index and has a current market capitalisation of approximately \$32.75 million.

The Company is seeking Shareholder approval by way of a special resolution to have the ability to issue Equity Securities under the 10% Enhanced Placement Facility.

The exact number of Equity Securities to be issued under the 10% Enhanced Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (see section 10.2(c) below).

10.2 Description of Listing Rule 7.1A

(a) Shareholder approval

The ability to issue Equity Securities under the 10% Enhanced Placement Facility is subject to Shareholder approval by way of a special resolution at the Annual General Meeting.

(b) Equity Securities

Any Equity Securities issued under the 10% Enhanced Placement Facility must be in the same class as an existing quoted class of Equity Securities of the Company. The Company currently has one quoted class of Equity Securities on issue, being the Shares (ASX Code: 4CE).

(c) Formula for calculating 10% Enhanced Placement Facility

Listing Rule 7.1A.2 provides that eligible entities which have obtained shareholder approval at an annual general meeting may issue or agree to issue, during the 12 month period after the date of the annual general meeting, a number of Equity Securities calculated in accordance with the following formula:

(A x D) – E

A is the number of Shares on issue 12 months before the date of issue or agreement:

- (i) plus the number of fully paid Shares issued in the 12 months under an exception in Listing Rule 7.2;
- (ii) plus the number of partly paid Shares that became fully paid in the 12 months;

- (iii) plus the number of fully paid Shares issued in the 12 months with approval of holders of shares under Listing Rule 7.1 and 7.4. This does not include an issue of fully paid shares under the entity's 15% placement capacity without shareholder approval;
- (iv) less the number of fully paid Shares cancelled in the 12 months.

Note that A has the same meaning in Listing Rule 7.1 when calculating an entity's 15% placement capacity.

D is 10%;

E is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue that are not issued with the approval of shareholders under Listing Rule 7.1 or 7.4.

(d) **Listing Rule 7.1 and Listing Rule 7.1A**

The ability of an entity to issue Equity Securities under Listing Rule 7.1A is in addition to the entity's 15% placement capacity without shareholder approval under Listing Rule 7.1.

At the date of this Notice of Meeting, the Company has 419,915,868 Shares on issue. Therefore, subject to Shareholder approval the Company will have a capacity to issue:

- (i) 62,987,380 Equity Securities under Listing Rule 7.1; and
- (ii) subject to Shareholder approval being obtained under Resolution 8, 41,991,587 Equity Securities under Listing Rule 7.1A.1.

The actual number of Equity Securities that the Company will have the capacity to issue under Listing Rule 7.1 A will be calculated at the date of issue of the Equity Securities in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to (c) above) and so is subject to change.

(e) **Minimum Issue Price**

The issue price of Equity Securities issued under Listing Rule 7.1A must be not less than 75% of the VWAP of Equity Securities in the same class calculated over the 15 Trading Days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
- (ii) if the Equity Securities are not issued within 5 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.

(f) **10% Placement Period**

Shareholder approval of the 10% Enhanced Placement Facility under Listing Rule 7.1A is valid from the date of the annual general meeting at which the approval is obtained and expires on the earlier to occur of:

- (i) the date that is 12 months after the date of the annual general meeting at which the approval is obtained; or
- (ii) the date of the approval by shareholders of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking),

(10% Placement Period).

10.3 Specific information required by Listing Rule 7.3A

Pursuant to and in accordance with Listing Rule 7.3A, information is provided in relation to the approval of the 10% Enhanced Placement Facility as follows:

(a) Risk of economic and voting dilution

If Resolution 8 is approved by Shareholders and the Company issues Equity Securities under the 10% Enhanced Placement Facility, the existing Shareholders' voting power in the Company will be diluted as shown in the below table. There is a risk that:

- (i) the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date of the Meeting; and
- (ii) the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date or the Equity Securities are issued as part of consideration for the acquisition of a new asset,

which may have an effect on the amount of funds raised by the issue of the Equity Securities.

The table below shows the potential dilution of existing Shareholders on the basis of the current market price of Shares and the current number of ordinary securities (being variable "A" as calculated in accordance with the formula in Listing Rule 7.1A.2) on issue as at the date of this Notice of Meeting.

The table shows:

- (i) two examples where variable "A" has increased by 50% and 100%. Variable "A" is based on the number of ordinary securities the Company has on issue. The number of ordinary securities on issue may increase as a result of issues of ordinary securities that do not require Shareholder approval (for example, a pro rata entitlements issue or scrip issued under a takeover offer) or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders' meeting; and
- (ii) two examples of where the issue price of ordinary securities has decreased by 50% and increased by 50% as against the current market price.

The table has been prepared on the following assumptions:

- (i) The Company issues the maximum number of Equity Securities available under the 10% Enhanced Placement Facility.
- (ii) No other Shares are issued before the date of the issue of the Equity Securities.

- (iii) The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
- (iv) The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on the Shareholder's holding at the date of the Meeting.
- (v) The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.
- (vi) The issues of Equity Securities under the 10% Enhanced Placement Facility consists only of Shares.
- (vii) The issue price is \$0.078, being the closing price of the Shares on ASX on 12 April 2018.
- (viii) There are currently 419,915,868 Shares on issue.

Variable 'A' in Listing Rule 7.1A.2		Dilution		
		\$0.039 50% decrease in Issue Price	\$0.078 Issue price	\$0.156 100% increase in Issue Price
Current Variable A 419,915,868 Shares	10% Voting Dilution Funds raised	41,991,587 Shares \$1,637,671.89	41,991,587 Shares \$3,275,343.79	41,991,587 Shares \$6,550,687.57
50% increase in current Variable A 629,873,802 Shares	10% Voting Dilution Funds raised	62,987,380 Shares \$2,456,507.82	62,987,380 Shares \$4,913,015.64	62,987,380 Shares \$9,826,031.28
100% increase in current Variable A 839,831,736 Shares	10% Voting Dilution Funds raised	83,983,174 Shares \$3,275,343.79	83,983,174 Shares \$6,550,687.57	83,983,174 Shares \$13,101,375.14

(b) **Purpose of issue under 10% Enhanced Placement Facility**

The Company may seek to issue the Equity Securities for the following purposes:

- (i) non-cash consideration for the acquisition of the new assets or investments. In such circumstances the Company will provide a valuation of the non-cash consideration as required by Listing Rule 7.1A.3; or
- (ii) cash consideration. In such circumstances, the Company intends to use the funds raised towards continued exploration and feasibility study expenditure on the Company's portfolio of assets and/or general working capital.

The Company will comply with the disclosure obligations under Listing Rules 7.1A.4 and 3.10.5A upon issue of any Equity Securities.

(c) **Allocation under the 10% Placement Capacity**

The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Enhanced Placement Facility. The identity of the allottees of Equity Securities will be determined on a case-by-case basis having regard to the factors including but not limited to the following:

- (i) the methods of raising funds that are available to the Company, including but not limited to, rights issue or other issue in which existing security holders can participate;
- (ii) the effect of the issue of the Equity Securities on the control of the Company;
- (iii) the financial situation and solvency of the Company; and
- (iv) advice from corporate, financial and broking advisers (if applicable).

The allottees under the 10% Enhanced Placement Facility have not been determined as at the date of this Notice of Meeting but may include existing Shareholders and/or new Shareholders who are not related parties or associates of a related party of the Company.

Further, if the Company is successful in acquiring new assets or investments, the allottees under the 10% Enhanced Placement Facility may include the vendors of the new assets or investments.

(d) **Previous approval under ASX Listing Rule 7.1A**

The Company obtained approval under ASX Listing Rule 7.1A at the 2017 annual general meeting held on 31 May 2017.

In the 12 months preceding the date of the Meeting, being on and from 30 May 2017, the Company has issued 204,958,330 Shares and 45,833,326 Options which represents approximately 96% of the total diluted number of Equity Securities on issue in the Company on 30 May 2017, which was 231,520,038.

Details of the issues of Equity Securities by the Company during the 12 month period preceding the date of the Meeting are set out in Schedule 1.

(e) **Compliance with ASX Listing Rules 7.1A.4 and 3.10.5A**

When the Company issues equity securities pursuant to the 10% Placement Capacity, it will give to ASX:

- (i) a list of all the allottees of the equity securities and the number of equity securities allotted to each (not for release to the market), in accordance with ASX Listing Rule 7.1A.4; and
- (ii) the information required by ASX Listing Rule 3.10.5A for release to the market.

(f) A voting exclusion statement is set out in the Notice of Meeting.

11. RESOLUTION 10 – FUTURE PLACEMENT SHARES

11.1 Background

Resolution 10 seeks Shareholder approval pursuant to ASX Listing Rule 7.1 for the issue of Future Placement Shares within three months from the date of this Meeting to sophisticated and professional investors who are not related parties or associates of related parties of the Company.

Funds will be required to meet the Company's ordinary operating costs, for the exploration and feasibility studies associated with the Company's highly prospective DRC lithium projects, and for future acquisition opportunities that may arise. The Company will seek to raise such capital following the Meeting.

If Resolution 10 is approved, the Company will seek to raise such funds by making placement of Future Placement Shares without using the Company's 15% annual placement capacity or the Company's 10% enhanced placement capacity, (assuming Resolution 9 is approved). This will allow the Company to retain additional flexibility to raise funds in the future to meet the Company's financial obligations and ongoing operating and growth costs without the need for shareholder approval at that time.

11.2 ASX Listing Rules Chapter 7

ASX Listing Rule 7.1 provides that a company must not, without the approval of Shareholders, issue during any 12 month period any equity securities with rights of conversion to equity (such as an option) if the number of those securities exceeds 15% of the total ordinary shares on issue at the commencement of that 12 month period.

11.3 Technical Information required by the ASX Listing Rules

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

- (a) the maximum number of Shares to be issued is 50,000,000;
- (b) the Company will issue the Future Placement Shares no later than three months after the date of this Meeting (or such later date as ASX may in its discretion allow);
- (c) the Future Placement Shares will be allotted at an issue price not lower than 80% of the VWAP of the Shares over the five days on which sales were recorded preceding the date on which the issue is made;
- (d) the Future Placement Shares will be issued to sophisticated and professional investors who are not related parties or associates of related parties of the Company;
- (e) the Future Placement Shares will be fully paid ordinary shares that rank equally in all respects with the Company's existing Shares;
- (f) it is intended that the funds raised will be used by the Company to meet the Company's ordinary operating costs, for the exploration and feasibility studies associated with the Company's highly prospective DRC lithium projects, and for future acquisition opportunities that may arise;
- (g) the Company intends to issue the Future Placement Shares progressively on such dates when the Company completes any capital raisings following this Meeting and in accordance with any agreements contemplated by those capital raisings; and
- (h) a voting exclusion statement is set out in the Notice of Meeting.

12. QUESTIONS AND COMMENTS

In accordance with the Corporations Act at the Annual General Meeting the Chair will provide an opportunity for Shareholders to ask questions and make comments in relation to the management of the Company.

GLOSSARY

\$ means Australian dollars.

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

ASIC means Australian Securities & Investments Commission.

ASX means ASX Limited (ABN 98 008 624 691).

Board means the board of directors of the Company as constituted from time to time.

Chair means the chair of the Annual General 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 dependant of the member or 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 Act 2001* (Cth).

Company means Force Commodities Limited (ABN 12 145 184 667).

Consultant Shares means 2,750,000 Shares issued on 18 November 2017 to a consultant to the Company.

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

Directors means the directors of the Company from time to time.

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

Force DRC means Force Commodities DRC SAU.

Future Placement Shares means up to 50,000,000 Shares.

Kanuka means Kanuka Mining Company SARL.

Kanuka Lithium Production Project means the joint venture between the Company and Kanuka to explore for and produce lithium on Mining Licence PE 13082 and Exploration Licence PR 4100 in the DRC.

Kanuka Shares means up to 60,000,000 shares to be issued pursuant to the Kanuka Joint Venture and Development Agreement.

Key Management Personnel has the same meaning as in the accounting standards and broadly includes those persons having authority and responsibility for planning, directing

and controlling the activities of the Company, directly or indirectly, including any director of the Company.

Listing Rules means the Listing Rules of ASX.

Notice of Meeting means this notice of annual general meeting including the Explanatory Statement.

Option means an option to acquire a Share.

Performance Right means a right to be issued a Share subject to vesting conditions.

Placement Shares means 60,000,000 Shares issued on 18 December 2017 to raise \$3,000,000.

Proxy Form means the proxy form accompanying the Notice of Meeting.

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

Shareholder means a holder of a Share.

Trading Day means a day determined by ASX to be a trading day in accordance with the Listing Rules.

VWAP means the volume weighted average price.

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

SCHEDULE 1 – ISSUES OF EQUITY SECURITIES SINCE 30 MAY 2017

Date	Quantity	Class	Recipients	Issue price and discount to Market Price (if applicable) ¹	Consideration
Issues – 26 February 2018 Appendix 3B – 26 February 2018	1,000,000	Shares ²	Optionholders ³	\$0.032 each (discount of 68%)	Amount raised = \$32,000 Amount spent = NIL Amount remaining = \$32,000 Proposed use of remaining funds: The funds raised will be used for exploration, working capital purposes and to meet ongoing capital requirements.
Issues – 14 February 2018 Appendix 3B – 15 February 2018	67,500,000	Shares ²	Nominees of LAPL Pty Ltd	Nil	Non-cash consideration: part consideration for the acquisition of exclusive right to acquire rights of LAPL Pty Ltd to the Kitotolo Lithium Project and the Kiambi Lithium Project in the DRC Current Value – \$5,265,000
Issues – 14 February 2018 Appendix 3B – 15 February 2018	1,000,000	Shares ²	Optionholders ³	\$0.032 each (discount of 57.89%)	Amount raised = \$32,000 Amount spent = NIL Amount remaining = \$32,000 Proposed use of remaining funds: The funds raised will be used for exploration, working capital purposes and to meet ongoing capital requirements.
Issues – 19 January 2018 Appendix 3B – 22 January 2018	2,208,333	Shares ²	Optionholders ³	\$0.032 each (discount of 74.40%)	Amount raised = \$70,666.66 Amount spent = NIL Amount remaining = \$70,666.66 Proposed use of remaining funds: The funds raised will be used for exploration, working capital purposes and to meet ongoing capital requirements.
Issues – 19 January 2018 Appendix 3B – 22 January 2018	312,500	Shares ²	Optionholders ⁴	\$0.048 each (discount of 61.60%)	Amount raised = \$15,000 Amount spent = NIL Amount remaining = \$15,000 Proposed use of remaining funds: The funds raised will be used for exploration, working capital purposes and to meet ongoing capital requirements.

Date	Quantity	Class	Recipients	Issue price and discount to Market Price (if applicable) ¹	Consideration
Issues – 3,166,666 issued on 15 January 2018 4,375,000 issued on 16 January 2018 Appendix 3B – 16 January 2018	7,541,666	Shares ²	Optionholders ³	\$0.032 each (discount of 78.67% for shares issued on 15 January 2018; discount of 77.14% for shares issued on 16 January 2018)	Amount raised = \$241,333.31 Amount spent = NIL Amount remaining = \$241,333.31 Proposed use of remaining funds: The funds raised will be used for exploration, working capital purposes and to meet ongoing capital requirements.
Issues – 19 December 2018 Appendix 3B – 20 December 2018	1,333,332	Shares ²	Optionholders ³	\$0.032 each (discount of 50.77%)	Amount raised = \$42,666.62 Amount spent = NIL Amount remaining = \$42,666.62 Proposed use of remaining funds: The funds raised will be used for exploration, working capital purposes and to meet ongoing capital requirements.
Issue – 18 December 2017 Appendix 3B – 19 December 2017	60,000,000	Shares ²	Placement to Professional and sophisticated investors.	\$0.05 each (discount of 27.54%)	Amount raised = \$3,000,000 (before costs) Amount spent = \$620,000 Amount remaining = \$2,380,000 Proposed use of remaining funds: The funds raised will be used for exploration, working capital purposes and to meet ongoing capital requirements.
Issues – 11 December 2017 Appendix 3B – 11 December 2017	250,000	Shares ²	Optionholders ³	\$0.032 each (discount of 50%)	Amount raised = \$8,000 Amount spent = \$8,000 Use of funds: The funds raised were used for exploration, working capital purposes and to meet ongoing capital requirements.
Issues – 11 December 2017 Appendix 3B – 11 December 2017	5,000,000	Shares ²	Optionholders ⁵	\$0.035 each (discount of 45.31%)	Amount raised = \$175,000 Amount spent = \$175,000 Use of funds: The funds raised were used for exploration, working capital purposes and to meet ongoing capital requirements.
Issues – 11 December 2017 Appendix 3B – 11 December 2017	312,500	Shares ²	Optionholders ⁴	\$0.048 each (discount of 25%)	Amount raised = \$15,000 Amount spent = \$15,000 Use of funds: The funds raised were used for exploration, working capital purposes and to meet ongoing capital requirements.

Date	Quantity	Class	Recipients	Issue price and discount to Market Price (if applicable) ¹	Consideration
Issues – 24 November 2017 Appendix 3B – 27 November 2017	250,000	Shares ²	Optionholders ³	\$0.032 each (discount of 41.82%)	Amount raised = \$8,000 Amount spent = \$8,000 Use of funds: The funds raised were used for exploration, working capital purposes and to meet ongoing capital requirements.
Issues – 20 November 2017 Appendix 3B – 21 November 2017	1,833,333	Shares ²	Optionholders ³	\$0.032 each (discount of 44.83%)	Amount raised = \$58,666.65 Amount spent = \$58,666.65 Use of funds: The funds raised were used for exploration, working capital purposes and to meet ongoing capital requirements.
Issue – 14 November 2017 Appendix 3B – 15 November 2017	2,750,000	Shares ²	Issued in lieu of cash payment.	\$0.04 each (discount of 31.03%)	Non-cash consideration: payment of a liability of \$110,000. Current Value - \$110,000
Issue – 14 November 2017 Appendix 3B – 15 November 2017	2,000,000	Unquoted Options ⁶	Under Employee Share Option Plan	Nil	Non-cash Consideration: Incentive Payments Current value ⁸ = \$114,000
Issue – 14 November 2017 Appendix 3B – 15 November 2017	2,000,000	Unquoted Options ⁷	Under Employee Share Option Plan	Nil	Non-cash Consideration: Incentive Payments Current value ⁸ = \$108,000
Issue – 10 October 2017 Appendix 3B – 12 October 2017	26,833,326	Unquoted Options ³	Sophisticated and professional investors who participated in July 2017 Placement	Nil	Non-cash Consideration: Incentive Payments Current value ⁸ = \$2,092,999.43
Issue – 10 October 2017 Appendix 3B – 12 October 2017	15,000,000	Unquoted Options ⁵	Directors	Nil	Non-cash Consideration: Incentive Payments Current value ⁸ = \$840,000
Issue – 24 July 2017 Appendix 3B – 25 July 2017	53,666,666	Shares ²	Placement to Professional and sophisticated investors.	\$0.015each (discount of 21.05%)	Amount raised = \$805,000 (before costs) Amount spent = \$805,000 Use of funds The funds raised were used for exploration, working capital purposes and to meet ongoing capital requirements.

Notes:

1. Market Price means the closing price on ASX (excluding special crossings, overnight sales and exchange traded option exercises). For the purposes of this table the discount is calculated on the Market Price on the last trading day on which a sale was recorded prior to the date of issue of the relevant Equity Securities.

2. Fully paid ordinary shares in the capital of the Company, ASX Code: 4CE (terms are set out in the Constitution).
3. Unquoted Options, exercisable at \$0.032 each, on or before 30 June 2019.
4. Unquoted Options, exercisable at \$0.048 each, on or before 5 August 2019.
5. Unquoted Options, exercisable at \$0.035 each, on or before 30 June 2019.
6. Unquoted Options, exercisable at \$0.06 each, on or before 1 July 2020.
7. Unquoted Options, exercisable at \$0.08 each, on or before 1 July 2020.
8. Based on Black Scholes Valuation as at 12 April 2018.

SCHEDULE 2 – TERMS AND CONDITIONS OF OPTIONS (UNLISTED)


- (a) No monies will be payable for the issue of the Options.
- (b) Each Option carries the right, subject to Shareholder approval required under the Corporations Act or the Listing Rules, to subscribe for one Share.
- (c) The Options are exercisable at any time after Shareholder approval until 5.00pm (WST) on 30 June 2020 (**Expiry Date**).
- (d) The exercise price of each Option is \$0.10 (**Exercise Price**).
- (e) Options may be exercised in whole or in part. An exercise of only some of the Options shall not affect the rights of the party holding the Option (**Option Holder**) to the balance of the Options held by the Option Holder.
- (f) An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date, and will cease to carry any rights or benefits.
- (g) The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).
- (h) The Options may be exercised during the Exercise Period by a holder delivering to the Company's registered office a notice (in a form prescribed by the Company from time to time) stating that the number of Options to be exercised (**Notice of Exercise**) and a payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.
- (i) A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).
- (j) Within 15 Business Days after the later of the following:
 - (i) the Exercise Date; and
 - (ii) when excluded information in respect to the Company (as defined in section 708A(7) of the Corporations Act) (if any) ceases to be excluded information,but in any case no later than 20 Business Days after the Exercise Date, the Company will:
 - (i) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
 - (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
 - (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options. If a notice delivered under (g)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.
- (k) Options may be exercised into Shares to be held in the name of the Option Holder's nominees.
- (l) Shares issued on exercise of the Options rank equally with the then issued shares of the Company.

- (m) The Options shall not be transferred or assigned by the holder except with the prior written consent of the Company and subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.
- (n) Options shall not be quoted on ASX.
- (o) If at any time the issued capital of the Company is reorganised (including consolidation, subdivision, reduction or return), all rights of a holder of an Option are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reorganisation.
- (p) The holders of an Option may only participate in new issues of securities to holders of ordinary shares in the Company if the Option has been exercised and Shares issued in respect of the Option before the record date for determining entitlements to the issue.
- (q) There will be no change to the exercise price of the Option or the number of Shares over which an Option is exercisable in the event of the Company making a pro rata issue of shares or other securities to the holders of ordinary shares in the Company (other than a bonus issue).
- (r) If there is a bonus issue (**Bonus Issue**) to the holders of ordinary Shares in the Company, the number of Shares over which an Option is exercisable will be increased by the number of Shares which the holder would have received if the Option had been exercised before the record date for the Bonus Issue (**Bonus Shares**). The Bonus Shares must be paid up by the Company out of the profits or reserves (as the case may be) in the same manner as was applied in the Bonus Issue and upon issue rank equally in all respects with the other Shares of that class on issue as the date of issue of the Bonus Shares.

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4CE
MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Lodge your vote:

 **By Mail:**
Computershare Investor Services Pty Limited
GPO Box 242 Melbourne
Victoria 3001 Australia

Alternatively you can fax your form to
(within Australia) 1800 783 447
(outside Australia) +61 3 9473 2555

For Intermediary Online subscribers only
(custodians) www.intermediaryonline.com

For all enquiries call:
(within Australia) 1300 850 505
(outside Australia) +61 3 9415 4000

Proxy Form

XX

 **For your vote to be effective it must be received by 11:00am (WST) Wednesday 23 May, 2018.**

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

Appointment of Proxy

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

Signing Instructions

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

Joint Holding: Where the holding is in more than one name any of the security holders can sign. However, if more than one form is received from joint holders, the vote of the security holder whose name appears first in the register of shareholders shall be accepted to the exclusion of the votes of the other joint holders.

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 form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at www.investorcentre.com under the help tab, "Printable Forms".

Comments & Questions: If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

Turn over to complete the form ➔



View your securityholder information, 24 hours a day, 7 days a week:

www.investorcentre.com

- Review your securityholding
- Update your securityholding

Your secure access information is:

SRN/HIN: I999999999



PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

MR SAM SAMPLE
 FLAT 123
 123 SAMPLE STREET
 THE SAMPLE HILL
 SAMPLE ESTATE
 SAMPLEVILLE VIC 3030

Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



I 9999999999

IND

Proxy Form

Please mark to indicate your directions

STEP 1 Appoint a Proxy to Vote on Your Behalf

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I/We being a member/s of Force Commodities Limited hereby appoint

the Chairman of the Meeting **OR**

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the Meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Force Commodities Limited to be held at **Ground Floor, 20 Kings Park Road, West Perth, Western Australia, 6005 on Friday, 25 May 2018 at 11:00 am (WST)** and at any adjournment or postponement of that Meeting.

Chairman authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Items 1, 7 and 8 even though Items 1, 7 and 8 are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman. However, where the Chairman is the related party the subject of any of Resolutions 1, 7 or 8 or is an associate of the related party, the Chairman will be excluded from voting undirected proxies in favour of the relevant Resolution. Subject to these restrictions, the Chairman of the Meeting intends to vote undirected proxies in favour of each of Resolutions 1, 7 and 8.

Important Note: If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Items 1, 7 and 8 by marking the appropriate box in step 2 below.

STEP 2 Items of Business

PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

		For	Against	Abstain
1	Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2	Re-election of Director - Mr Gedeon Pelesa	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3	Ratification of December 2017 Placement Shares issued under Listing Rules 7.1	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4	Ratification of December 2017 Placement Shares issued under Listing Rules 7.1A	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5	Ratification of Issue of Shares in Lieu of Cash Payment	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6	Issue of Shares to Kanuka (or Nominee)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7	Issue of Performance Rights to Mr Jason Brewer (or Nominee)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8	Issue of Options to Mr Gedeon Pelesa (or Nominee)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9	10% Enhanced Placement Capacity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10	Future Placement of Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

SIGN Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact Name

Contact Daytime Telephone

Date / /