



ACN 109 933 995

**NOTICE OF ANNUAL GENERAL MEETING
AND
EXPLANATORY STATEMENT
TO SHAREHOLDERS**

**NOTICE IS INCLUDED FOR
THE ANNUAL GENERAL MEETING OF SHAREHOLDERS
TO BE HELD at
11.00AM (AEST) ON TUESDAY, 28th NOVEMBER 2017**

At Bizzell Capital Partners,
Level 9, Waterfront Place,
1 Eagle Street, Brisbane QLD 4000

IMPORTANT INFORMATION

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 without delay.



ACN 109 933 995

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of the Shareholders of Bass Metals Ltd ("**Bass Metals**" or "**the Company**") will be held as follows:

TIME: 11.00am (AEST)

DATE: Tuesday, 28 November 2017

LOCATION: Bizzell Capital Partners, Level 9, Waterfront Place, 1 Eagle Street,
Brisbane QLD 4000

This Notice of Annual General 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 without delay.

If you wish to discuss any aspects of this document with the Company, please contact
Mr. David Round, Company Secretary, of Bass Metals Ltd on 0411 160 445.

Words and phrases used in the Resolutions are defined in Section 13 of the accompanying Explanatory Statement and these words and phrases have the same meaning in this Notice of Annual General Meeting as defined in the Explanatory Statement.

AGENDA

ORDINARY BUSINESS

Financial Statements and Reports

To receive and consider the annual financial report of the Company for the financial year ended 30 June 2017 together with the declaration of the Directors, the Directors' report, the Remuneration Report and the auditor's report.

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 30 June 2017."

Note: Pursuant to section 250R(3) of the Corporations Act, the vote on this Resolution is advisory only and does not bind the Directors or the Company.

A voting exclusion statement is set out below.

Resolution 2 – Re-election of Director – Mr. Rick Anthon

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

“That Mr. Rick Anthon, who retires by rotation in accordance with clause 11.3 of the Company’s constitution and for all other purposes, offers himself for re-election, be re-elected as a Director.”

Resolution 3 – Ratification of Prior Issue of Shares and Options

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

“That, for the purposes of Listing Rule 7.4, and for all other purposes, Shareholders approve and ratify the issue and allotment of 135,912,600 Shares and 68,181,818 free attaching Options on the terms set out in the Explanatory Statement accompanying this Notice of General Meeting.”

A voting exclusion statement is set out below.

Resolution 4 – Ratification of Prior Issue of Shares

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

“That, for the purposes of Listing Rule 7.4, and for all other purposes, Shareholders approve and ratify the issue and allotment of 136,814,673 Shares on the terms set out in the Explanatory Statement accompanying this Notice of General Meeting.”

A voting exclusion statement is set out below.

Resolution 5 – Ratification of Prior Issue of Shares and Options

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

“That, for the purposes of Listing Rule 7.4, and for all other purposes, Shareholders approve and ratify the issue and allotment of 23,968,017 Shares and 11,363,636 free attaching Options on the terms set out in the Explanatory Statement accompanying this Notice of General Meeting.”

A voting exclusion statement is set out below.

Resolution 6 – Ratification of Prior Issue of Shares

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

“That, for the purposes of Listing Rule 7.4, and for all other purposes, Shareholders approve and ratify the issue and allotment of 21,486,528 Shares on the terms set out in the Explanatory Statement accompanying this Notice of General Meeting.”

A voting exclusion statement is set out below.

Resolution 7 – Approval of Conditional Placement

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

“That, for the purposes of Listing Rule 7.1, and for all other purposes, Shareholders approve the issue of 90,909,091 Shares and 22,727,273 free attaching Options on the terms set out in the Explanatory Statement accompanying this Notice of General Meeting.”

A voting exclusion statement is set out below.

Resolution 8 – Issue of New Securities on the conversion of the Convertible Notes to non-related parties

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

“That, for the purposes of Listing Rule 7.1, and for all other purposes, Shareholders approve the issue of 181,217,568 Shares and 135,913,176 free attaching Options on the conversion of the Convertible Notes held by Non-Related Convertible Noteholders on the terms set out in the Explanatory Statement accompanying this Notice of General Meeting.”

A voting exclusion statement is set out below.

Resolution 9 – Issue of New Securities on the conversion of the Convertible Notes to a related party – Nambia Pty Ltd

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

“That, for the purposes of Listing Rule 10.11, and for all other purposes, Shareholders approve the issue of 9,416,345 Shares and 7,062,259 free attaching Options on the conversion of the Convertible Notes held by Nambia Pty Ltd on the terms set out in the Explanatory Statement accompanying this Notice of General Meeting.”

A voting exclusion statement is set out below.

Resolution 10 – Issue of New Securities on the conversion of the Convertible Notes to a related party – Mr Jeff Marvin

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

“That, for the purposes of Listing Rule 10.11, and for all other purposes, Shareholders approve the issue of 1,082,880 Shares and 812,160 free attaching Options on the conversion of the Convertible Notes held by Mr Jeff Marvin on the terms set out in the Explanatory Statement accompanying this Notice of General Meeting.”

A voting exclusion statement is set out below.

Resolution 11 – Issue of New Securities on the conversion of the Convertible Notes to a related party – Macquarie River Holdings Pty Ltd or its nominee

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

“That, for the purposes of Listing Rule 10.11, and for all other purposes, Shareholders approve the issue of 3,531,130 Shares and 2,648,347 free attaching Options on the conversion of the Convertible Notes held by Macquarie River Holdings Pty Ltd or its nominee on the terms set out in the Explanatory Statement accompanying this Notice of General Meeting.”

A voting exclusion statement is set out below.

Resolution 12 – Issue of Shares and Options to Joint Lead Manager

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

“That, for the purposes of Listing Rule 7.1, and for all other purposes, Shareholders approve the issue of 10,174,361 Shares and 25,794,309 Options to Bizzell Capital Partners Pty Ltd, or its nominee(s), on the terms set out in the Explanatory Statement accompanying this Notice of General Meeting.”

A voting exclusion statement is set out below.

SPECIAL BUSINESS

Resolution 13 – Approval of 10% Placement Facility

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 and for all other purposes, Shareholders approve the issue of Equity Securities of up to 10% of the issued capital of the Company (at the time of issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions in the Explanatory Statement.”

Voting Prohibitions and Exclusion Statements Corporations Act

The Corporations Act prohibits votes being cast (in any capacity) on the following resolutions by any of the following persons:

Resolution	Persons excluded from voting
Resolution 1 – Remuneration Report (Non-Binding)	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 member. However, a person described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either: (a) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or (b) the voter is the chair of the meeting 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 if this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel for the Company.

Listing Rule 14.11

Under Listing Rule 14.11, the Company will disregard any votes cast on the following Resolutions by the following persons and their associates:

Resolution	Persons excluded from voting
Resolutions 3 and 4 – Ratification of Prior Issue of Securities	Finn Air Holdings Pty Ltd, JLG I SMSF Pty Ltd<JLG I Superannuation Fund A/C>, JL Gibson Investments Pty Ltd, Rookharp Investments Pty Ltd, David Rooke, Leesa Rooke, Thomas William Warren, Ryan Michael Moore, Rooke Investments Pty Ltd<Rooke Super A/C>, Phillip Alexander Purdie + Carol Ann Purdie<Purdie Super Fund A/C>, Seven Stars Pty Ltd, Brian Carl Bartels + Angela Bartels<The BC & A Bartels SF A/C>, DGCS Pty Ltd<G & C Bodyworks S/F A/C>, Row Boat Pty Ltd<The Rowthorne Super Fund A/C>, Terry Jones, Pineapple Projects Pty Ltd<AFT The AJC Super Fund>, Choice Investments Dubbo Pty Ltd, Ben Dunn + Renee Jan Dunn<Ben Dunn Super Fund A/C>, Nicholas Hartwig, GGJ One Assets Pty Ltd, Keiran Alistair Moffat, Nottingham Place Pty Ltd<Trivett Family A/C>, Anthony Robert Porter + Bruce James Vanstone<AFT Porter Capital Superannuation Fund>, Cuneiform Managers Pty Ltd<AFT Cuneiform Investment Trust>, Nanthana Nominees Pty Ltd<The Glen Rock Super Fund>, Mark Ratcliff + Lesley Ratcliff<AFT Black Knight Super Fund>, CPS Group Investments Pty Ltd<Powerlan Investment A/C>, David Round<David Round Family A/C>, Tim McManus + Elizabeth McManus<McManus Investment A/C>, JLG I SMSF Pty Ltd <JLG I Superannuation Fund>, JL Gibson Investments Pty Ltd <JL Gibson Investment A/c>, Macquarie River Holdings Pty Ltd, Gibson Constructions Pty Ltd, Ventoux Pty Ltd, LC Farrow Pty Ltd <Rowthorne Family A/c>, Mattford <Matthew Super Fund A/c>, Edlewis Pty Ltd <Jamesly A/c>, Serec Pty Ltd, Mungala Pty Ltd, Martin Place Securities Pty Ltd, Miss Marina Baltrusaitiene, Unrandom Pty Ltd <Urando A/c>, Mr Stuart Boyce and Mrs Mary Boyce <Boyce Super Fund A/C>, Jayart Funds Management Pty Ltd, K&A Fisher Pty Ltd, Lult Pty Ltd, Jojo Enterprises <SFI Family A/c>, Rocket Science Pty Ltd <The Trojan Capital Fund A/c>, Rotherwood Enterprises Pty Ltd, Mr Roger Gamble, Hartnell Nominees Pty Ltd, Kings Park Superannuation Fund Pty Ltd, Amity Pty Ltd, Mr Simon Tritton, Ms Irene Frisby, Talavera Capital Pty Ltd, Mr Kieran Moffat.
Resolutions 5 and 6 – Ratification of Prior Issue of Securities	Finn Air Holdings Pty Ltd, Rookharp Investments Pty Ltd, Choice Investments Dubbo Pty Ltd, Phillip Purdie and Carol Purdie <Purdie Super Fund A/c>, Donald Geoffrey Rees, AET SFS Pty Ltd <Peake Opportunities Fund>, Brian Gerard Sheahan, Lucali Pty Ltd, S M Provident Pty Ltd, David Frederick Oakley, Capehead Superannuation Pty Ltd, James Richard Morison and Warwick James Morison and Margaret Jane Morison <Morison Super Fund A/C>.
Resolution 7 - Issue of New Securities	Persons who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity as a holder of ordinary securities if the resolution is passed.
Resolution 8 - Issue of New Securities	Finn Air Holdings Pty Ltd, JLG I SMSF Pty Ltd<JLG I Superannuation Fund A/C>, JL Gibson Investments Pty Ltd, Rookharp Investments Pty Ltd, David Rooke, Leesa Rooke, Thomas William Warren, Ryan Michael Moore, Rooke Investments Pty Ltd<Rooke Super A/C>, Phillip Alexander Purdie + Carol Ann Purdie<Purdie Super Fund A/C>, Seven Stars Pty Ltd, Brian Carl Bartels + Angela Bartels<The BC & A Bartels SF A/C>, DGCS Pty Ltd<G & C Bodyworks S/F A/C>, Row Boat Pty Ltd<The Rowthorne Super Fund A/C>, Terry Jones, Pineapple Projects Pty Ltd<AFT The AJC Super Fund>, Choice Investments Dubbo Pty Ltd, Ben Dunn + Renee Jan Dunn<Ben Dunn Super Fund A/C>, Nicholas Hartwig, GGJ One Assets Pty Ltd, Keiran Alistair Moffat, Nottingham Place Pty Ltd<Trivett Family A/C>, Anthony Robert Porter + Bruce James Vanstone<AFT Porter Capital Superannuation Fund>, Cuneiform Managers Pty Ltd<AFT Cuneiform Investment Trust>, Nanthana Nominees Pty Ltd<The Glen Rock Super Fund>, Mark Ratcliff + Lesley Ratcliff<AFT Black Knight Super Fund>, CPS Group Investments Pty Ltd<Powerlan Investment A/C>, David Round<David Round Family A/C>, Tim McManus + Elizabeth McManus<McManus Investment A/C>.
Resolution 9 – Issue of New Securities to a Related Party	Rick Anthon, Nambia Pty Ltd or its nominee(s).
Resolution 10 – Issue of New Securities to a Related Party	Jeff Marvin or his nominee(s).
Resolution 11 – Issue of New Securities to a Related Party	Peter Wright, Macquarie River Holdings Pty Ltd or its nominee(s).

Resolution 12 – Approval to Issue Shares and Options	Bizzell Capital Partners Pty Ltd or its nominee(s).
Resolution 13 – Approval of 10% Placement Facility	Persons who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity as a holder of ordinary securities, if the Resolution is passed.

However, the Company need not disregard a vote if:

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

Important note:

The proposed persons to whom any Equity Securities may be issued to under the 10% Placement Facility are not as yet known or identified. In these circumstances (and in accordance with the note set out in ASX Listing Rule 14.11.1 relating to ASX Listing Rules 7.1 and 7.1A), for a person's vote to be excluded, it must be known that that person will participate in the proposed issue. Where it is not known who will participate in the proposed issue (as is the case in respect of any Equity Securities issued under the 10% Placement Facility), Shareholders must consider the proposal on the basis that they may or may not get a benefit and that it is possible that their holding will be diluted, and there is no reason to exclude their votes.

EXPLANATORY STATEMENT

Shareholders are referred to the Explanatory Statement accompanying and forming part of this Notice of Annual General Meeting for further explanation of the Resolutions.

PROXIES

Members are encouraged to attend the meeting, but if you are unable to attend the meeting, we encourage you to complete and return the enclosed Proxy Form.

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

- a member of the Company entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy;
- a proxy need not be a member of the Company; and
- a member of the Company entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise, but where the proportion or number is not specified, each proxy may exercise half of the votes.

The enclosed Proxy Form provides further details on appointing proxies and lodging Proxy Forms.

CORPORATE REPRESENTATIVES

A body corporate that is a shareholder, or which has been appointed as proxy, may appoint an individual to act as its representative at the Annual General Meeting. The appointment must comply with the requirements of section 250D of the Corporations Act. The representative should bring to the meeting evidence of his or her appointment, including any authority under which it is signed, unless it has previously been given to the Company.

DATE FOR DETERMINING HOLDERS OF SHARES

In accordance with Regulation 7.11.37 of the *Corporations Regulations 2001* (Cth), the Directors have set a date to determine the identity of those entitled to attend and vote at the Annual General Meeting. For the purposes of determining voting entitlements at the Annual General Meeting, Shares will be taken to be held by the persons who are registered as holding at 7:00 pm (ADST) on 24 November 2017. Accordingly, transactions registered after that time will be disregarded in determining entitlements to attend and vote at the Annual General Meeting.

Dated this 27 October 2017

By order of the Board



David Round
Company Secretary



ACN 109 933 995

EXPLANATORY STATEMENT TO SHAREHOLDERS

1. ACTION TO BE TAKEN BY SHAREHOLDERS

This Explanatory Statement sets out information about the Resolutions to be considered by the Shareholders at the Annual General Meeting. Defined terms used in this Explanatory Statement are set out in Section 13. Accompanying this Explanatory Statement is the Notice of Annual General Meeting convening the Annual General Meeting and a Proxy Form.

Shareholders are encouraged to attend and vote on the Resolutions to be put to the Annual General Meeting. If a Shareholder is not able to attend and vote at the Annual General Meeting, the Shareholder may complete the Proxy Form and return it not later than 48 hours before the time specified for the commencement of the Annual General Meeting.

2. PURPOSE OF THE ANNUAL GENERAL MEETING

The Annual General Meeting has been convened for the purpose of considering the Resolutions, which are set out in the Notice of Annual General Meeting and explained in more detail below.

3. ANNUAL FINANCIAL REPORTS

The Corporations Act requires the Company's financial statements and reports of the Directors and of the auditor for the year ended 30 June 2017 to be laid before the Annual General Meeting. The financial statements and the reports of the Directors and of the auditor are contained in the Company's 2017 Annual Report, a copy of which is available on the Company's website at www.bassmetals.com.au.

Whilst no Resolution is required in relation to this item, Shareholders should consider the documents and raise any matters of interest with the Directors when this item is being considered.

The Company's auditor will be present at the meeting and Shareholders will have an opportunity to ask the auditor questions in relation to the conduct of the audit, the auditor's report, the Company's accounting policies and the independence of the auditor.

4. RESOLUTION 1: ADOPTION OF REMUNERATION REPORT

The Remuneration Report is required to be considered for adoption in accordance with section 250R of the Corporations Act. 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 Directors' report contained in the annual financial report of the Company for the financial year ending 30 June 2017.

A reasonable opportunity will be given for the discussion of the Remuneration Report at the Annual General Meeting. Shareholders should note that the vote on this Resolution is advisory only and does not bind the Company or the Directors.

4.1. If Remuneration Report is voted against

Pursuant to the Corporations Act, if at least 25% of the votes cast on Resolution 1 are voted against adoption of the Remuneration Report at the Annual General Meeting, and then again at the Company's 2018 annual general meeting, the Company will be required to put to Shareholders a resolution proposing the calling of an extraordinary general meeting at which all of the Directors of the Company who were Directors when the resolution to make the Directors' Report considered at the later annual general meeting was passed (other than the Managing Director) must go up for re-election ("**Spill Resolution**").

If more than 50% of Shareholders vote in favour of the Spill Resolution, the Company must convene the extraordinary general meeting ("**Spill Meeting**") within 90 days of the Company's 2018 annual general meeting. All of the Directors who are in office when the Company's 2018 Directors' Report is approved, other than the Managing Director of the Company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting. Following the Spill Meeting those persons whose election or re-election as Directors is approved will be the Directors of the Company.

The Company's Shareholders have approved the Remuneration Report at each previous annual general meeting. A Spill Resolution will not be required at this Annual General Meeting as the votes against the Remuneration Report at the Company's previous annual general meeting were less than 25%.

4.2. Undirected Proxies

The Chairman intends to exercise all undirected proxies in favour of Resolution 1. If the Chairman of the Annual General Meeting is appointed as your proxy and you have not specified the way the Chairman is to vote on Resolution 1, by signing and returning the Proxy Form, the Shareholder is considered to have provided the Chairman with an express authorisation for the Chairman to vote the proxy in accordance with the Chairman's intention.

5. RESOLUTION 2: RE-ELECTION OF DIRECTOR – MR. RICK ANTHON

Clause 11.3 of the Company's Constitution requires that one-third of the Directors retire by rotation at each annual general meeting (except the Managing Director).

Mr Rick Anthon retires from office at this Meeting and offers himself for re-election.

Details of Mr Anthon's qualifications and experience are set out in the Company's 2017 Annual Report.

The Board (excluding Mr Anthon) recommends that Shareholders vote in favour of Resolution 2.

6. RESOLUTIONS 3 AND 4 – RATIFICATION OF PRIOR ISSUE OF SHARES AND OPTIONS

6.1 Background

As announced to the ASX on 28 September 2017, the Company issued 272,727,273 Shares and 68,181,818 free attaching Options under Listing Rule 7.1 and Listing Rule 7.1A to sophisticated and other investors to facilitate the completion of the Stage 1 Capital Expansion Optimisation Plan on the Company's Graphmada project, complete its final payment to Stratmin and provide for further exploration and working capital.

The purpose of Resolution 3 is for Shareholders to approve and ratify the issue of 135,912,600 Shares and 68,181,818 Options issued under Listing Rule 7.1.

The purpose of Resolution 4 is for Shareholders to approve and ratify the issue of 136,814,673 Shares issued under Listing Rule 7.1A.

The effect of Shareholders passing Resolutions 3 and 4 and ratifying the issue will be to restore the Company's ability to issue further capital to the maximum 15% limit during the next 12 months and increase the base figure (i.e. variable 'A') in which the Company's 15% and 10% annual placement capacities are calculated, which in turn will allow a proportionately higher number of securities to be issued without Shareholder approval.

6.2 ASX Listing Rules

Listing Rule 7.1 provides that, unless an exemption applies, a company must not, without prior approval of shareholders, issue or agree to issue Equity Securities if the Equity Securities will in themselves or when aggregated with the ordinary securities issued by the company during the previous 12 months, exceed 15% of the number of ordinary securities on issue at the commencement of that 12 month period.

Listing Rule 7.4 states that an issue by a company of securities made without approval under Listing Rule 7.1 is treated as having been made with approval for the purpose of Listing Rule 7.1 if the issue did not breach Listing Rule 7.1 and the company's members subsequently approve it. Issues made under Listing Rule 7.1A can also be ratified under Listing Rule 7.4.

Shareholder approval was not required under Listing Rule 7.1 for the issue by the Company of the 135,912,600 Shares and 68,181,818 Options to sophisticated and other investors. However, under Resolution 3, the Company now seeks Shareholder ratification of the issue of 135,912,600 Shares and 68,181,818 Options, so as to limit the restrictive effect of Listing Rule 7.1 on any further issues of Equity Securities by the Company in the next 12 months.

Shareholder approval was not required under Listing Rule 7.1A for the issue by the Company of the 136,814,673 Shares to sophisticated and other investors. However, under Resolution 4, the Company now seeks Shareholder ratification of the issue of 136,814,673 Shares, so as to limit the restrictive effect of Listing Rule 7.1A on any further issues of Equity Securities by the Company in the next 12 months.

6.3 Regulatory Requirements

For the purposes of ASX Listing Rule 7.5, the following information is provided to shareholders in relation to the issue of Shares:

(a) Number of securities issued

The total number of securities issued was 272,727,273 Shares and 68,181,818 Options. The amount of 135,912,600 Shares and 68,181,818 Options were issued under Listing Rule 7.1. 136,814,673 Shares were issued under Listing Rule 7.1A.

(b) Issue price

The Shares were issued at an issue price of \$0.011 per Share. The Options were free attaching to the Shares issued.

(c) Terms of the securities

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

The free attaching Options are listed, with an exercise price of \$0.025 and expiry date of 31 December 2018. A summary of the option terms is set out at Schedule 2.

(d) Basis upon which persons were issued Shares

The Shares were issued to sophisticated investors as determined by Bizzell Capital Partners Pty Ltd and Morgans Corporate Pty Ltd, none of whom are related parties of the Company.

(e) The use of the funds raised

A total of \$3,000,000 (less costs) was raised from the issue. The funds are to be used to conclude the Company's Stage 1 Capital Expansion and Optimisation Program, complete its final payment to Stratmin and to provide funding for further exploration and working capital.

(f) A voting exclusion statement in respect of Resolutions 3 and 4 are included in the Notice.

6.4 Recommendation

The Directors believe that the ratification of this issue is beneficial for the Company as it will restore the Company's ability to issue further capital to the maximum 15% limit during the next 12 months and increase the base figure (i.e. variable 'A') in which the Company's 15% and 10% annual placement capacities are calculated, which in turn will allow a proportionately higher number of securities to be issued without Shareholder approval. Accordingly, the Directors unanimously recommend that Shareholders vote in favour of Resolutions 3 and 4.

RESOLUTIONS 5 AND 6 – RATIFICATION OF PRIOR ISSUE OF SHARES AND OPTIONS

7.1 Background

As announced to the ASX on 20 October 2017, the Company issued 45,454,545 Shares and 11,363,636 free attaching Options under Listing Rule 7.1 and Listing Rule 7.1A to sophisticated and other investors to facilitate the completion of the Stage 1 Capital Expansion Optimisation Plan, complete its final payment to Stratmin and provide for further exploration and working capital (**Deferred Placement**).

The purpose of Resolution 5 is for Shareholders to approve and ratify the issue of 23,968,017 Shares and 11,363,636 Options issued under Listing Rule 7.1.

The purpose of Resolution 6 is for Shareholders to approve and ratify the issue of 21,486,528 Shares issued under Listing Rule 7.1A.

The effect of Shareholders passing Resolutions 5 and 6 and ratifying the issue will be to restore the Company's ability to issue further capital to the maximum 15% limit during the next 12 months and increase the base figure (i.e. variable 'A') in which the Company's 15% and 10% annual placement capacities are calculated, which in turn will allow a proportionately higher number of securities to be issued without Shareholder approval.

7.2 ASX Listing Rules

Listing Rule 7.1 provides that, unless an exemption applies, a company must not, without prior approval of shareholders, issue or agree to issue Equity Securities if the Equity Securities will in themselves or when aggregated with the ordinary securities issued by the company during the previous 12 months, exceed 15% of the number of ordinary securities on issue at the commencement of that 12 month period.

Listing Rule 7.4 states that an issue by a company of securities made without approval under Listing Rule 7.1 is treated as having been made with approval for the purpose of Listing Rule 7.1 if the issue did not breach Listing Rule 7.1 and the company's members subsequently approve it. Issues made under Listing Rule 7.1A can also be ratified under Listing Rule 7.4.

Shareholder approval was not required under Listing Rule 7.1 for the issue by the Company of the 23,968,017 Shares and 11,363,636 Options to sophisticated and other investors. However, under Resolution 5, the Company now seeks Shareholder ratification of the issue of 23,968,017 Shares and 11,363,636 Options, so as to limit the restrictive effect of Listing Rule 7.1 on any further issues of Equity Securities by the Company in the next 12 months.

Shareholder approval was not required under Listing Rule 7.1A for the issue by the Company of the 21,486,528 Shares to sophisticated and other investors. However, under Resolution 6, the Company now seeks Shareholder ratification of the issue of 21,486,528 Shares Options, so as to limit the restrictive effect of Listing Rule 7.1A on any further issues of Equity Securities by the Company in the next 12 months.

7.3 Regulatory Requirements

For the purposes of ASX Listing Rule 7.5, the following information is provided to shareholders in relation to the issue of Shares:

(a) Number of securities issued

The total number of securities issued was 45,454,545 Shares and 11,363,636 Options. The amount of 23,968,017 Shares and 11,363,636 Options were issued under Listing Rule 7.1. 21,486,528 Shares were issued under Listing Rule 7.1A.

(b) Issue price

The Shares were issued at an issue price of \$0.011 per Share. The Options were free attaching to the Shares issued.

(c) Terms of the securities

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

The free attaching Options are listed, with an exercise price of \$0.025 and expiry date of 31 December 2018. A summary of the option terms is set out at Schedule 2.

(d) Basis upon which persons were issued Shares

The Shares were issued to sophisticated investors as determined by Bizzell Capital and Morgans Corporate Pty Ltd, none of whom are related parties of the Company.

(e) The use of the funds raised

A total of \$500,000 (less costs) was raised from the issue. The funds are to be used to conclude the Company's Stage 1 Capital Expansion and Optimisation Program, complete its final payment to Stratmin and to further working capital.

(f) Voting exclusion statement

A voting exclusion statement in respect of Resolutions 5 and 6 are included in the Notice.

7.4 Recommendation

The Directors believe that the ratification of this issue is beneficial for the Company as it will restore the Company's ability to issue further capital to the maximum 15% limit during the next 12 months and increase the base figure (i.e. variable 'A') in which the Company's 15% and 10% annual placement capacities are calculated, which in turn will allow a proportionately higher number of securities to be issued without Shareholder approval. Accordingly, the Directors unanimously recommend that Shareholders vote in favour of Resolutions 5 and 6.

RESOLUTION 7 – APPROVAL OF CONDITIONAL PLACEMENT

8.1 Background

As announced to the ASX on 16 October 2017, the Company proposes to undertake a further placement to raise up to \$1,000,000 before costs on the same terms as the Deferred Placement, as outlined in Resolutions 5 and 6 and subject to the approval of shareholders at the Company's 2017 Annual General Meeting (**Conditional Placement**).

The purpose of the Conditional Placement is to pre-fund potential further Company exploration and Stage 2 Capital Expansion Studies.

The purpose of Resolution 7 is for Shareholders to approve the issue of 90,909,091 shares and 22,727,273 options.

The effect of Shareholders passing Resolution 7 and approving the issue will be to restore the Company's ability to issue further capital to the maximum 15% limit during the next 12 months and increase the base figure (i.e. variable 'A') in which the Company's 15% and 10% annual placement capacities are calculated, which in turn will allow a proportionately higher number of securities to be issued without Shareholder approval.

8.2 ASX Listing Rules

Listing Rule 7.1 provides that, unless an exemption applies, a company must not, without prior approval of shareholders, issue or agree to issue Equity Securities if the Equity Securities will in themselves or when aggregated with the ordinary securities issued by the company during the previous 12 months, exceed 15% of the number of ordinary securities on issue at the commencement of that 12 month period.

Any Equity Securities which a company has issued, or agreed to issue, with the approval of shareholders under ASX Listing Rule 7.1 will not count towards the 15% in 12 months limitation. The shares and options proposed to be issued under this resolution will be Equity Securities for the purposes of Listing Rule 7.1. By issuing these shares and options with shareholder approval, these shares and options will not form part of the 15% annual placement capacity.

8.3 Regulatory Requirements

For the purposes of ASX Listing Rule 7.3, the following information is provided to shareholders in relation to the issue of Shares:

(a) Maximum number of securities to be issued

The maximum number of securities to be issued is 90,909,091 Shares and 22,727,273 Options.

(b) Issue date

It is intended that the issue will occur on one date and no later than 3 months after the date of this meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules).

(c) Issue price

The Shares will be issued at an issue price of \$0.011 per Share. The Options are free attaching to the Shares issued.

(d) Terms of the securities

The Shares to be issued will be fully paid ordinary shares in the capital of the Company and issued on the same terms and conditions as the Company's existing ordinary shares and rank equally in all respects with the existing ordinary shares.

The free attaching Options will be listed, with an exercise price of \$0.025 and expiry date of 31 December 2018. A summary of the option terms is set out at Schedule 2.

(e) Basis upon which persons were issued Shares

The Shares will be issued to sophisticated investors as determined by Bizzell Capital and Morgans Corporate Pty Ltd, none of whom are related parties of the Company.

(f) The use of the funds raised

A total of \$1,000,000 (less costs) will be raised from the proposed issue. The funds are to be used to pre-fund further exploration programs and Stage 2 expansion studies.

(g) A voting exclusion statement in respect of Resolution 7 is included in the Notice.

8.4 Recommendation

The Directors unanimously recommend that Shareholders vote in favour of Resolution 7 as this will allow the Company to issue securities and raise funds whilst preserving the Company's 15% annual limit permitted by Listing Rule 7.1.

RESOLUTION 8 – ISSUE OF NEW SECURITIES ON THE CONVERSION OF THE CONVERTIBLE NOTES TO NON-RELATED PARTIES

9.1 Background

On 3 July 2017 the Company announced that it had agreed to issue approximately \$2 million in Convertible Notes to predominantly existing shareholders, directors and management in order to allow the Company to continue to fund its Stage 1 Capital Optimization and Expansion plan.

On 15 August 2017, the Company confirmed it had issued 2,073,500 Convertible Notes with a \$1 face value. The material terms and conditions of the Convertible Note Agreements are as follows:

- (a) Each Convertible Notes shall automatically convert to equity at 30 November 2017 if the Company has completed a capital raising and obtained the necessary shareholder approvals by that date;
- (b) Each Convertible Note will convert at the lower of 1.5 cents per share or the price at which the Company concludes a capital raising;
- (c) Each Convertible Note holder will receive 1 listed option (with an exercise price of 2.5c and expiry date of 31 December 2018) for each 2 shares that they will receive at the conversion date (30 November 2017);
- (d) The Shares issued on conversion will rank equally in all respects with the existing Shares on issue at that time;
- (e) Interest is payable at 12% per annum on the Convertible Notes and interest will accrue and also be converted to securities on the conversion date;
- (f) In the event the Convertible Notes do not convert to equity, they will be redeemable on 1 December 2017.

The Convertible Note Agreements otherwise contain provisions considered standard for agreements of this nature.

Resolution 8 is an ordinary resolution which seeks approval for the issue of 181,217,568 Shares and 135,913,176 Options on the conversion of the Convertible Notes held by Non-Related Convertible Noteholders and/or their nominee(s).

9.2 ASX Listing Rules

Listing Rule 7.1 provides that, unless an exemption applies, a company must not, without prior approval of shareholders, issue or agree to issue Equity Securities if the Equity Securities will in themselves or when aggregated with the ordinary securities issued by the company during the previous 12 months, exceed 15% of the number of ordinary securities on issue at the commencement of that 12 month period.

9.3 Regulatory Requirements

Listing Rule 7.3 requires the following information to be provided to Shareholders.

- (a) Maximum number of securities to be issued on conversion of the Convertible Notes under Resolution 8

The maximum number of securities to be issued is 181,217,568 Shares and 135,913,176 Options.

- (b) Issue date

It is intended that the issue will occur on one date and no later than 3 months after the date of this meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules).

- (c) Issue price

The deemed issue price for the Shares is \$0.011 per Share. The Options are free attaching to the Shares issued.

- (d) Terms of the securities

The Shares to be issued will be fully paid ordinary shares in the capital of the Company and issued on the same terms and conditions as the Company's existing ordinary shares and rank equally in all respects with the existing ordinary shares.

The free attaching Options will be listed, with an exercise price of \$0.025 and expiry date of 31 December 2018. A summary of the option terms is set out at Schedule 2.

- (e) Basis upon which persons were issued Shares

The securities are to be issued to Non-Related Convertible Noteholders. None of the new securities issued under this resolution are to be issued to related parties.

- (f) The use of the funds raised

No funds will be raised from the issue of the new securities. Funds raised on the issue of the Convertible Notes were used to continue with the completion of the Company's Stage 1 Capital Optimisation Plan and Working Capital.

- (g) A voting exclusion statement in respect of Resolution 8 is included in the Notice.

RESOLUTIONS 9, 10 AND 11 – ISSUE OF NEW SECURITIES ON THE CONVERSION OF THE CONVERTIBLE NOTES TO RELATED PARTIES

10.1 Background

On 3 July 2017 the Company announced that it had agreed to issue approximately \$2 million in Convertible Notes to predominantly existing shareholders, directors and management in order to allow the Company to continue to fund its Stage 1 Capital Optimization and Expansion plan.

On 15 August 2017, the Company confirmed it had issued 2,073,500 Convertible Notes with a \$1 face value. The material terms and conditions of the Convertible Note Agreements are set out in section 9.1.

Resolution 9 is an ordinary resolution which seeks approval for the issue of 9,416,345 Shares and 7,062,259 Options on the conversion of the Convertible Notes held by Nambia Pty Ltd, an entity controlled by Mr Rick Anthon, a related party to the Company.

Resolution 10 is an ordinary resolution which seeks approval for the issue of 1,082,880 Shares and 812,160 Options on the conversion of the Convertible Notes held by Mr Jeff Marvin, a related party to the Company.

Resolution 11 is an ordinary resolution which seeks approval for the issue of 3,531,130 Shares and 2,648,347 Options on the conversion of the Convertible Notes held by Macquarie River Holdings Pty Ltd and Macquarie River Holdings Pty Ltd <Castlereagh River Holdings Super Fund A/C>, entities controlled by Mr Peter Wright, a related party to the Company.

10.2 ASX Listing Rules

Shareholder approval for Resolutions 9, 10 and 11 will be sought under Listing Rule 10.11.

Listing Rule 10.11 requires a listed company to obtain Shareholder approval by ordinary resolution prior to the issue of securities to a related party. If Shareholder approval is obtained under Listing Rule 10.11, Shareholder approval is not required under Listing Rule 7.1 and the proposed issue will not be included in 15% annual limit permitted by Listing Rule 7.1.

10.3 Regulatory Requirements

For the purposes of Listing Rule 10.13, the following information is provided about the proposed issue:

- (a) The securities proposed to be issued under:
 - (i) Resolution 9 will be issued to Nambia Pty Ltd, an entity controlled by Mr Rick Anthon, Director of the Company, and therefore a related party of the Company.
 - (ii) Resolution 10 will be issued to Mr Jeff Marvin, Director of the Company, and therefore a related party of the Company.
 - (iii) Resolution 11 will be issued to Macquarie River Holdings Pty Ltd and / or nominees, an entity controlled by Mr Peter Wright, Director of the Company, and therefore a related party of the Company.
- (b) The maximum number of securities to be issued under:
 - (i) Resolution 9 is 9,416,345 Shares and 7,062,259 Options.
 - (ii) Resolution 10 is 1,082,880 Shares and 812,160 Options.
 - (iii) Resolution 11 is 3,531,130 Shares and 2,648,347 Options.
- (c) The securities will be issued no later than 1 month after the date of the meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules).
- (d) The Shares proposed to be issued under Resolutions 9, 10 and 11 will be issued at a deemed issue price of \$0.011 per Share. The Options are free attaching to the Shares issued.
- (e) The Shares to be issued will be fully paid ordinary shares in the capital of the Company and issued on the same terms and conditions as the Company's existing ordinary shares and rank equally in all respects with the existing ordinary shares.
 The free attaching Options will be listed, with an exercise price of \$0.025 and expiry date of 31 December 2018. A summary of the option terms is set out at Schedule 2.
- (f) No funds will be raised from the issue of the new securities. Funds raised on the issue of the Convertible Notes were used to continue with the completion of the Company's Stage 1 Capital and Optimisation Plan and working capital.
- (g) A voting exclusion statement is included in the Notice.

RESOLUTION 12 – ISSUE OF SHARES AND OPTIONS TO JOINT LEAD MANAGER

11.1 Background

On 15 August 2017, the Company announced the issue of 2,073,500 Convertible Notes to raise \$2,073,500 (**Convertible Note Issue**).

Bizzell Capital Partners acted as Manager to the Convertible Note Issue and the Company agreed to pay the Manager a management fee of 6% of the total amount raised under Convertible Note Issue.

On 20 September 2017, the Company announced a capital raising which involved a placement, entitlement offer and deferred placement to raise \$ 6 million (**Capital Raising**).

Bizzell Capital Partners and Morgans Corporate Limited acted as joint lead managers and underwriters (**Joint Lead Managers and Underwriters**) to the Capital Raising.

The Company agreed to pay the Joint Lead Managers a management fee of 2% of the total amount raised under the Capital Raising and a placement fee or 4% of the total amount raised under the placement and deferred placement. The Joint Lead Managers were also entitled to receive an underwriting fee of 4% on the amount underwritten in respect of the entitlement offer.

In addition, the Company will issue listed options to Bizzell Capital Partners or its nominee(s) representing 2 options for every dollar raised under the Capital Raising.

The Company is seeking approval to issue up to 10,174,361 Shares and 25,794,309 Options to Bizzell Capital Partners or its nominees as a part of their fees for managing the Company's recent equity raisings.

11.2 ASX Listing Rules

Listing Rule 7.1 provides that, unless an exemption applies, a company must not, without prior approval of shareholders, issue or agree to issue Equity Securities if the Equity Securities will in themselves or when aggregated with the ordinary securities issued by the company during the previous 12 months, exceed 15% of the number of ordinary securities on issue at the commencement of that 12 month period.

Any Equity Securities which a company has issued, or agreed to issue, with the approval of shareholders under ASX Listing Rule 7.1 will not count towards the 15% in 12 months limitation. The options proposed to be issued under this resolution will be Equity Securities for the purposes of Listing Rule 7.1. By issuing these options with shareholder approval, these options will not form part of the 15% annual placement capacity.

11.3 Regulatory Requirements

For the purposes of ASX Listing Rule 7.3, the following information is provided to Shareholders in relation to the issue of the Options:

- (a) Maximum number of securities to be issued

The maximum number of securities to be issued is 10,174,361 Shares and 25,794,309 Options.

- (b) Issue date

It is intended that the issue will occur on one date and no later than 3 months after the date of this meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules).

- (c) Issue price

The Options will be issued for nil cash consideration.

- (d) Terms of the securities

The Shares issued will be fully paid ordinary shares in the capital of the Company and issued on the same terms and conditions as the Company's existing ordinary shares and rank equally in all respects with the existing ordinary shares.

The terms of the Options are included in Schedule 2 and are the same as options to be issued under the entitlement offer.

- (e) Persons to whom Options will be issued

The Shares and Options will be issued to Bizzell Capital Partners Pty Ltd and/or nominees/s.

- (f) Intended use of funds

No funds will be raised by the issue of the Shares and Options. Any funds raised from the exercise of the Options will be used for working capital.

- (g) Voting exclusion statement

A voting exclusion statement in respect of Resolution 12 is included in the Notice.

11.4 Recommendation

The Directors unanimously recommend that Shareholders vote in favour of Resolution 12 as this will allow the Company to issue securities and raise funds whilst preserving the Company's 15% annual limit permitted by Listing Rule 7.1.

12. RESOLUTION 13: APPROVAL OF 10% PLACEMENT CAPACITY

12.1 General

ASX Listing Rule 7.1A enables eligible entities to issue Equity Securities up to 10% of their issued capital through placements over a 12 month period after the annual general meeting ("**10% Placement Facility**"). The 10% Placement Facility is in addition to the Company's 15% placement capacity 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. The Company is an eligible entity, having a market capitalisation of \$28,033,476 as at the date of this Notice.

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

The exact number of Equity Securities to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to Section 12.2(c) below).

The Directors believe that Resolution 13 is in the best interest of the Company and unanimously recommend that Shareholders vote in favour of this Resolution.

12.2 Description of Listing Rule 7.1A

(a) Shareholder approval

The ability to issue Equity Securities under the 10% Placement Facility is subject to Shareholder approval by way of a special resolution at an annual general meeting.

Resolution 13 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

(b) Equity Security

Any Equity Securities issued under the 10% Placement Facility must be in the same class as an existing quoted class of Equity Securities of the Company.

As at the date of the Annual General Meeting, the Company has two classes of quoted Equity Securities, being:

- (i) 1,914,353,002 Shares; and
- (ii) 481,398,451 Listed Options exercisable at \$0.025 and expiring 31 December 2018.

(c) Formula for calculating 10% 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:

- (a) plus the number of fully paid shares issued in the 12 months under an exception in Listing Rule 7.2;
- (b) plus the number of partly paid shares that became fully paid in the 12 months;
- (c) 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 ordinary shares under the entity's 15% placement capacity without shareholder approval;
- (d) 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 under Listing Rule 7.1.

At the date of the Annual General Meeting, the Company has on issue 1,914,353,002 Shares therefore has a capacity to issue:

- (i) 287,152,950 Equity Securities under Listing Rule 7.1, and
- (ii) 194,435,300 shares under Listing Rule 7.1A, subject to the Shareholder approval being sought under Resolution 13.

The actual number of Equity Securities that the Company will have capacity to issue under Listing Rule 7.1A 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 Section 12.2(c) above).

(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 with reference to over the previous 15 trading days on which trades in the relevant class of shares 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% 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**").

12.3 Listing Rule 7.1A

The effect of Resolution 13 will be to allow the Directors to issue the Equity Securities under Listing Rule 7.1A during the 10% Placement Period without using the Company's 15% placement capacity under Listing Rule 7.1.

Resolution 13 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

12.4 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% Placement Facility as follows:

- (a) The Equity Securities will be issued at an issue price of not less than 75% of the VWAP of the Company's Equity Securities in the same class calculated over previous 15 trading days on which trades in the relevant class of shares 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.

- (b) If Resolution 13 is approved by Shareholders and the Company issues Equity Securities under the 10% 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 Annual General 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 the 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 below table shows the dilution of existing Shareholders on the basis of the current market price of Shares and the current number of ordinary securities for variable 'A' calculated in accordance with the formula in Listing Rule 7.1A(2) as at the date of this Notice. The formula in Listing Rule 7.1A.2 is shown in Section 12.2(c) above.

The table also shows:

- (i) Two examples where variable 'A' has increased, by 50% and 100%. Variable 'A' is based on the number of Shares the Company has on issue as at the date of the Annual General Meeting. The number of Shares 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.

Variable 'A' in Listing Rule 7.1A.2		Dilution		
		\$0.0075 50% decrease in Issue Price	\$0.015 Issue Price	\$0.0225 50% increase in Issue Price
Current Variable A 1,914,353,002 Shares	10% Voting Dilution	191,435 Shares	191,435 Shares	191,435 Shares
	Funds Raised	\$1,435,764	\$2,871,525	\$4,307,287
50% increase in current Variable A 2,871,529,503 Shares	10% Voting Dilution	287,152,950 Shares	287,152,950 Shares	287,152,950 Shares
	Funds Raised	\$2,153,647	\$4,307,294	\$6,685,941
100% increase in current Variable A 3,828,706,004 Shares	10% Voting Dilution	382,870,600 Shares	382,870,600 Shares	382,870,600 Shares
	Funds Raised	\$2,871,529	\$5,743,059	\$8,614,588

The table has been prepared on the following assumptions:

- (i) The Company issues the maximum number of Equity Securities available under the 10% Placement Facility.
- (ii) 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%.
- (iii) The table does not show an example of dilution that may occur to a particular Shareholder by reason of placements under the 10% Placement Facility, based on that Shareholder's holding at the date of the Annual General Meeting.
- (iv) The table shows only the effect of issue of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.
- (v) The issue of Equity Securities under the 10% Placement Facility consists only of Shares. If the issue of Equity Securities includes Options, it is assumed that those Options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.
- (vi) The issue price is \$0.015 being the closing price of the Shares on ASX on 19 October 2017.

- (c) The Company will only issue and allot the Equity Securities during the 10% Placement Period.
- (d) The Company may seek to issue the Equity Securities for the following purposes:
 - (i) to raise funds, for the identification and evaluation of new project opportunities where its exploration skills and development experiences can add value to provide Bass Shareholders exposure to a greater project and commodity diversity. Funds may be applied to an acquisition of new assets or investments (including expenses associated with any such acquisitions), continued exploration and expenditure on its existing assets and /or general working capital; or
 - (ii) Non-cash consideration for the acquisition of new assets and investments. In such circumstances the Company will provide a valuation of the non-cash consideration as required by Listing Rule 7.1A.3.

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

The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% 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 issues or other issues 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 advisors (if applicable).

The allottees under the 10% Placement Facility have not been determined as at the date of this Notice of Annual General Meeting but may include existing substantial 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 projects, assets or investments, it is possible that the allottees under the 10% Placement Facility may include vendors of the new resources, assets or investments.

Previous issues of Equity Securities made in the 12 months preceding the Meeting

In the 12 months preceding the date of the AGM, the Company has issued 857,757,300 Equity Securities. This represents approximately 56% of the total number of Equity Securities on issue at the commencement of that 12 month period.

Details of all issues of Equity Securities by the Company during the 12 months preceding the date of the AGM are set out in Schedule 1.

13. DEFINITIONS

In this Explanatory Statement:

ADST means Australian Eastern Daylight Saving Time as observed in Sydney NSW.

Annual General Meeting means the meeting of the Shareholders convened for the purposes of considering the Resolutions contained in the Notice of Annual General Meeting.

ASX means the Australian Securities Exchange or ASX Limited (ABN 98 008 624 691), as the context requires.

Board means the Board of Directors of the Company.

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)*.

Company or **Bass Metals** means Bass Metals Limited ACN 109 933 995.

Conditional Placement means the placement the subject of Resolution 7.

Convertible Note Agreements means the convertible note agreements between the Company and Convertible Noteholders.

Convertible Noteholders means holders of the Convertible Notes.

Convertible Notes means the convertible notes issued pursuant to the Convertible Note Agreements.

Corporations Act means the Corporations Act 2001 (Cth).

Deferred Placement means the placement the subject of Resolutions 5 and 6.

Director means a director of the Company.

Equity Securities has the same meaning as in the Listing Rules.

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

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 (whether executive or otherwise) of the Company.

Listing Rules means the listing rules of the ASX.

Non-Related Convertible Noteholders means the Convertible Noteholders other than Related Party Convertible Noteholders.

Notice of Annual General Meeting means the notice convening the Annual General Meeting accompanying this Explanatory Statement.

Option means an option to subscribe for a Share.

Proxy Form means the form of proxy accompanying this Notice of Annual General Meeting.

Related Party means a party so defined by section 228 of the Corporations Act.

Related Party Convertible Noteholders means Nambia Pty Ltd, Mr Jeff Marvin and Macquarie River Holdings Pty Ltd.

Remuneration Report means the remuneration report set out in the Directors' report section of the Company's annual financial report for the year ended 30 June 2014.

Resolution means a resolution proposed to be passed at the Annual General Meeting and contained in the Notice of Annual General Meeting.

Section means a section of the Notice of Annual General Meeting.

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

Shareholder means a person entered in the Company's register as a holder of a Share.

Spill Meeting has the meaning given in section 4.1 of this Explanatory Statement.

Spill Resolution has the meaning given in section 4.1 of this Explanatory Statement.

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.

SCHEDULE 1: Information Required by Listing Rule 7.3A.6(b)

Date of issue	Number of equity securities issued	Class and summary of terms of equity securities	Names of persons who received securities or basis on which those person was determined	Price and discounts to market price (if any) of equity securities issued	Amount of cash consideration OR The non-cash consideration that was paid and the current value of that non-cash consideration
29/12/2016	175,000,000	Shares	Sophisticated investors	\$0.013 per Share (representing a 7.1% discount to the closing price on the date of the issue)	\$2,275,000 Amount spent: \$2,275,000 The amount of \$2,140,000 from this raising was used to fund further acquisition payments to Stratmin Global Resources Plc as outlined in our market release of 15 December 2016.
15/08/2017	62,000,000	Performance Rights	Rick Anthon, Jeff Marvin, Peter Wright, Tim McManus, David Round	Nil	\$403,713 (non-cash)
15/08/2017	54,000,000	Unlisted Options exercisable at 2.5 cents, 5 cents, 7.5 cents and 10 cents. All expiring on 31/12/2018	Rick Anthon, Jeff Marvin, Peter Wright	Nil	\$256,660 (non-cash)
28/09/2017	272,727,273 Shares and 68,181,818 free attaching Options	Shares Listed Options exercisable at 2.5 cents on or before 31/12/2018	Sophisticated investors	\$0.011 per Share (representing a 8.3% discount to the closing price on the date of the issue)	\$3,000,000 Amount spent: \$489,000 \$197,727 (non-cash) Funds spent on plant and equipment, production costs and company working capital. The Company intends to spend the remaining funds on completion of its Stage 1 Capital Expansion and Optimisation Program, complete its final payment to Stratmin and provide funding for further exploration and working capital.

Date of issue	Number of equity securities issued	Class and summary of terms of equity securities	Names of persons who received securities or basis on which those person was determined	Price and discounts to market price (if any) of equity securities issued	Amount of cash consideration OR The non-cash consideration that was paid and the current value of that non-cash consideration
28/09/2017	74,131,738 Shares and 18,532,934 free attaching options	Shares Listed Options exercisable at 2.5 cents on or before 31/12/2018	Accelerated Component of Company's Entitlement Rights Issue	\$0.011 per Share (representing a 8.3% discount to the closing price on the date of the issue)	\$815,449 Amount spent: \$0 \$53,745 (non-cash) The Company intends to spend the funds for the capital and operational expenditure on the Company's Graphmada project, exploration at Andapa/Millie's Reward and general working capital.
16/10/2017	153,892,717 Shares and 38,473,179 free attaching Options	Shares Listed Options exercisable at 2.5 cents on or before 31/12/2018	Entitlement Rights Issue	\$0.011 per Share (representing a 21.4% discount to the closing price on the date of the issue)	\$1,692,820 Amount spent: \$0 \$146,198 (non-cash) The Company intends to spend the funds for the capital and operational expenditure on the Company's Graphmada project, exploration at Andapa/Millie's Reward and general working capital.
19/10/2017	45,454,545 Shares and 11,363,636 free attaching Options	Shares Listed Options exercisable at 2.5 cents on or before 31/12/2018	Sophisticated investors	\$0.011 per Share (representing a 21.4% discount to the closing price on the date of the issue)	\$500,000 Amount Spent : \$0 \$45,454 (non-cash) The Company intends to spend the \$500,000 on the completion of its Stage 1 Capital Expansion and Optimisation Program, complete is final payment to Stratmin and to further working capital.

Notes:

1. Current value of Shares is calculated based on the ASX closing price of the Shares on 19 October 2017, being \$0.015.
2. Sophisticated investors for the placements on 28/09/2017 and 19/10/2017 are set out in the Voting Prohibitions and Exclusion Statements.

SCHEDULE 2: Option Terms

- (a) Subject to adjustment in accordance with these terms and conditions, the holder is entitled to subscribe for the allotment and issue of one fully paid ordinary share in the Company upon payment of the Exercise Price before the Expiry Date (**Option**);
- (b) The exercise price of each Option is \$0.025 (**Exercise Price**);
- (c) An Option is exercisable at any time after the date of grant and on or before 5:00pm (Brisbane time) on 31 December 2018 (**Expiry Date**). Options not exercised by the Expiry Date lapse and will be cancelled;
- (d) The Company will at least 10 Business Days before the Expiry Date send notices to the Option holder stating the name of the Option holder, the number of Options held and the number of securities to be issued of the option, the exercise price, the due date for payment and the consequences of non-payment;
- (e) Each Option may be exercised in writing to the Company at its registered office accompanied by the Option certificate and payment of the required Exercise Price. All cheques must be payable to the Company and be crossed not negotiable;
- (f) After an Option is validity exercised, the Company must:
 - (i) issue and allot the shares within 10 Business Days of the exercise of the Option; and
 - (ii) subject to the securities of the Company being listed on ASX and to any restrictions imposed on the Options or shares issued upon exercise of the Options under the Listing Rules of ASX, do all such acts matters and things to obtain the grant of quotation for the shares on ASX no later than 3 Business Days after the date of issue and allotment of the shares;
- (g) Shares issued on the exercise of Options will rank equally with all existing shares on and from the date of issue in all respects;
- (h) Upon the issue of the Options, the Company is to apply to the ASX for the Options to be listed as a tradeable security on the ASX. At all times (pending the listing and upon listing), the Options may be transferred in the same manner as shares unless classified as restricted securities under the ASX Listing Rules and may be exercised by any other person or body corporate;
- (i) An Option holder may participate in new issues of securities to holders of shares only if and to the extent that:
 - (i) an Option has been exercised; and
 - (ii) a Share has been issued in respect of the exercise before the record date for determining entitlements to the new issue;
- (j) If the Company makes a bonus issue of shares of other securities to existing Shareholders (other than an issue in lieu or in satisfaction, of dividends or by way of dividend reinvestment):
 - (i) the number of shares which must be issued on the exercise of an Option will be increased by the number of shares which the Option holder would have received if the Option holder had exercised the Option before the record date for the bonus issue; and
 - (ii) no change will be made to the Exercise Price;
- (k) If the Company makes an issue of shares pro-rata to existing Shareholders (other than an issue in lieu of in satisfaction of dividends or by way of dividend reinvestment) the exercise price of an Option will be reduced according to the following formula:

$$O_n = \frac{O - E [P - (S + D)]}{N + 1}$$

Where:

- O_n = the new exercise price of the Option;
- O = the old exercise price of the Option;
- E = the number of underlying securities into which one Option is exercisable;

P = the average market price per security (weighted by reference to volume) of the underlying securities during the 5 trading days ending on the day before the ex right date or the ex entitlements date;

S = the subscription price for a security under the pro rata issue;

D = the dividend due but not yet paid on the existing underlying securities (except those to be issued under the pro rata issue);

N = the number of securities with rights or entitlements that must be held to receive a right to one new security.

- (I) If there is a reorganisation of the issue capital of the Company (including a consolidation, sub-division, reduction or return of capital), then the rights of the holder of an Option will be changed to the extent necessary to comply with the ASX Listing Rules applying to a reorganisation of capital at the time of the reorganisation.

BSM

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

Lodge your vote:



Online:
www.investorvote.com.au



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

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Vote and view the annual report online

- Go to www.investorvote.com.au or scan the QR Code with your mobile device.
- Follow the instructions on the secure website to vote.

Your access information that you will need to vote:

Control Number: 999999

SRN/HIN: I9999999999 PIN: 99999

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



 **For your vote to be effective it must be received by 11.00am (AEST) Sunday, 26 November 2017**

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 for Postal Forms

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

Joint Holding: Where the holding is in more than one name, all of the securityholders 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 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.

**GO ONLINE TO VOTE,
or turn over to complete the form →**

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

I ND

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 Bass Metals 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 Bass Metals Limited to be held at Bizzell Capital Partners, Level 9, Waterfront Place, 1 Eagle Street, Brisbane, Queensland on Tuesday, 28 November 2017 at 11.00am (AEST) 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 Resolution 1 (except where I/we have indicated a different voting intention below) even though Resolution 1 is connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

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 Resolution 1 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			For	Against	Abstain
Resolution 1	Adoption of Remuneration Report	☐	☐	☐	Resolution 9	Issue of New Securities on the conversion of the Convertible Notes to a related party – Nambia Pty Ltd	☐	☐	☐
Resolution 2	Re-election of Director – Mr. Rick Anthon	☐	☐	☐	Resolution 10	Issue of New Securities on the conversion of the Convertible Notes to a related party – Mr Jeff Marvin	☐	☐	☐
Resolution 3	Ratification of Prior Issue of Shares and Options	☐	☐	☐	Resolution 11	Issue of New Securities on the conversion of the Convertible Notes to a related party – Macquarie River Holdings Pty Ltd or its nominee	☐	☐	☐
Resolution 4	Ratification of Prior Issue of Shares	☐	☐	☐	Resolution 12	Issue of Shares and Options to Joint Lead Manager	☐	☐	☐
Resolution 5	Ratification of Prior Issue of Shares and Options	☐	☐	☐	Resolution 13	Approval of 10% Placement Facility	☐	☐	☐
Resolution 6	Ratification of Prior Issue of Shares	☐	☐	☐					
Resolution 7	Approval of Conditional Placement	☐	☐	☐					
Resolution 8	Issue of New Securities on the conversion of the Convertible Notes to non-related parties	☐	☐	☐					

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

B S M

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Computershare +